



DATE: April 20, 2020

TO: Mayor Robinson and City Councilmembers

FROM: Ron Kessack, Assistant Director, 452-4631  
*Transportation Department*

SUBJECT: **Update of Transportation Capital Investment Program (CIP) Projects – Major Project Focus**

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### **Impacts of COVID-19 on Transportation CIP Projects/Programs**

Legal and Transportation Department staff reviewed the Governor's "Stay Home, Stay Healthy" Proclamation and follow-up clarifications and determined that our transportation projects were "essential" under the terms provided. All active contractors were notified by email and letter indicating that our projects were "essential" and they were to continue work unless otherwise notified. Under typical contract terms contractors are required to provide a site safety plan for their workers, our inspectors and the public. We have added a COVID-19 Response Plan to the requirement to assure worker and inspector safety while on-site during this event.

No project COVID-19-related incidents have been reported to us to date and we monitor sites regularly for appropriate safety measures. We are continuing to engage with contractors, local jurisdictions, and other agencies to identify workforce labor and potential supply chain issues throughout the region. WSDOT inspection of certain items included on projects that have state and/or federal funds has been halted but we have been given permission to utilize a state-approved inspection contractor for this work in the interim.

We have had one contractor request delay of his project start (NE 12<sup>th</sup> Bridge Painting) due to labor-related issues. The requested delay is being coordinated with other affected parties including Sound Transit and their contractor.

### **Program Update**

Since my last CIP update on October 7, 2019 construction of multiple, essential infrastructure projects have been completed, have reached critical milestones, or have been started. Later this year staff will present information regarding our Neighborhood Safety, Connectivity and Congestion Management levy-funded projects. This memo focuses on the major CIP projects funded through the adopted 2017-2025 CIP Plan.

## Budget and Revenue Sources

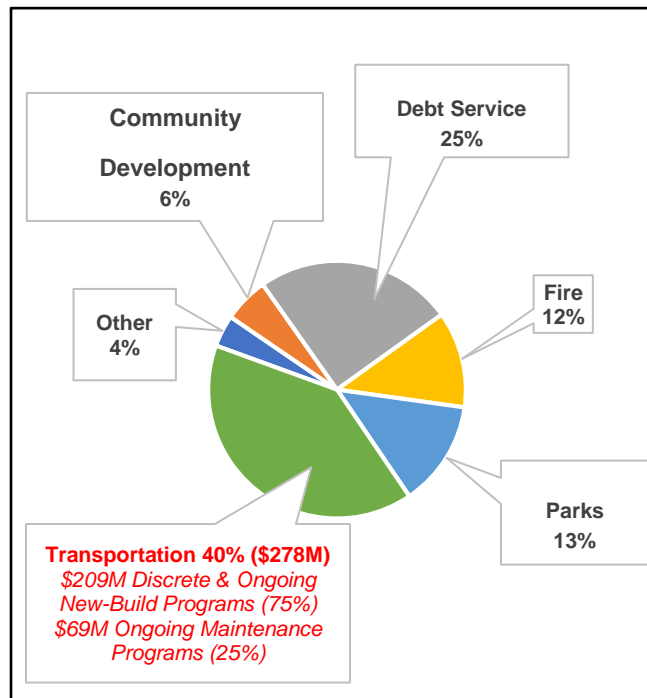


Figure 1 - CIP percentage by department

The adopted \$687M CIP includes \$278M for transportation projects and programs. Of the \$278M for transportation, \$209M is dedicated to discrete projects or programs that build new infrastructure. The remaining \$69M includes funding for ongoing maintenance-related programs including the City's Pavement Management (Overlay) program.

The major revenue sources for funding the \$278M available for transportation projects and programs include general tax revenues, the voter-approved Neighborhood Safety, Connectivity and Congestion Management levy and funding from our Transportation Infrastructure Finance and Innovation Act loan that provides funding for multiple projects identified below.

Potential impacts to CIP revenues due to the COVID-19 event are currently being evaluated.

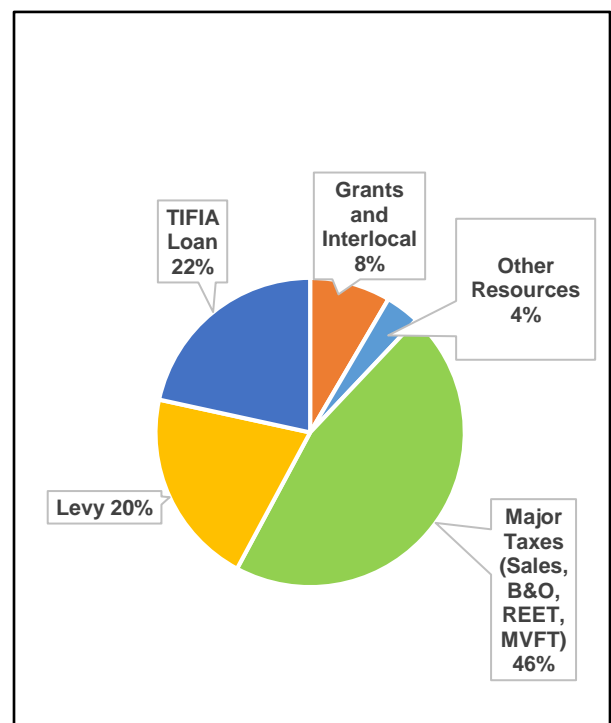


Figure 2 - Transportation CIP Revenue Source

## Project Highlights

### *Transportation Infrastructure Finance and Innovation Act (TIFIA)-Funded Projects*

Our TIFIA loan provides the capital funding for five major projects in the BelRed area:

- **Spring Boulevard NE – 120<sup>th</sup> Avenue NE to 124<sup>th</sup> Avenue NE** is in construction and will meet the timing needs of REI Headquarters by providing water for hydrant use, sewer and stormwater connections, and walkways necessary for building occupancy. Construction on this section of roadway is expected to be substantially complete later this year.
- **124<sup>th</sup> Avenue NE – NE 12<sup>th</sup> Street (BelRed Road) to Spring Boulevard** is in final design and right of way acquisition with the objective of having this project in advertisement for construction by the end of this year.
- **124<sup>th</sup> Avenue NE – Ichigo Way to Northup Way** is in final design and right of way acquisition. This project has very complicated right of way acquisition issues that are in process but will take some time for final resolution. This project is not scheduled to start construction until 2021-2022.
- **130<sup>th</sup> Avenue NE – BelRed Road to NE 20<sup>th</sup> Street (Northup Way)** is in final design and right of way acquisition. This project is targeted for construction advertisement late 2020-early 2021.
- **Spring Boulevard Zone 4 – 130<sup>th</sup> Avenue NE to 132<sup>nd</sup> Avenue NE (eastbound)** is also in final design and right of way acquisition. This project is also targeted for construction advertisement late 2020-early 2021.

### *TIFIA-Match Projects*

Under the TIFIA loan terms the City was required to provide a match of city-funded projects totaling 67 percent of the loan value, or approximately \$200M. Most of the match projects have been completed but there are two match projects currently in construction:

- **NE Spring Boulevard – 116<sup>th</sup> Avenue NE to 120<sup>th</sup> Avenue NE** is nearly complete. Steel items have to meet Buy America requirements under the terms of the TIFIA loan and fabrication of steel handrails for pedestrian protection has been delayed.
- **124<sup>th</sup> Avenue NE – Spring Boulevard to Ichigo Way** is a project jointly funded by Sound Transit and Bellevue. This project raises the roadway elevation and builds a new bridge over the East Link alignment. The project is currently in construction and is expected to be complete by the end of 2020.
  - Completed match projects include:
    - NE 4<sup>th</sup> Street – 116<sup>th</sup> Avenue NE to 120<sup>th</sup> Avenue NE
    - 120<sup>th</sup> Avenue NE (phases 1-3) – NE 4<sup>th</sup> Street to Spring Boulevard

### *Additional Major Projects in Construction*

Several additional major projects are in construction or will be starting construction soon:

- **Mountains to Sound Greenway Trail (MTSG):** The MTSG project is well underway with construction expected to be completed this year. Contractors are nearing the stage of work when bridge girders will be placed over Factoria Boulevard and when a weekend freeway ramp closure will be needed to complete the tunnel under the ramp.

- **150<sup>th</sup> Avenue SE/SE Newport Way Congestion Reduction:** This project was bid with the 150<sup>th</sup> Avenue SE Wall Replacement. Current construction includes installation of a soldier pile wall on the west side of 150<sup>th</sup> Avenue. This project is expected to be complete in June 2020.
- The contractor working on the 150<sup>th</sup> Avenue SE/SE Newport Way intersection was also the successful bidder for the **SE Newport Way – Somerset Boulevard to 150<sup>th</sup> Avenue SE** project and will be starting that work on April 13. This work will involve a one-way traffic scenario on SE Newport Way allowing traffic to proceed westbound but detouring eastbound traffic for several months due to heavy equipment needs on this narrow roadway.
- **West Lake Sammamish Parkway Phase 2** work will begin on April 20. While the primary project work will be done in the 800 Block NE to the 200 Block SE, this project also includes replacement of the water main along the Parkway that is reaching the end of its useful life.
- **100<sup>th</sup> Avenue NE/NE 12<sup>th</sup> Street Roundabout** – Installation of the roundabout is expected to be complete in June.

#### *Major Projects in Design*

We have several additional significant projects in design:

- **120<sup>th</sup> Avenue NE Stage 4 – Spring Boulevard to Northup Way** project is currently in design to inform the future CIP of overall project cost and set up potential grant funding opportunities. This last phase of the 120<sup>th</sup> Avenue Corridor will serve expected new development including TOD development at the OMF-E and projected future development within the Spring District walk-shed.
- Design of **Spring Boulevard – 130<sup>th</sup> Avenue NE to 132<sup>nd</sup> Avenue NE** (westbound) is nearing completion and will be built with the TIFIA-funded westbound roadway.
- Council recently approved the three-party agreement with Bellevue College and King County Metro to fund the initial design of the **Bellevue College Connector**. This initial design will inform all parties as to the property needs and potential cost of the ultimate project.
- After reviewing multiple options proposed by area residents, staff determined that the plan that provided the greatest safety and met the overall objective of both the Transportation and Parks Departments was to build a five-foot wide planter and 12-foot wide multi-purpose path adjacent to the north side of NE 12<sup>th</sup> street from 108<sup>th</sup> Avenue NE to 112<sup>th</sup> Avenue NE. The **NE 12<sup>th</sup> Street Multi-Purpose Path** project will start this summer.

#### *Project Watch List*

##### **150<sup>th</sup> Avenue SE Wall Replacement**

The 150<sup>th</sup> Avenue SE Wall Replacement project was included with the 150<sup>th</sup> Avenue SE/SE Newport Way Intersection Improvements project to reduce overall project cost. As was indicated in our October 7, 2019 presentation, during construction of the block wall designed for the east side of 150<sup>th</sup> Avenue SE, it was determined that the wall needed to be built with larger, heavier blocks to meet the seismic conditions presented. This will require an increase in the contract

amount for this project that will be submitted to Council soon. This increase will be recovered from King County annexation funding.

### **Spring Boulevard (Zone 2) – 120<sup>th</sup> Avenue NE to 124<sup>th</sup> Avenue NE**

Construction is well underway on the new segment of Spring Boulevard that will connect 120<sup>th</sup> Avenue NE to 124<sup>th</sup> Avenue NE fronting the new REI Headquarters building. Early in construction we made the decision to remove some soils that would perform poorly if saturated by water. The decision to do this was based upon the need to provide timely water, sewer and stormwater services that would allow occupancy of the REI building in May 2020 as scheduled. As it turned out, the record rains in February would have certainly delayed construction had it not been for the removal of the marginal soils. With their removals we were able to maintain project schedules and have all necessary work done in time for REI occupancy. Soils removals did take a significant amount of the project's reserve funding. We are monitoring work closely and will inform Council if we feel we need an add to the construction contract. Reserves do exist under the TIFIA budget if additional funds are needed.

### *Project Outreach and Communications*

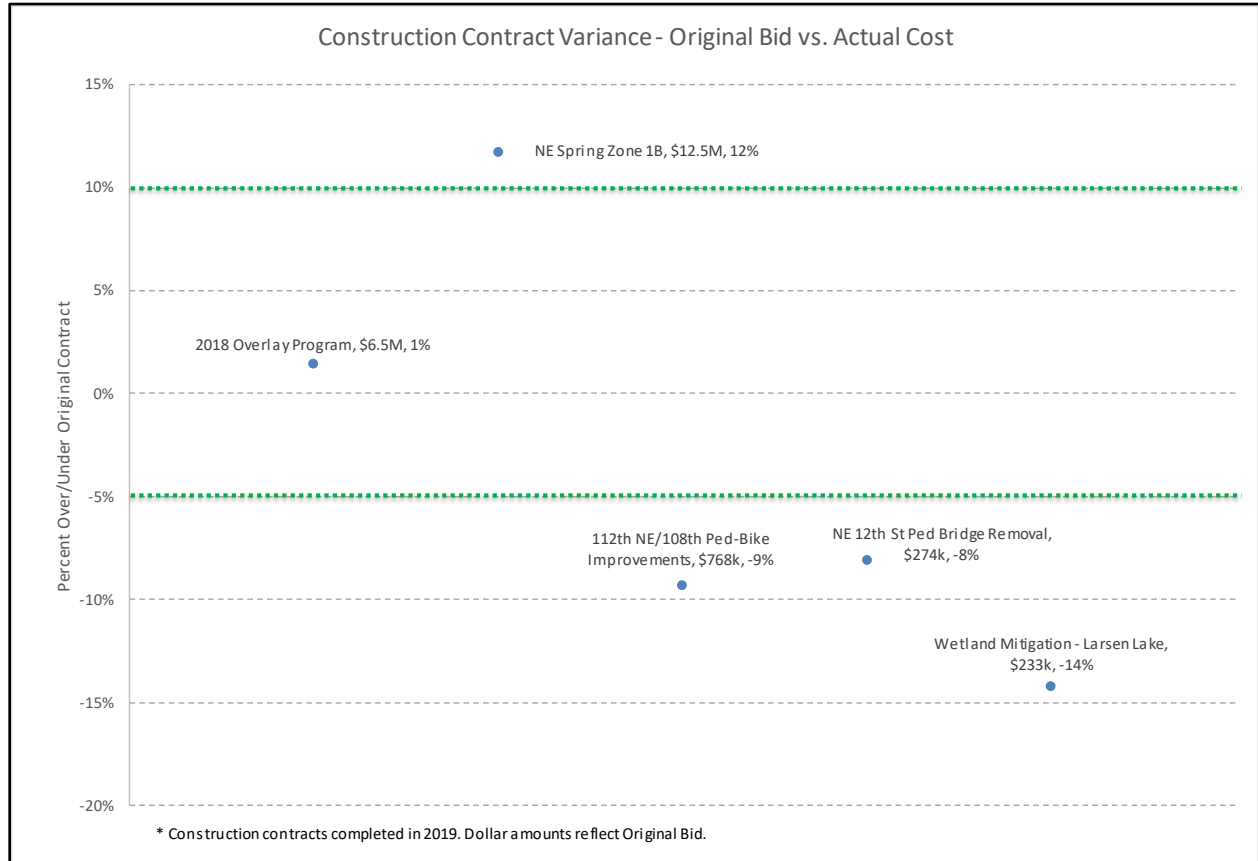
Our Public Information staff continue to do an outstanding job in getting necessary project information out to the affected public in a timely manner. Using a wide variety of media including print, mailings, Twitter, next Door, and multiple others, our Outreach staff proactively communicate project information from Open House events where the public can provide input into the project design through impacts of construction. Communications are translated into multiple language that reflect the diverse demographics of our population.

### *Recent Accepted Major Project Bids vs. Engineer's Estimate*

	Low Bid	High Bid	Eng. Estimate
100th Avenue NE & NE 10th Street	\$1,245,245	\$1,986,550	\$1,560,060
W. Lake Sammamish Parkway Phase 2	\$13,124,195	\$16,925,568	\$13,948,772
Newport Way - Somerset to 150th	\$6,529,529	\$7,821,872	\$7,395,120

As shown, in most cases we are reading the market accurately with our Engineer's Estimates. This is always a moving target as commodity prices, labor rates, regional workload, etc. are constantly changing. Estimates are completed based upon the most recent quotes for similar work and adjusted for market conditions.

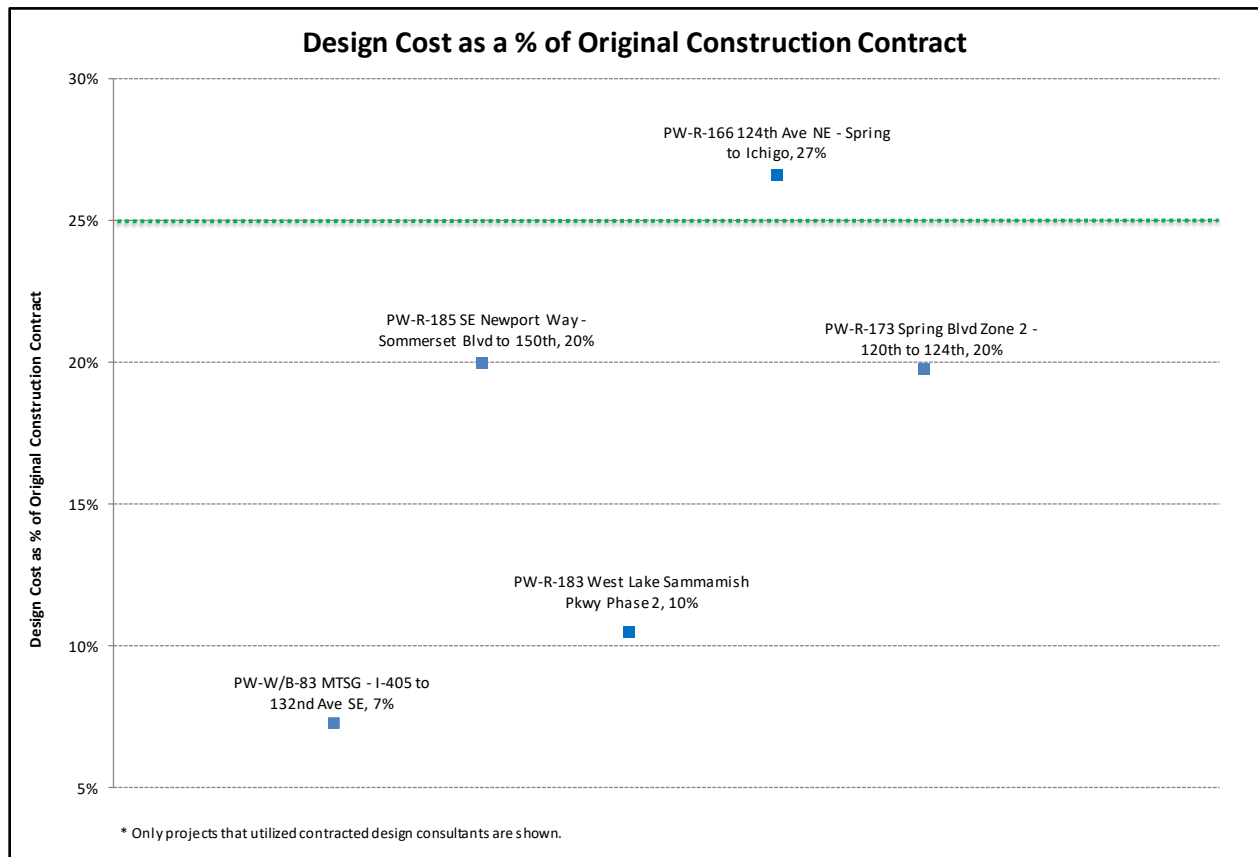
## Construction Contract Variance – Original Bid vs. Actual Cost



Project budgets include a 10 percent construction contingency represented by the top green band in the above chart. At Council request we have included the initial bid amount for each project.

Council advanced the funding to design and construct the first phase of the Spring Boulevard Zone 1 project that constructed two bridges over the East Link rail alignment prior to light rail operations in order to save millions of dollars in projected future costs if built over-active rail lines. During construction of this project contaminated soils were found *under* the foundation of a building that occupied the site. These soils had to be removed and properly disposed of which increased the overall construction contract. This increase was approved by Council during construction. Other projects completed in 2019 were done well under the project contingency.

## Design Cost as % of Original Construction Contract



Our target for design cost as a percentage of the original construction contract is to remain below 25 percent represented by the green line in the above chart.

As a jointly funded project between Bellevue and Sound Transit, the 124<sup>th</sup> Avenue NE – Spring Boulevard to Ichigo Way project combined elements needed by both agencies which added significant complications to a typical roadway bridge design. Despite these complications we nearly met our desired target.

The Mountains to Sound Greenway project was primarily designed in-house with structural and geotechnical elements design by consultants.

### Conclusion

We are continuing to progress construction in a safe manner under very difficult circumstances. Staff morale continues to be good and is checked on regularly.