

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

**AGENDA TITLE:** Authorize the City Manager to Execute a Construction Contract with Marshbank Construction, Inc. for the Aurora Corridor Improvement Project (N 165th–N 185th Street)  
**DEPARTMENT:** Public Works  
**PRESENTED BY:** Mark Relph, Public Works Director  
Kris Overleese, Capital Projects Manager

**PROBLEM/ISSUE STATEMENT:**

Bids were opened on October 27, 2009 for the Aurora Corridor Improvement Project from N 165th to 185th Street, with the apparent low bidder being Marshbank Construction, Inc. in the amount of \$19,069,831.68. City Council action is required to award the bid and approve the contract, and thereby begin the construction of the project.

**BACKGROUND:**

Between October 5 and October 27, 2009, the City solicited contractors to construct the Aurora Corridor Improvement Project (N 165th to N 185th Street). The City also posted draft plans several months prior to the formal solicitation, so contractors could begin their review of the project. The engineer's estimate for the construction/contractor component was \$22,900,000 (\$27,000,000 was advertised with the contractor solicitation, which included inflation and contingency). The engineer's estimate includes utility work to be reimbursed by Seattle Public Utilities and Seattle City Light. With the inclusion of the recently awarded "Urban Vitality Grant", the City has funds to complete the project.

Bids were opened on October 27, 2009 following a three-week advertisement. Nine bids were received. Marshbank Construction, Inc. from Lake Stevens was the apparent low bidder. The bids were as follows:

Marshbank Construction, Inc.	\$19,069,831.68 <sup>1</sup>
J.R. Hayes & Sons, Inc.	\$19,281,807.00
Northwest Construction, Inc.	\$20,733,993.06 <sup>1</sup>
KLB Construction	\$21,369,121.30
Gary Merlino Construction Co., Inc.	\$22,503,745.10
Tri-State Construction, Inc.	\$22,926,742.27 <sup>1</sup>
Mid Mountain Contractors, Inc.	\$24,199,073.05
Interwest Construction, Inc.	\$24,685,177.88 <sup>1</sup>
Granite Construction Company	\$24,449,758.30 <sup>1</sup>

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<sup>1</sup> Amounts reflect the corrected total per the Instructions to Bidders.

During the bid protest period, staff received a bid protest challenging the validity of Marshbank's bid. Marshbank failed to provide a form (as did seven of the nine bidders) and the protester wanted their bid rejected. Shoreline legal, purchasing and public works staff coordinated with the Washington State Department of Transportation (WSDOT), and all agreed that Marshbank met the bid requirements. The protester was notified of the City's intent to request the Council award to Marshbank on Friday, October 30, 2009.

City staff has determined, with assistance from our design consultants HDR Engineering and WSDOT, that Marshbank's bid is responsive and that they have met the requirements. This was verified by:

- Evaluation of all bids through the creation of bid tabs
- Verification that the Disadvantaged Business Enterprise (DBE) and training goal requirements set by the Washington State Department of Transportation (WSDOT) have been met
- Verification that the contractor has not been barred from contracting on federal- and state-funded projects
- Coordination with our funding partners to ensure their requirements have been met.

Staff recommends awarding the Aurora construction contract to Marshbank Construction, Inc.

## **SCHEDULE**

Right-of-way has been certified for the N 165th to N 185th Street segment, and staff will continue to work with property owners as needed to reach settlement. Funding has been obligated for this segment.

The construction management outreach team, EnviroIssues, has completed almost all of their personal business owner pre-construction surveys. During these interviews, multiple Shoreline businesses requested that construction not begin until after the holiday season. In response to this request, after evaluation of the overall schedule, staff amended the bid documents. The contractor will be given a limited notice to proceed for work through December, and the contractor will be given a full notice to proceed on January 4, 2010. The construction clock will begin at the time of full notice to proceed. The construction of this segment is still anticipated to be complete in the spring of 2011, weather permitting.

Design is underway for the N 185th–N 192nd Street segment, with construction anticipated for the summer of 2010. Final design on the N 192nd to N 205th Street segment is not expected to be completed until late 2011. Below is a table showing current projection for the entire N 165th to N 205th segment of Aurora.

Segment	Phase	Schedule
N 165th to N 185th	Advertisement	October 5, 2009
	Council Award	November 16, 2009
	Construction	January 2010 – Spring 2011
N 185th to N 192nd	Design	August 2009 – May 2010
	Right-of-Way	November 2009 – May 2010
	Advertisement	June 2010
	Construction	August 2010 – Summer 2011
N 192nd to N 205th	Design	Fall 2010 – Fall 2011
	Right-of-Way <sup>2</sup>	Spring 2010 – Fall 2011
	Construction <sup>2</sup>	Fall 2011 – Spring 2013

## FINANCIAL IMPACT

### Expenditures:

Segment	Phase	Estimated Cost
N 165th–N 185th	Project Administration/Design	\$9,700,000
	Right-of-Way	\$11,000,000
	Construction	\$19,000,000
	Contingency <sup>3</sup>	\$2,700,000
Subtotal		\$42,400,000
N 185th–N 192nd	Project Administration/Design	\$3,800,000
	Right-of-Way	\$1,550,000
	Construction	\$9,110,000
	Contingency	\$2,900,000
Subtotal		\$17,360,000

<sup>2</sup> These phases are not fully funded at this time. The schedule for these phases is pending available funding.

<sup>3</sup> Contingency includes \$1,900,000 for construction, \$320,000 for construction management and \$500,000 for right-of-way.

Segment	Phase	Estimated Cost
N 192nd–N 205th	Project Administration/Design	\$7,500,000
	Right-of-Way	\$5,400,000
	Construction	\$25,000,000
	Contingency	\$8,030,000
Subtotal		\$45,930,000
Total Cost N 165th–N 205th		\$105,690,000

### Revenue:

Total revenue for all expenditure items (i.e. Design, Right-of-Way, Construction and Contingency) for the section from 165th to 185th is now in excess of the projected expenditures. Therefore, any excess revenue will be reapportioned to future phases. The revenue for this construction contract is from the following sources:

- TPA – Transportation Partnership
- STP-C & STP-U – LA-5877 (federal grant)
- King County FTA Funding Grant (MOA)
- King County agreement
- Regional Mobility grant
- TIB – Transportation Improvement Board
- 2009 SAFETEA-LU
- Highway Safety Improvement Program (HSIP)
- Transportation, Community & System Preservation (TCSP) 165th–185th
- WSPWB – Urban Vitality Program 165th–185<sup>th</sup>
- Roads Capital Fund – City of Shoreline

The N 192nd–N 205th segment is not fully funded at this time. Fifteen million dollars have been secured for the N 192nd–N 205th Street segment. Staff continues to look for funding for the final segment of Aurora.

### RECOMMENDATION

Staff recommends that Council authorize the City Manager to execute a construction contract with Marshbank Construction, Inc. in the amount of \$19,069,831.68 and change orders that will not exceed an aggregate of 10% (\$1,906,983.17) for the Aurora Corridor Improvement Project (N 165th to N 185th Street).

Approved By: City Manager  City Attorney 