

CITY COUNCIL REGULAR SESSION

Motion to award Bid No. 19007, 124th Avenue NE – NE Spring Boulevard to Ichigo Way (CIP Plan No. PW-R-166) to Interwest Construction Inc. as the lowest responsible and responsive bidder, in the amount of \$12,991,968, plus all applicable taxes.

Andrew Singelakis, Director, 452-6468
Ron Kessack, Assistant Director, 452-4631
Mike Mattar, Design Division Manager, 452-4318
Marina Arakelyan, Senior Project Manager, 452-4362
Transportation Department

EXECUTIVE SUMMARY

This Motion will award Bid No. 19007 to Interwest Construction Inc. to construct the first phase of 124th Avenue NE – NE Spring Boulevard to Ichigo Way. This project will widen and raise the existing 124th Avenue NE from NE Spring Boulevard to Ichigo Way to accommodate the undercrossing of Sound Transit East Link light rail line in this vicinity.

RECOMMENDATION

Move to award Bid No. 19007, 124th Avenue NE – NE Spring Boulevard to Ichigo Way (CIP Plan No. PW-R-166), to Interwest Construction Inc.

If approved, effective date: 06/17/2019

BACKGROUND/ANALYSIS

The 124th Avenue NE corridor improvements, from NE 12th Street to Northup Way, are part of the broad BelRed 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.

The corridor improvement will be implemented in three phases. This segment between NE Spring Boulevard and Ichigo Way is the first phase. The construction of this phase will be closely coordinated with the ongoing Sound Transit construction in the area. The new roadway cross section will consist of five lanes, with two travel lanes in each direction and turn pockets or a center turn lane. The project will include curb, gutter and sidewalk, and planter strips, a bridge structure over the East Link light rail line, retaining walls, illumination, traffic signal, landscaping, irrigation, storm drainage, and water quality treatment. This project also includes the replacement of an existing waterline and the installation of a Joint Utility Trench for the franchise utilities.

As part of the 2017-2023 Capital Investment Program (CIP) budget, adopted by Council on December 5, 2016, the 124th Avenue NE – NE Spring Boulevard to Ichigo Way (CIP Plan No. PW-R-166) project was funded for full implementation.

As defined in the Cost Sharing Agreement between Sound Transit and the City, the project budget is intended to fully fund both the City's and Sound Transit's share of costs to fully implement the project scope. Sound Transit's reimbursement for construction costs has been calculated to be 59 percent of

the total construction contract and the City's share of costs to be 41 percent. The project also includes a cost share agreement with the Utilities Department to replace an existing 12-inch water main AC pipe. Transportation cost share will be 47 percent and Utilities will be 53 percent. Joint Utility Trench (JUT) reimbursable agreements with Century Link and Comcast have been executed for relocation of utility infrastructure. The Schedule 74 Underground Conversation project construction agreement with Puget Sound Energy was executed in March 2017 (Resolution No. 9226).

The following bid submittals were received for this project:

Interwest Construction Inc.	\$12,991,968
Active Construction Inc.	\$15,795,564
Engineer's Estimate	\$13,277,090

To the best of our knowledge and professional judgment, all factors that normally contribute to construction expenses have been accounted for in the PS&E. Based on staff's 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.

POLICY & FISCAL IMPACTS

Policy Impact

Comprehensive Plan

Overall: S-BR-4: Developing and implementing a phased approach so that transportation, open space, and other infrastructure is in place or committed to serve the needs of growth.

Utilities: The Utility shall invest resources as necessary to construct, maintain and renew water system infrastructure and equipment such that Utility customers are provided consistent, reliable service.

Implementation: S-BR-78: Implementing the BelRed Plan through capital investments and other public and private strategies.

Fiscal Impact

Awarding this bid will obligate the City to \$12,991,968, plus all applicable taxes, to construct the first phase of the 124th Avenue NE Roadway Improvements – NE Spring Boulevard to Ichigo Way. This amount is approximately 2.1 percent under the Engineer's Estimate. Sound Transit is responsible for a portion of the costs of this project as defined in the May 2015 Amended and Restated Memorandum of Understanding (MOU) between the two agencies. Sufficient funding exists in the 2019-2025 CIP (CIP Plan Nos. PW-R-166 and W-16) to fully fund this contract.

CIP Plan No.	Description	Amount
PW-R-166	124th Ave NE - NE Spring Blvd. to Ichigo Way - City Share	\$5,383,661
PW-R-166	124th Ave NE - NE Spring Blvd. to Ichigo Way - Sound Transit Share	\$7,467,842
W-16	Small Diameter Water Main Replacement	\$140,465
Total Funding		\$12,991,968

The following table provides the project financial status for PW-R-166:

(\$000)						
	Current Budget	Life-to-Date Expenditures	Total Projected Expenditures	Projected Balance	<i>This Action</i>	Actual / Projected Completion Date
Phase I (Design)	\$4,322	\$4,751	\$5,242	(\$920)	\$0	Q2-2019
Phase II (Right-of-Way)	8,322	430	7,353	969	0	Q3-2019
Phase III (Construction)	20,595	0	17,844	2,751	12,852	Q4-2020
Total	\$33,239	\$5,181	\$30,439	\$2,800	\$12,852	

The total projected project cost of \$30,439,000 (including this action) assumes full expenditure of project contingencies. Reporting the contingencies in this manner illustrates the City's potential ultimate financial exposure on this project. Staff will return to Council later in the year as construction of this project advances with recommendations on the reallocation of City funded project cost savings that may be realized.

OPTIONS

1. Award Bid No. 19007, 124th Avenue NE – NE Spring Blvd to Ichigo Way (CIP Plan No. PW-R-166) to Interwest Construction Inc., as the lowest responsible and responsive bidder, in the amount of \$12,991,968, plus all applicable taxes.
2. Award the bid to the next lowest bidder if the low bidder is not responsive.
3. Reject all bids and provide alternative direction to staff.

ATTACHMENTS & AVAILABLE DOCUMENTS

- A. Vicinity Map
- B. CIP Project Description (PW-R-166)
- C. CIP Project Description (W-16)

AVAILABLE IN COUNCIL LIBRARY

- Conformed Specifications (Volume 1)
- Conformed Specifications (Volume 2)
- Conformed Plans