

October 2, 2017

## **CITY COUNCIL AGENDA MEMORANDUM**

### **SUBJECT**

Resolution ratifying execution of the purchase order with Lydig Construction, Inc. for emergency repairs to the Bellevue City Hall north garage, in the amount not to exceed \$134,006.46, plus all applicable taxes.

### **FISCAL IMPACT**

This Resolution ratifies the obligation to pay \$134,006.46, plus applicable sales tax, to Lydig Construction, Inc. The total cost for these repairs is accommodated within the existing 2017-18 adopted Facility Services Fund budget. Other, less critical, expenditures have been identified for deferral to allow for the needed funding of these emergency repairs.

### **STAFF CONTACTS**

Nora Johnson, Director, 452-4167

John Koffley, Facility Services Division Manager, 452-6153

*Civic Services Department*

### **POLICY CONSIDERATION**

#### **Bellevue City Code**

4.28.040: Competitive bidding is required for a public work where the cost is estimated to exceed \$90,000 if more than a single craft or trade is involved.

4.28.130: Authorization to procure services without obtaining competitive bids or quotations as otherwise required under BCC 4.28.040 due to emergency conditions where the city may suffer an appreciable loss because of time required to follow regular purchasing procedures.

RCW 39.04.280(2)(b)

#### **Competitive bidding requirements-Exemptions**

Written finding of the existence of an emergency must be made by the governing body or its designee and duly entered of record no later than two weeks following the award of the contract.

### **BACKGROUND**

During the excavation currently underway by Sound Transit, contractors for the East Link Bellevue Downtown Station uncovered major portions of the City Hall north parking garage. It was discovered that the original waterproofing system had significantly deteriorated to a point of extreme failure (the warranty on this work has expired). The resulting leakage around and through the waterproofing membrane was seeping into cracks in the concrete structure and causing premature corrosion to the steel rebar reinforcements. If this situation had been allowed to persist, the structural integrity of the garage could become seriously compromised due to swelling of the rebar reinforcements. This would cause new cracks to appear, existing cracks to worsen, and result in falling pieces of concrete that could possibly endanger occupants and certainly decrease the useful life of the structure.

If this situation had not been corrected at the time of discovery, it would have resulted in substantial additional cost to the city when repaired at a later date. The price to re-excavate the already exposed structure would have easily resulted in costs that were three to four times the current estimate to fix the problem at this juncture. It also would have been a major disruption to a newly rebuilt City Hall Plaza.

The contractor who is performing this phase of the work for Sound Transit is Lydig Construction, Inc., a subcontractor to the general contractor, Atkinson Construction. Lydig Construction, Inc. was issued an urgent need purchase order on August 23, in the amount of \$134,006.46 to install a new waterproofing system. This approach significantly reduces the City's cost and avoids prolonged delays in construction of the light rail project. It would have been difficult to bring in another contractor at this time because Sound Transit and their contractors have control of the construction site for several years.

Authorizing the unplanned repair work on an emergency basis and using the Facility Services Fund budget was deemed to be the most prudent solution to this problem in view of the multiple parties involved, the various contractual obligations and mitigating circumstances, and the increased risk and cost if deferred. The work commenced on August 28.

Adoption of this resolution serves to satisfy the requirement to enter into public record the emergency situation that resulted in the waiver of competitive bidding requirements to award the necessary public works contract. In addition, a public notice regarding contract award will be issued in the Seattle Times.

#### **EFFECTIVE DATE**

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

#### **OPTIONS**

1. Adopt the Resolution ratifying execution of the purchase order with Lydig Construction, Inc. for emergency repairs to the Bellevue City Hall north garage, in the amount not to exceed \$134,006.46, plus all applicable taxes.
2. Do not adopt the Resolution and provide alternative direction to staff.

#### **RECOMMENDATION**

Option 1

#### **MOTION**

Move to adopt Resolution No. 9313 ratifying execution of the purchase order with Lydig Construction, Inc. for emergency repairs to the Bellevue City Hall north garage, in the amount not to exceed \$134,006.46, plus all applicable taxes.

#### **ATTACHMENTS**

- A. Emergency Declaration
  - B. Change Orders #003, #005, #006
- Proposed Resolution No. 9313

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

N/A