

CITY COUNCIL AGENDA MEMORANDUM

SUBJECT:

- A. Motion to reject the bid protest from Johansen Excavating Inc. and award Bid No. 15102, Northup Way Connection to the SR 520 Trail (CIP Plan No. PW-R-146) to 3 Kings Environmental, Inc., as the lowest responsible and responsive bidder, in the amount of \$7,547,281.25.
- B. Ordinance No. 6261:
 - (1) Authorizing execution (and supplements as necessary) of an Interlocal Agreement between the City of Bellevue and the Washington State Department of Transportation (WSDOT) for construction of pedestrian and bicycle improvements along Northup Way (GCB 2028, Northup Way Corridor Improvements); and
 - (2) Amending the 2015-2016 General Capital Investment Program (CIP) Fund to increase the appropriation by \$2,800,000; and
 - (3) Amending the 2015-2021 CIP Plan to increase the budget for the Northup Way Corridor Improvements project (CIP Plan No. PW-R-146) by \$2,800,000 in Connecting Washington Tiered Pedestrian & Bicycle Safety Project State Funding.

FISCAL IMPACT:

Interlocal Agreement

Through this agreement, the Washington State Department of Transportation (WSDOT) agrees to reimburse the City of Bellevue the maximum amount \$5,141,000.00. This amount is included in and fulfills a commitment of \$8,000,000, as authorized and agreed to under the Agreement GCA 6668, SR 520 Interim Regional Pedestrian and Bicycle Path.

Connecting Washington Tiered Pedestrian & Bicycle Safety Project State Funding Award

The action will increase the PW-R-146 project budget and the 2015-2016 General CIP fund appropriation by \$2,800,000. On November 9, 2015, the City was formally notified that the Northup Way Corridor Improvements (also known as the SR 520 Regional Bike Path – Trail project) was selected to receive up to the \$2,800,000 in Connecting Washington funding. Based on the direction received from the Local Programs Office of the WSDOT, the funding will be made available to the City on a reimbursable basis by supplement to an existing Local Agency Agreement between the agencies. That agreement was previously authorized by the City Council on February 18, 2014 (Ordinance No. 6150). Staff however continues to work with the WSDOT to ensure that the funding process is in line with the intent of the legislation, specifically as to whether the funds are treated on a reimbursable basis or as full allocation of the amount appropriated to the project.

This project will be fully funded by WSDOT funds, Connecting Washington Transportation funds, a Federal Transportation Alternatives Program (TAP) Grant, and local funding in the City's 2015-2021 CIP. The table below provides the amended total project budget by funding source.

Bid Award

Awarding this bid will obligate the City to enter into a contract for \$7,547,281.25 for the construction of the proposed improvements on Northup Way. This amount is approximately 6% under the Engineer's Estimate.

Funding Source	Amount
State Funds	
GCA 6668: SR 520 Interim Regional Pedestrian and Bicycle Path	\$ 2,859,000.00
GCB 2028: Northup Way Corridor Improvements	\$ 5,141,000.00
Added: Connecting Washington Transportation Funds	\$ 2,800,000.00
Total State Funds	\$ 10,800,000.00
Federal Transportation Alternatives Program (TAP) Grant	\$ 2,215,820.00
Local Funds	\$ 1,510,250.00
New Project Budget	\$ 14,526,070.00

STAFF CONTACT:

Dave Berg, Director, 452-6468

Ron Kessack, Assistant Director, 452-4631

Mike Mattar, Design Manager, 452-4318

Steve Costa, Senior Project Manager, 452-2845

Transportation Department

POLICY CONSIDERATION:

Supports Council Interest Statements and Regional Investment Policies

This proposal supports completing a major east-west non-motorized system through Bellevue, is intended to provide for an array of safe travel choices, and reflects regional transportation investment policies approved by Council and reflected in a number of Council interest statements, including an October 2012 letter to Chair Judy Clibborn of the House Transportation Committee from Mayor Conrad Lee of the City of Bellevue and Mayor Joan McBride of the City of Kirkland requesting additional project support.

Consistent with 2009 Ped/Bike Plan and 2015-21 Capital Investment Program

This project has high priority and is consistent with the 2009 Pedestrian and Bicycle Transportation Plan Report. Council approved this project as part of the 2015–2021 CIP. The project will:

- Work actively and cooperatively with other Eastside jurisdictions and regional and state agencies to plan, design, fund and construct regional transportation projects that carry out the City's transportation and land use goals (Policy TR-2);
- Provide regional and local pedestrian and bicycle system connectivity to neighborhoods, commercial uses, transit, and transportation facilities including the SR 520 Regional Trail, the Lake Washington Loop Trail, 116th Avenue NE, and 120th Avenue NE;

- Improve safety along the Northup Way corridor for pedestrians and bicyclists by separating them from vehicular travel lanes; and,
- Address pedestrian and bicycle goals within the Comprehensive Plan.

BACKGROUND:

The Northup Way Connection to the SR520 Trail, (CIP Plan PW-R-146), which entails construction of bike lane and sidewalk improvements on Northup Way between NE 24th Street and NE 33rd Place for public use, was adopted as part of the 2013-2019 CIP. The improvements will also serve as an interim trail connection between the existing SR 520 trail and the new regional trail recently built by the Washington State Department of Transportation (WSDOT) as part of the SR 520 project. Given the significance of this connection to both local and regional non-motorized travel, the City has entered into a partnership with WSDOT to construct these sidewalk and bike lane improvements.

On February 22, 2011, Council approved Resolution No. 8201 authorizing execution (and supplements as necessary) of an Interlocal Agreement between the Washington State Department of Transportation and the City of Bellevue for completing preliminary design of pedestrian and bicycle improvements along Northup Way (GCA 6668, SR 520 Interim Regional Pedestrian and Bicycle Path).

On April 18, 2011, Council approved Resolution No. 8220 authorizing the execution of a consultant agreement with Jacobs Engineering Group, Inc., to develop preliminary design for the Northup Way Corridor Improvements (CIP Plan PW-R-146).

On April 16, 2012, Council approved Resolution No. 8385 authorizing:

- 1) Amendment to the Interlocal Agreement between the Washington State Department of Transportation and the City of Bellevue for 60% design of pedestrian and bicycle improvements along Northup Way (GCA 6668, SR 520 Interim Regional Pedestrian and Bicycle Path); and,
- 2) Execution of a supplement to the consultant agreement with Jacobs Engineering Group, Inc., to advance the design from 30% to 60% design for the Northup Way Corridor Improvements (CIP Plan PW-R-146).

On February 19, 2013, Council approved Resolution No. 8517 authorizing:

- 1) Amendment to the Interlocal Agreement between the Washington State Department of Transportation and the City of Bellevue for final design of pedestrian and bicycle improvements along Northup Way (GCA 6668, SR 520 Interim Regional Pedestrian and Bicycle Path); and,
- 2) Execution of a supplement to the consultant agreement with Jacobs Engineering Group, Inc., to advance the design from 60% to final design for the Northup Way Corridor Improvements (CIP Plan PW-R-146).

On September 16, 2013, Council approved Resolution No. 8629 authorizing execution of Amendment #4 to the Interlocal Agreement between the Washington State Department of Transportation (WSDOT) and the City for the acquisition of rights of way for pedestrian and bicycle improvements along Northup Way (GCA 6668, SR 520 Interim Regional Pedestrian and Bicycle Path).

On February 18, 2014, Council approved Ordinance No. 6150 authorizing:

- 1) Execution of a grant agreement (and supplements if necessary) with the Washington State Department of Transportation to accept \$2,215,820 in federal Transportation Alternatives Program grant funding to construct pedestrian and bicycle facilities along Northup Way connecting to the SR 520 regional trail;
- 2) Amendment of the 2013-2014 General Capital Investment Program (CIP) Fund to increase the appropriation by \$2,215,820 in grant funds; and,
- 3) Amendment of the 2013-2019 CIP Plan to increase the budget for the Northup Way Corridor Improvements (CIP Plan PW-R-146) by \$2,215,820.

On August 3, 2015, Council approved a Motion to reject all bids for Bid No. 15000, Northup Way Connection to the SR520 Trail (CIP Plan PW-R-146), and rebid the construction contract at a later date. The low bid was higher than the Engineer's Estimate, prompting staff to re-evaluate the Engineer's Estimate to reflect the latest bidding climate and develop options for Council's consideration to fund any potential project deficit prior to bid award.

Following verification of the bid submittals, the bids received were as follows:

3 Kings Environmental, Inc.	\$7,547,281.25
Olson Bros. Excavating, Inc.	7,577,613.00
Johansen Excavating, Inc.	7,783,943.80
Marshbank Construction, Inc.	7,877,468.65
Mid Mountain Contractors, Inc.	7,885,118.00

Engineer's Estimate	\$8,029,552.75
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On September 28, 2015, staff received a formal bid protest from Johansen Excavating Inc. contending that the apparent lowest bidder (3 Kings Environmental, Inc.) and the second lowest bidder (Olson Bros. Excavating, Inc.) did not meet the bidder qualifications for this contract.

After a thorough review of the contractor's bid, qualifications, background, references, and previous projects, staff believes that 3 Kings Environmental, Inc. is responsive, meets the requirements of the project specifications, and is capable of performing this work per the plans and specifications.

Staff recommends award of this bid to 3 Kings Environmental, Inc.; they are qualified to perform the work and are willing to do so. To the best of our knowledge and professional judgment, all factors that normally contribute to construction expenses have been accounted for in the Plans, Specifications and Estimates. Based on our experience, projects of this type may result in some field changes. All claims are rigorously reviewed and only those that are clearly necessary to accomplish the intent of this contract, but have somehow not be provided for, will be paid.

EFFECTIVE DATE:

If approved, the Ordinance becomes effective on November 24, 2015.

OPTIONS:

1. (a) Reject the bid protest from Johansen Excavating Inc. and award Bid No. 15102, Northup Way Connection to the SR520 Trail (CIP Plans PW-R-146) to 3 Kings Environmental, Inc., as the lowest responsible and responsive bidder, in the amount of \$7,547,281.25; or

(b) Award Bid No. 15102 to another bidder if low bidder is rejected; or

(c) Reject all bids and provide alternative direction to staff; and

2. Adopt Ordinance No. 6261: (1) authorizing execution (and supplements as necessary) of an Interlocal Agreement between the City of Bellevue and the Washington State Department of Transportation (WSDOT) for construction of pedestrian and bicycle improvements along Northup Way (GCB 2028, Northup Way Corridor Improvements); (2) amending the 2015-2016 General Capital Investment Program (CIP) Fund to increase the appropriation by \$2,800,000; and, (3) amending the 2015-2021 CIP Plan to increase the budget for the Northup Way Corridor Improvements project (CIP Plan No. PW-R-146) by \$2,800,000 in Connecting Washington Tiered Pedestrian & Bicycle Safety Project State Funding.

RECOMMENDATION:

Option 1(a) and 2.

MOTION:

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ATTACHMENTS:

Vicinity Map

CIP Project Description (PW-R-146)

Proposed Ordinance No. 6261

AVAILABLE IN COUNCIL DOCUMENT LIBRARY:

Final Draft Interlocal Agreements

Construction Contract Documents