



CITY OF KIRKLAND

Department of Public Works

123 Fifth Avenue, Kirkland, WA 98033 425.587.3800

www.ci.kirkland.wa.us

MEMORANDUM

To: David Ramsay, City Manager

From: Daryl Grigsby, Public Works Director
Ray Steiger, P.E., Capital Projects Manager

Date: January 7, 2010

Subject: 2009 EMERGENCY SEWER CONSTRUCTION PROGRAM - ACCEPT WORK

RECOMMENDATION:

It is recommended that the City Council accept the construction of the 2009 Emergency Sewer Program (ESP), as constructed by Universal Land Construction Company of Woodinville, Washington, and establish the statutory 45 day lien period.

BACKGROUND DISCUSSION:

The ESP helps safeguard the environment from poorly maintained or failed septic systems and a program to extend sewer main lines to those areas of Kirkland with older and/or failing systems was first developed in 1998. Currently, there are still an estimated 1,100 Kirkland properties with active septic systems. Under the authority of the Program, benefiting property owners are assessed a proportionate share of all Program costs. At the completion of the improvements, property owners are given the option of: 1) making a full payment of the assessment at the time it is generated, 2) entering into a low interest (currently 3.31 %) loan agreement with the City to pay back their share of the construction cost over a ten year period, or 3) waiting 10-years before doing anything. In any scenario, total payment of each assessment is due within 20-years.

The scope of the 2009 ESP project included the installation of sanitary sewer main in the following Kirkland neighborhoods (Attachment A):

North Rose Hill

1. NE 88th Street between 132nd Avenue NE and 130th Avenue NE.
2. NE 87th Street/131 Avenue NE between 130th Avenue NE and NE 85th Street.
3. 132nd Avenue NE between NE 88th Street and NE 85th Street.
4. NE 107th Street, west of 124th Ave NE.
5. 124th Avenue NE between NE 107th Place and NE 107th Street.
6. 123rd Avenue NE south from NE 108th Street (connecting to Slater Avenue to the west).

South Rose Hill

1. NE 75th St, between 124th Ave Ne and 126th Ave NE.

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The 2009 ESP was included within the 2009-2014 Capital Improvement program (CIP) with an original construction budget of \$1,055,000. At their regular meeting of February 3, 2009, Council approved the 2009 ESP Scope of Work and authorized the advertisement for contractor bids. On July 2nd the City received 10 contractor bids and at their meeting of July 21, 2009, Council awarded the contract to Universal Land Construction Company in the amount of \$741,322.83. The total amount paid to the contractor for the work was \$652,998.99, including one change order totaling \$8,678.36; efficiencies in the construction process and commensurate reductions in materials led to an overall contract savings of \$88,323.84 (Attachment B).

The Project included the installation of 2,350 lineal feet of sewer main and provided 49 sewer connections for 46 properties that are currently served by septic systems (some sub-dividable properties will receive multiple assessments) -- individual assessments are currently estimated at \$18,000. Actual assessment amounts will be calculated after street restoration work is completed in summer, 2010 by the Annual Street Preservation Program, which will be reimbursed by the ESP for these additional costs. To date, four properties, of the benefitting 46, have hooked up to the new sewer main and 12 property owners have already signed agreements to repay their as-yet-to-be-determined assessments.

An existing 8-inch asbestos cement (AC) water main that was scheduled for replacement in a future CIP project was also included within the 2009 ESP project. The replacement of the AC watermain within NE 75th St, between 124th and 126th Avenues NE, was a planned for a few years out but the street is scheduled for a complete asphalt surface overlay in 2010 so the replacement of this aging water main was included in order to minimize impacts to the residents of the street, to eliminate future impacts to the new asphalt and to take advantage of favorable contractor pricing. This work was funded using a combination of the remaining 2007 ESP Watermain Replacement Program Funding (\$48,965), the 2009 ESP Watermain Replacement Funding (\$50,000), and additional water utility funding (\$41,640) to cover the total cost of \$140,605 (Attachment B); this water utility element is tracked separately and is not included within individual ESP beneficiaries assessments.

From the Program's inception in 1998 through the 2009 Program year, over 24,400 lineal feet of new sewer main has been built. For that 4.6 miles of new main line, a total to 458 side sewer connections have been made available with 231 property owners paying their assessments in-full, 105 entering into payment contracts with only 117 property owners choosing to wait the full 10-year grace period. Of the 458 side sewer made available, 193 properties have connected to the City's sewer system (Attachment C).

Attachments: A - Vicinity Map
B - Project Budget Report
C - ESP Current Overview

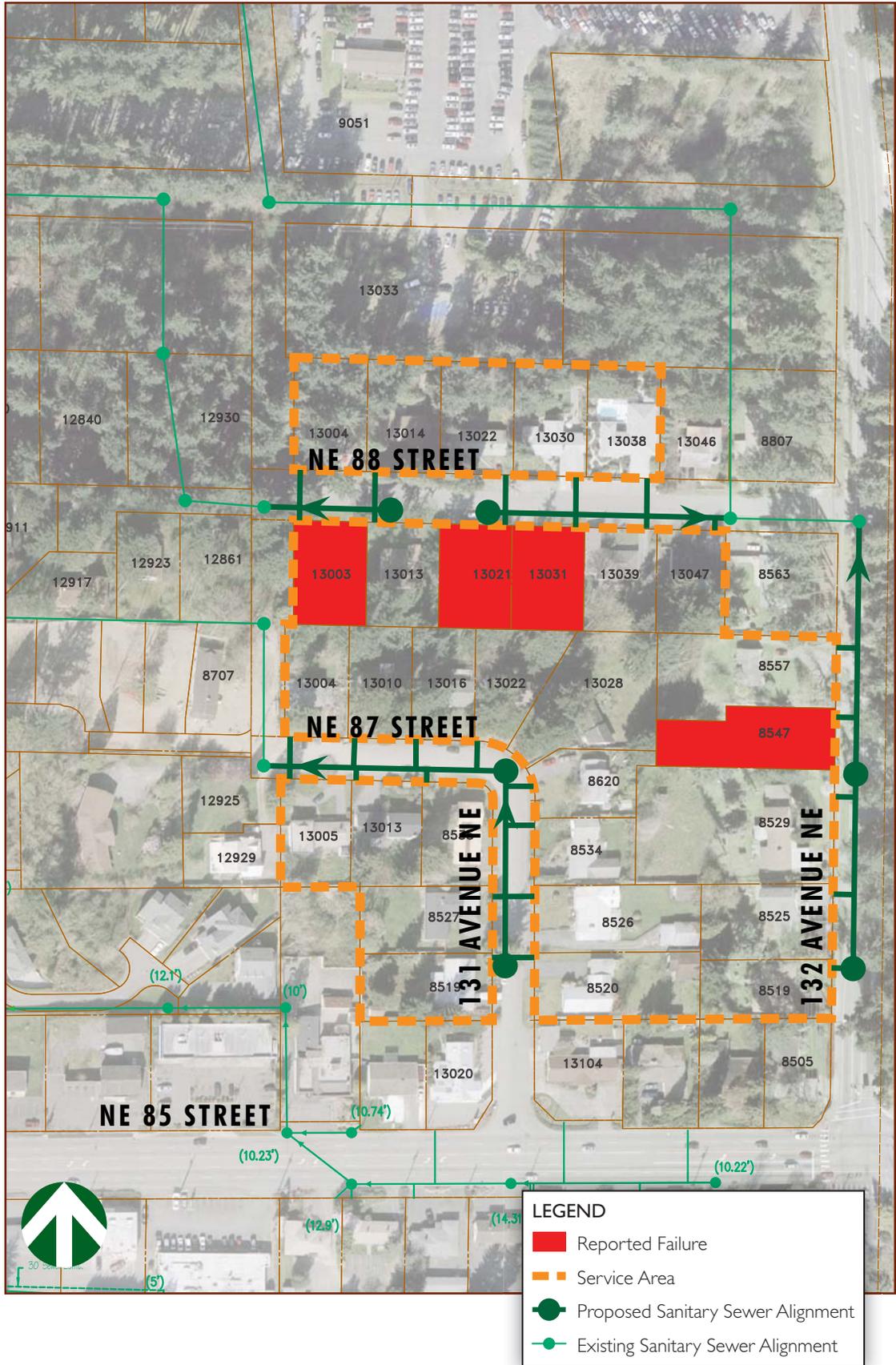


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2009 Emergency Sewer Program



Attachment A
(Detail of Area 1)



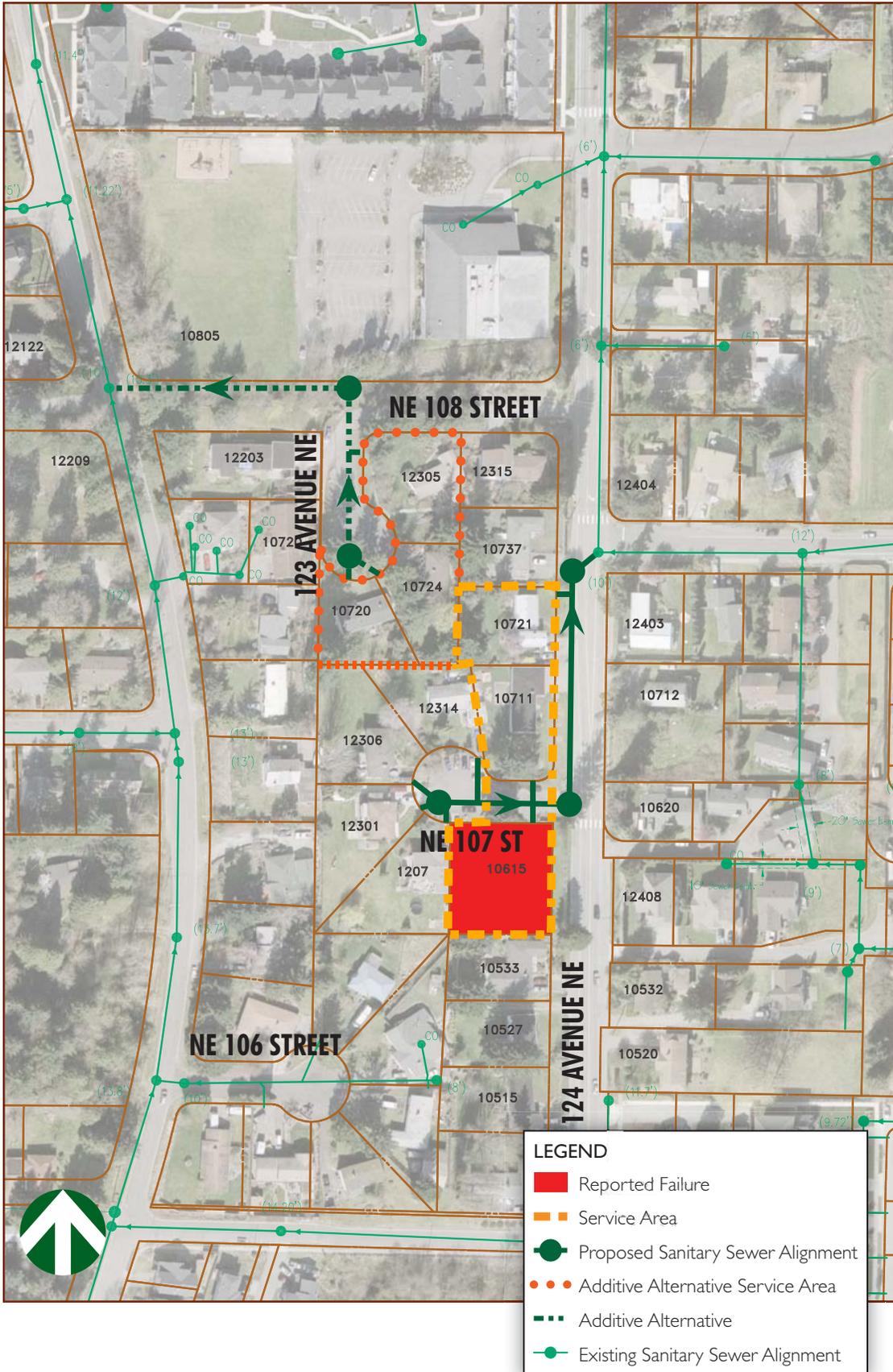


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2009 Emergency Sewer Program



Attachment A
(Detail of Area 2)



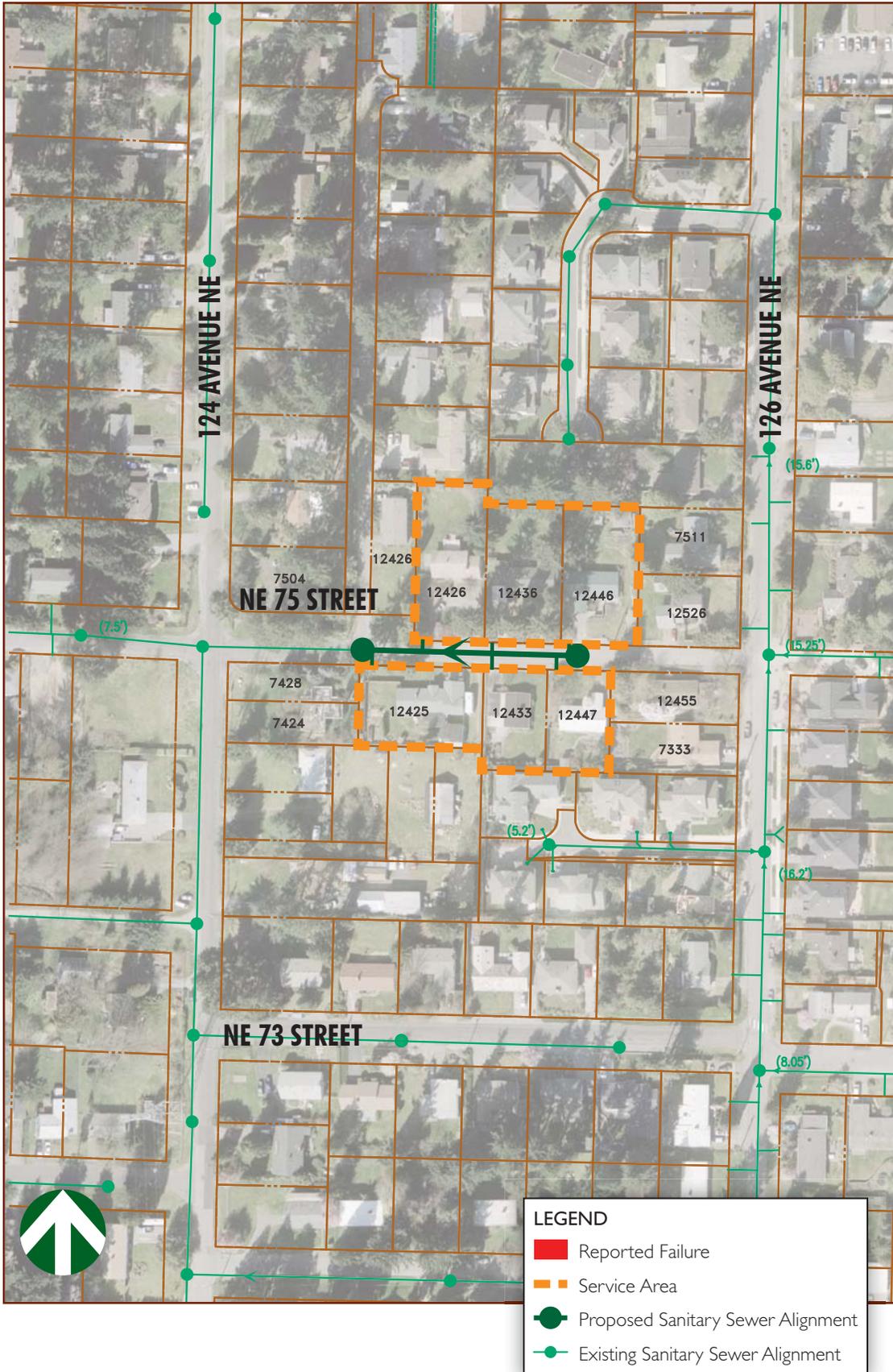


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2009 Emergency Sewer Program

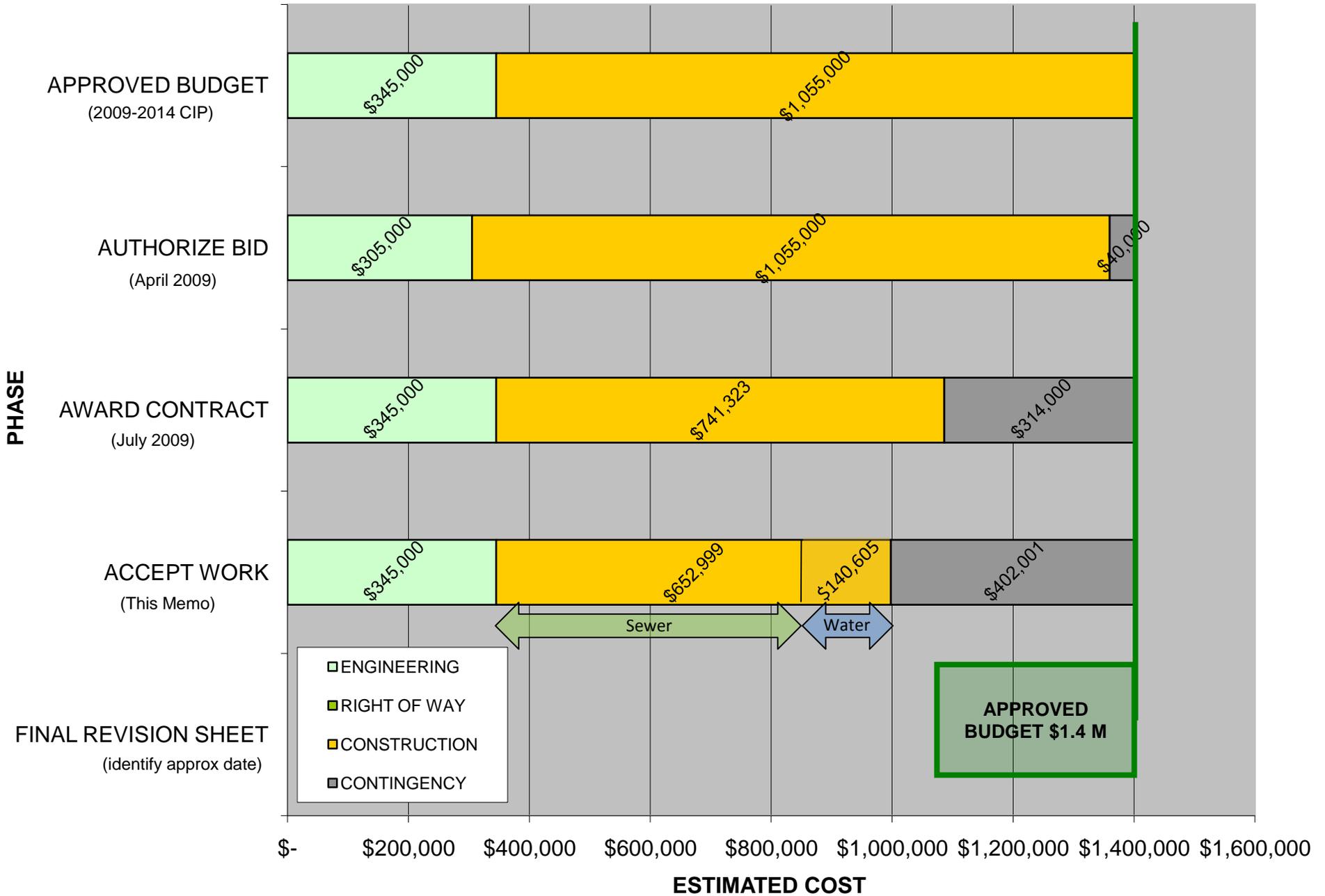


Attachment A (Detail of Area 3)



CSS-0056 2009 Emergency Sewer Program

PROJECT BUDGET REPORT



EMERGENCY SEWER PROGRAM OVERVIEW

EMERGENCY SEWER PROGRAM OVERVIEW AS OF December 31, 2009

ATTACHMENT C

Program	Year	Length (lineal feet)	# Connections Provided*	Connected To Date	Final Project Cost	Cost Per Assessment	Reimbursed through 12/31/09	% Reimbursed	Principal Due
1	1999	2,900	54	36	\$576,028	\$8,025	\$519,156	90%	\$56,872
2	2001	4,756	74	47	\$725,995	\$9,726	\$658,054	91%	\$67,941
3	2003	5,700	114	55	\$1,435,668	\$11,857	\$1,089,706	76%	\$345,962
4	2005	4,150	83	38	\$1,325,925	\$15,975	\$695,110	52%	\$630,815
5	2007	4,583	84	13	\$1,668,576	\$19,864	\$414,178	25%	\$1,254,398
6	2009	2,350	49	4	\$891,589*	\$18,000*			
TOTAL		24,439	458	193	\$6,623,773*		\$ 3,376,204	59%	\$2,355,988

*estimated

42% Percent Connected

Program	Year	Connections	Paid in Full	Payment Refinance	Payment Sale	Payment Other	ACTIVE Contracts	Delinquent Contracts	Inactive
1	1999	54	49	14	23	12	3	1	1
2	2001	74	61	22	15	24	8	1	4
3	2003	114	70	21	19	30	28	2	14
4	2005	83	38	5	11	20	14	1	30
5	2007	84	13	9	2	2	40	0	31
6	2009	49					12		37
TOTAL		458	231	71	70	88	105	5	117