



CITY OF KIRKLAND
Department of Public Works
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MEMORANDUM

To: Kurt Triplett, City Manager

From: Frank Reinart, P.E., Project Engineer
David Snider, P.E., Capital Projects Manager
Kathy Brown, Public Works Director

Date: February 4, 2016

Subject: 3rd STREET/KIRKLAND TRANSIT CENTER WATERMAIN
FUNDING APPROVAL

RECOMMENDATION:

Staff recommends that the City Council approve the use \$104,036 in Water/Sewer Construction Reserve funds for reimbursement to King County Department of Natural Resources and Parks (KCDNRP) for the City's portion of construction costs associated with the replacement of the 3rd Street Watermain, in accordance with a 2009 Interagency Agreement.

By taking action on this memo during approval of the consent calendar, City Council is approving the use of Water/Sewer Construction Reserve funds to reimburse King County for the construction of Kirkland Water System improvements along 3rd Street.

BACKGROUND DISCUSSION:

The 2010 - 2011 construction of the Kirkland Transit Center by Sound Transit and the 2011 - 2014 re-construction of the (KCDNRP) Sanitary Sewer Lift Station resulted in the replacement and upsizing of a Kirkland waterline serving 3rd Street, Peter Kirk Park and adjacent Downtown Kirkland properties (Attachment A). The City's waterline replacement was necessitated due a conflict between the existing watermain and a new KCDNRP sewermain connected with the KCDNRP sewer lift station replacement located at the northwest corner of the intersection of 3rd Street and Park Lane. The new KCDNRP sewermain and the City's watermain construction occurred during the early phase of the Kirkland Transit Center project, ahead of the installation of the new Transit Center's concrete road surface.

At the time of the new Kirkland Transit Center and KCDNRP Lift Station construction projects, the Kirkland Water Comprehensive Plan (WCP) identified a need to increase the size of the City's 3rd Street watermain from an 8-inch diameter to a 12-inch diameter in order to serve future water demands for domestic and fire flow in the Downtown area. On October 6, 2009, the City Council approved Resolution R- 4778, authorizing the City Manager to sign an Interagency Agreement with KCDNRP. At the same meeting,

the City Council approved a City budget of \$140,000 to reimburse the County for the differential cost between the installation of an 8-inch watermain and the WCP identified 12-inch watermain. The construction of the Kirkland Transit Center, including the installation of the new 12-inch diameter line, was managed by King County and Sound Transit, with City inspection services provided by Kirkland staff.

In 2011, in conjunction with the completion of the Kirkland Transit Center, a total of \$42,450 was invoiced by the County and reimbursement was made by the City, as per the 2009 Interagency Agreement. Subsequent to that, with no further invoicing from KCDNRP, staff mistakenly concluded that all construction costs eligible for reimbursement had been submitted and, through the capital project closure process in 2013, the unspent balance was returned to the Water/Sewer Construction Reserve.

In 2014, at the conclusion of the KCDNRP Sewer Lift Station project, it was determined that the KCDNRP Wastewater Treatment Division had not submitted their final invoice to the City for reimbursement for the construction of the 12-inch watermain. When KCDNRP contacted the City and reported the total request for reimbursement it was apparent, from the documentation provided, that the reimbursement request was for the total cost of the watermain project, rather than just the differential cost agreed to in the Interagency Agreement. As a result, staff worked closely with KCDNRP staff to verify and validate all construction expenses associated with the watermain project. At the conclusion of those discussions in 2015, it was determined the City's final total cost of the City's share of all applicable watermain construction costs is \$146,486. With credit for the previously invoiced amount of \$42,450, the final amount of the City's share owed to KCDNR is \$104,036, for an amount that is 4.6% higher than the original budget balance of \$97,550.

As noted above, staff is recommending City Council approval for the use of Water/Sewer Construction Reserve in the amount of \$104,036 to fully reimburse KCDNRP for the City's share of the 3rd Street Watermain associated with the Kirkland Downtown Transit Center and KCDNR Sewer Lift Station projects (Attachment B).

Attachment A: Vicinity Map
Attachment B: Fiscal Note

3rd Street Watermain Upgrade



Vicinity Map

Map Legend

-  King County 12" Watermain
-  Preexisting Watermain



Former 8" Watermain

KCDNR Pump Station

New 12" Watermain



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FISCAL NOTE

CITY OF KIRKLAND

Source of Request							
Kathy Brown, Public Works Director							
Description of Request							
Funding of \$104,036 for 3rd Street Watermain Upgrade CWA 0142 from the Water/Sewer Construction Reserve to fully reimburse King County Department of Natural Resources as described in the attached memo.							
Legality/City Policy Basis							
Fiscal Impact							
One-time use of \$104,036 from the Water/Sewer Construction Reserve. This reserve is fully able to fund this request.							
Recommended Funding Source(s)							
	Description	2016 Est End Balance	Prior Auth. 2015-16 Uses	Prior Auth. 2015-16 Additions	Amount This Request	Revised 2016 End Balance	2016 Target
Reserve	Water/Sewer Const. Rsv.	17,664,869	32,000		104,036	17,528,833	N/A
	Prior Authorized Uses of Water/Sewer Construction Reserve: Park Lane Phase II Pedestrian Improvements, \$5,000, and 4th Street Watermain Replacement, \$27,000. No prior authorized additions.						
Revenue/Exp Savings							
Other Source							
Other Information							
Prepared By	Neil Kruse, Senior Financial Analyst				Date	February 2, 2016	