



CITY OF BEND

CITY COUNCIL ISSUE SUMMARY

MEETING DATE: August 7, 2019

SUBJECT: Authorize a Guaranteed Maximum Price (GMP) amendment to the Progressive Design-Build Agreement with K&E Excavating/Hamilton Construction Joint Venture for construction of a segment of the Murphy Corridor Improvements Project (1XMCI)

STAFF MEMBER: Garrett Sabourin, PE, PMP

DEPARTMENT: Engineering & Infrastructure Planning Department

ACTION REQUIRED:

- Motion
- Public Hearing Date:
- Ordinance 1st Reading Date:
- Ordinance 2nd Reading Date:
- Resolution
- Information/Direction
- Consent Agenda (*adopted by motion*)

ADVISORY BOARD/COMMISSION RECOMMENDATION:

- Approval
 - Denial
 - None Forwarded
 - Not applicable
- Comments:

RECOMMENDED MOTION:

I move to authorize a Guaranteed Maximum Price amendment to the Progressive Design-Build Agreement with K&E Excavating/Hamilton Construction Joint Venture in substantially the form presented to Council for construction of a segment of the Murphy Corridor Improvements Project in an amount not to exceed \$3,790,698.55; and to authorize the City Manager to approve owner’s contingency contract changes up to an additional \$85,000.00.

ISSUE / COUNCIL DECISION & DISCUSSION POINTS:

- Following a formal competitive proposal procurement selection process, City Council authorized a progressive design-build (PDB) agreement with K&E Excavating/Hamilton Construction Joint Venture on December 19, 2018 (“The Murphy PDB contract”).
- The project team is utilizing the flexibility of the PDB delivery method to sequence construction phasing in an order that maximizes efficiency and is most beneficial to the project and community.
- Construction improvements will include a new City waterline, roundabout at 15th/Murphy, Bend Park & Recreation District IGA trail crossing at Chloe Lane (Trail Project), and sidewalk infill on the west side of 15th from Chloe Lane to north of Ferguson Road.

- Construction costs were developed through competitive selection, written quotations, and self-performance with “open book” pricing and independent cost estimates as required per contract.
- GMP 1 reached substantial completion on August 1st below the approved amendment amount with no release of Owner’s contingency.

BACKGROUND:

The Murphy Corridor Improvements Project (Project) is a transportation improvement project on and near Murphy Road in southeast Bend, extending from the intersection of Parrell Rd to 15th St. The Project was identified by City Council as a priority project to enhance the transportation system in southeast Bend, including improved accessibility to the 15th Street opportunity area and ‘The Elbow’ expansion area, identified in the 2016 Urban Growth Boundary expansion adoption and Comprehensive Plan update.

The Project includes six interrelated transportation subprojects that will all contribute to improving the safety, efficiency, and reliability of transportation in southeast Bend, as identified in Council goals:

1. Murphy Rd – Railway Overcrossing
2. Murphy Rd – 15th St to Brosterhous Rd
3. Roundabout at Brosterhous Rd Intersection
4. Roundabout at 15th St Intersection
5. Roundabout at Country Club Dr Intersection
6. Murphy Rd Modernization – Parrell Rd to Brosterhous Rd

This guaranteed maximum price (GMP) amendment includes the construction of the 15th Street/Murphy Road roundabout, and related water utility upgrades, the Trail Project, and related sidewalk infill on 15th Street from Chloe Lane to north of Ferguson Road. The sidewalk infill is in partnership with Bend Park & Recreation District (BPRD) and Bend La Pine School District (BLSD) to provide pedestrian connectivity from Reed Market Road to Knott Road. The Trail Project is being constructed as outlined in the intergovernmental agreement with BPRD as approved by City Council at the April 3, 2019, regular session.

Construction proposal and costs were developed following the processes laid out in the Murphy PDB contract. The construction proposal, including procurement plan and pricing, were evaluated by both City staff and a 3rd party cost estimator to determine if the construction proposal, including cost, is in the City’s best interest. The process led to the agreement as included in the contract amendment attachments.

The amended scope for construction is scheduled to proceed on August 12, 2019, and be substantially completed by October 31, 2019. Future portions of this project will have their own GMP and will be presented to Council as the corresponding design matures to a mutually satisfactory stage.

CURRENT YEAR BUDGET IMPACTS IDENTIFIED BY DEPARTMENT:

The amount requested is in the approved 2019-2021 Biennial Budget for the Transportation Construction Fund, and in the City’s adopted Capital Improvement Program (CIP) under projects 1TMC2, 1TMC4, and 1TMC7. See below for additional contract details:

MURPHY PDB CONTRACT SUMMARY			
Description (Subproject(s))	Council Date	Contract Amount	Amount Spent
Design Services (1 – 4)	December 19, 2018	\$2,776,650.86	\$976,859.08
GMP amendment 1 – waterline/embankment (2 & 4)	April 17, 2019	\$1,221,249.45	\$637,073.85
Proposed GMP amendment 2 – 15 th St RAB/Infill/waterline (4)	August 7, 2019	\$3,790,698.55	\$0.00
		TOTAL	\$1,613,932.93

DEPARTMENT DIRECTOR REVIEW

Reviewed by: George Franklet Date: 7/24/19

FINANCIAL REVIEW

Reviewed by: Melissa Bradley Date: 7/30/19

LEGAL REVIEW

Reviewed by: Elizabeth Oshel Date: 7/30/19

COMMUNITY OUTREACH PROCESS AND POTENTIAL IMPACTS:

- Business and residential open house held on March 14, 2019, June 13, 2019, and another is planned for August 6, 2019.
- Project signs have been placed
- Outreach via mailers, email, and project website
- Meetings and other outreach efforts are planned throughout the course of design and construction to minimize impacts to local residents, businesses, and the traveling public
- Impacts to traffic during this work package will be communicated via signage, notification via the project website, and updates to Google Maps and Waze applications.

ATTACHMENTS:

- GMP Amendment
- Project Area