

**CITY COUNCIL REGULAR SESSION**

Ordinance 1) amending the 2021-2027 General Capital Investment Program (CIP) Plan to increase the budget for the 130th Avenue NE Station Area Park and Ride project (CIP Plan No. PW-R-209) by \$1,000,000, decrease the budget for the 124th Avenue NE – NE Spring Boulevard to Ichigo Way Project (CIP Plan No. PW-R-166) by \$250,000, and decrease the budget for the Bridge and Pavement Preservation (Overlay) Program (CIP Plan No. PW-M-1) by \$750,000; 2) rejecting the bid protest from Granite Construction Company; and 3) awarding Bid No. 21026, 130th Avenue NE Station Area Park and Ride (CIP Plan No. PW-R-209 and CD-48) to Active Construction, Inc., as the lowest responsible and responsive bidder, in the amount of \$4,400,400.00, plus all applicable taxes.

Andrew Singelakis, Director, 452-6468  
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*Transportation Department*

**EXECUTIVE SUMMARY**

This Ordinance amends the 2021-2027 General CIP Plan to increase the budget for the 130<sup>th</sup> Avenue NE Station Area Park and Ride Project (CIP Plan No. PW-R-209) by \$1,000,000, decreases the budget for the 124<sup>th</sup> Avenue NE – NE Spring Boulevard to Ichigo Way Project (CIP Plan No. PW-R-166) by \$250,000, and decreases the budget for the Bridge and Pavement Preservation (Overlay) Program (CIP Plan No. PW-M-1) by \$750,000. This Ordinance also rejects the bid protest of Granite Construction Company and awards Bid No. 21026 to Active Construction, Inc. to construct the 130<sup>th</sup> Avenue NE Station Area Park and Ride.

**RECOMMENDATION**

Move to adopt Ordinance No. 6579

**BACKGROUND/ANALYSIS**

On November 15, 2011, the City and Sound Transit entered into an Umbrella Memorandum of Understanding (MOU) related to the construction, operation and maintenance of the East Link project including the City's contribution for a downtown tunnel.

On May 6, 2015, an Amended and Restated MOU was completed, finalizing negotiations related to the additional property rights exchanged. Contemplated in the MOU was an agreement for Sound Transit to transfer in fee three parcels between 130<sup>th</sup> and 132<sup>nd</sup> Avenue NE (130<sup>th</sup> Parcels) to the City for mixed-use, transit-oriented development (TOD), subject to the requirement that the City's redevelopment of the parcels integrate a 300-stall park and ride facility on the property prior to the start of East Link fare service. The terms of the conveyance and requirements for the City's delivery of the parking facility are outlined in the "Conveyance Agreement for Property at 130<sup>th</sup> Station" (Agreement) effective October 17, 2019.

To maximize the ability of the City to advance the vision set forth in the BelRed Plan and BelRed TOD Planning Objectives (approved by Council on January 16, 2016), the agreement provides the City multiple options for delivering Sound Transit's required parking facility on time. Included in those options is the ability for the City to extend the timeline for delivering the required on-site permanent parking facility to 2028 through the provision of interim parking facilities on and off-site while the TOD project is being planned and constructed.

On April 29, 2020, the City notified Sound Transit of its plan to pursue the "Interim Parking Option" and advance planning and design for an interim park and ride facility on the 130<sup>th</sup> Parcels. Development of an interim park and ride facility on the 130<sup>th</sup> Parcels is required to ensure the City can meet its contractual obligation to deliver parking by the accelerated East Link in-service date. Additionally, it allows the City to continue its work analyzing feasibility of redevelopment scenarios and associated public-private partnership strategies that will ensure completion of a TOD project that integrates a permanent parking facility for Sound Transit by 2028.

As part of the 2021-2027 Capital Investment Program (CIP) budget, adopted by Council on December 14, 2020, the 130<sup>th</sup> Avenue NE Station Area Park and Ride (CIP Plan No. PW-R-209) project and the Public-Private Partnership – BelRed TOD project (CIP Plan No. CD-48) was funded for partial implementation. Over the past year City staff have been in discussion with the U.S. Department of Transportation Build America Bureau on the possibility of adding this project to our TIFIA portfolio of projects. This would provide an opportunity to cover the difference between the budgeted amount and project bid, while also allowing the City to refinance the current loan to today's lower interest rate. While refinancing to lower interest rates may still be beneficial and remains in progress, the current terms to add this new project is not proving beneficial. Instead, staff seek to redirect project savings to fully fund the project.

The following bid submittals were received for this project:

Active Construction Inc.	\$4,400,400.00
Interwest Construction, Inc.	\$4,806,213.91
New West Development	\$4,887,924.00
Granite Construction Company	\$4,309,079.35*
Titan Earthwork	\$4,888,666.00*
<b>Engineer's Estimate</b>	<b>\$5,012,665.00</b>

\*The bids received from Granite Construction Company and Titan Earthwork were incomplete and were deemed to be non-responsive.

On June 11, 2021, staff received a formal bid protest from Granite Construction Company. The bid protest contended that Granite Construction Company's failure to sign the bid bond was an immaterial informality.

After a thorough review of the Granite Construction Company protest, staff have concluded that WSDOT specifications and local amendments require a signed bid deposit and that the Granite Construction Company bid is therefore nonresponsive.

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**

Timely execution of the interim park and ride is required for the City to retain possession of the 130<sup>th</sup> parcels. Timely execution of this project is directly connected to the City's ability to advance the 130<sup>th</sup>/BelRed Station Area planning vision and remain consistent with the BelRed TOD Planning Principles and 130<sup>th</sup> Station Area TOD Planning Principles approved by Council on January 25, 2016.

### **Fiscal Impact**

This is one of three items scheduled for Council action tonight for the 130<sup>th</sup> Avenue NE Station Area Park and Ride Project (CIP Plan No. PW-R-209) and the Public-Private Partnership – BelRed TOD Project (CIP Plan No. CD-48). The first item is a Resolution to amend the Professional Engineering Services Agreement with KPFF, Inc. to provide engineering support services during the construction of the project; and the second item is a Resolution to execute an agreement with HDR, Inc. for construction management support services.

### **Budget Amendment**

This action will amend the 2021-2027 General CIP Plan by increasing the project budget for PW-R-209 by \$1,000,000 for a total project budget of \$5,000,000. This increase is funded by \$250,000 in project cost savings from the 124<sup>th</sup> Avenue NE – NE Spring Boulevard to Ichigo Way Project (CIP Plan No. PW-R-166) and a \$750,000 budget transfer from the Bridge and Pavement Preservation (Overlay) Program (CIP Plan No. PW-M-1).

### **Bid Award**

Awarding this bid will obligate the City to \$4,400,400.00, plus all applicable taxes, to construct the 130<sup>th</sup> Avenue NE Station Area Park and Ride. This amount is approximately 12 percent under the Engineer's Estimate. With the budget amendment included in this action there is sufficient funding in the 2021-2027 CIP (CIP Plan No. PW-R-209) to fully fund this contract.

## **OPTIONS**

1. Adopt the Ordinance 1) amending the 2021-2027 General Capital Investment Program (CIP) Plan to increase the budget for the 130<sup>th</sup> Avenue NE Station Area Park and Ride project (CIP Plan No. PW-R-209) by \$1,000,000, decrease the budget for the 124<sup>th</sup> Avenue NE – NE Spring Boulevard to Ichigo Way Project (CIP Plan No. PW-R-166) by \$250,000, and decrease the budget for the Bridge and Pavement Preservation (Overlay) Program (CIP Plan No. PW-M-1) by \$750,000; 2) rejecting the bid protest from Granite Construction Company; and 3) awarding Bid No. 21026, 130<sup>th</sup> Avenue NE Station Area Park and Ride (CIP Plan No. PW-R-209 and CD-48) to Active Construction, Inc., as the lowest responsible and responsive bidder, in the amount of \$4,400,400.00, plus all applicable taxes.

2. Do not adopt the Ordinance and provide alternative direction to staff.

#### **ATTACHMENTS & AVAILABLE DOCUMENTS**

- A. Vicinity Map
  - B. CIP Project Description (PW-R-166)
  - C. CIP Project Description (PW-R-209)
  - D. CIP Project Description (CD-48)
- Proposed Ordinance No. 6579

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

Project Specifications  
Project Plans