

**CITY COUNCIL AGENDA ITEM**  
CITY OF SHORELINE, WASHINGTON

<b>AGENDA TITLE:</b>	Dayton Avenue N @ N 175 <sup>th</sup> Street Retaining Wall Project Construction Award
<b>DEPARTMENT:</b>	Public Works Engineering
<b>PRESENTED BY:</b>	Tricia Juhnke, Capital Projects Administrator John Vicente, Capital Projects Manager

**PROBLEM/ISSUE STATEMENT:**

Staff is requesting that Council authorize the City Manager to execute a construction contract with the lowest bid contractor Kemper Construction Corporation to construct a new retaining wall and sidewalks for the Dayton Avenue N/N 175<sup>th</sup> Street Improvement Project (Dayton Project). Kemper Construction Corporation's low bid ranged from \$1,001,982.80 to \$1,149,916.80, depending upon which additives and deducts are awarded.

**BACKGROUND**

Deterioration of the 50+-year-old timber pile wall has been repaired over the years. The retaining wall supports Dayton Avenue N. on the west side and is approximately 150 feet long and eight plus feet tall at its highest point. A new 260 foot long steel and concrete wall will replace the old wall and will be located behind the old wall to provide sufficient room to construct the sidewalk, amenity zone, curb and gutter. The project was advertised early so that the contractor has the opportunity to advance order long lead items prior to construction in the summer.

**BID RESULTS AND ANALYSIS**

The bid opening was held on January 12, 2007 and there were 6 bids received. Due to the uncertainty of the current bidding market, the project was split into a base bid and three alternative/deductive bids to provide City Council with the choice of award to maintain the budget. ( See Attachment/Figure 1)

- The base bid includes replacement of the existing retaining wall on Dayton Avenue N at approximately N 175th Street and a new sidewalk along the front of the wall.
- Additive bid #1 included new sidewalks along the west side of Dayton Avenue N, south of the wall and along the north side of N 172nd Street.
- Additive bid #2 included reconfiguring the intersection of Dayton Avenue N and St Lukes Place so that it resembles a typical "T" intersection.
- Deductive bid #1 provides the City with the option to close Dayton Avenue N between N 172nd Street and St Lukes Place N from July 5th to August 31st. This deduction in the total construction cost provides greater opportunity to

award the additive items and provides a more secure and safe construction zone.

The following bids were received on the project with Kemper Construction Company providing the lowest bid for the Base Bid and all alternates:

#### Bid Results

Contractor	Base Bid	Additive #1	Additive #2	Deductive #1
<b>Kemper Construction</b>	<b>\$741,580.10</b>	<b>\$276,402.70</b>	<b>\$131,934.00</b>	<b>\$16,000.00</b>
Wilder Construction	\$926,078.53	\$247,861.50	\$125,186.00	\$34,385.00
Construct Company	\$926,552.89	\$254,958.11	\$131,805.04	\$30,000.00
SCI Infrastructure	\$1,018,910.25	\$264,185.45	\$136,967.00	\$40,000.00
Westwater Const.	\$1,023,709.00	\$275,599.00	\$118,494.00	\$20,000.00
Dennis R. Craig Construction	\$1,226,888.60	\$253,365.35	\$143,837.95	\$35,000.00
Engineer's Estimate	\$688,073.32	\$223,654.82	\$86,661.85	No Estimate

The reference check for Kemper Construction Corporation was favorable regarding quality of construction, management of materials and staff and their fiscal management.

The bids received were higher than the projected by the Engineer's Estimate. Current project funding is not adequate to cover the cost of the entire project, base bids plus alternatives. Below are options proposed by staff for awarding the project and the summary of financial strategies for each option:

#### Award Option Summary

Contractor	Option 1 – Wall and Road Closure	Option 2 – Wall, Sidewalks, and Road Closure	Option 3 – Wall and Sidewalks
Kemper Construction Corp.	\$725,580.10	\$1,001,982.80	\$1,017,982.80

#### **Award Option 1 – Wall and Road Closure:**

This option awards the Base Bid and Deductive Bid #1. This award option would construct the new retaining wall and allow the full closure of Dayton Avenue between N 172<sup>nd</sup> Street and St. Luke Place N. Total cost for this option is \$ 725,580. There is sufficient budget to construct this option. This option would not allow for construction of sidewalks under bid additive #1 which includes the TIB Grant as a revenue source.

**Award Option 2 – Wall, Sidewalks and Road Closure:**

This option awards the Base Bid, Alternative Bid #1 and Deductive Bid #1. This award option would construct the new retaining wall, sidewalks, and allow full closure of Dayton Avenue N. Total cost for this option is \$1,001,982.80. This option allows for the construction of sidewalks but also requires additional funding to cover construction costs (including contingency) plus costs for staff, engineering and construction management of the contract. Selection of this option requires increasing the project budget a total amount of \$254,000. Funding options are presented below.

The Base Bid will construct a sidewalk directly in front of the wall only and connect to the sidewalk to the north of the wall. The Additive Bid #1 will continue the new sidewalks south of the wall and along N 172<sup>nd</sup> where it will connect with the sidewalk along Fremont Avenue N in front of Shorewood High School. The new sidewalks are along the student walk route for Shorewood High School and pedestrians wishing to access bus routes on Aurora Avenue and Dayton Avenue N. Awarding Additive Bid 1 will provide sidewalks from St Lukes Elementary to Fremont Avenue N. Dayton Avenue N is classified as a minor arterial with approximately 9,000 cars per day; adding sidewalks will increase safety for pedestrians. The attached figure 1 shows the location of the proposed new sidewalks.

**Award Option 3 – Wall and Sidewalks:**

This option awards the Base Bid and Alternative Bid #1. This award option would construct the new retaining wall and sidewalks. Total cost for this option is \$1,017,982.80. This option allows for the construction of sidewalks but also requires additional funding to cover construction costs (including contingency) plus costs for staff, engineering and construction management of the contract. Selection of this option requires increasing the project budget a total amount of \$270,000, due to the additional \$16,000 associated with keeping the road open during construction. Funding options are presented below.

**Deductive Bid #1:**

Closure of Dayton Avenue N would occur between N 172<sup>nd</sup> Street and St. Luke Place N. The closure would be allowed 24-hours a day, 7 days a week and would be between July 5<sup>th</sup> and August 31<sup>st</sup>, or a total duration of 58 days. The contractor would be required to open the road for through traffic by 5pm, on August 31<sup>st</sup>, regardless of what stage of construction they are in. The closure of Dayton Avenue N is recommended for safety, operational, and cost issues. Without the closure of Dayton Avenue N, there would be complications from trying to construct the wall in limited space and allowing for safe passage of vehicles and pedestrians. Closing the road reduces these complications and reduces potential risk to the public. Closing the road would require detours around the construction zone. Keeping Dayton open during construction would require additional traffic control and result on daily long term delays and most likely impact traffic at the signal at the intersection of N 172<sup>nd</sup> Street. Long delays will most likely result in traffic diversions if Dayton is kept open.

The attached figure 2 shows the proposed detour map and the anticipated alternate routes drivers may choose to take as opposed to the detour. The City would post advanced warning signs of the road closure and would publish the closure in the local

and regional newspapers. Upon closure, information signs will be posted at key locations to alert drivers of the closure and provide contact information. Emergency services, Shoreline School District, and St. Lukes Elementary have been consulted on the closure and are comfortable with the closure as described above. Closing of Dayton will also provide the City a credit of \$16,000. There are other potential costs that are of high risk if the road should remain open. For example, damage to the road could be more extensive as a result of increased construction activity outside the work zone. This may require rebuilding the roadway at double the area than if Dayton were closed.

There are a few private residences along Dayton Avenue North in the proposed closure area. Provisions have been included within the construction contract documents requiring the contractor to provide access to residences at all time. If access must be restricted, the contractor is to provide the residences with 48-hour notice and provide parking and assistance to their respective homes if necessary. Access must be provided to the residences by the end of each work day.

To keep the cost of construction down, staff is not recommending awarding Additive Bid #2. As there is no grant associated with the additive, and sidewalks currently exist at this location, the work can be delayed for another time when funding is available.

Regardless of the option selected, there are 60 working days to the contract. The project would begin on June 25<sup>th</sup> and is expected to be completed by fall 2007, weather permitting.

Staff is recommending that Council award Option #2. Below is a break down on the financial analysis.

**FINANCIAL IMPACT:** The construction budget for this project is \$994,000 which includes a \$135,200 TIB grant associated with Alternative 1 improvements. For option 1, \$72,000 is needed for staff time, engineering and construction management services during construction, and 1% for the arts. For option #2 and #3, \$140,000 is needed for staff time, engineering and construction management services during construction, and 1% for the arts. Below lists the funding strategies for each option:

Description	Option 1 – Wall and Road Closure	Option 2 – Wall, Sidewalks, and Road Closure	Option 3 – Wall and Sidewalks
Construction Award	\$725,580	<b>\$1,001,982.80</b>	\$1,017,982.80
Construction Contingency	\$72,558	<b>\$100,198.28</b>	\$101,798.28
Other Construction Costs	\$72,000	<b>\$140,000</b>	\$140,000
Total Construction Cost	\$870,138	<b>\$1,242,181.08</b>	\$1,259,781.08
Available Project Budget, City Funds	\$858,800	<b>\$858,800</b>	\$858,800
TIB Grant	\$0.00	<b>\$135,200</b>	\$135,200
Additional Budget Required	\$11,338	<b>\$248,181.08</b>	\$265,781.08

### Funding Strategies:

Description	Option 1 – Wall and Road Closure	Option 2 – Wall, Sidewalks, and Road Closure	Option 3 – Wall and Sidewalks
Reduce Construction Contingency	- \$12,000	\$0.00	\$0.00
Real Estate Excise Tax Funds	\$0.00	\$119,000	\$119,000
North City Project Savings	\$0.00	\$100,000	\$100,000
Sidewalk "in lieu" funds	\$0.00	\$20,000	\$20,000
Surface Water Fund	\$0.00	\$15,000	\$15,000
2006 Savings from Roads Capital projects	\$0.00	\$0.00	\$16,000
Total increase (decrease) in funding	(\$12,000.00)	\$254,000	\$270,000

Option 1 would not require a budget revision at this time, but contingency would be small for a project of this size and scope. A budget revision would possibly be needed in the future to cover unanticipated conditions that occur during construction. The Real Estate Excise Tax funds are revenues in excess of those projected for 2006. The North City Project has been completed and will come in under budget which allows funding to be unencumbered and transferred to other projects. The sidewalk "in lieu" funds are derived from payments from developers in exchange for providing right of way improvements. These "in lieu of" funds were collected in 2006 and must be used for new sidewalk construction. Typically "in lieu of" funds are allocated to the Sidewalk Priority Program. The Base Bid and Additive Bid have surface water elements that can be paid for by excess Surface Water funds not spent in 2006 or otherwise allocated to other projects. The 2006 savings from Roads Capital projects are funds not spent in 2006 or otherwise allocated from the Roads Capital Engineering and Transportation Project Formulation funds. With the exception of the "in lieu" of funds, these revenues sources are all surplus in 2006 and will be identified as part of the carryover process for 2006. At this time, none of the above funding sources have been assigned to other projects or operating budgets.

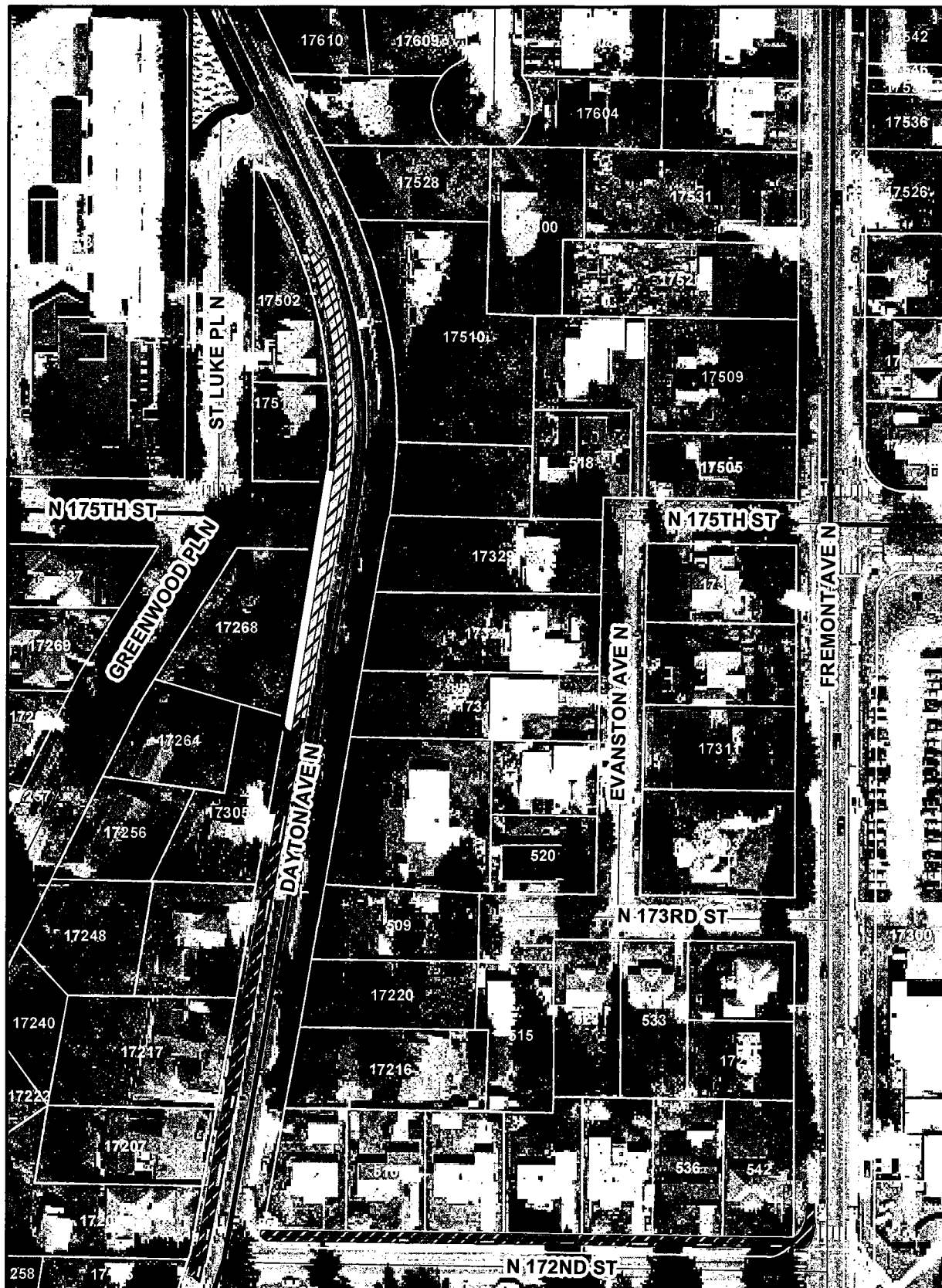
If Council agrees with this approach, Staff will include these funding strategies in the budget ordinance which is scheduled for the March 26<sup>th</sup> Council meeting. This budget ordinance includes the annual prior year carryover requests and other required amendments.

### RECOMMENDATION

Staff recommends that Council award the Base Bid plus Additive Bid #1 and Deductive Bid #1 and authorize the City Manager to execute a construction contract with Kemper Construction Corporation for an amount not to exceed \$1,001,982.80 (Option 2, Page 3) and authorize the City Manager the use of up to a 10% contingency authority to complete the Dayton Project.

Approved By: City Manager  City Attorney \_\_\_\_\_

### Figure 1



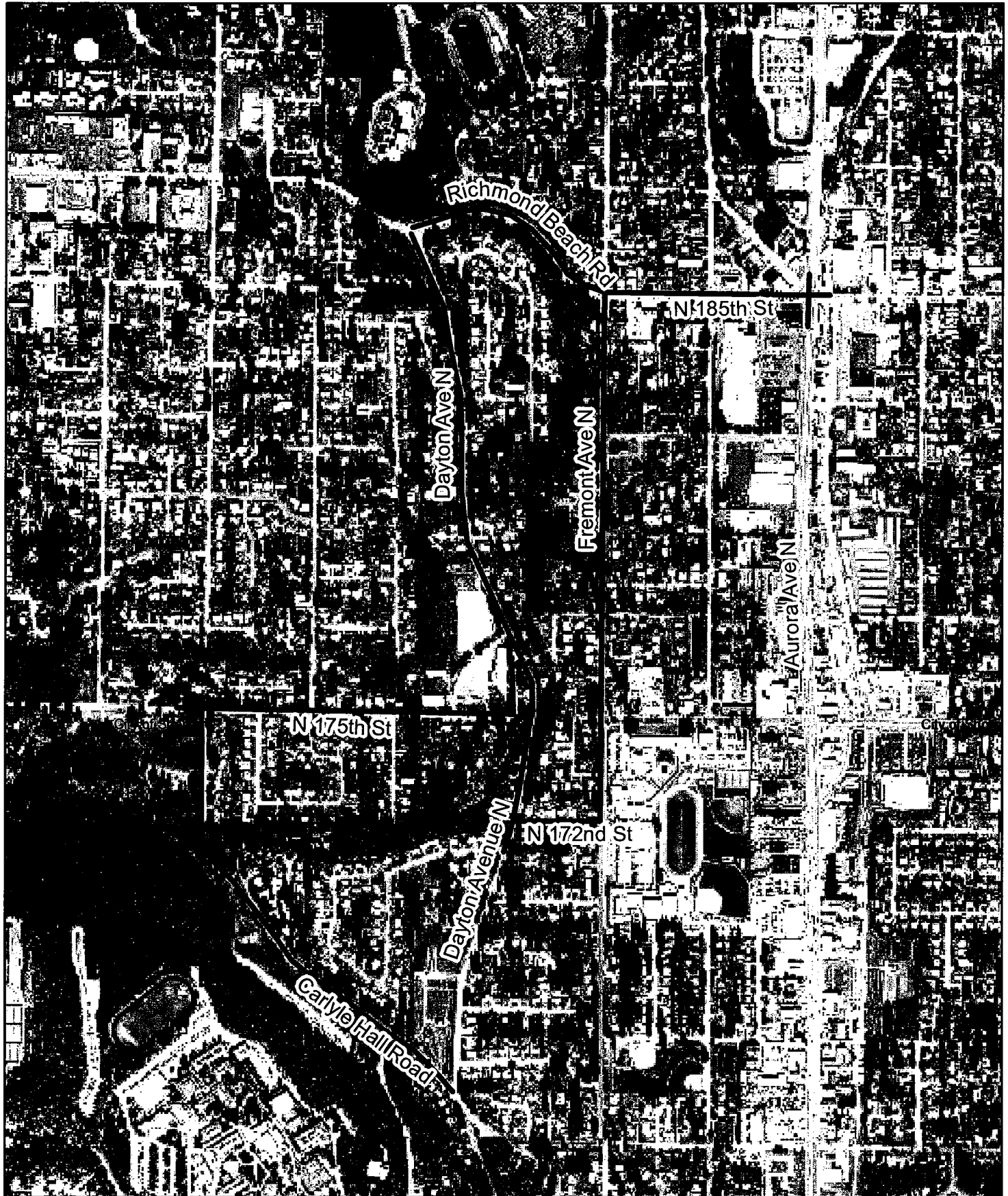
# Dayton Ave N/N 175th Retaining Wall Project

-  New Sidewalk with Amenity Zone -- Base Bid
  New Wall Location
-  New Sidewalk with Amenity Zone -- Additive Bid 1
  New Sidewalk with Amenity Zone -- Additive Bid 2
  New Landscaping Additive Bid 2



Figure 2

Dayton Avenue N Closure Detour Routes -- Dayton Avenue North Project



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