

## **CITY COUNCIL AGENDA ITEM**

### **CITY OF SHORELINE, WASHINGTON**

**AGENDA TITLE:** Authorizing the City Manager to Execute a Construction Contract with Westwater Construction Company in the Amount of \$831,865 for the Meridian Avenue N and N 155<sup>th</sup> Street Intersection Phase Changes Project

**DEPARTMENT:** Public Works

**PRESENTED BY:** Tricia Juhnke, City Engineer

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

**PROBLEM/ISSUE STATEMENT:**

Staff is requesting that Council authorize the City Manager to execute a contract with Westwater Construction Company for construction of the Meridian Avenue N and N 155<sup>th</sup> Street Intersection Phase Changes Project in the amount of \$831,865. This project will upgrade the traffic signal and curb radii and update the curb ramps at the intersection of Meridian Avenue N and N 155<sup>th</sup> Street to address left-turning collisions and increase pedestrian safety. The intersection pavement will also be rehabilitated.

From January 28<sup>th</sup> to February 25<sup>th</sup>, 2019, the City solicited bids for contractors to construct this project as Bid# 8977. The engineer's estimate for construction was \$695,990. Westwater Construction Company submitted the low bid in the amount of \$831,865. Staff has determined that the bid from Westwater Construction Company is responsive and that they have met the City's requirements.

**RESOURCE/FINANCIAL IMPACT:**

This project is funded with a combination of grant funds and non-grant resources available within the Roads Capital Fund. The entire project to be delivered at this intersection is also funded as part of the Annual Road Surface Maintenance and Traffic Signal Rehabilitation projects. Below is a breakdown of the approved 2019 budgets that will deliver this project:

**Project Expenditures:**

Construction:		
Staff and other Direct Expenses	\$120,000	
Consultant Support	\$15,000	
<b>Construction Contract</b>	<b>\$831,865</b>	
Total Construction		\$966,865
Contingency (10% construction contract)		\$83,186
<b>Total Project Expenditures</b>		<b>\$1,050,052</b>

**Project Revenue:**

Roads Capital Fund	\$177,105
Highway Safety Improvement Program (HSIP)	\$303,980
Annual Road Surface Maintenance Program <sup>[1]</sup>	\$116,690
Traffic Signal Rehabilitation <sup>[2]</sup>	\$50,000
<b>Total Project Revenue</b>	<b>\$647,775</b>

**Project Budget Shortfall** **(\$402,277)**

The project budget shortfall is largely attributable to higher-than-anticipated bid results in addition to staffing constraints that will require utilizing contracted services for construction support. While both elements are causing the project's expenditures to exceed the project's resources, additional resources to deliver the project are available from fund balance within the Roads Capital Fund. The fund balance comes primarily from surplus of approximately \$796,000 of Shoreline Transportation Benefit District (TBD) revenue that can be programmed for the Annual Road Surface Maintenance Program; thereby making available \$402,227 of Roads Capital fund balance which can be allocated to fill the shortfall for this project.

A budget amendment is not required at this time as these changes remain within the authorized expenditures for the CIP. Staff anticipates presenting a budget amendment for the CIP later this year to account for additional grant funded projects and other changes to the CIP. The adjusted project revenue is as follows:

**Revised Project Revenue:**

Roads Capital Fund	\$579,382
Highway Safety Improvement Program (HSIP)	\$303,980
Annual Road Surface Maintenance Program	\$116,690
Traffic Signal Rehabilitation	\$50,000
<b>Total Project Revenue</b>	<b>\$1,050,052</b>

**RECOMMENDATION**

Staff recommends that Council authorize the City Manager to execute a construction contract with Westwater Construction Company in the amount of \$831,865 for the Meridian Avenue N and N 155<sup>th</sup> Street Intersection Phase Changes Project including change order authorization up to \$83,865.

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

---

<sup>[1]</sup> The overlay of the intersection will be delivered as part of the Annual Road Surface Maintenance Program. This program is largely funded through a combination of non-grant revenue and Shoreline Transportation Benefit District Vehicle License Fees.

<sup>[2]</sup> The Traffic Signal Rehabilitation program is contributing a portion of the program budget to this project. The Traffic Signal Rehabilitation program is largely funded by non-grant revenues funded.

## **BACKGROUND**

Staff is requesting that Council authorize the City Manager to execute a contract with Westwater Construction Company for construction of the Meridian Avenue N and N 155<sup>th</sup> Street Intersection Phase Changes Project in the amount of \$831,865. This project is included in the 2019-2024 CIP. If this contract is awarded, construction of the project is anticipated to start in May 2019 with completion anticipated by August 2019.

The project will replace signal poles and mast-arms with capacity to add flashing yellow arrow signal indications for northbound left turn and southbound left turn to address at-angle collisions at the intersection of Meridian Avenue N and N 155<sup>th</sup> Street in Shoreline. Replacements will include junction boxes, conduits, signal cabinets, detection loops, and a signal controller. This project will also decrease intersection radii to lower vehicle turning speeds and reduce pedestrian crossing distance for increased pedestrian safety and provide vehicle and bicycle detection where needed. The intersection sidewalks, curb ramps and pedestrian signal system will be upgraded for ADA compliance. The intersection pavement will also be rehabilitated as part of this project.

## **DISCUSSION**

From January 28<sup>th</sup> to February 25<sup>th</sup>, 2019, the City solicited bids for contractors to construct this project as Bid# 8977. Bids were opened on February 25, 2019 and five (5) bids were received:

<b>Bidder</b>	<b>Total Bid</b>
<i>Westwater Construction Company</i>	<i>\$831,865.00</i>
<i>Redtail, LLC</i>	<i>\$873,612.10</i>
<i>SRV Construction, Inc.</i>	<i>\$928,386.50</i>
<i>TITAN Earthwork, LLC</i>	<i>\$929,929.00</i>
<i>Road Construction Northwest, Inc.</i>	<i>\$1,102,415.00</i>

Westwater Construction Company was the low bidder with a bid of \$831,865. The engineer's estimate for construction was \$695,990. City staff determined that the bid from Westwater Construction Company is responsive and has met the requirements of the bid. This was verified by:

- Evaluation of the bid through the creation of bid tabulations,
- Verification that the contractor is properly licensed in Washington and has not been barred from contracting on federal and state-funded projects, and
- Verification that Underutilized Disadvantaged Business Enterprise (UDBE) was utilized.

Since bid results were significantly higher than the engineer's estimate for this project, staff reviewed the bid tabs. Recent changes in the availability of signal systems suppliers likely contributed to the high bid costs for the signal components. Other high unit bid item costs may also be an indication of larger scale changes in the bidding climate.

### **Project Alternatives**

One alternative is to not award the project, which is not recommended. If the contract is not awarded, the project would not proceed, and the federal grant funding would be forfeited, including the return of federal funds received for the design phase of the project.

The other alternative is to reject all bids and re-advertise the project, which is also not recommended. The project was advertised at the appropriate time of the year and received an adequate number of bids. There is no reason to expect re-advertising the project will result in lower bid results and most likely would result in higher bid results.

### **COUNCIL GOAL(S) ADDRESSED**

This project addresses Council Goal #2, Improve Shoreline's infrastructure to continue the delivery of highly-valued public service. This project will meet this goal by correcting surface water related issues.

### **RESOURCE/FINANCIAL IMPACT**

This project is funded with a combination of grant funds and non-grant resources available within the Roads Capital Fund. The entire project to be delivered at this intersection is also funded as part of the Annual Road Surface Maintenance and Traffic Signal Rehabilitation projects. Below is a breakdown of the approved 2019 budgets that will deliver this project:

#### **Project Expenditures:**

Construction:		
Staff and other Direct Expenses	\$120,000	
Consultant Support	\$15,000	
<b>Construction Contract</b>	<b>\$831,865</b>	
Total Construction		\$966,865
Contingency (10% construction contract)		\$83,186
<b>Total Project Expenditures</b>		<b>\$1,050,052</b>

#### **Project Revenue:**

Roads Capital Fund	\$177,105
Highway Safety Improvement Program (HSIP)	\$303,980
Annual Road Surface Maintenance Program <sup>[1]</sup>	\$116,690
Traffic Signal Rehabilitation <sup>[2]</sup>	\$50,000
<b>Total Project Revenue</b>	<b>\$647,775</b>

**Project Budget Shortfall** **(\$402,277)**

---

<sup>[1]</sup> The overlay of the intersection will be delivered as part of the Annual Road Surface Maintenance Program. This program is largely funded through a combination of non-grant revenue and Shoreline Transportation Benefit District Vehicle License Fees.

<sup>[2]</sup> The Traffic Signal Rehabilitation program is contributing a portion of the program budget to this project. The Traffic Signal Rehabilitation program is largely funded by non-grant revenues funded.

The project budget shortfall is largely attributable to higher-than-anticipated bid results in addition to staffing constraints that will require utilizing contracted services for construction support. While both elements are causing the project's expenditures to exceed the project's resources, additional resources to deliver the project are available from fund balance within the Roads Capital Fund. The fund balance comes primarily from surplus of approximately \$796,000 of Shoreline Transportation Benefit District (TBD) revenue that can be programmed for the Annual Road Surface Maintenance Program; thereby making available \$402,227 of Roads Capital fund balance which can be allocated to fill the shortfall for this project.

A budget amendment is not required at this time as these changes remain within the authorized expenditures for the CIP. Staff anticipates presenting a budget amendment for the CIP later this year to account for additional grant funded projects and other changes to the CIP. The adjusted project revenue is as follows:

**Revised Project Revenue:**

Roads Capital Fund	\$579,382
Highway Safety Improvement Program (HSIP)	\$303,980
Annual Road Surface Maintenance Program	\$116,690
Traffic Signal Rehabilitation	\$50,000
<b>Total Project Revenue</b>	<b>\$1,050,052</b>

**RECOMMENDATION**

Staff recommends that Council authorize the City Manager to execute a construction contract with Westwater Construction Company in the amount of \$831,865 for the Meridian Avenue N and N 155<sup>th</sup> Street Intersection Phase Changes Project including change order authorization up to \$83,865.