



**BUSINESS OF THE CITY COUNCIL
CITY OF MERCER ISLAND**

**AB 6611
January 21, 2025
Consent Agenda**

AGENDA BILL INFORMATION

TITLE:	AB 6611: Commuter Parking Facility Project Bid Award	<input type="checkbox"/> Discussion Only <input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution
RECOMMENDED ACTION:	Award the Commuter Parking Facility construction contract to OMA Construction, Inc.	

DEPARTMENT:	Public Works
STAFF:	Jason Kintner, Chief of Operations Patrick Yamashita, City Engineer Clint Morris, Capital Division Manager Ian Powell, Street Engineer
COUNCIL LIAISON:	n/a
EXHIBITS:	1. Commuter Parking Facility Site Plan
CITY COUNCIL PRIORITY:	3. Make once-in-a-generation investments to update and modernize aging infrastructure, capital facilities, and parks.

AMOUNT OF EXPENDITURE	\$ 2,446,932
AMOUNT BUDGETED	\$ 2,550,000
APPROPRIATION REQUIRED	\$ 0

EXECUTIVE SUMMARY

The purpose of this agenda bill is to award a public works construction contract for the construction of a commuter parking facility in the Town Center.

- This project constructs a new parking facility at the site of the former Tully’s Coffee shop building at 7810 SE 27th Street. The facility will include new parking stalls, bike racks and lockers, sidewalks, illumination, and landscaping.
- The former Tully’s Coffee shop building and the associated parking lot are in poor condition. The parking lot does not meet City code, and the building is stripped and inoperable.
- Nine contractor bids were received. The lowest responsive and responsible bid totaled \$1,697,021.
- This project is included in the 2025-2026 Biennial Budget and is funded via the Street Fund.
- Construction is scheduled to begin in late February and be substantially completed by the end of June 2025.

BACKGROUND

Former Tully's Property and Parcel A-2 Acquisition

At its meeting on June 5, 2018, the City Council authorized the City Manager to execute a Purchase and Sale Agreement to acquire the former Tully's property, located at 7810 SE 27th Street ([AB 5434](#)). The City completed the purchase on December 27, 2019. This property was combined with a small portion of adjacent land the City already owns at Sunset Highway, known as Parcel 12, with the intent to develop the properties through a public-private partnership to build an underground, transit commuter parking facility and potential mixed-use Town Center development. Ultimately, the City Council voted to end the development project at this site (see [AB 5732](#)), but the intent of providing commuter parking at the former Tully's site remained a priority as Sound Transit's nearby Light Rail project nears completion.

Tully's Property Current Condition

The former Tully's Coffee shop building and the associated parking lot are in poor condition. While the building was initially considered for use as a satellite City facility, its placement on the property hinders efficient use of the site. Additionally, the estimated costs to repair the building exceed the cost of replacement, as most components of the building have failed or reached the end of their useful life. Currently, the building serves as transitional storage due to the City Hall closure; however, staff are actively working on emptying it.

Commuter Parking Facility

On February 20, 2024, staff made a presentation to the Council outlining the commuter parking project's objectives, the proposed site concept, and highlighting its major elements including the need to convert vehicle access and parking areas to public right-of-way ([AB 6405](#)). Council directed to staff to proceed with the proposed design. Final design work was completed in November 2024 and the project was advertised for bids. Nine contractor bids were received, and the project is now ready for contract award.

ISSUE/DISCUSSION

Commuter Parking Objectives

The goal in the design of the Mercer Island Commuter Parking Facility was to meet the following objectives:

- Expansion of Commuter Parking: The project will provide 35 new commuter parking spaces adjacent to the Sound Transit Light Rail Station.
- Flexible public parking program: The project creates a flexible public parking facility to support Town Center businesses during non-commute hours. It converts the portion of the property that will house the parking lot to public right-of-way such that the parking restrictions can be enforced by the Mercer Island Police Department (AB 6610).
- Improved aesthetics: The project addresses derelict property conditions and improves aesthetics at a gateway to Town Center.
- Improves safety and accessibility: Access is reduced to one driveway entry on SE 27th Street to streamline ingress and egress. Pedestrian and bicycle connections to and from the parking lot and the nearby trail and sidewalks will be improved.
- Protects green space and deploys sustainable design initiatives: The project achieves no net loss of green space and improves landscaping, trail connections, and accessibility. The project also incorporates infrastructure to support the future addition of electrical vehicle charging stations.

- Supports multi-modal transportation options: Provides additional amenities such as bike lockers and bike racks.

Project Description

This project involves the demolition of the existing building and foundation and removal of all existing pavement and sidewalks. This also includes capping and abandoning existing building utility services.

As part of the due diligence period and prior to finalizing the purchase of the former Tully’s property, the City conducted an environmental site investigation to address known soil contamination from previous uses by prior owners. This project involves excavating and disposing of the contaminated soils.

The project will regrade the site, construct new pavement and sidewalks, construct a new surface water treatment system, improve the site’s illumination, provide infrastructure for future electric vehicle charging capability, and install new plantings along with a new irrigation system.

The engineer’s estimate for construction is \$1,600,000.

BID RESULTS

Nine construction bids were received on November 27, 2024. The lowest bid was received from OMA Construction, Inc. for \$1,691,021, which was 5.7% higher than the engineer’s estimate. The following table shows the bid results.

COMMUTER PARKING FACILITY BID RESULTS	
COMPANY NAME	TOTAL BID AMOUNT
OMA Construction, Inc.	\$1,691,021
Active Construction, Inc.	\$1,828,828
Bayshore Construction Company	\$1,832,578
Always Active Services, LLC	\$1,871,076
Gary Merlino Construction Co., Inc.	\$1,976,099
Titan Earthwork, LLC	\$2,040,812
Westwater Construction Company	\$2,074,614
Laser Underground & Earthworks, Inc.	\$2,118,532
Tastad Construction, Inc.	\$2,198,193
ENGINEER’S ESTIMATE	\$1,600,000

The apparent low bidder, OMA Construction, Inc. from Maple Valley, has successfully completed numerous projects for the nearby cities of Issaquah, Kirkland, and Kent in recent years. OMA Construction has also successfully completed projects on Mercer Island including the West Mercer Way Roadside Shoulder Improvements Phase 3 in 2022 and the Lincoln Landing Watercourse Improvements in 2023.

A review of the Labor and Industries (L&I) website confirms OMA Construction is a contractor in good standing with no license violations, outstanding lawsuits, or L&I tax debt. Based on review of OMA Construction’s bid submittal and reference checks, staff has determined that OMA Construction is the lowest responsive bidder for this project and staff recommends awarding the Commuter Parking Facility project to OMA Construction, Inc.

PROJECT BUDGET

Adding amounts for design, construction contingency, construction services and inspection, project management, and 1% For the Arts brings the total estimated project cost to \$2,446,932. Project costs include an environmental consultant to aide with the proper disposal of the contaminated soils. Project costs and budget are summarized in the following table.

COMMUTER PARKING FACILITY PROJECT BUDGET	
DESCRIPTION	TOTAL
Design	\$328,388
Construction Contract Award to OMA Construction	\$1,697,021
Construction Contingency @ 15%	\$254,553
Construction Services and Inspection	\$85,000
Project Management/In-House Staff Support	\$65,000
1% for the Arts	\$16,970
Total Commuter Parking Facility Project Cost	\$2,446,932
Total Available Project Budget	\$2,550,000
Budget Appropriation Required	\$0

NEXT STEPS

Construction of the Commuter Parking Facility is scheduled to begin in late February 2025 and be substantially completed by the end of June 2025. Staff will provide public outreach in January to inform the community about upcoming construction activities.

Later this year, the City Council will review operations policies related to the new commuter parking lot. This discussion is tentatively planned for March 2025, when the City Council will also continue discussions about the new Town Center parking regulations.

RECOMMENDED ACTION

Award the Commuter Parking Facility project to OMA Construction, Inc., a Washington-based company, and authorize the City Manager to execute a contract with OMA Construction, Inc. in an amount not to exceed \$1,697,021; and set the total project budget at \$2,446,932.