



**CITY OF KIRKLAND**  
 Department of Public Works  
 123 Fifth Avenue, Kirkland, WA 98033 425.587.3809  
 www.ci.kirkland.wa.us

**MEMORANDUM**

**To:** David Ramsay, City Manager

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

**Date:** July 3, 2007

**Subject:** 2007 WATER SYSTEM IMPROVEMENT PROJECT – AWARD CONTRACT

RECOMMENDATION:

It is recommended that City Council award the construction contract for the 2007 Water System Improvement Project to Kar-Vel Construction of Renton, WA in the amount of \$824,672.03. Additionally, it is recommended that Council approve an additional \$250,000 in funding for the project.

BACKGROUND AND DISCUSSION:

The 2007 Water System Improvement Project includes the replacement of approximately 3,700 lineal feet of AC water main with new 8-inch ductile iron pipe along a portion of four separate streets (Attachment A). Individually, the projects making up the 2007 Water System Improvement Project include three CIP project locations: 1) NE 85th Street, between 128<sup>th</sup> Ave NE and 132<sup>nd</sup> Ave NE, 2) 124th Avenue NE, between NE 80th Street and NE 85th Street, and 3) 108th Avenue NE, between NE 108th Street and NE 112th Street, and one non-CIP water system replacement project 4) 130th Avenue NE, between NE 87th Street and NE 88th Street.

The existing AC pipe being replaced under the 2007 Water System Improvement Project was originally installed in the 1940's and 50's and is in need of replacement. The watermain at 130th Avenue NE was damaged during the December, 2006 wind storm when the root structure of a downed tree broke the existing main; temporary repairs were made to the main at the time.

At their meeting of June 5 2007, Council authorized staff to advertise for contractor bids on the Project. The first advertisement was published on June 6<sup>th</sup> and on June 27th five contractor bids were received. The results are as follows:

	<b>Contractor</b>	<b>Location 1 NE 85<sup>th</sup> St</b>	<b>Location 2 124<sup>th</sup> Ave NE</b>	<b>Location 3 108<sup>th</sup> Ave NE</b>	<b>Location 4 130th Ave NE</b>	<b>Total Bid</b>
1	<i>Engineer's Estimate</i>	<i>\$280,300.00</i>	<i>\$167,600</i>	<i>\$163,200</i>	<i>\$53,000</i>	<i>\$704,000</i>
2	<b>Kar-Vel Construction</b>	<b>\$365,228.82</b>	<b>\$208,863.12</b>	<b>\$186,344.34</b>	<b>\$64,235.75</b>	<b>\$824,672.03</b>
3	D.D.J. Construction Co.	\$377,896.61	\$218,720.21	\$219,809.21	\$64,258.70	\$880,954.73
4	Buno Construction, LLC	\$409,697.86	\$225,221.10	\$229,479.37	\$61,406.64	\$925,804.97
5	Johansen Excavating, Inc	\$371,359.83	\$267,066.36	\$254,191.15	\$92,967.93	\$985,585.27
6	Westwater Construction	\$725,818.50	377,300.39	4327,370.80	\$105,437.98	\$1,535,927.67

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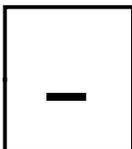
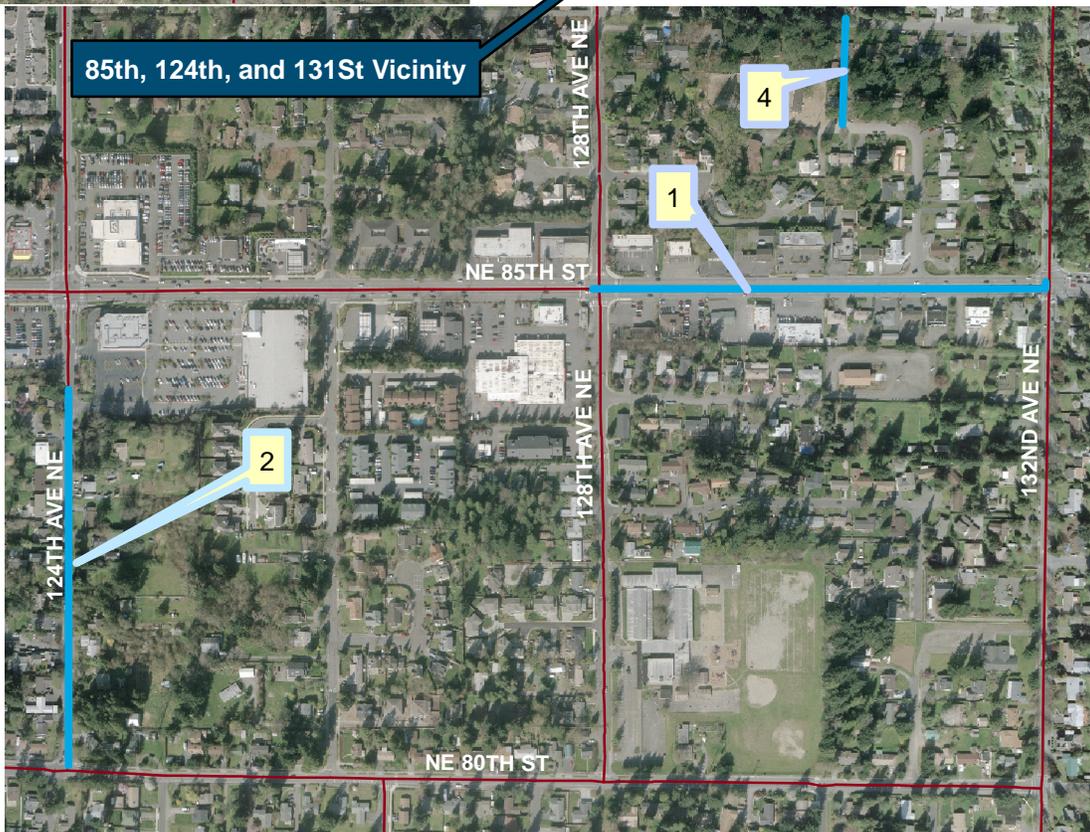
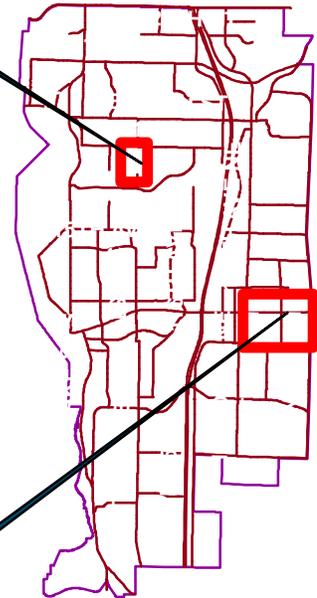
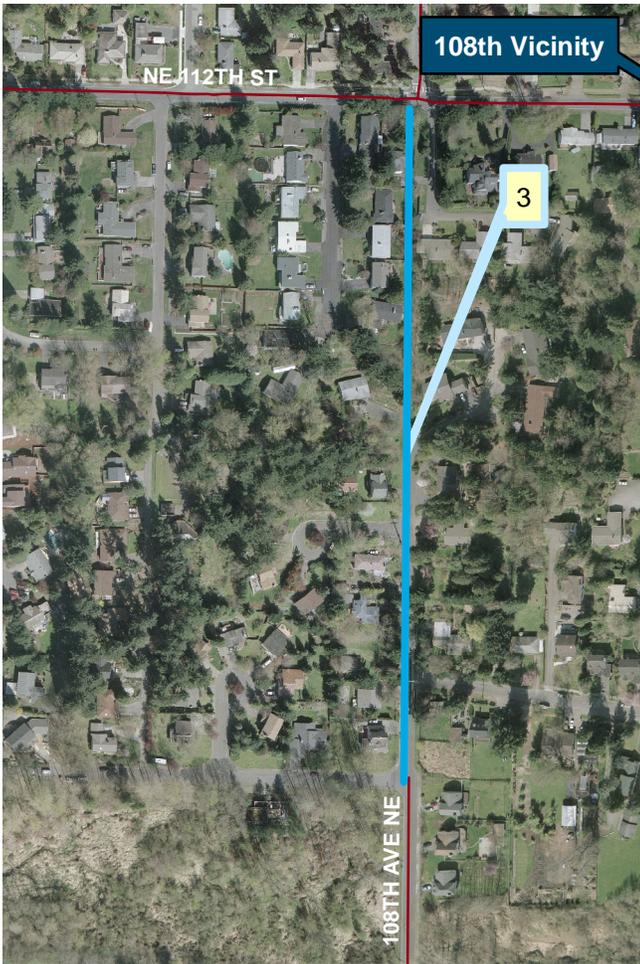
Page 2

With an award of the contract by Council at their July 17<sup>th</sup> meeting, construction is expected to begin in mid August with total project completion occurring by late December, 2007.

The June 5<sup>th</sup> authorization to bid memo for this project indicated that the engineer's estimate, based on \$190 per lineal foot (Attachment C), would leave an approximately \$89,000 funding shortfall if bids came in as anticipated. However, with the bids received, the cost per foot is closer to \$204 per lineal (locations 2,3, and 4) and nearly \$250 per lineal foot for NE 85<sup>th</sup> Street where traffic control costs are extremely high. As a result, the overall budget shortfall is now \$250,000 (Attachment B). It is recommended that these funds come from the utility capital contingency (Attachment D).

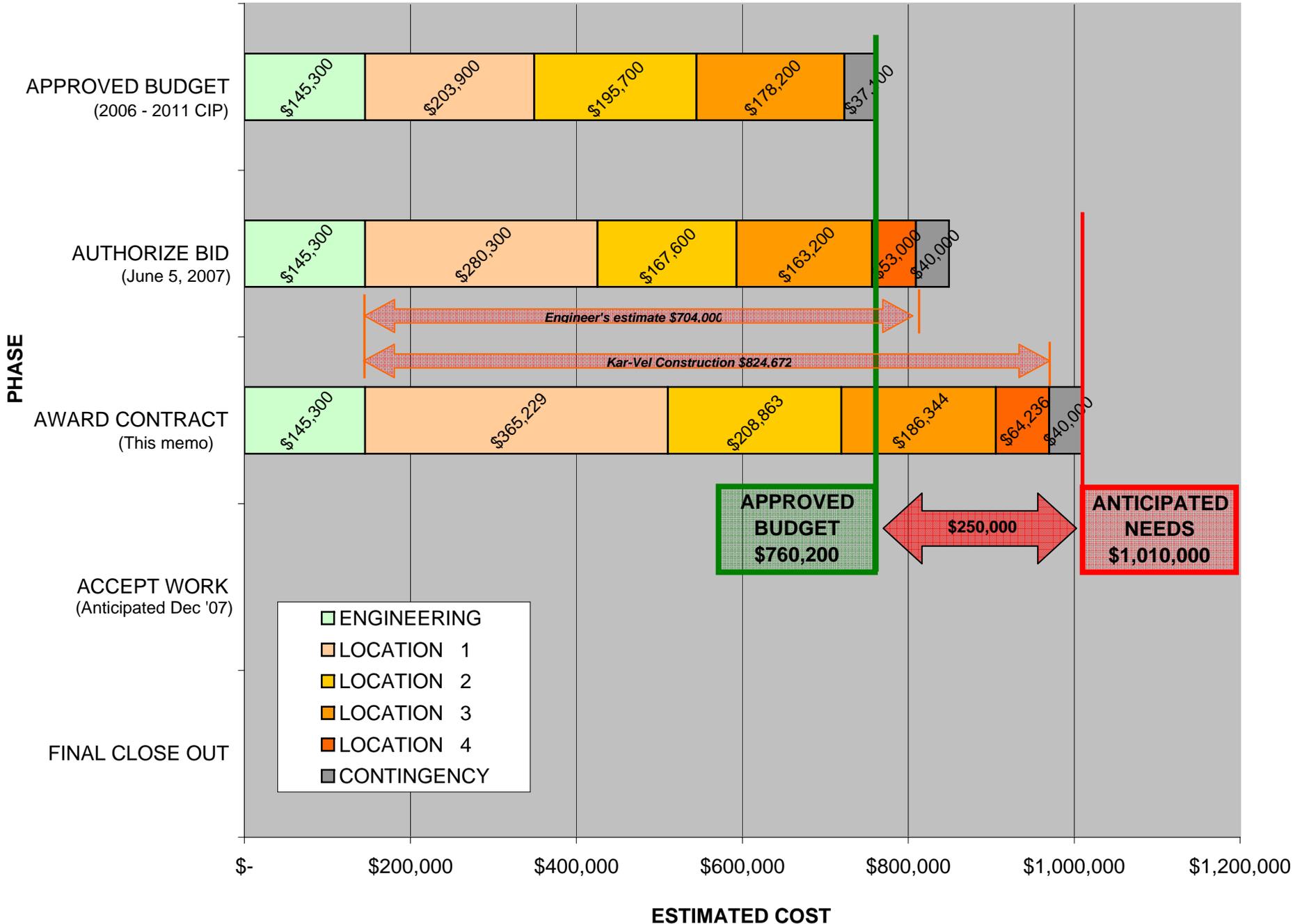
The original budget for the NE 85<sup>th</sup> Street Watermain Replacement Project was in excess of \$2 million and was spread over the period 2007 – 2010, however, based on recommendations of the draft Water Comprehensive Plan, and subsequently the Preliminary 2008 – 2013 CIP, the project was split into a smaller project (Location1) and a larger project that is programmed for construction beyond the year 2025. While it was first anticipated that the amount budgeted in 2007 would be adequate to complete Location 1, actual bids indicate otherwise. A significant amount of the requested additional funding will allow completion of the 85<sup>th</sup> watermain in advance of the pending sidewalk and corridor improvements.

Attachments: (4)

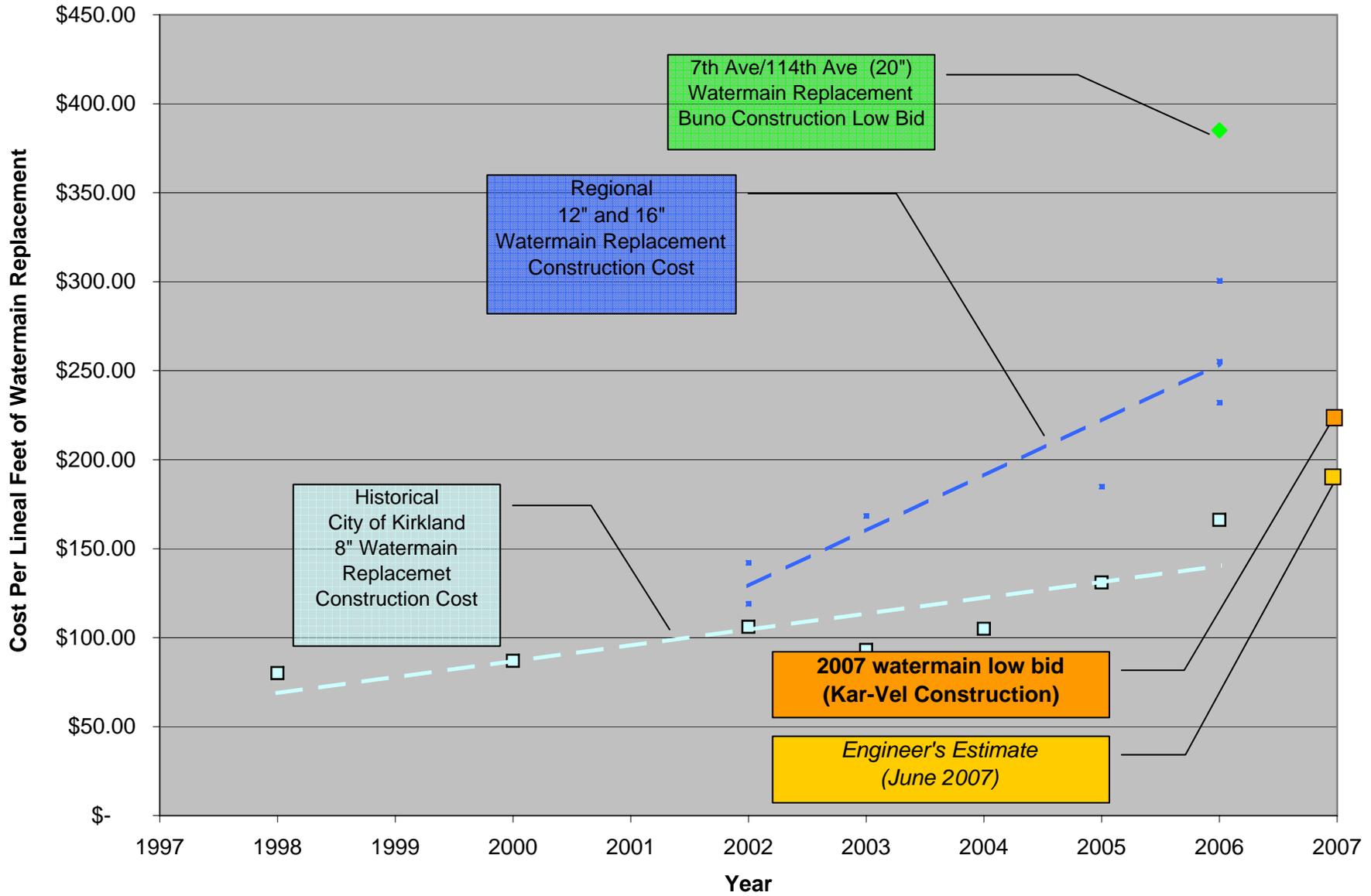


# 2007 WATERMAIN REPLACEMENT PROGRAM

## PROJECT BUDGET REPORT



## Watermain Replacement Construction Cost Comparison



**FISCAL NOTE**

CITY OF KIRKLAND

Source of Request							
Daryl Grigsby, Public Works Director							
Description of Request							
Request for additional funding of \$250,000 to complete the 2007 Water System Improvement projects. Additional funding is needed due to higher than anticipated construction costs and the addition of a watermain replacement on 130th Avenue NE that was damaged in the December 2006 windstorm. Since the location of this unplanned replacement is in the same vicinity as the other improvements scheduled for 2007, staff recommends this replacement be done as part of the 2007 system improvements.							
Legality/City Policy Basis							
Fiscal Impact							
<b>One-time use of \$250,000 of the Water/Sewer Utility Capital Contingency</b> designated for utility capital projects. The contingency is fully able to fund this request and no future water/sewer CIP projects are delayed or eliminated due to this request.							
Recommended Funding Source(s)							
<i>Reserve</i>	Description	2008 Est End Balance	Prior Auth. 2007-08 Uses	Prior Auth. 2007-08 Additions	Amount This Request	Revised 2008 End Balance	2008 Target
	Water/Sewer Capital Contingency	1,703,640	113,900	0	250,000	1,339,740	1,703,640
	Prior 2007-08 Authorized Uses include \$113,900 to complete the utility portion of the Central Way Improvements.						
<i>Revenue/Exp Savings</i>							
<i>Other Source</i>							
Other Information							

Prepared By	Sandi Hines, Financial Planning Manager	Date	July 5, 2007
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