

June 19, 2017

CITY COUNCIL AGENDA MEMORANDUM

SUBJECT

Resolution authorizing execution of an amendment to increase the construction contract amount with 3 Kings Environmental, Inc. (Contract No. 1550390) by \$250,000 for a total contract amount of \$7,797,281.25 for the Northup Way Connection to the SR520 Trail (CIP Plan No. PW-R-146).

FISCAL IMPACT

Staff proposes to increase the construction contract amount with 3 Kings Environmental, Inc. by \$250,000 for a total contract amount of \$7,797,281.25 for the Northup Way Connection to the SR520 Trail. This increase is required to fund additional construction costs resulting from unforeseen pavement restoration costs.

Construction Contract	
Authorized Contract (No. 1550390)	\$7,547,281.25
Proposed Contract Amendment	\$250,000.00
Amended Contract	\$7,797,281.25

Sufficient funding exists in the 2017-2023 Capital Investment Program (CIP) Plan to fully fund this contract through the Northup Way Corridor Improvements project (CIP Plan No. PW-R-146).

The following table provides the project financial status for PW-R-146:

(\$000)					
	Current Budget	LTD Expenditures	Total Projected Expenditures	Projected Balance	Actual / Projected Completion Date
Phase I (Design)	\$2,501	\$2,696	\$2,696	(\$195)	\$0 Q2-2015
Phase II (Right-of-Way)	741	262	264	477	0 Q4-2016
Phase III (Construction)	10,459	8,426	10,741	(282)	250 Q3-2017
Total	\$13,701	\$11,384	\$13,701	\$0	\$250

STAFF CONTACTS

Dave Berg, Director, 452-6468

Ron Kessack, Assistant Director, 452-4631

Dave Cieri, Construction Manager, 452-2753

Steve Costa, Capital Projects Manager, 452-2845

Transportation Department

POLICY CONSIDERATION

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

BACKGROUND

The Northup Way Connection to the SR520 Trail project includes bike lane and sidewalk improvements on both sides of Northup Way between NE 24th Street and NE 33rd Place. It will enhance safety and access of non-motorized traffic flow to and from regional and local transportation facilities including the Bike 520 Trail, the Eastside Rail Corridor trail, Lake Washington Loop Trail and 116th Avenue NE improvements. This project is consistent with a high priority in the 2009 City of Bellevue Pedestrian and Bicycle Transportation Plan Update.

On November 16, 2015, Council approved a Motion to award Bid No. 15102, Northup Way Connection to the SR520 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.

Additional Construction Cost

The construction cost increase is primarily due to unforeseen need for pavement restoration work, within the project limits. The cost for the added work cannot be absorbed within the current construction contingencies. Pavement condition assessment, performed in 2011 at the start of the project design, indicated no need for pavement repairs. However, the conditions of the existing pavement, six years later, have deteriorated, due to the 10,000 vehicles that use Northup Way each day, as well as the construction traffic from several construction projects in the vicinity. The unprecedented wet and cold winter and spring also accelerated the pavement deterioration. Including the pavement repair work within the current construction contract will take advantage of cost efficiencies of the current construction project and will reduce the duration and inconvenience of construction impacts to the traveling public.

EFFECTIVE DATE

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

OPTIONS

1. Adopt the Resolution authorizing execution of an amendment to increase the construction contract amount with 3 Kings Environmental, Inc. (Contract No. 1550390) by \$250,000 for a total contract amount of \$7,797,281.25 for the Northup Way Connection to the SR520 Trail (CIP Plan No. PW-R-146).
2. Do not adopt the Resolution and provide alternative direction to staff.

RECOMMENDATION

Option 1

MOTION

Move to adopt Resolution No. 9277 authorizing execution of an amendment to increase the construction contract amount with 3 Kings Environmental, Inc. (Contract No. 1550390) by \$250,000 for a total contract amount of \$7,797,281.25 for the Northup Way Connection to the SR520 Trail (CIP Plan No. PW-R-146).

ATTACHMENTS

- A. Vicinity Map
- B. CIP Project Description

Proposed Resolution No. 9277

AVAILABLE IN COUNCIL DOCUMENT LIBRARY

N/A