

CITY COUNCIL AGENDA ITEM

CITY OF SHORELINE, WASHINGTON

AGENDA TITLE: Authorize the City Manager to Execute a Construction Contract with Gary Merlino Construction Company for the Aurora Corridor Improvement Project (N 192nd to N 205th Street), Including a Project Contingency and Waiving the 1% for the Art Contribution

DEPARTMENT: Public Works

PRESENTED BY: Kirk McKinley, Transportation Services Manager
Rosalie Wu, Aurora Corridor Project Manager

ACTION: ☐ Ordinance ☐ Resolution ☒ Motion
 ☐ Discussion ☐ Public Hearing

PROBLEM/ISSUE STATEMENT:

Staff requests that Council authorize the City Manager to execute a contract with Gary Merlino Construction Company in the amount of \$26,910,578.70, plus a 10% contingency, for construction of the Aurora Corridor Improvement Project (N 192nd to N 205th Street), and waive the 1% for the Art contribution for this project.

Between September 30 and October 29, 2013, the City solicited contractors to construct the Aurora Corridor Improvement Project (N 192nd to N 205th Street). The engineer's estimate for construction was \$24,760,000. The engineer's estimate includes utility work to be reimbursed by Seattle Public Utilities, Seattle City Light, and Ronald Wastewater District.

Bids were opened on October 29, 2013 following a four week advertisement. Four bids were received. Johansen Excavating, Inc. was the low bidder. The bids received were as follows:

Contractor	Base Bid	Base Bid + Add. 1 (Filterra)	Base Bid + Add. 1 & 2 (Filterra and Silva Cell)
Johansen Excavating	\$26,047,033	\$26,181,937	\$26,318,354
Gary Merlino	\$26,653,375	\$26,783,680	\$26,957,646
Atkinson	\$27,193,240	\$27,332,743	\$27,496,349
Mid-Mountain	\$28,084,216	\$28,206,856	\$28,380,974

In evaluating the bid tabulations, adjustments were made for math errors and to the unit price for the same item on two bid schedules. The adjusted bids are:

Contractor	Base Bid	Base Bid + Add. 1 (Filterra)	Base Bid + Add. 1 & 2 (Filterra and Silva Cell)
Johansen Excavating	\$26,038,045	\$26,172,949	\$26,309,366
Gary Merlino	\$26,617,913	\$26,748,218	\$26,910,579
Atkinson	\$27,047,920	\$27,187,423	\$27,351,029
Mid-Mountain	\$31,843,427	\$31,966,067	\$32,140,185

The Washington State Department of Transportation (WSDOT), the agent for Federal funding, has determined that Johansen Excavating's bid did not meet the Disadvantaged Business Enterprise (DBE) goals and is non-responsive. They determined that Merlino'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 DBE and training goal requirements set by 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.

Award of this contract for construction on the final section of Aurora Avenue will complete the improvements on the entire corridor from N 145th to N 205th Street.

SCHEDULE:

Construction is anticipated to start in January 2014. The construction of this segment is anticipated to be complete by the end of 2015, weather permitting.

COUNCIL GOAL ADDRESSED:

This item addresses Council Goal #2, Improve Shoreline's utility, transportation, and environmental infrastructure, by implementing the first action step of the goal: Construct the Aurora Corridor improvements from N 192nd to N 205th Streets.

FINANCIAL IMPACT:

Construction of this segment will utilize a combination of local and federal grants and Roads Capital funds. Below is a breakdown of the project expenditures:

Expenditures/Costs

Design:

Staff and other Direct Expenses	\$708,591	
Consultants	\$3,886,619	
Total Design		\$4,595,210

Right of Way:

Staff and other Direct Expenses	\$33,920	
Consultants	\$402,782	
Property Acquisitions	\$4,005,036	
Total Right of Way		\$4,441,738

Construction (Estimate):

Staff and other Direct Expenses	\$ 569,959	
Construction Management/Inspection	\$4,763,338	
Construction Contract	\$26,910,579	
Total Construction		\$32,243,876
Contingency	\$1,333,191	

Total Project Cost		\$42,614,015
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Award of the construction contract includes the additives identified in the bid tables above, which are the larger filterrass and silva cells. In addition, based on Council discussion and informal direction to staff at Council's August 5, 2013 meeting, we have not included the 1% for the Arts costs in the budget, a savings of approximately \$214,000. Once the project is completed and closed out and if there is City funding left unspent, Council may want to consider replenishing the arts fund.

Here is a breakdown of the project funding sources:

Funding/Revenue

Federal and State Grants	\$32,866,205
Utilities (SPU, SCL, Ronald Wastewater)	\$7,766,319
Roads Capital Fund	\$1,981,491
Total Available Funding	\$42,614,015

The utility contribution is based on the actual cost of their work plus a proportional share of related work. Cost increases in either will result in a corresponding increase of their contribution. Staff feels that these corresponding increases, along with assistance (if necessary) from one of our funding partners would cover a 10% contingency.

RECOMMENDATION

Staff recommends that Council move to authorize the City Manager to execute a contract that includes the additives with Gary Merlino Construction Company in the amount of \$26,910,578.70, and include a 10% contingency for construction of the Aurora Corridor Improvement Project (N 192nd to N 205th Street). Staff also recommends that the 1% for the Arts contribution be waived for this project.

Approved By: City Manager **DT** City Attorney **IS**