



CITY OF KIRKLAND

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MEMORANDUM

To: David Ramsay, City Manager

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

Date: April 6, 2006

Subject: HAZARD ELIMINATION SAFETY PROJECT – PROJECT CLOSE-OUT

RECOMMENDATION:

It is recommended that Council authorize the use of an additional \$14,800 of REET II Reserves to fully fund and close-out the Hazard Elimination Safety Project.

BACKGROUND AND DISCUSSION:

In 2002, staff applied for Federal funding through the Hazard Elimination Safety Program (HES) for three intersections which demonstrated above average accident histories. Federal funding was secured under the competitive grant process, and a total of \$82,800 was allocated to the Project (Attachment A). In 2004, matching funds were provided from the REET II reserves, and the project was fully funded in the CIP.

Subsequent to the award of grant funding in 2002, WSDOT proceeded with design and construction of the Sound Transit Totem Lake/NE 128th Project. Among other items, staff negotiated with WSDOT to include a reconfiguration of the intersection at Totem Lake Boulevard and 120th Ave NE in association with that project. During that reconfiguration, they were able to incorporate changes that completed one schedule of Kirkland's HES project and thusly reduced the scope of construction required by Kirkland.

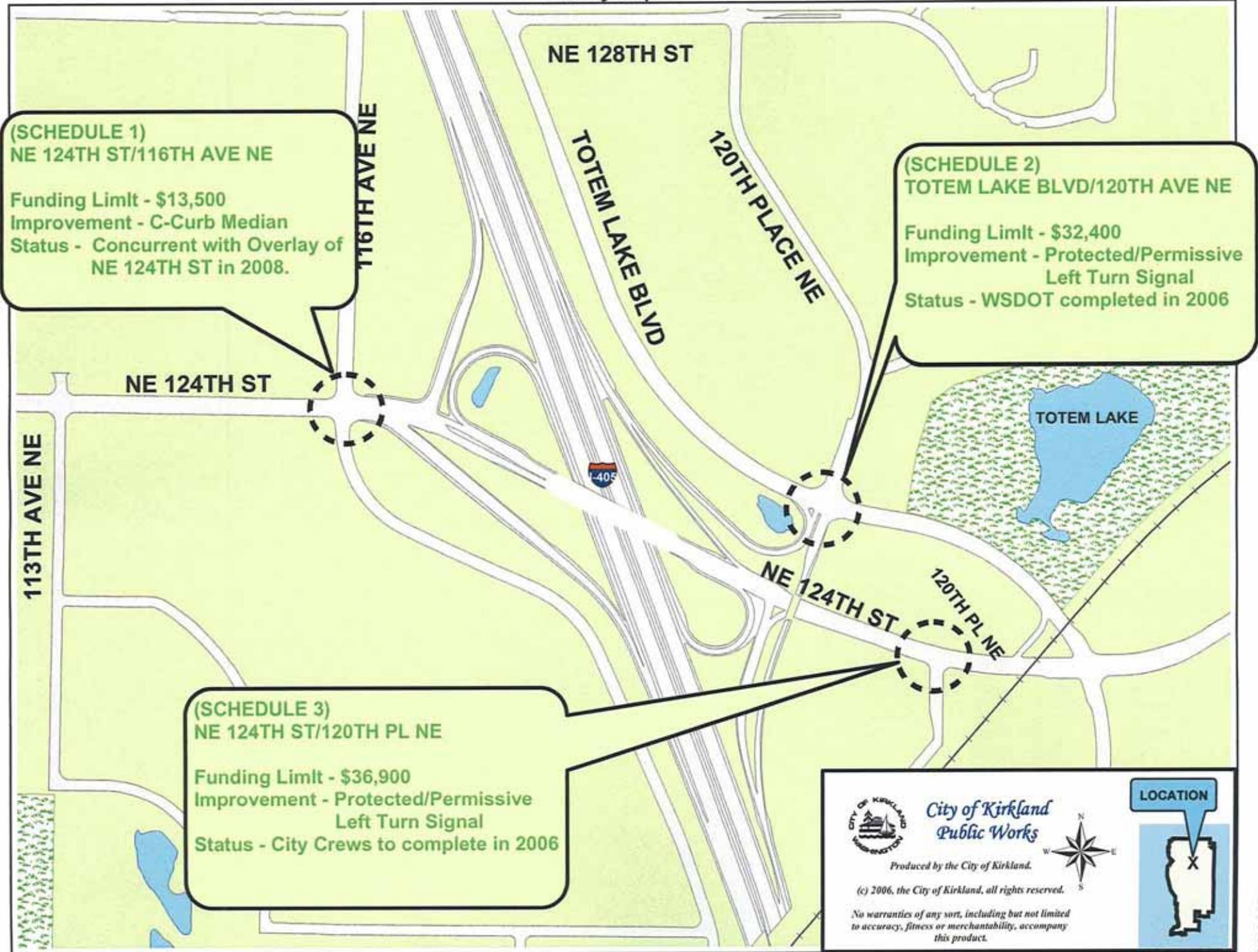
In order to obligate Federal funding, a Project Prospectus, Local Agency Agreement and Environmental Classification Summary are required. The engineering fees to produce these documents, as well as the cost of design and bid document preparation are not eligible for Federal funding reimbursement under the condition of this grant award. As per the requirements of the grant, only those expenses incurred *after* the obligation of funds qualify for reimbursement. As a result, and in combination with a significantly reduced scope of construction, staff compared the cost to continue to pursue the obligation of funds versus the cost needed to complete the project without Federal participation. The result was that the Project as revised can be completed using City resources for much less than would be required if Federal funds are used (Attachment B).

Staff has researched other uses for the grant money, and has requested permission to re-allocate funds for use on another HES project: the NE 52nd Street Railroad Crossing (see 4/6/06 NE 52nd St. Railroad Crossing memo on Council's April 18, 2006 agenda). WSDOT Local Programs determined that because funding limits were established based on traffic hazards at specific sites, the re-allocation of grant money for other HES projects is not permitted. The HES funds will be returned to the HES Federal Aid Program.

Staff estimates the total cost to complete the project utilizing City resources only will be \$24,000.00 which is approximately one-half of the estimated expense required if the originally anticipated project were to be completed with Federal aid.

Attachments: (3)

2002 HAZARD ELIMINATION SAFETY PROJECT
Vicinity Map



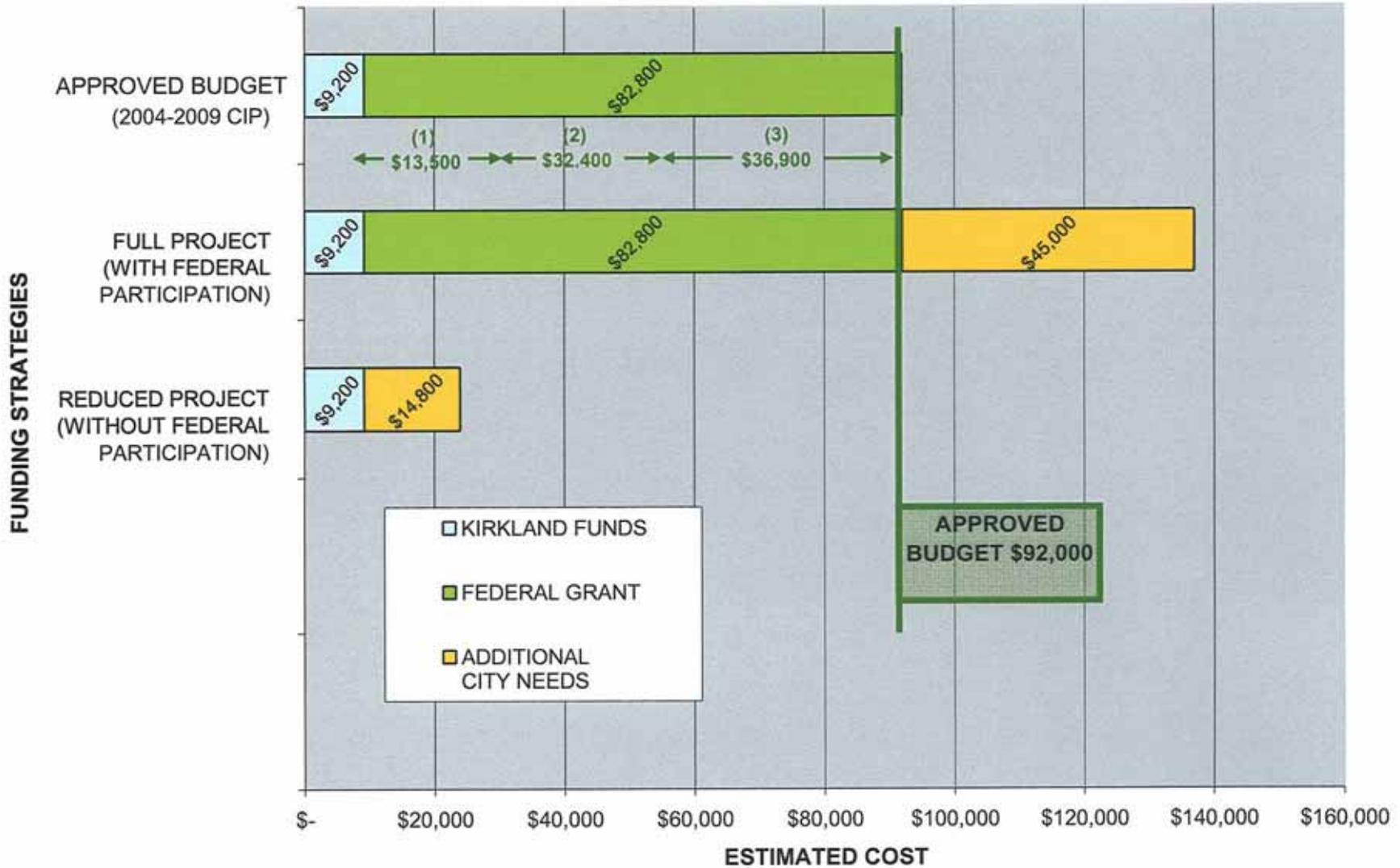
 **City of Kirkland**
Public Works

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LOCATION



HAZARD ELIMINATION SAFETY PROJECT (PROJECT BUDGET REPORT)



FISCAL NOTE

Source of Request							
Daryl Grigsby, Public Works Director							
Description of Request							
Request for additional funding of \$14,800 from Real Estate Excise Tax (REET) 2 Reserves for the Hazard Elimination Safety project. The scope of the project changed due to the inclusion of schedule 2 of the project with a concurrent WSDOT project. The HES grant awarded to the City was no longer a feasible option with the removal of this schedule. Additional City funding is required to complete the remaining schedules at one-half the estimated expense required if the originally anticipated project were to be completed with the Federal aid.							
Legality/City Policy Basis							
Fiscal Impact							
One-time use of \$14,800 of REET 2 Reserves. The reserve is able to fully fund this request.							
Recommended Funding Source(s)							
	Description	2006 Est End Balance	Prior Auth. 2005-06 Uses	Prior Auth. 2005-06 Additions	Amount This Request	Revised 2006 End Balance	2006 Target
Reserve	REET 2	2,033,112	0	324,779	14,800	2,343,091	6,033,700
	2005-2006 Prior Authorized Additions includes the return of funding from several closed Transportation CIP projects that were completed under budget.						
Revenue/ Exp Savings							
Other Source							
Other Information							

Prepared By	Sandi Miller, Financial Planning Manager	Date	April 10, 2006
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