

**CITY COUNCIL AGENDA TOPIC**

Ordinance 1) authorizing an increase in the construction contract with Goodfellow Brothers, Inc. (GBI) (Bid No. 24009) by \$2,242,569.06 for a total contract amount of \$14,043,637.63, plus all applicable taxes, for the 130th Avenue NE – Bel-Red Road to NE 20th Street Project (CIP Plan No. PW-R-170); 2) amending the 2025-2026 General Capital Improvement Program (CIP) Fund to increase the appropriation by \$2,800,000; and, 3) amending the 2025-2030 General CIP Plan to increase the budget for the 130th Avenue NE – Bel-Red Road to NE 20th Street Project (CIP Plan No. PW-R-170) by \$2,800,000.

Andrew Singelakis, Transportation Director, 452-6468  
Maher Welaye, Assistant Director, Transportation, 452-4879  
Kyle Potuzak, Design Engineering Manager, 452-2027  
Dale Lydin, Construction Manager 452-4158  
Paul Krawczyk, Project Manager, 452-7905  
*Transportation Department*

**EXECUTIVE SUMMARY****ACTION**

This Ordinance increases the construction contract with Goodfellow Brothers, Inc. (GBI) by \$2,242,569.06 for a total contract amount of \$14,043,637.63, plus all applicable taxes, for the 130<sup>th</sup> Avenue NE – Bel-Red Road to NE 20<sup>th</sup> Street Project and amends the 2025-2030 General Capital Improvement Program Plan (CIP Plan).

**RECOMMENDATION**

Move to adopt Ordinance No. 6831

**BACKGROUND/ANALYSIS**

The 130<sup>th</sup> Avenue NE – Bel-Red Road to NE 20<sup>th</sup> Street Project (CIP Plan No. PW-R-170) is part of the broad BelRed Plan and Transportation vision of supporting planned growth and economic vitality, improving access and circulation, and capturing synergistic opportunities with Sound Transit's East Link Project. This is the final project in a series of transportation projects funded in part by a 2017 Federal Transportation Infrastructure Finance and Innovation Act (TIFIA) loan from the United States Department of Transportation.

130<sup>th</sup> Avenue NE, between Bel-Red Road and NE 20<sup>th</sup> Street, is an existing two-lane street with no designated bike lanes and minimal sidewalks. The 130<sup>th</sup> Avenue NE Project redevelops the existing roadway, adding bike lanes, sidewalks, and landscaping along the corridor. The segment north of NE Spring Boulevard is envisioned by the Bel-Red Subarea Plan to be a retail/pedestrian corridor and will include on-street parking. Other improvements include intersection improvements, illumination, urban design, irrigation, storm drainage, water quality treatment, and other underground utilities.

On March 18, 2024, Council awarded Bid No 24009 for the 130<sup>th</sup> Avenue NE – Bel-Red Road to NE 20<sup>th</sup> Street Project to Goodfellow Brothers, Inc. (ACI) as the lowest and responsive bidder, in the

amount of \$11,801,068.57, Construction of the project began on April 22, 2024 and is currently over 50 percent complete, with major work activities soon shifting from the west side of 130<sup>th</sup> Avenue NE to the east side. Substantial completion of the construction contract is anticipated to be issued by the end of 2025.

Several challenges were encountered during construction, including unforeseen traffic control hour quantity overruns, utility conflicts, storm sewer pipe removal costs and third-party work impacts not included in the original contract. Quantity overruns are primarily attributable to the use of additional flagging hours and signage necessary to provide safe access to businesses along 130<sup>th</sup> Avenue NE corridor during active construction.

Utility conflicts encountered on this project were not identified by private utilities (primarily Puget Sound Energy-PSE). Some of the costs attributable to private utility relocation and conflicts are anticipated to be recouped from franchise utility companies (Puget Sound Energy).

All executed and pending change orders have resulted in an estimated increase in cost of the construction contract of \$2,242,569.06 which is approximately 19 percent of the original contract amount authorized by Council.

## **POLICY & FISCAL IMPACTS**

### **Policy Impact**

Comprehensive Plan:

- TR-103. Promote and facilitate walking and bicycling.
- S-BR-25: Design and develop an outstanding street environment that promotes streets as key urban places, sensitive to their context and providing an interesting and aesthetically rich experience.
- S-BR-59: Design Bel-Red arterials and local streets in a manner that contributes to community character, open space, and environmental enhancements.
- S-BR-62: Include pedestrian and bicycle facilities in the design of arterials and local streets.
- S-BR-78: Implement the Bel-Red Subarea Plan through a combination of development regulations and incentives, capital investments, and other public and private strategies.

### **Fiscal Impact**

#### Construction Contract Increase

This action will authorize an increase to the construction contract with Goodfellow Brother, Inc. (GBI) (Bid No. 24009) by \$2,242,569.06 for a total contract amount of \$14,043,637.63, plus all applicable taxes, for the 130<sup>th</sup> Avenue NE – Bel-Red Road to NE 20<sup>th</sup> Street Project (CIP Plan No. PW-R-170). The increase is approximately 19 percent over the original contract amount. With the CIP Plan amendment that is part of this action, sufficient funding exists in the 2025-2030 CIP to complete this project. The construction contract will be funded with the following programs:

CIP Plan No.	Description	Original Contract	Change Orders	Revised Contract
PW-R-170	130th Avenue NE - Bel-Red Road to NE 20th Street	\$10,924,550.70	\$2,242,569.06	\$13,167,119.76
W-16	Water Main Replacement	876,517.87		876,517.87
<b>Total Funding</b>		<b>\$11,801,068.57</b>	<b>\$2,242,569.06</b>	<b>\$14,043,637.63</b>

Below are the approved and still pending change orders that comprise tonight's action:

<b>Original Contract Amount:</b>	<b>\$11,801,068.57</b>
<b>Change Orders</b>	
Change Order #1 – Sales Tax Adjustment	\$ 377.87
Change Order #2 – Nighttime Premium Water Tie-in	\$ 16,537.27
Change Order #3 – Bench Revision	\$ 9,053.92
Change Order #4 – Decommission Well 2	\$ 2,000.00
Change Order #5 – Adjust Monument Case and Cover	\$ 4,600.00
Change Order #6- Laydown Yard	\$ 0.00
Change Order #7 – Unforeseen Utility Conflicts	\$ 110,000.00
Change Order # 8– Flaggers and Other traffic control	\$ 950,000.00
Change Order # 9 – Removing Pipe	\$ 510,000.00
Change Order #10 – Project delays	\$ 140,000.00
Change Order #11 – Potholing	\$ 160,000.00
Change Order #12 – Driveway Revisions	\$ 180,000.00
Change Order #13 – Added ductile iron pipe	\$ 85,000.00
Change Order #14 – Relocation of water appurtenances	\$ 75,000.00
<b>Total Change Orders</b>	<b>\$ 2,242,569.06</b>
<b>Total Revised Contract Amount</b>	<b>\$14,043,637.63</b>

CIP Plan Amendment

This action will also amend the 2025-2026 General CIP Fund to increase the fund appropriation by \$2,800,000 and the 2025-2030 General CIP to increase the budget for the 130<sup>th</sup> Avenue NE - Bel-Red Road to NE 20<sup>th</sup> Street Project (CIP Plan No. PW-R-170) by \$2,800,000. This action will fund the contract increase of \$2,242,569.06 and provide a \$557,430.94 contingency for the remainder of construction, for a total project budget of \$25,496,071. This project is included in the City's Transportation Infrastructure Finance and Innovation Act (TIFIA) loan program, which has existing loan capacity to fully fund this increase.

**OPTIONS**

1. Adopt the Ordinance 1) authorizing an increase in the construction contract with Goodfellow Brothers, Inc. (GBI) (Bid No. 24009) by \$2,242,569.06 for a total contract amount of \$14,043,637.63, plus all applicable taxes, for the 130th Avenue NE – Bel-Red Road to NE 20th Street Project (CIP Plan No. PW-R-170); 2) amending the 2025-2026 General Capital Improvement Program (CIP) Fund to increase the appropriation by \$2,800,000; and, 3) amending the 2025-2030

General CIP Plan to increase the budget for the 130th Avenue NE – Bel-Red Road to NE 20th Street Project (CIP Plan No. PW-R-170) by \$2,800,000.

2. Do not adopt the Ordinance and provide alternative direction to staff.

## **ATTACHMENTS**

- A. Vicinity Map
  - B. CIP Project Description (PW-R-170)
  - C. CIP Project Description (W-16)
- Proposed Ordinance No. 6831

## **AVAILABLE IN COUNCIL LIBRARY**

N/A