

## CITY COUNCIL AGENDA MEMORANDUM

### SUBJECT

Resolution No. **8536**, authorizing execution of a contract with Pease Construction, Inc. to construct the Bellevue Youth Theatre at Crossroads Park.

### FISCAL IMPACT

This action will obligate the City to an amount up to \$8,803,207, including Washington State sales tax (WSST) and a construction contingency. The Bellevue Youth Theatre (P-AD-90) is an approved capital project in the adopted 2013-2019 CIP Plan, and this contract will be funded by a combination of Parks Levy, General CIP, Utility Funds, and project fundraising by the Bellevue Youth Theatre Foundation (BYTF) as summarized in the table below:

<u>Estimated Funding Sources</u>	<u>Amount</u>
Parks Levy (P-AD-90)	\$4,700,000
General CIP (P-AD-90)	2,600,355
BYTF Fundraising (P-AD-90)	844,000
Parks Renovation Fund (P-R-11)	500,000
Neighborhood Enhancement Program (NEP-1)	105,000
Sewer System Pipeline Rehabilitation Program (S-24)	<u>53,852</u>
<b>Contract total</b>	<b>\$8,803,207</b>

While NEP-1 wasn't funded in the 2013-19 CIP, this pedestrian connection was approved under NEP in 2008, supporting the program's guiding principles. The implementation of this walkway will fulfill a residual obligation under NEP and move the City closer to project closeout.

### STAFF CONTACTS

Patrick Foran, Director, 452-5377  
Glenn Kost, Planning Manager, 452-5258  
Pam Fehrman, Project Coordinator, 452-4326  
*Parks & Community Services Department*

### POLICY CONSIDERATION

#### City Code:

Bellevue City Code 4.28 provides for the fair and equitable treatment of persons in the purchasing process. Because of the amount of the purchase, Council approval is required.

### BACKGROUND, SCOPE OF WORK AND TIMING

In July and September 2008, Council endorsed plans to locate a new Bellevue Youth Theatre (BYT) facility near Crossroads Community Center and authorized a design contract to develop and permit theater building plans. In November 2008, voters approved the Parks and Natural Areas Levy that included funding for this project. Since that time, plans for the theater have been completed, permitted, and the BYTF has been working on a capital campaign to assist with funding project construction. The Site Plan is included as **Attachment 1**. In December 2012, Council approved Capital Funds for the construction of the BYT.

The new BYT building has been designed to meet existing and future program needs, offering versatility of use, and providing environmentally-friendly features. Strategically located adjacent to Crossroads Community Center, the new theater will allow shared use of existing parking and programming opportunities. The new 12,000 square foot theater provides a 150-seat black box theater with flexible seating options including “theater-in-the-round” and a stage that can open to the outdoors. Other features include: lobby space, dressing rooms, restrooms, rehearsal, classroom, storage, and staff and volunteer spaces. Nestled within a hillside at Crossroads Community Park, the theater is integrated into the park site with a green lawn roof. The design incorporates environmentally sensitive features such as low impact site development, water savings, energy efficiency, and the use of recycled content building materials. The BYT is designed to achieve a certified Gold rating per the US Building Council’s Leadership in Energy and Environmental Design (LEED) Green Building Rating Systems.

Construction is planned to start in May 2013, with completion expected by fall 2014.

**BELLEVUE YOUTH THEATRE FOUNDATION FUNDRAISING**

Awarding the construction contract as recommended recognizes \$844,000 in capital fundraising for the project. BYTF has committed to a \$1million capital fundraising campaign, and continues to actively seek project funding. To date, BYTF has secured \$645,000, which includes cash donations of \$310,000, grants of \$175,000 and pledged income of \$160,000; and expects approval of a \$199,000 State grant request (**See Attachment 2**). The BYTF and staff are confident that the BYTF will achieve their \$1million fundraising goal. Much of the pledged income is expected to be received prior to completing the project. However, inherent in any fundraising campaign is a risk that 100% of the income pledged to the project may not be received. If that occurs, modifications within the 7-year Parks CIP can be managed. By signing the contract, the City accepts the risk of funding the remaining portion of the contract until sufficient funds are received to close the gap.

**ADDITIONAL FUNDING SOURCES**

In addition to the Parks CIP funds budgeted for this project (P-AD-90), additional funding sources are identified to complete specific project components included in this contract. An approved 2008 NEP project (NEP-1) to construct a pedestrian connector between the Crossroads Community Center and Crossroads Shopping Center has been on hold and will be implemented as part of this contract to complete existing obligations through the end of this project. In addition, the cost to replace an adjacent aging sewer main will be funded by Utilities CIP (S-24). The rehabilitation or replacement of utility infrastructure to ensure customers receive reliable service is consistent with Utility Department policy and practices. Finally, several related upgrades and renovations to Crossroads Community Park will be implemented within this contract using Parks Renovation Funds (P-R-11), including the parking lot repaving and upgrades to the security and exterior lighting systems.

**BID PROCESS & ANALYSIS**

The Advertisement for Bids (Bid No. 13004) was published on January 14 and 28, 2013 in the *Seattle Daily Journal of Commerce* and *The Seattle Times*, and on the City of Bellevue and Builders Exchange websites, available for five weeks. Bids were due and opened February 19, 2013. The following bids were submitted:

<b>Bidder</b>	<b>Total Bid Amount (including WSST)</b>
1. Pease Construction, Inc.	\$8,803,207

2. CORP, Inc.	9,080,922
3. Kassel & Assoc., Inc.	9,206,651
4. Bayle Construction	9,279,346
<b>Engineer's Estimate</b>	<b>8,389,626</b>

After reviewing the Contractor's bid, background, references, and previous projects, staff believes that Pease Construction, Inc. is capable of performing the required work per the plans and specifications. To the best of staff's knowledge, the BYT project can be constructed within the bid amount and time specified. However, it may be necessary to authorize minor changes because of unknown circumstances. Only additional work necessary for the complete and proper development of the project will be authorized.

In addition to this contract, total capital costs will also include approximately \$850,000 in project-related costs (permits, testing and inspection fees, utility fees, contract management, furnishings, and equipment). There are sufficient funds remaining in P-AD-90 and the remaining private fundraising to complete this work.

**EFFECTIVE DATE**

If adopted by Council, this Resolution will become effective immediately.

**OPTIONS**

1. Adopt Resolution No. 8530, authorizing execution of a contract with Pease Construction, Inc. to construct the Bellevue Youth Theatre at Crossroads Park.
2. Do not adopt Resolution No. 8530, and provide alternative direction to staff.

**RECOMMENDATION**

Adopt Resolution No. 8530, authorizing execution of a contract with Pease Construction, Inc., in the amount of \$8,803,207, to construct the Bellevue Youth Theatre at Crossroads Park.

**MOTION**

Move to adopt Resolution No. 8530, authorizing execution of a contract with Pease Construction, Inc., in the amount of \$8,803,207, to construct the Bellevue Youth Theatre at Crossroads Park.

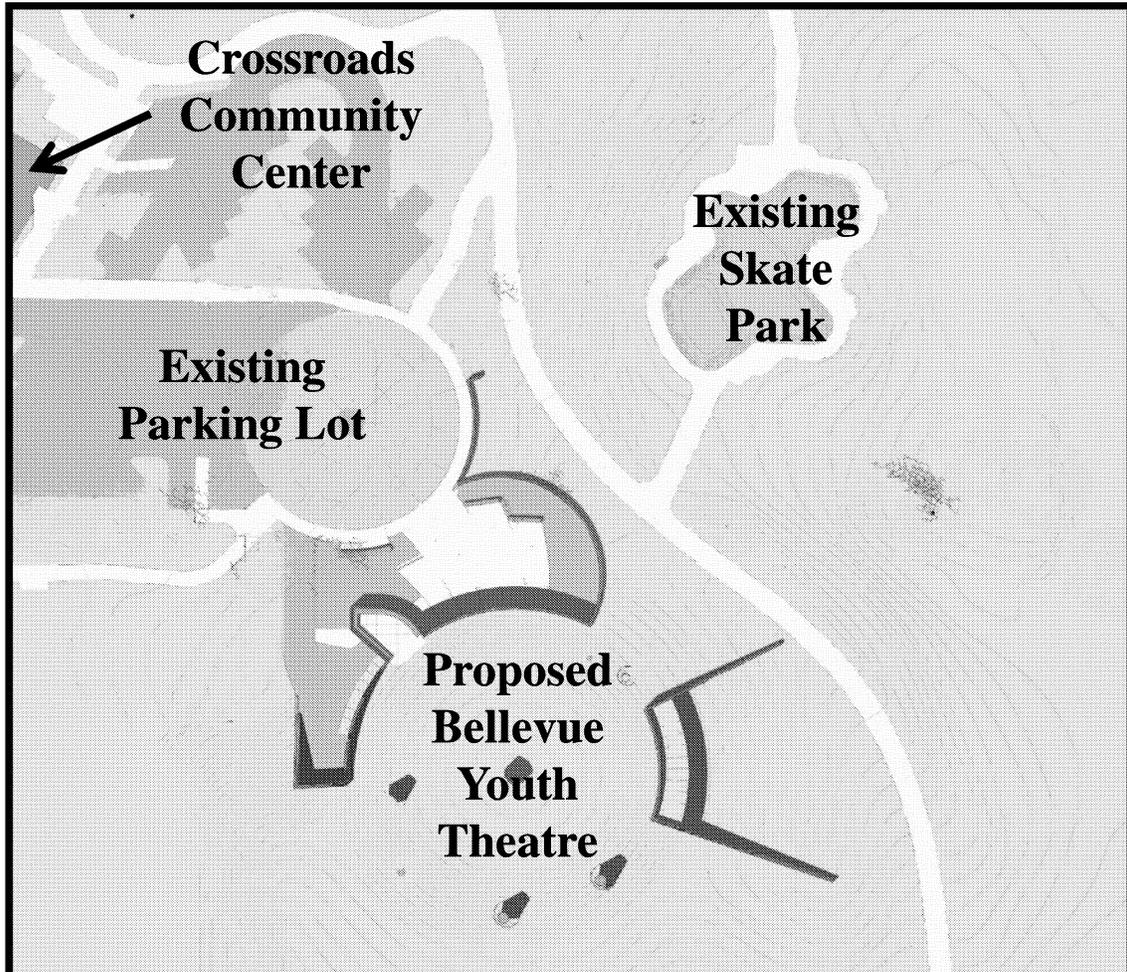
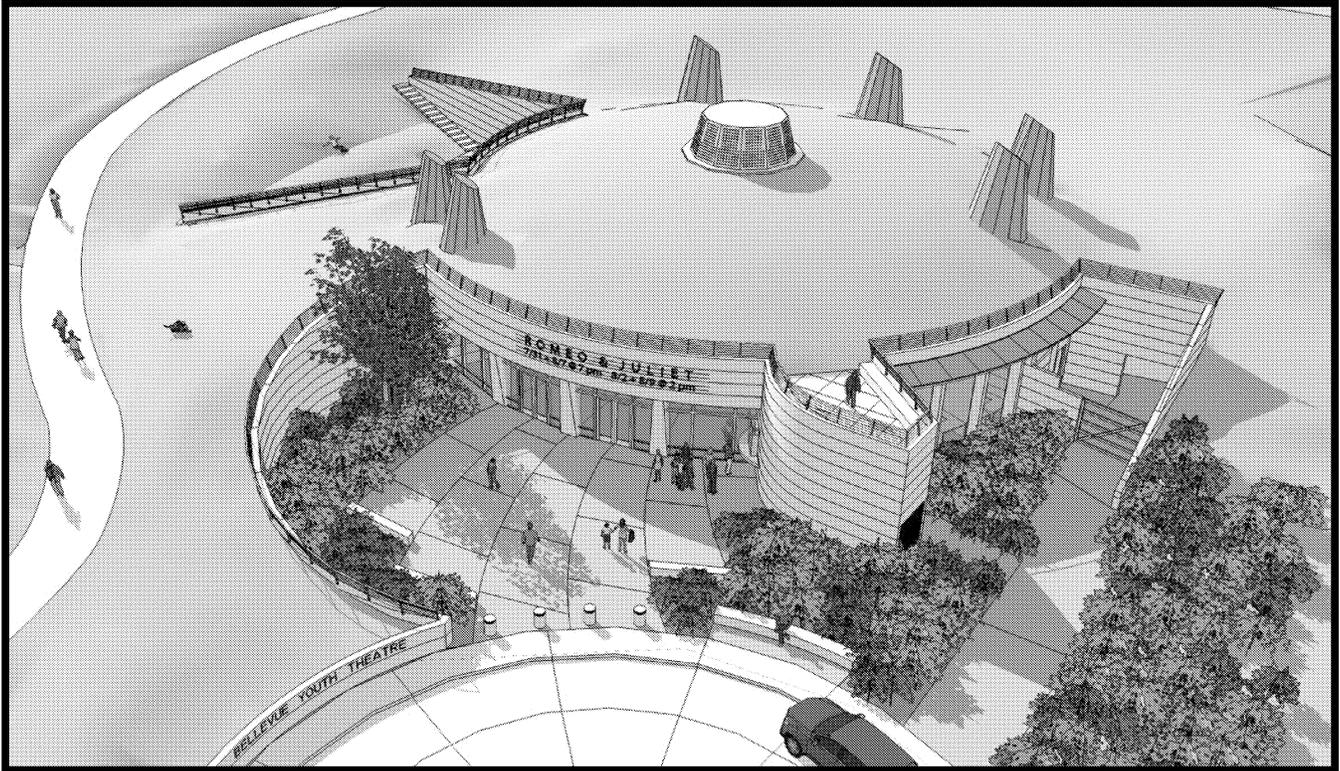
**ATTACHMENTS**

1. BYT Site Plan
2. BYTF Fundraising Status
3. Proposed Resolution No. 8530

Note: The 2013-2019 CIP project page for this project is not yet available. The proposed contract adheres to the project scope that Council approved for the 2013-2019 CIP. Funding for this project was approved including \$4M in 2013 and \$4.5M in 2014).

**AVAILABLE IN COUNCIL OFFICE**

Copy of contract



## Attachment 2

**From:** Kevin Hagen [<mailto:Kevin.Hagen@ncanet.com>]

**Sent:** Tuesday, February 12, 2013 4:18 PM

**To:** Kost, Glenn

**Cc:** Sanner, Doug; [Lisag@benaroya.com](mailto:Lisag@benaroya.com); Brittingham, Shelley; [jhpratt@msn.com](mailto:jhpratt@msn.com)

**Subject:** RE: Information Request

Glenn,

<u>Expected cash flow to the City of Bellevue:</u>		
Immediate	\$310,000	Cash
4 Culture - within the quarter	150,000	In hand, not booked, waiting for final documentation
Receivables collection – various, by mid-year	60,000	In hand, not booked, waiting for collection
Sher - at groundbreaking	100,000	In hand, not booked, waiting for groundbreaking and follow up documentation
Leeds Grant - upon completion	<u>25,000</u>	In hand, not booked, waiting for completion
	<u>645,000</u>	
CTED – upon approval of legislature – this year	199,000	Sent to Legislature for approval
Total	<u>\$844,000</u>	

We have other opportunities identified (some on schedule, some not) that in any combination will get us to the \$1M goal.

Thanks, Kevin

CITY OF BELLEVUE, WASHINGTON

RESOLUTION NO. 8530

A RESOLUTION authorizing execution of a Contract with Pease Construction, Inc., in an amount not to exceed \$8,803,207, to construct the Bellevue Youth Theatre at Crossroads Park.

THE CITY COUNCIL OF THE CITY OF BELLEVUE, WASHINGTON, DOES RESOLVE AS FOLLOWS:

Section 1. The City Manager or his designee is hereby authorized to execute a Contract with Pease Construction, Inc., in an amount not to exceed \$8,803,207, to construct the Bellevue Youth Theatre at Crossroads Park, a copy of which contract has been given Clerk's Receiving No. \_\_\_\_\_.

Passed by the City Council this \_\_\_\_\_ day of \_\_\_\_\_, 2013, and signed in authentication of its passage this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

(SEAL)

\_\_\_\_\_  
Conrad Lee, Mayor

Attest:

\_\_\_\_\_  
Myrna L. Basich, City Clerk