



CITY OF KIRKLAND

Department of Public Works

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www.kirklandwa.us

MEMORANDUM

To: Kurt Triplett, City Manager

From: Dave Snider, P.E., Capital Projects Manager
Marilynne Beard, Interim Public Works Director

Date: July 24, 2014

Subject: 5TH AVE SOUTH S, 6TH ST AND 7TH AVE SOUTH UTILITY PROJECT
AWARD CONTRACT

RECOMMENDATION:

That City Council awards Schedule A through E of the 5th Ave South, 6th St and 7th Ave South Utility Projects to Kar-Vel Construction of Renton, WA, in the amount of \$1,462,629.83.

BACKGROUND AND DISCUSSION:

The 5th Ave South, 6th St and 7th Ave South Utility Project (Project) consists of five separate capital projects that have been combined into a single multi-schedule project to provide an economy of scale benefit for adjacent and related utility improvements, all in support of major on-going redevelopments in the Moss Bay and Everest Neighborhoods (Attachment A). Specifically, the Project supports the on-going Google expansion and the 2014 Preliminary Comprehensive Water System Plan (WSP), as the WSP is currently being updated. The Project planning effort also involved the City's IT Department staff in consultation on providing a future fiber optic pathway opportunity utilizing the to-be-abandoned watermain

During the design phase staff identified and coordinated the following cooperative design elements for the 6th St project (WA 150):

- A conversion of the existing watermain to a fiber optic pathway to complete the connection between Central Way and Kirkland Way,
- Upsizing the originally planned 8-inch watermain to a 12-inch watermain as scoped by the preliminary WSP, as well as extending the 12-inch watermain through the intersection of 6th Street and Kirkland Way to accommodate new signalized intersection improvements planned in 2015. The new intersection will be constructed with a concrete pavement road surface and to avoid disturbing the planned road surface, this utility improvement completes the watermain through the intersection.

The five individual projects (Schedules A – E) are shown on Attachment A and are listed in the table below:

Water and Sewer Utility	Project	Budget	Anticipated Expenses	Total
WA 150	6 th Street Watermain	\$520,500	\$868,012	(\$347,512)
WA 151	7 th Avenue Watermain	\$378,000	\$358,605	\$19,395
SS 64	7 th Avenue Sewermain	\$930,500	\$617,767	\$312,734
SS 78	5 th Avenue Sewermain	\$226,900	\$211,516	\$15,8384
	Total	\$2,055,900	\$2,055,900	\$0

Surface Water Utility	Project	Budget	Anticipated Expenses	Total
SD 83	7 th Avenue Storm	\$240,000	\$240,000	\$0
	Total	\$240,000	\$240,000	\$0

Project Total	\$2,295,900	\$2,295,900	\$0
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Though the design phase, staff created a "Schedule E1" for the converting of the existing 6th Street watermain into a fiber optics conduit bank. During that process, staff also sought appropriate funding sources to pay for this added work.

As a result of the bid opening, the actual construction cost of Schedule E1 would add another \$63, 564.75 in hard costs plus an estimated \$21,000 in increased soft (inspection and project administration) costs. Through the design process, staff also sought appropriate funding sources, both internal and external; however, to-date, no funding sources have been identified.

Contract Bid Results

With an overall total construction budget of \$1,574,010, and an engineer's estimate of \$1,361,600, the Project was first advertised for contractor bids on July 1. Bids were opened on July 15 with the City receiving one contractor bid, as shown:

Contractor	Total Bid
<i>Engineer's Estimate</i>	<i>\$1,361,600.00</i>
Kar-Vel Construction	\$1,462,629.83

As a result of the single bid submitted, staff conducted a contemporaneous bid climate review, including discussions with neighboring agency representatives and interviews with companies on the official Plan Holder's List who chose not to submit a bid. The results show that, in general, contractors are very busy at this time with a lot of other projects in the region out to bid right now. Those companies that are regular bidders on Kirkland jobs explained that they found it necessary to pass on this Project as they would not be able to staff it appropriately. A check-in with neighboring agencies showed similar results with low bidder turn-out and bidder prices that are climbing upwards.

For the subject Project, the low bid is \$115,616 above the engineer's estimate; however, the total bid price received is under the combined construction budget of \$1,574,010. As a whole, the entire project can be completed within the existing overall combined utility project budget of \$2,295,900 (Attachment B).

With full consideration given to meeting the time-of-completion requirements for private developments in the area, staff recommends awarding Schedules A through E of the 5th Ave South, 6th St and 7th Ave South Utility Project contract to Kar-Vel Construction. The contractor

has successfully completed other utility projects for the City in the past and comes with current references that support their ability to complete the work in an acceptable and timely manner.

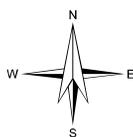
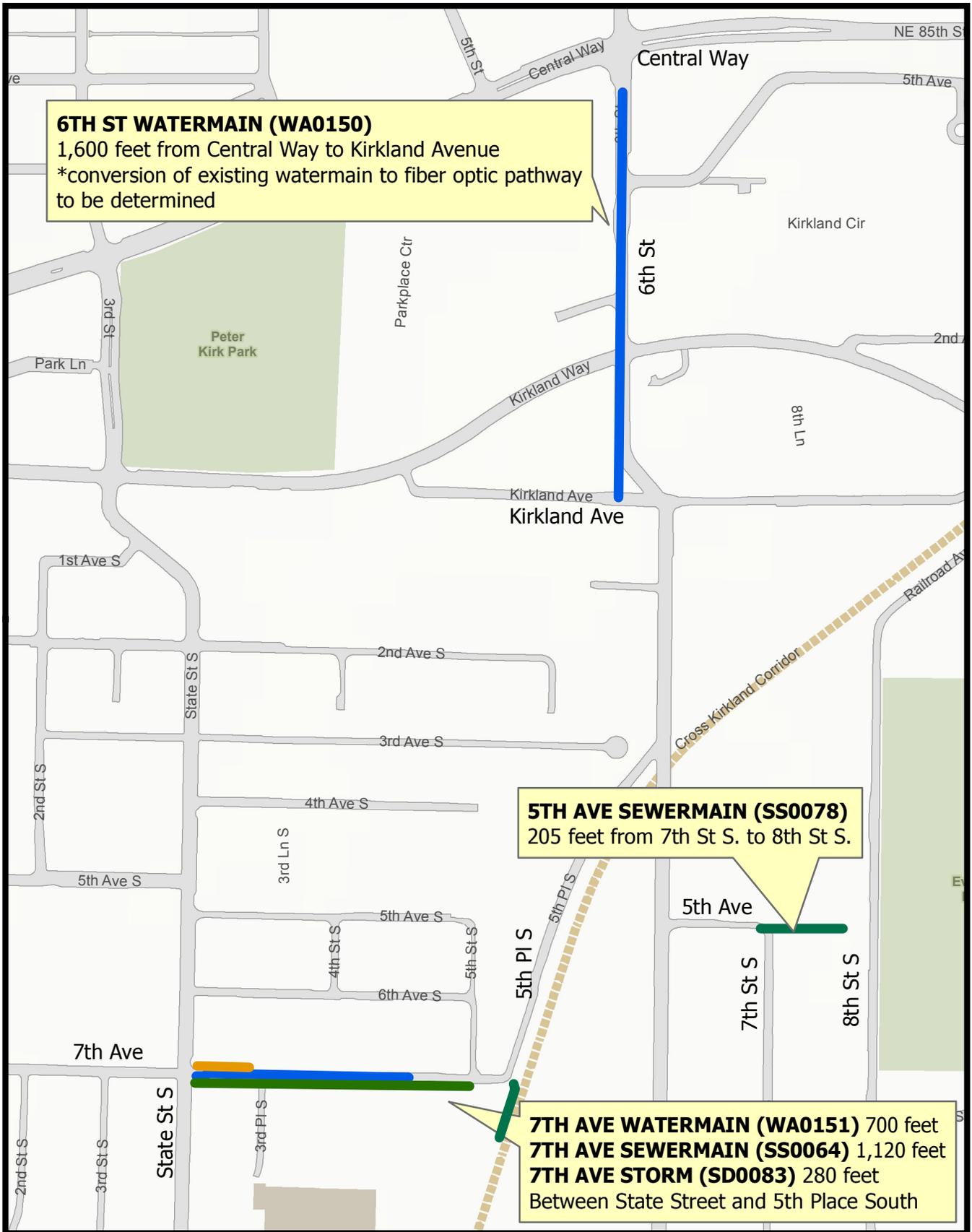
With an award of the contract by City Council at their August 6 meeting, construction will begin by early September with substantial completion expected in February, 2015. With City Council concurrence, staff will continue to look for a suitable funding source (or sources) for Schedule E1 and, if a guaranteed funding source is secured during the contractor's normal sequenced activities, staff will work towards adding Schedule E1 back into the overall Project scope through change order.

In advance of construction Public Works staff will send a construction informational flyer to nearby residents providing Project timelines and pertinent contact information. Staff will also keep all pertinent information up-to-date on the City's website.

Attachment A - Vicinity Map

Attachment B - Project Budget Report

ATTACHMENT A



VICINITY MAP
5th Ave South, 6th St and 7th Ave South Utility Projects

**Combined Utilities Project
(WA 0150, SS 0064, WA 0151, SS 0078, SD 0083)
Project Budget Report**

Attachment B

