

CITY COUNCIL AGENDA ITEM

CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Concur with the Project Scope and Authorize the City Manager to Execute an amendment to the Professional Services Contract with KPG to complete Design of the North City Business District/15 th Avenue Corridor Project
DEPARTMENT:	Public Works
PRESENTED BY:	Jan Knudson, Project Lead/Economic Development Coordinator Jill Marilley, City Engineer

PROBLEM/ISSUE STATEMENT: On April 22, 2002, Council authorized the City Manager to execute a contract with KPG for an amount not to exceed \$408,000 for the design and construction administration (through bid) of the North City Project. At that time, the contract process was divided by year (2002 and 2003/4) in accordance with the CIP.

Staff is requesting that Council concur with the proposed scope of improvements for the Project and authorize the City Manager to execute an amendment to the professional services contract with KPG for completing the design, plans and specifications of the North City Business District /15th Avenue Corridor Improvement Project.

ALTERNATIVES ANALYZED: No alternatives were analyzed for the contract amendment. Staff prepared a Request for Qualifications (RFQ) in March 2002 for the entire project scope and received five (5) proposals from qualified engineering service consultants. KPG was selected as the most qualified firm to provide design services for the NCBD/15th Avenue Project.

Staff analyzed several alternative budget and phasing strategies to reach the recommended priorities and contract amount for the amendment. These alternatives are shown in Attachment A and discussed in the body of this report.

FINANCIAL IMPACT: \$6.45 million is shown in the 2003-2008 CIP for the project. \$493,541 is identified as "Previous Expenditures". Beginning in 2002, the available funds, including grant funds, for design and construction of the North City Project equaled \$5,960,000.

Preliminary construction cost estimates for the full design and construction of all elements identified as desirable or necessary for the Project totals \$8,338,200. This includes alleyways and the cost of a signal and associated improvements at the intersection of 15th Ave/NE 170th.

Staff is proposing a construction scope and project budget to address the difference between available funds and the estimated cost to construct all components identified or

added since the Project began. The proposed budget is shown in Attachment A and discussed in the body of this report.

The proposed strategy reflects Council priorities as indicated at the January 21 Council work session. Based on the proposed strategy, staff negotiated a professional service fee of \$630,000 with KPG to match an estimated \$4,462,000 construction project. If Council wishes to change the scope of the proposed construction scope, KPG's scope will need to be revised accordingly and brought back to Council for approval.

RECOMMENDATION

Staff recommends that Council concur with the proposed scope of improvements for the Project and authorize the City Manager to execute an amendment to the Professional Services Contract with KPG for \$630,000 to complete the design, plans and specifications for the North City Business District/15th Avenue Corridor Project.

Approved By: City Manager  City Attorney 

INTRODUCTION

Staff is requesting that Council authorize the City Manager to execute an amendment to the professional services contract with KPG to complete design, plans and specifications for the North City Business District/15th Avenue Corridor Improvement Project.

BACKGROUND

The NCBD/15th Avenue Project is identified as Goal No. 3 in the Council's 2002 – 2003 Work Plan. Council has identified this project in the current and past two Capital Improvement Programs (CIP). On April 8, 2002, Council approved a revised 2003 – 2008 CIP which combined three projects located along the 15th Ave corridor into the North City Project for greater efficiency. These three CIP projects were the North City Business District, the 15th Ave NE Access and Safety Project, and the 15th Ave NE Pedestrian Crosswalks Project.

Staff prepared a Request for Qualifications (RFQ) and received proposals on March 6, 2002. Staff received five (5) proposals from qualified engineering service consultants. Based on staff's review of the proposals, KPG was selected as the most qualified firm to provide design services for the NCBD/15th Avenue project. On April 22, 2002, Council awarded the contract to KPG in an amount not to exceed \$408,000.

On June 24, 2002, Council reviewed the combined budgets, scopes and schedules for the three projects that became the workplan for the North City Project. KPG received Notice To Proceed for project design based on that workplan July 19, 2002. The City held a public Open House on October 16, 2002 and the project is now nearing 30% design.

On January 21, 2003, Council received an update of the North City Project in anticipation of public meetings in January and February. At that meeting, Council concurred with the information to be presented to the public for review. Council also reiterated emphasis on the NCBD and the desire to place the priority schedule on this part of the project. Council also emphasized the importance of traffic mitigation in the neighborhoods.

Council further directed staff to continue pursuing the possible need for a traffic signal at 15th/170th with the understanding that less expensive solutions such as the in-pavement flashers recently installed may be an appropriate measure at this time. The possibility of including alleyway construction as part of the North City Project was also expressed as a priority to consider.

Several public meetings have occurred since the January 21 work session. Staff and KPG met with business owners and neighborhood residents at a joint meeting of the North City Business Association and the North City and Ridgecrest Neighborhood Associations. Approximately 80 people attended that meeting to review project plans for driveways, sidewalk and street improvements in the NCBD.

On February 10, Joe Giacobazzi from KPG, Inc., provided Council information on three-lane versus four-lane road configurations in response to questions generated at the January 21 work session. Council requested additional information on how and where traffic might divert during peak hour if there is congestion. Staff is compiling that information and will present it at the meeting on February 24.

The City held a second public Open House for the Project on February 12. Approximately 45 people attended. Business and property owners in the NCBD continued to work with the design team on business access and parking. Neighbors and citizens also expressed concern about future traffic congestion and diversion of traffic through the neighborhoods.

Staff heard these comments and, as has been stated in previous reports to Council, know that this is an important issue with and without the North City Project. Staff continues to be committed to preparing a mitigation plan with the community to address the potential impacts resulting from the Project. This effort can begin once the NCBD/15th improvements are moving beyond 30% design.

DISCUSSION

The 2003-2008 CIP identifies \$6.45M as available for design and construction of the North City Project. Of the \$6.45M, \$493,541 is identified as "Previous Expenditures". Approximately \$430,000 of this amount was previous King County expenditures for 15th Ave improvements prior to incorporation. (It has been past City policy to include these amounts in the City's CIP.) The remaining balance was spent by the City for improvements to 15th Ave contemplated prior to the completion of the North City Subarea Plan.

Preliminary cost estimates for the full design and construction of all elements identified to date as desirable or necessary for the Project totals \$8,338,200. The proposed project budget in Attachment A shows \$5,960,000 remaining beginning January 2002 for design and construction of the North City Project. This amount includes \$357,000 in grant funds.

Attachment A shows a proposed construction scope and project budget to address the difference between available funds and the estimated cost to construct all the components identified or added since the Project began.

Budget and Phasing Strategy

The proposed construction scope and project budget shown in Attachment A reflects Council priorities as indicated at the January 21 Council work session. It also includes requirements of Ordinance No. 281 adopting the North City Subarea Plan and considers public input the City has received to date.

Scope Items Included in 2003-2004 Construction

The strategy proposes that the following elements be included in the 2003-2004 scope for design and construction of the North City Project:

- NCBD improvements, including public art and allowances for electrical hookups;
- Mitigation measures identified in Ordinance No. 281, including reconfiguring 15th Ave NE;
- 15th Ave Roadway and ADA improvements;
- Pedestrian Signal and crosswalk consolidation at NE 147th;
- Traffic signal installation at NE 150th Street;

- Limited sidewalk installation east side of 15th between NE 150th and NE 165th Streets (to utilize available grant funds); and
- A \$150,000 reserve fund for future mitigation as needed.

NCBD Improvements - Sidewalk Easements

Currently, the existing 6' sidewalks through the NCBD are outside the public right-of-way. In reviewing the title reports for properties within the NCBD, many parcels do not have easements in place for the existing sidewalks. Additionally, the Project includes widening sidewalks in the NCBD to 10.5'. Negotiations will be required for parcels that do not have existing sidewalk easements and/or where existing easements need to be modified.

In the event easements on any particular parcel cannot be obtained, an interim sidewalk can be constructed and still meet the intent of the Subarea Plan. A permanent sidewalk can be constructed at that location in accordance with the North City Overlay District at the time of redevelopment.

Mitigation Measures Identified in Ordinance No. 281

Ordinance No. 281 calls for physical traffic-calming devices and other improvements to be installed in areas east of 15th Ave and the NCBD. These areas include along NE 168th, NE 175th, NE 177th and Serpentine between 15th Ave and 25th Ave NE. It also calls for removing the centerline stripe along 10th and monitoring neighborhood traffic in areas west of 15th Ave.

15th Ave Roadway Improvements

The scope and budget for the 15th Ave Roadway portion of the Project south of NE 172nd includes ADA curb ramp improvements and pavement overlay to facilitate restriping.

NE 147th/NE 150th

A pedestrian signal at NE 147th is included to provide safe pedestrian crossings between NE 150th and NE 145th. 15th Ave is a 5-lane facility through this area. A traffic signal at NE 150th is also included in the Project in order to utilize grant funds in the CIP. Traffic signal warrants have been met in the past at this intersection and KPG confirmed that it still meets warrants.

New Sidewalks

The strategy proposes installing some new sidewalks along the east side of 15th between NE 150th and NE 165th. This is in order to utilize available grant funds included in the CIP. The exact location of this sidewalk will be determined in the next phase of design.

Future Mitigation and Traffic-Calming

In addition to physical devices in the 168th, 175th, 177th and Serpentine areas, Ordinance No. 281 calls for monitoring neighborhood traffic in areas west of 15th Ave NE for future traffic calming and mitigation needs. The proposed construction scope includes \$150,000 as a reserve fund to quickly respond to the results of that monitoring.

Utility Undergrounding

It should be noted that the cost of construction for undergrounding electricity through the NCBD will be borne by Seattle City Light, per our franchise agreement. This cost is estimated to be \$1,100,000. At this time, the City is anticipating paying the cost of design for the undergrounding which is approximately \$100,000. This task and fee is included in the KPG contract amendment before Council tonight.

Scope Items Not Included in 2003-2004 Construction

Some of the project elements identified during preliminary engineering or added as desirable or necessary are not included in the proposed project at this time. These include:

- Traffic signal at NE 170th Street;
- Sidewalks associated with traffic signal at NE 170th Street;
- Full sidewalk installation east side of 15th between NE 150th and NE 165th Streets; and
- Alleyway construction.

Traffic signal at NE 170th Street

As was presented at the Council's January 21 work session, a traffic signal at 15th/NE 170th did not meet warrants. It was also presented that while there can be other advantages gained for the overall transportation system (speed control, traffic flow) by installing a traffic signal at this intersection, the cost of associated improvements could be prohibitive at this time. The estimated cost of installing a traffic signal at this location is \$200,000.

If a traffic signal were installed at this location, additional improvements to NE 170th between 15th Ave and 25th Ave NE would also be required. NE 170th is a residential street and east of 15th Ave has narrow shoulders with no sidewalks. Additional improvements could include sidewalk and drainage installation at an estimated cost of \$685,000.

At this time, staff is not recommending installing a traffic signal or the associated improvements at this intersection as part of the North City Project. Given the impending three-lane configuration of 15th Ave and the low pedestrian volumes at this intersection, staff is recommending the in-pavement flashers pilot project remain. If Council concurs with this recommendation, available grant funds for the NE 170th Street traffic signal will not be obligated.

If it is determined during the Transportation Master Plan process that signal installation at this intersection would be advantageous for the overall transportation system, a traffic signal at 15th/NE 170th could be installed as part of the implementation of that plan.

Additional New Sidewalks

Council indicated at the January 21 work session that there are sidewalks with a higher priority than new sidewalks along 15th adjacent to Fircrest and Hamlin Park. Based on this and the need to reduce project costs, staff is recommending that only limited sidewalks (commensurate with available grant funds) be constructed as part of the Project. Any sidewalks not addressed as part of this Project can be included in the Citywide Sidewalk

and Curb Ramp Replacement Program. The estimated cost of installing all sidewalk where it is currently missing along 15th Ave was estimated to be \$598,000.

Alleyways

Finally, staff is recommending that design and construction of the alleyways not be included in the scope of the North City Project. The estimated cost of constructing the alleyway on the west side of 15th Ave from NE 175th to NE 180th is \$1,370,000, not including acquisition of land or existing buildings. The alleyway system can be constructed as redevelopment occurs and the Project will include acquisition of easements for the alleyways where possible.

Scope and Fee for KPG Contract Amendment

The proposed strategy described above reflects Council priorities as indicated at the January 21 Council work session. If Council concurs with the proposed construction scope and project budget, the negotiated professional service fee for completing design, plans and specifications is \$630,000 to match an estimated \$4,462,000 construction project. If Council wishes to change the scope of the proposed construction scope, KPG's scope will need to be revised accordingly and brought back to Council for approval.

The amount of the proposed amendment, when combined with the original design contract and change order totals approximately \$970,000. This equals approximately 21% of the estimated construction cost which is higher than the 15 – 18% industry standard. This increase can be attributed to:

- fast-track scheduling
- a high level of public involvement
- preliminary engineering and analysis on elements requested by Council and the public but not included in Project construction
- \$100,000 included for design of electrical undergrounding that actually may be accomplished and paid for by Seattle City Light

If the estimated design costs of these items are removed from the overall design total, the design to construction ratio is approximately 18%.

CIP Revisions

The current CIP reflects \$866,000 available in 2003 and \$2,908,909 in 2004 for the North City Project. In order to meet Council and the public's desire for a faster construction schedule, funds will need to be available to support construction in 2003. Staff will return to Council to revise the budget and CIP for these activities accordingly.

RECOMMENDATION

Staff recommends that Council concur with the proposed scope of improvements for the Project and authorize the City Manager to execute an amendment to the Professional Services Contract with KPG for \$630,000 to complete the design, plans and specifications for the North City Business District/15th Avenue Corridor Project.

ATTACHMENTS

Attachment A – Preliminary Cost Summary

ATTACHMENT A
Preliminary Cost Summary



Proposed Budget
February 24, 2003

Project Description	(1) Estimated Construction Cost
Current CIP	
(includes \$357,000 grant funds)	Total \$ 6,453,541
Previous Expenditures	\$ (493,541)
	Subtotal \$ 5,960,000
2002 Expenditures	
Project Management	\$ (35,184)
Title Reports	\$ (32,816)
KPG Design Contract	\$ (340,000)
	Subtotal \$ 5,552,000
2003/2004 Expenditures	
Staff	\$ (50,000)
Construction Management	\$ (275,000)
2003 HES Grant Funds Unobligated (for NE 170th)	\$ (135,000)
KPG Contract Amendment	\$ (630,000) * \$100,000 could be reimbursed by Seattle City Light
	\$ (1,090,000)
	Subtotal \$ 4,462,000
2003-2004 Construction	
NCBD corridor improvements (2)	\$ (2,909,000)
Neighborhood Mitigation per Sub-Area Plan	\$ (398,000)
Roadway, ADA ramps	\$ (600,000)
NE 147th Pedestrian Signal	\$ (75,000)
NE 150th Traffic Signal (partially grant funded)	\$ (180,000)
Install sidewalk where missing	\$ (150,000)
Reserve fund to address monitoring results (3)	\$ (150,000)
	Subtotal \$ (4,462,000)
Total Estimated Construction Cost	
	Subtotal \$ -
Total Estimated Project Cost	\$ 6,453,541

(1) Estimated construction costs include 20% contingency. Costs do not include engineering, administration, or right of way acquisition.

(2) Includes \$50,000 for public art and \$150,000 allowance for electrical hookups

(3) Reserve fund allowance is for mitigation that may be necessary west of 15th following post-construction monitoring.