

April 18, 2016

## **CITY COUNCIL AGENDA MEMORANDUM**

### **SUBJECT:**

Motion to Award Bid No. 16027, for the 2016 Overlay Program to Lakeside Industries Inc., as the lowest responsive and responsible bidder, in the amount of \$3,844,822.20 (CIP Plan PW-M-1 Overlay Program, CIP Plan PW-W/B-56 Pedestrian and Bicycle Access Improvements, and CIP Plan W-16 Small Diameter Water Main Replacement).

### **FISCAL IMPACT:**

Awarding this contract will obligate the City to \$3,844,822.20 for the repair and resurfacing of more than 19 lane miles of roadway, for upgrades of 76 curb ramps in accordance with the Americans with Disabilities Act (ADA), and for the repair of adjacent failed curb, gutter and sidewalks (CIP Plan PW-M-1). It will also provide for the overlay restoration of five Water Main Replacement sites (CIP Plan W-16) and enhance non-motorized access and connections at multiple locations (CIP Plan PW-W/B-56). This amount is 19% under the Engineer's Estimate.

The contract is fully funded through the following programs:

<b>CIP Plan No.</b>	<b>Description</b>	<b>Total</b>
PW-M-1	Overlay Program	\$3,564,682.05
PW-W/B-56	Pedestrian and Bicycle Access Improvements	21,796.20
W-16	Small Diameter Water Main Replacement	258,343.95
	Total Project Cost	\$3,844,822.20

### **STAFF CONTACT:**

David Berg, Director, 452-6468

Mike Mattar, Design Division Manager, 452-4318

Gregory Lucas, Transportation Engineer, 452-4550

*Transportation Department*

### **POLICY CONSIDERATION:**

#### **Comprehensive Plan:**

- Policy TR-27. Design, implement, and maintain transportation system improvements and deliver transportation services and programs in accordance with the Americans with Disabilities Act (ADA).
- Policy TR-53. Maintain and enhance safety for all users of the roadway network.
- Policy TR-54. Ensure that maintenance of the existing transportation system be given priority consideration.
- Policy TR-61. Allow for repurposing of travel lanes for other uses such as parking, transit or pedestrian and bicycle facilities where excess vehicular capacity exists and/or to optimize person throughput along a corridor.

#### **Comprehensive Financial Management Policies:**

The City's Comprehensive Financial Management policies guide capital investment decisions during the budget process. Specifically, existing policy language states, "Preserve existing capital infrastructure before building new facilities." The annual Overlay Program project addresses this policy.

**BACKGROUND:**

The City places a high priority on allocating adequate resources to maximize the benefits of investments previously made in the transportation system. Expenditures on maintenance and preservation defray and can prevent costly reconstruction projects in addition to contributing to the overall safety of the system.

Preservation of the City's streets is achieved through a rigorous pavement management program. The condition of each street is reviewed every two years to document information about how the street should best be maintained. Through this practice the City prioritizes and invests in preventative maintenance rather than wait for major pavement failure, which is significantly more expensive to repair.

The 2016 Overlay Program will primarily focus on resurfacing over 19 lane miles of arterial roadways in north, central and south Bellevue. The arterial sites include 140th Avenue NE, between NE 8th Street and NE 24th Street; 146th Avenue SE, between SE 36th Street and SE Allen Road; 164th Avenue NE, between NE 8th Street and Northup Way; NE 8th Street, between 156th Avenue NE and 164th Avenue NE; NE 24th Street, between Bel-Red Road and 166th Avenue NE; NE 24th Street, between 103rd Avenue NE to Bellevue Way NE; Lake Hills Connector, between Richards Road and 140th Avenue SE; SE Allen Road, between SE Newport Way and SE 38th Street; and Bellevue Way NE, between 103rd Avenue NE to SR 520. Also included is the restoration of two side streets: SE 38th Street and SE 40th Place, which connect to Factoria Blvd SE.

To minimize cost and maximize efficiency, separate projects and several channelization modifications were also bid in conjunction with the 2016 Overlay Program. These include:

- Eastbound Bike Lane on Lake Hills Connector at Richards Road – Staff identified a segment along eastbound Lake Hills Connector, west of the Richards Road signalized intersection, where widening the existing shoulder would provide sufficient width for a future bike lane. A separate overlay project, scheduled for 2017, will channelize the eastbound Lake Hills Connector bike lane, between SE 8th Street and Richards Road.
- Utility Sites Restoration – The 2016 Overlay program includes five sites, identified by the Utilities Department staff, requiring resurfacing following recent Utilities Department projects. These sites are in various areas throughout the city.
- Marked bike lanes will be incorporated within the new channelization of the overlaid streets at the following locations:
  - SE Allen Road – Eastbound (0.8 miles) and westbound (0.2 miles)
  - Lake Hills Connector – Eastbound (0.8 miles)
  - NE 24th Street – Eastbound (0.4 miles)
  - 164th Ave NE – Northbound (0.4 miles) and southbound (0.5 miles)
- A marked pedestrian path (0.7 miles) will be incorporated in the channelization after the overlay on SE Allen Road, which will provide a dual direction walkway on the south side of the roadway.

Leveraging these projects with the Overlay Program provides the City with a cost effective approach to construct these restorations and improvements. Future work on the Overlay Program is minimized and cost savings are realized by taking advantage of the favorable asphalt and channelization marking prices that the Transportation Department historically experiences with its large overlay contracts.

Bellevue has a five-year moratorium on the cutting of new street pavements and asphalt overlays. Coordination with other departments and franchise utilities occurs through early notification, both through meetings and letters, during the design phase, followed up by monthly project updates during the Construction and Permit Coordination meetings held by the Transportation Department Right-of-Way use section.

Following verification of Bid Submittals, the bids received were as follows:

<b>Engineer's Estimate</b>	<b>\$4,771,660.10</b>
Lakeside Industries, Inc.	3,844,822.20
Watson Asphalt Paving Company Inc.	4,144,893.37
Cemex/Pacific Region	4,627,371.85

The low bidder had a total bid price 19 percent lower than the Engineer's estimated total bid price. The discrepancy between the engineer's estimate and the lowest bid received primarily stems from lower-than-expected unit prices submitted for the high quantity items, particularly the asphalt mix and the pavement grinding. The unit cost for these items were lower than what was received in the 2015 Overlay Program. This is because the City of Bellevue was the first local agency with a sizeable maintenance program to advertise for bids in 2016 and because of the low cost of oil, which lowers the cost of asphalt binder.

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 the contract but have somehow not been provided for, will be paid.

**EFFECTIVE DATE:**

If approved, this Motion becomes effective immediately upon Council adoption.

**OPTIONS:**

1. Award Bid No. 16027, for the 2016 Overlay Program to Lakeside Industries Inc., as the lowest responsive and responsible bidder, in the amount of \$3,844,822.20 (CIP Plan PW-M-1, CIP Plan PW-W/B-56, and CIP Plan W-16).
2. Reject all bids and provide alternative direction to staff.

**RECOMMENDATION:**

Option 1.

**MOTION:**

Move to award Bid No. 16027, for the 2016 Overlay Program to Lakeside Industries Inc., as the lowest responsive and responsible bidder, in the amount of \$3,844,822.20 (CIP Plan PW-M-1, CIP Plan PW-W/B-56, and CIP Plan W-16).

**ATTACHMENTS:**

- Vicinity Map
- CIP Project Description (PW-M-1, PW-W/B-56, and W-16)

**AVAILABLE IN COUNCIL DOCUMENT LIBRARY:**

- Final Design Plans