



CITY OF KIRKLAND
Department of Public Works
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MEMORANDUM

To: Kurt Triplett, City Manager

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

Date: March 26, 2015

Subject: NE 68th STREET & 108th AVENUE NE INTERSECTION IMPROVEMENTS
PROJECT CLOSE-OUT BUDGET ADJUSTMENT

RECOMMENDATION:

Staff recommends that City Council take the following two actions

- Approves an overall close-out budget adjustment of \$29,784 for the NE 68th Street & 108th NE Intersection Improvement Project. (Recommended funding comes from two sources: 1) available funds from a list of joint City and Sound Transit projects, and 2) REET 2.); and,
- Approves the return of excess Surface Water Utility funding in the amount of \$16,077 to the source.

BACKGROUND DISCUSSION:

The NE 68th Street & 108th Avenue NE Intersection Improvements Project provided significant modifications to a heavily traveled Central Houghton area intersection (Attachment A). The construction activities included work on all four corners of the intersection with an all-new traffic signal, signal controller and Intelligent Transportation System (ITS) equipment, and a new westbound to northbound right turn lane. The Project also provided pedestrian enhancements with some wider sidewalks and new crosswalk amenities.

The ITS element of this Project has resulted in a measurable level of service improvement for the intersection. The new ITS components have been providing real-time data collection and video monitoring via the City's fiber optic network. The system offers instant visual communication and control access of the signal from Kirkland City Hall, allowing remote signal timing adjustments on an as needed basis.

At the meeting of June 21, 2011, City Council awarded the Project's construction contract to Sanders General Construction in the amount of \$541,254.00. The construction was physically completed on October 29, 2012, with the contractor being paid a total of \$601,702.42. Three change orders totaling \$15,115 were issued and adjustments for additional material quantities totaled \$45,300. The work was accepted by City Council on November 20, 2012. At that time, in order to accept the contractor's work, staff reported on total project costs, noting that all potential external revenue sources were not known, and also noting that a full accounting of the Project would be forthcoming. This proposed Council action is based on that full and final accounting of the Project, which was delayed due to the time it took staff to negotiate and account for all external funding.

The NE 68th Street Intersection Improvement Project represents one of six City projects to share a total of \$1,386,304 in Sound Transit funding. Table 1 lists the individual projects with costs and established Sound Transit contributions:

Table 1

#	JL	Title	Project Exp.	Sound Transit Rev.	City/Other Funding	Current JL Bal.	Status
1	CTR0004 000	3rd & Kirkland Imps	518,271.53	518,271.53		0.00	Closed
2	CTR0004 001	Bus Lay-over 6th & Central Ave	101,154.09	101,154.09		0.00	Closed
3	CTR0004 002	Transit Center Restroom	134,099.23	109,340.43	35,300.00	10,541.20	Open
4	CTR0085 000	68th & 108th Intersection Imps	1,599,806.80	453,000.00	1,117,022.67	(29,784.13)	Open
4.1	CTR0085 423	68th & 108th Surface Water	83,922.65	-	100,000.00	16,077.35	Open
5	CTR0100 000	6th & Central Way Imps	1,944,338.72	32,000.00	1,912,338.72	0.00	Closed
6	CTR0101 000	Temp Bus Stop for KTC	218,537.95	154,537.95	64,000.00	0.00	Closed
TOTALS			4,600,130.97	1,368,304.00	3,228,661.39	(3,165.58)	

The approved Project funding of \$1,670,023 represents a combination of \$1,090,000 in City transportation and surface water funds, a to-date contribution of \$453,000 from Sound Transit and \$27,023 from two other external sources (Shell Oil and Puget Sound Energy). At their meeting of April 19, 2012, City Council received a Project update where certain increased costs resulting from differing site conditions, construction issues, and an increase in staff resources necessary to manage the Project were identified. As was noted in the April 19, 2012 update, field design changes were required as a result of errors made on the part of Puget Sound Energy (PSE). In addition, differing site conditions arose from the discovery of petroleum contaminated soils in the right-of-way that originated from the adjacent Shell Oil Gas Station located on the southeast corner of the intersection.

As shown in Table 1 above, four of the six projects have been closed with zero balances achieved for each; two projects (numbers 3 and 4/4.1) remain open with positive balance and negative balances. It should be noted that the positive balance of just over \$16,000 on Project Number 4.1 cannot be used to offset the negative balance on the non-surface water work on Project Number 4. The positive remaining balance on Project 4.1 will have to be returned to the Surface Water Construction Reserve. The positive balance of \$10,541.20 in Project 3 is an eligible source for use in overall budget balancing for all projects.

By using the remaining \$10,541.20 from Project 3 to balance the non-surface water project deficit, the net funding needed to balance the overall project budget is \$19,242.93, as shown in Table 2:

Table 2

#	JL #	Title	Project Exp.	Sound Transit Rev.	City/Other Funding	Current JL Bal.
3	CTR0004 002	Transit Center Restroom	134,099.23	109,340.43	35,300.00	10,541.20
4	CTR0085 000	68th & 108th Imps	1,599,806.80	453,000.00	1,117,022.67	(29,784.13)
4.1	CTR0085 423	68th & 108th Surface Water	83,922.65	-	100,000.00	-
TOTALS						(19,242.93)

In order to fully fund and close-out the remaining projects, which include City, Sound Transit and other external funding, as associated with the Kirkland Transit Center – Sound Transit Agreement, staff recommends the following City Council authorizations:

1. Moving the remaining balance of \$10,541.20 from Project 3 to Project 4,
2. Returning the positive balance of \$16,077.35 (Project 4.1) in Surface Water funds to the appropriate funding source, and
3. Using \$19,242.93 from REET 2 needed to fund and close out Project 4, the NE 68th Street & 108th Ave NE Intersection Improvement Project.



Vicinity Map

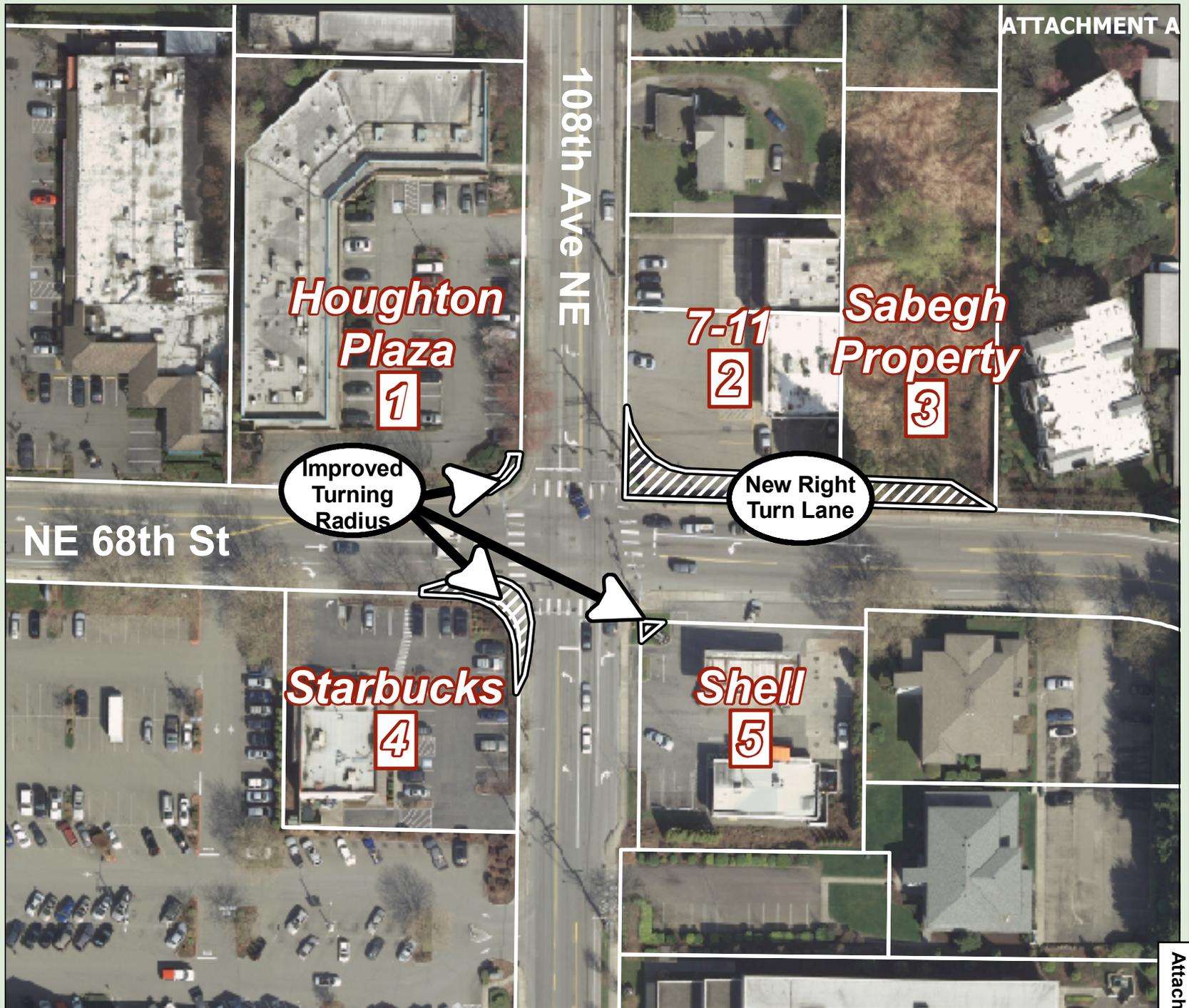


Legend

Map Reference Number



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NE 68th St / 108th Ave NE Intersection Improvement Project

Attachment A

FISCAL NOTE

CITY OF KIRKLAND

Source of Request							
Kathy Brown, Public Works Director							
Description of Request							
Funding adjustments to close CTR 0085 as described in the attached memo. Request of \$19,243 from REET 2 Reserves and returning \$16,077 to the Surface Water Construction Reserve. Additional funding from closing Transit Center CTR 0004 002 (\$10,541).							
Legality/City Policy Basis							
Fiscal Impact							
One-time use of \$19,243 from REET 2 Reserves. This reserve is fully able to fund this request. One-time use of project balance of \$10,541 from closing Transit Center Restroom CTR 0004 002. This project has sufficient balance to fund this request. One-time addition of \$16,077 to Surface Water Construction Reserve from closing NE 68th Street/108th Avenue NE CTR 0085 423.							
Recommended Funding Source(s)							
<i>Reserve</i>	Description	2016 Est End Balance	Prior Auth. 2015-16 Uses	Prior Auth. 2015-16 Additions	Amount This Request	Revised 2015 End Balance	2016 Target
	REET 2 Reserves	6,629,264	270,000	0	19,243	6,340,021	N/A
	Surface Wtr. Const. Rsv.	7,828,203	777,583		(16,077)	7,066,697	N/A
Prior Authorized Uses of REET 2 Reserves: Juanita Quick Wins (\$270,000). Prior Authorized Uses of Surface Water Construction Reserves: 100th Ave NE Corridor (\$204,700), Decant Facility Upgrade (\$125,200), Park Lane Pedestrian Improvements (\$59,683) and 99th Place Emergency Storm Drain Replacment (\$388,000). No Prior Authorized Additions to Surface Water Construction Reserves.							
<i>Revenue/Exp Savings</i>							
<i>Other Source</i>	Kirkland Transit Center Restroom CTR 0004 002 (project balance of \$10,541).						
Other Information							

Prepared By	Neil Kruse, Senior Financial Analyst	Date	March 19, 2015
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