



CITY OF KIRKLAND
Department of Public Works
123 Fifth Avenue, Kirkland, WA 98033 425.587.3800
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Patrick Herbig, P.E., Project Engineer
Dave Snider, P.E., Capital Projects Manager
Kathy Brown, Public Works Director

Date: May 5, 2016

Subject: NE 124th STREET & WILLOWS ROAD NE SIGNAL REBUILD PROJECT
ACCEPT WORK

RECOMMENDATION:

It is recommended that the City Council accept the construction contract for the NE 124th Street & Willows Road NE Signal Rebuild Project to West Coast Signal, Inc., of Renton, WA, in the amount of \$132,417.43.

By taking action on this memo during approval of the consent calendar, City Council is accepting the work and establishing the lien period for the subject Project.

BACKGROUND DISCUSSION:

In August, 2014, a large commercial truck was heading east on NE 124th Street and made a right turn onto Willows Road NE. The driver made the turn too sharply and veered off the roadway, hitting a City-owned traffic signal and street light pole, causing significant damage to the pole. A police report was issued and City staff immediately contracted the commercial truck owner and their insurance company, Great West Casualty Company, South Sioux City, Nebraska, to file a claim for reimbursement.

In order to get the intersection fully operational, City signal maintenance technicians worked with a local electrical contractor to erect a temporary wood pole and re-wire the signal heads onto an aerial cable spanning the intersection. Additionally, because of the significant nature of the damage, there was a cascading effect with respect to the replacement of the pole, together with certain traffic signal controller components and associated appurtenances. In this case, the impact to a single leg of the intersection resulted in the need to replace a total of eight Accessible Pedestrian Signal (APS) push buttons at the intersection. The City of Kirkland's APS Policy requires the upgrade of all four corners of the intersection when there is an "alteration, an installation or replacement of any pole to which a pedestrian push button is attached..." Due to the policy requirements, the new upgraded APS buttons also led to a need for an upgrade to the APS button controller in the signal cabinet.

The City retained the transportation engineering firm, Transpo Group USA, Inc., Kirkland, WA, to perform engineering design and to provide documents necessary for construction of the rebuild. In addition to the APS requirements, the other necessary signal improvements, include

a new traffic signal pole and mast arm, a new pole foundation, and all associated mounting devices and other related hardware features.

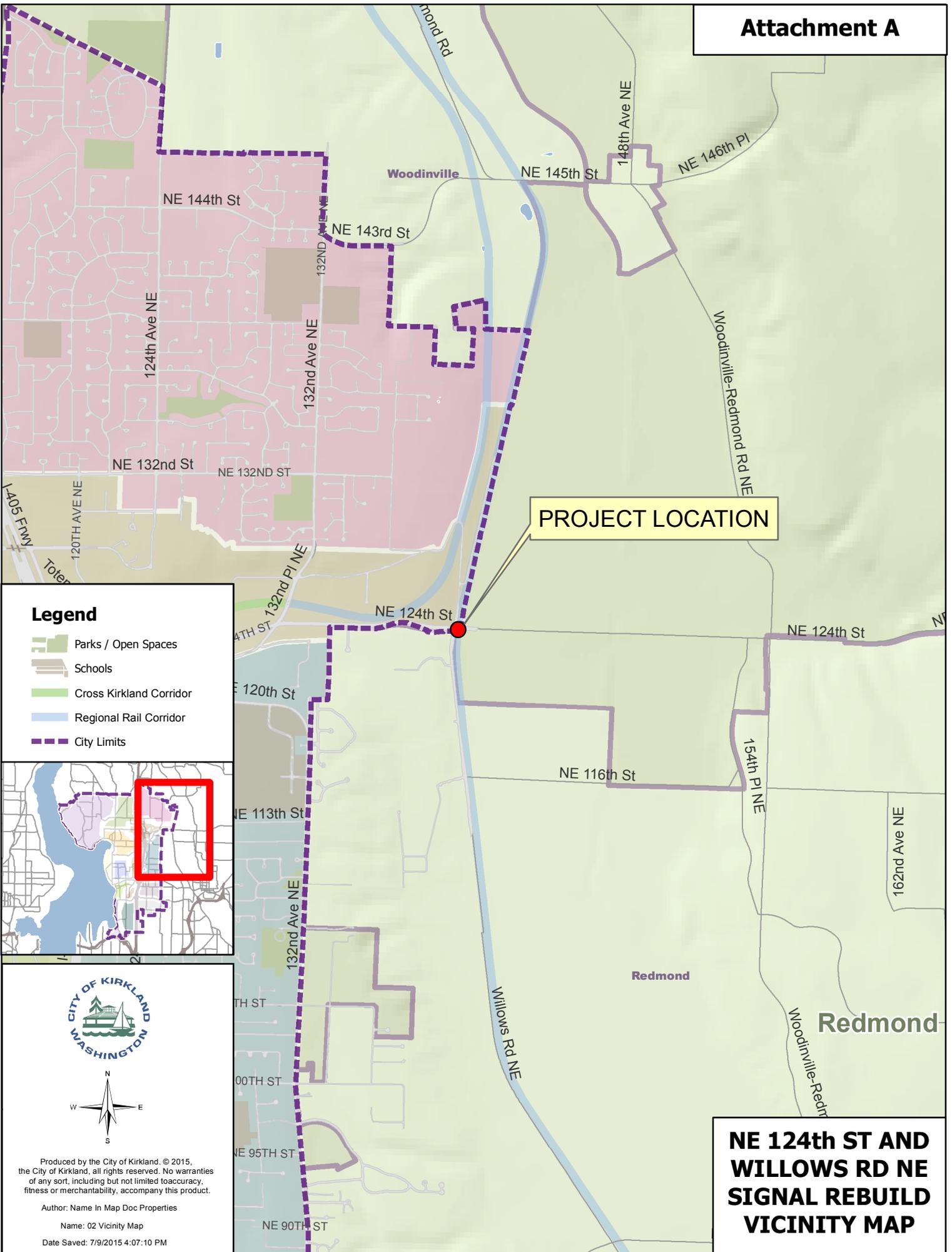
On August 3, 2015, City Council awarded a construction contract for the Project to West Coast Signal, Inc., in the amount of \$128,248. With the contract in-place, the long-lead time equipment was ordered and the physical work to install the components began in October, 2015. The Project was substantially complete on January 15, 2016; including final quantities and two change orders for differing field conditions, the total amount earned by the contractor was \$134,670.95.

Since the time of the original incident, staff has been in regular contact with the insurance company, providing timely progress updates on the placement of the temporary replacement pole and signal heads, as well as for the design, construction and project management/inspection for the permanent replacement signal pole and associated infrastructure. Insurance companies are typically most interested in settling claims as early as possible; however, the City's approach has been to fund the repairs upfront using Street (Operations/Maintenance) funds. This approach provides the City the ability to maximize the amount sought for reimbursement. The City's Street Fund is also set up anticipating that most insurance settlement matters will result in the City incurring some of the costs to repair (and including all costs involving "hit-and-runs").

Through receipt and acceptance of the City's preliminary notice of anticipated costs, the insurance company representative acknowledged and accepted that the actual expenses would be submitted for reimbursement. In total, however, the sum of all related project costs, including staff and consultant costs for project administration, design and inspection, together with both temporary and permanent construction costs, is \$207,077. Upon submission of the final amount for reimbursement, the insurance adjusted cited industry standards for normal depreciation and other associated discounts resulting in an offer to settle the claim for \$177,000. Subsequent negotiations between staff and insurance company's adjuster resulted in reaching the limits of the insured's property damage liability limit of \$200,000. The net result is an overall budget deficit of \$7,077 (3.4% of the total costs – see Attachment B).

The City has received the \$200,000 insurance settlement money for the subject Project and the overage can be absorbed within the City's Street Fund operational budget (Attachment C).

Attachment A – Vicinity Map
Attachment B – Project Budget Report
Attachment C – Fiscal Note



PROJECT LOCATION

Legend

- Parks / Open Spaces
- Schools
- Cross Kirkland Corridor
- Regional Rail Corridor
- City Limits



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Author: Name In Map Doc Properties

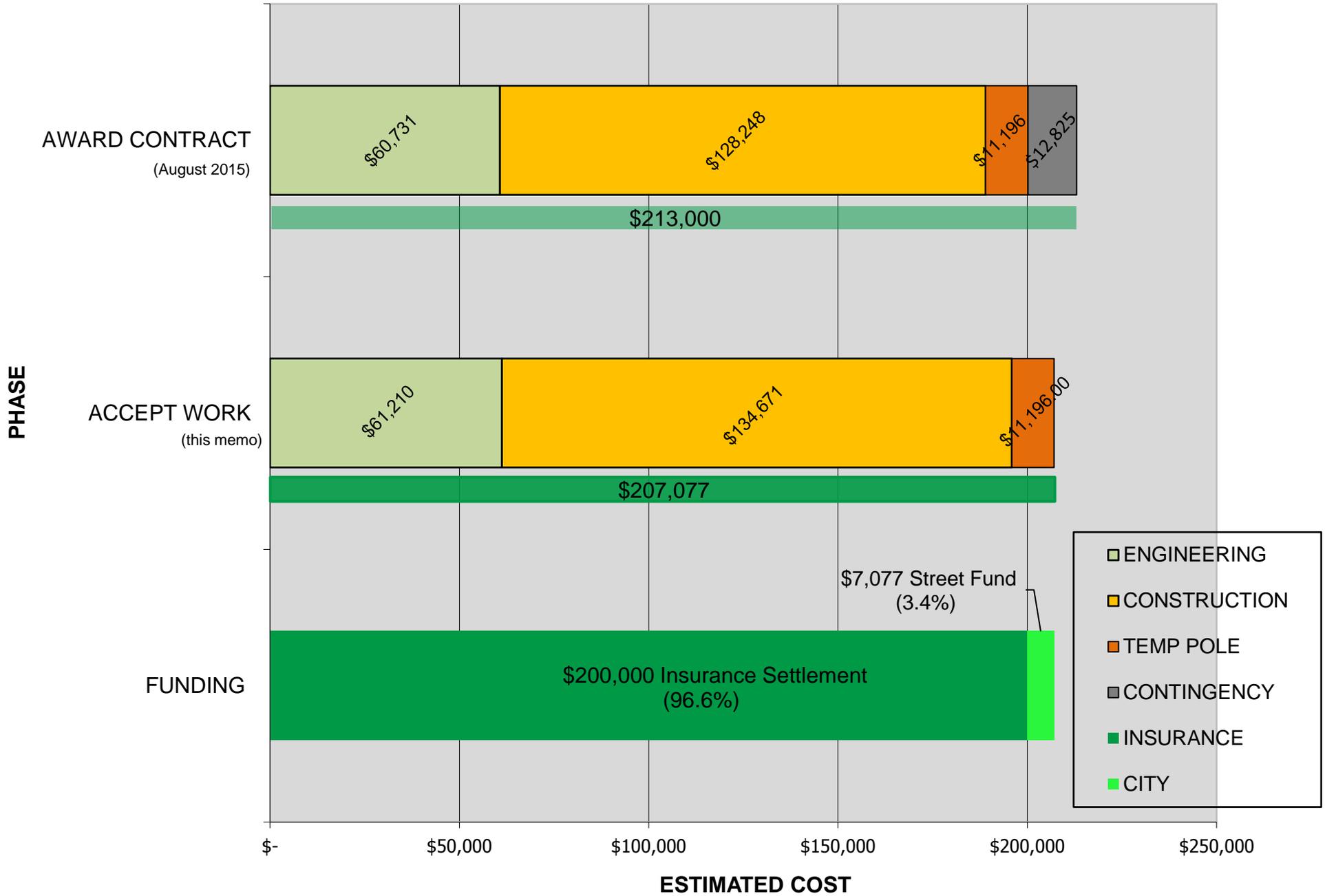
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**NE 124th ST AND
WILLOWS RD NE
SIGNAL REBUILD
VICINITY MAP**

**NE 124TH ST and WILLOWS ROAD NE SIGNAL REBUILD
(APW-KD14WIL/42-15-PW)
PROJECT BUDGET REPORT**

Attachment B



FISCAL NOTE

CITY OF KIRKLAND

Source of Request							
Kathy Brown, Public Works Director							
Description of Request							
Funding for acceptance of work for NE 124th Street & Willows Road NE Signal Rebuild. Total cost exceeds insurance proceeds by \$7,077, which can be absorbed within the Street Fund operational budget.							
Legality/City Policy Basis							
Fiscal Impact							
One-time use of \$7,077 from the Street Fund operational budget. The operational budget can absorb this expense.							
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 2016 End Balance	2016 Target
<i>Revenue/Exp Savings</i>	Costs within normal operational expenses for traffic signal damage repairs.						
<i>Other Source</i>							
Other Information							
Prepared By	Neil Kruse, Senior Financial Analyst				Date	May 3, 2016	