

April 3, 2017

## CITY COUNCIL AGENDA MEMORANDUM

### **SUBJECT**

Resolution authorizing execution of Amendment 3 to increase the Professional Engineering Services Agreement with HDR Engineering, Inc. by \$202,916 for a total contract amount of \$2,721,595, plus all applicable taxes, to advance design on the NE Spring Boulevard roadway improvements, Zone 1, 116th Avenue NE to 120th Avenue NE (CIP Plan No. PW-R-172), and 120th Avenue NE to 124th Avenue NE, Zone 2, (CIP Plan No. PW-R-173).

### **FISCAL IMPACT**

This action obligates the City to increase the contract amount for the Professional Engineering Service Agreement with HDR Engineering, Inc. by \$202,916 for a total contract amount of \$2,721,595, plus all applicable taxes, to accomplish the following:

- Additional coordination with Sound Transit and BelRed projects, see details below
- Federal aid requirements for Zone 1A, see details below
- Delta building demolition, see details below

<b>Professional Services Agreement with HDR Engineering, Inc.</b>	
Authorized Contract (No. 1550162)	\$2,232,326.00
Amendment #1	\$286,353.00
Amendment #2 (schedule only)	\$0.00
Proposed Contract Amendment #3	\$202,916.00
<b>Amended Contract</b>	<b>\$2,721,595.00</b>

Sufficient funds have been budgeted to fund this contract increase in the 2017-2023 General CIP Budget.

### **STAFF CONTACTS**

David Berg, Director, 452-6468

Ron Kessack, Assistant Director, 452-4631

Mike Mattar, Design Division Manager, 452-4318

Steve Costa, Capital Projects Manager, 452-2845

*Transportation Department*

### **POLICY CONSIDERATION**

City policy requires a professional services contract amendment that increases the total value of a Council-approved contract beyond the 10 percent contingency be approved by Council.

Comprehensive Plan:

- Policy TR-26 – directs that the City, “Increase system connectivity for all modes by providing for roadway, pedestrian, and bicycling connections in newly developing and redeveloping areas.”
- Policy TR – 131 directs that the City, “Seek state and federal funds for transportation capital, maintenance, and operations.”

### **BACKGROUND**

The NE Spring Boulevard Zone 1 - 116th Avenue NE and 120th Avenue NE; and Zone 2 - 120th Avenue NE and 124th Avenue NE, roadway projects are part of the broad Bel-Red 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.

Additional work required under this Amendment #3 include the following extra design work that was not covered under the original Professional Engineering Services Agreement with HDR Engineering, Inc., nor Amendments #1 and #2:

*Additional coordination with Sound Transit and BelRed projects*

After receiving the Maximum Allowable Cost to Construct (MACC) estimate from Sound Transit's General Contractor / Construction Manager (GC/CM) and comparing to the Independent Cost Estimate (ICE) and the 90% Engineer's Estimate, staff concluded the City would see greater savings if NE Spring Boulevard (Zone 1B) were to be built separate and prior to the East Link project. In order to fast-track Zone 1B, additional coordination of grading and drainage plans, schedules and other logistics with Sound Transit and the 120th Avenue NE (Stage 3) project was required. This added work was not in the original professional services contract since the original contract assumed Zone 1B would be built as part of the East Link project.

*Federal aid requirements for Zone 1A*

Subsequent to the original Professional Services Agreement with HDR Engineering, Inc. that was approved in 2015, the City was awarded a Surface Transportation Program (STP) grant for the construction of NE Spring Boulevard (Zone 1A). Additional work will therefore be required to modify the contract plans and specifications for federal aid requirements and conditions. In addition, services during the bidding process for Zone 1A were not included in the original professional services contract due to uncertainties on how and when the project would be built.

*Delta building demolition*

Demolition of the Delta building is required before construction may commence on NE Spring Boulevard (Zone 1A). Services during the bidding process for the Delta demolition were not included in the original professional services contract due to uncertainties on how and when the Delta building would be demolished.

**Prior Council Actions:**

On May 4, 2015, Council approved Resolution No. 8907 authorizing execution of a Professional Engineering Services Agreement with HDR Engineering, Inc. in the amount of \$2,232,326 to complete Final Engineering Design Plans, Specifications, and Estimates (PS&E) for the planned NE Spring Boulevard roadway improvements between 116th Avenue NE and 124th Avenue NE (CIP Plan Nos. PW-R-172 and PW-R-173).

On May 16, 2016, Council approved Resolution No. 9096 authorizing execution of Amendment #1 to the Professional Engineering Services Agreement with HDR Engineering, Inc., increasing the total contract amount from \$2,232,326 to \$2,518,670 to advance design on the NE Spring Boulevard roadway improvements, 116th Avenue NE to 120th Avenue NE (CIP Plan No. PW-R-172) and 120th Avenue NE to 124th Avenue NE (CIP Plan No. PW-R-173).

On February 21, 2017, Council approved Ordinance No. 6344 for 1) amending the 2017-2018 General Capital Investment Program (CIP) Fund to increase the appropriation by \$1,839,397; 2) amending the 2017-2023 CIP Plan to increase the project budget for the NE Spring Boulevard (Zone 1) project (CIP Plan No. PW-R-172) by \$1,839,397, for a total amended project budget of \$33,432,137; and 3) authorizing execution of the grant agreement (and supplements if necessary) with the Washington State Department of Transportation (WSDOT) to accept \$5,500,000 in federal Surface Transportation Program (STP) funding to support the construction phase of NE Spring Boulevard (Zone 1A) (116th Ave NE to the Eastside Rail Corridor).

### **EFFECTIVE DATE**

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

### **OPTIONS**

1. Approve the Resolution authorizing execution of Amendment 3 to increase the Professional Engineering Services Agreement with HDR Engineering, Inc. by \$202,916 for a total contract amount of \$2,721,595, plus all applicable taxes, to advance design on the NE Spring Boulevard roadway improvements, Zone 1, 116th Avenue NE to 120th Avenue NE (CIP Plan No. PW-R-172), and 120th Avenue NE to 124th Avenue NE, Zone 2, (CIP Plan No. PW-R-173).

Do not approve the Resolution and provide alternative direction to staff.

### **RECOMMENDATION**

Option 1

### **MOTION**

Move to approve Resolution No. 9255 authorizing execution of Amendment 3 to increase the Professional Engineering Services Agreement with HDR Engineering, Inc. by \$202,916 for a total contract amount of \$2,721,595, plus all applicable taxes, to advance design on the NE Spring Boulevard roadway improvements, Zone 1, 116th Avenue NE to 120th Avenue NE (CIP Plan No. PW-R-172), and 120th Avenue NE to 124th Avenue NE, Zone 2, (CIP Plan No. PW-R-173).

### **ATTACHMENTS**

A. CIP Project Description

B. Vicinity Map

Proposed Resolution No. 9255

### **AVAILABLE IN COUNCIL DOCUMENT LIBRARY**

A. Professional Services Agreement with HDR Engineering for R-172 & R-173

B. Draft Local Agency Agreement