TO:	City Council
FROM:	Bill Lindauer, Engineering Services Manager
DATE:	September 6, 2022
SUBJECT:	Interstate 5 / Trosper Road / Capitol Boulevard Reconfiguration; Rejection of Bids

#### 1) <u>Recommended Action</u>:

Staff recommends the City Council reject the construction bids received for the Interstate 5 / Trosper Road / Capitol Boulevard Reconfiguration project and authorize staff to readvertise the project and solicit bids after value engineering to reduce costs.

#### 2) <u>Background</u>:

The I-5 / Trosper Road / Capitol Boulevard Reconfiguration Project is intended to address traffic congestion and pedestrian / bike safety and mobility deficiencies along Capitol Boulevard in the vicinity of Trosper Road per the Capitol Boulevard Corridor Plan. The project will include construction of three roundabouts located at the Trosper Road / I-5 Ramp terminals, Trosper Road / Capitol Boulevard intersection, and at the 6<sup>th</sup> Avenue / I-5 northbound on and off ramps. The project will also include construction of the Trosper Road Extension linking Capitol Boulevard to Linda Street and construction of a new 6<sup>th</sup> Avenue roadway connecting Lee Street directly to the I-5 ramp terminal and Trosper Road. The project will upgrade all existing utilities, provide street lighting, and landscaping and irrigation, within the project limits.

Construction bids for the project were opened on Thursday August 25<sup>th</sup>, 2022. Five (5) bids were received ranging from \$12,325,390.32 to \$14,117,790.57. The Engineer's estimate was \$10,904,471.36.

The apparent low bidder was Reed Trucking & Excavating, Inc. with a bid of \$12,325,390.32 which was \$1,420,918.96 over the engineers estimate. This is a price escalation of 13% above the engineers estimate. The remaining four bids ranged from 22 to 29 percent over the engineers estimate.

City staff will complete a value-engineering assessment of the project with the intent to decrease overall construction costs to between \$11 and \$12 million. City staff will then re-advertise the project.

### 3) Policy Support:

Strategic Priorities and Goals 2021-2026:

Pursue Targeted Community Development Opportunities - Implement the transformation of Capitol Boulevard.

Create and Maintain a Transportation System Safe for All Modes of Travel - Construct an inter-connected bicycle and pedestrian system, including developing improved

neighborhood connections and enhancing overall bicycle and pedestrian safety.

## 4) <u>Alternatives</u>:

Do not bid the project until additional funds can be obtained.

## 5) <u>Fiscal Notes</u>:

The funds are available in the Transportation CFP, Water CFP, Sewer CFP, and Storm CFP. A portion of the project is funded by a Transportation Improvement Board (TIB) grant.

# 6) <u>Attachments</u>:

- A. Project Overview
- B. Bid Tabulation