



CITY OF KIRKLAND
Department of Public Works
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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: March 4, 2009

Subject: WATER SUPPLY STATION NO. 2 IMPROVEMENTS – AWARD CONTRACT

RECOMMENDATION:

It is recommended that City Council award the contract for the Water Supply Station No. 2 Improvements to Award Construction, Inc. (ACI) of Ferndale, Washington in the amount of \$111,893.95, which includes the base bid plus two additive alternates. In addition, it is recommended that Council authorize the use of an additional \$54,000 from the water/sewer capital contingency fund.

BACKGROUND DISCUSSION:

The City's Water Supply Station No. 2 is a water system facility that is located on the southeast corner of 132nd Avenue NE and NE 85th Street, just within the Redmond city limits (Attachment A). The facility provides water from Seattle's transmission main to the 650 and 545 pressure zones, and it is jointly owned by Kirkland and Redmond; pressure zones are each identified by the delivery pressure of the water to the customer within the zones. Kirkland has the overall responsibility for operation and upkeep of the facility; however, Redmond participates in the improvements through design review and cost sharing.

The plan to upgrade this station was originally identified in the Water Comprehensive Plan, and a corresponding project was funded in the 2004-2009 CIP. Improvements to this below ground facility consist of replacing the existing manual control valves with hydraulic control valves in order to allow the station to operate in more efficient control modes, the addition of new energy efficient lighting, improved heating and ventilation, and a new telemetry communications panel consistent with the City's current standards.

In 2008, during development of the project design and after consultation with the City of Redmond, it was determined to add telemetry upgrades to the project scope of work that would coincide with a City-wide upgrade of telemetry being done at other water facilities. The telemetry system allows remote monitoring and control of the facilities by the City's maintenance personnel.

For these supply station improvements, and in order to have more control on the quality of the telemetry integration services, the telemetry system installation is being performed by a separate contractor whose services were secured utilizing a Professional Services Agreement – no bid was required. The current proposal for the telemetry portion of the contract is \$36,740, and the telemetry integrator selected and hired by the City will work directly with ACI to install and program the new telemetry communications panel.

At the Council meeting of February 17th, 2009, Staff projected an anticipated shortfall of approximately \$121,000 in the project budget due to the addition of the new telemetry system. At that meeting Council authorized the Project's advertisement anticipating the estimated shortfall may be reduced due to the more competitive bidding climate seen in recent bid openings. On March 4th, eight bids were received and tabulated, as shown below, with ACI being the lowest responsible bidder.

Based on the quotes for the base bid, plus Additive 1 (vault interior recoating/repainting) and Additive 2 (pipe stand assembly replacements), it is Staff's recommendation to complete all elements of the construction bid.

Contractor	Base Bid	Additive Alternate 1	Additive Alternate 2	Total
Award Const. Inc.	\$98,132.70	\$10,191.50	\$3,569.75	\$111,893.95
Equity Builders, LLC	\$108,455.00	\$4,905.00	\$2,725.00	\$116,085.00
Stouder General Const.	\$109,545.00	\$5,014.00	\$4,578.00	\$119,137.00
Gary Harper Const.	\$117,175.00	\$3,924.00	\$20,383.00	\$141,482.00
VLS Construction.	\$145,058.29	\$4,011.20	\$1,853.00	\$150,922.49
Lydel Construction	\$148,785.00	\$4,905.00	\$2,180.00	\$155,870.00
CLK Construction	\$160,569.34	\$5,668.00	\$5,745.39	\$172,200.73
David L. Sack Const.	\$161,554.35	\$3,270.00	\$2,180.00	\$167,004.35
<i>Engineer's Estimate</i>	<i>\$186,336.59</i>	<i>\$3,270.00</i>	<i>\$2,180.00</i>	<i>\$191,786.59</i>

The total project budget identified is \$124,000 (Attachment B); the current estimate for all elements of the Station improvements is \$269,000. Under the terms of the Joint Facility Agreement with Redmond, the City of Kirkland is responsible for 66% of the cost of this facility improvement, and the City of Redmond is responsible for 34% of the cost. As such, Kirkland's total cost share is anticipated to be \$178,000 and Redmond's contribution is approximately \$91,000.

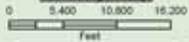
Staff recommends awarding the Project to ACI and authorizing a \$54,000 increase to the budget with funds coming from the water/sewer capital contingency (Attachment C). With Council approval, construction is anticipated to begin in early April and be substantially complete in June, 2009.

Attachments: (3)

City of Kirkland City of Redmond

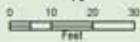


Vicinity Map

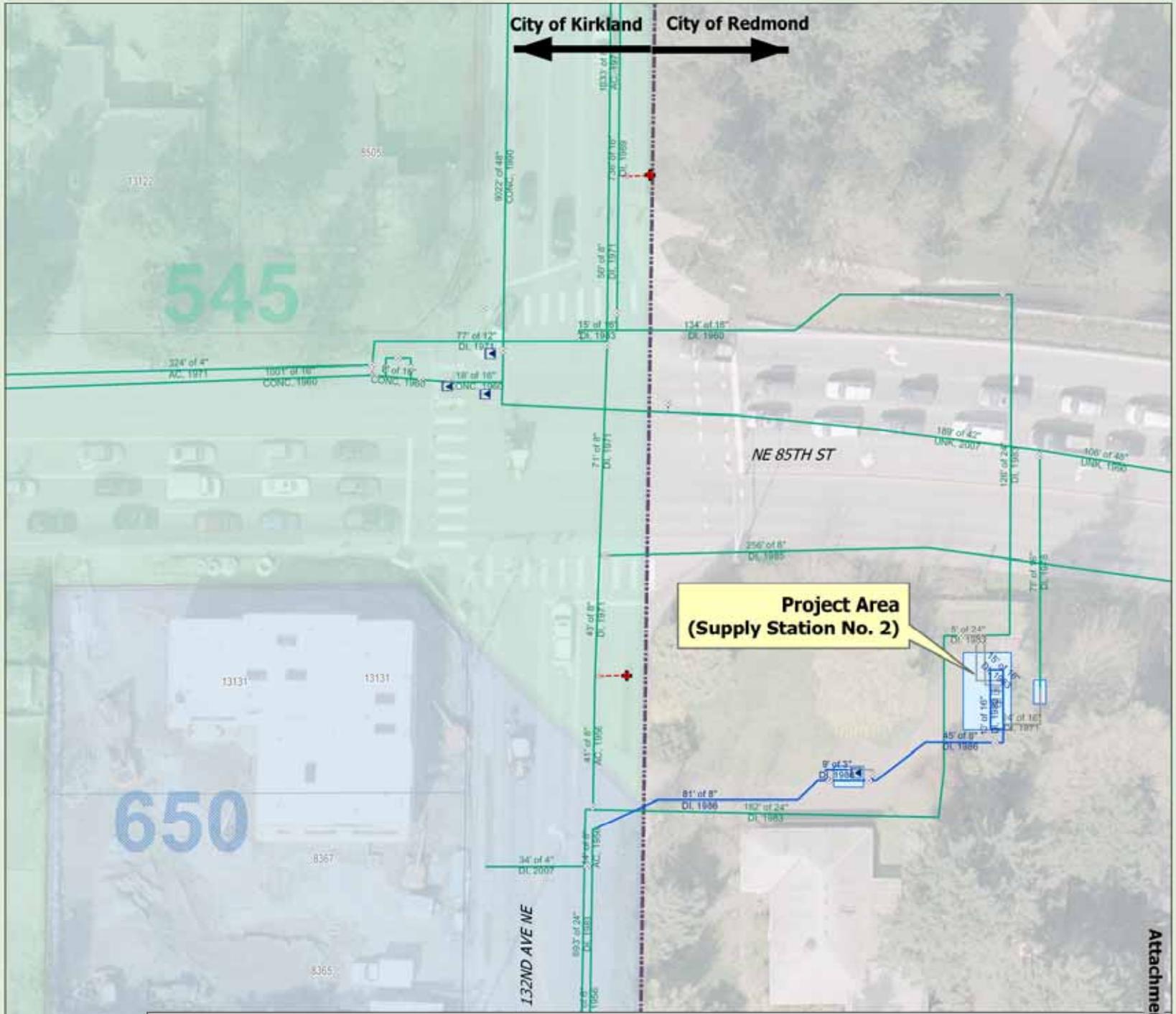


Map Legend

- Vault
- Hydrants
- Water Valves**
 - Valve
 - Hydrant Valve
 - Pressure Relief Valve
 - Zone Valve
- Water Appurtenances**
 - Air Valve
 - Blowoff
 - Pump
- Water Mains**
 - 545 PC Main
 - 650 PC Main
 - Unknown
- Water Laterals**
 - Hydrant Lateral
 - Other Lateral
- Service Boundary
- Water Poly
- Water Pressure Zones**
 - 545 Pressure Zone
 - 650 Pressure Zone
- Street Addresses
- City Limits
- Tax Parcels



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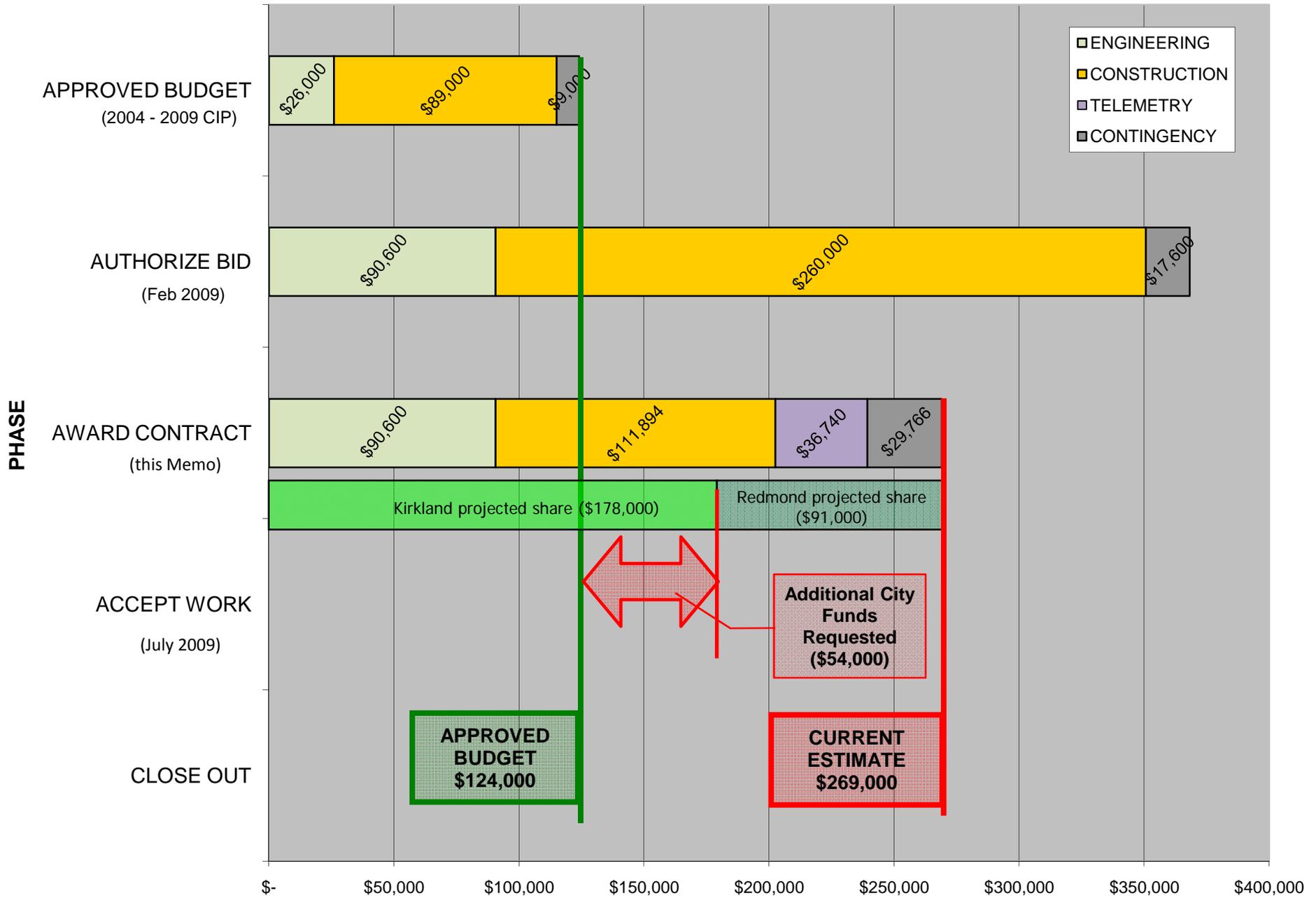
Project Area (Supply Station No. 2)

Attachment A - Supply Station No. 2 Site Map

Attachment A

SUPPLY STATION NO. 2 IMPROVEMENTS (CWA-0065)

PROJECT BUDGET REPORT



FISCAL NOTE

CITY OF KIRKLAND

Source of Request							
Daryl Grigsby, Public Works Director							
Description of Request							
Request for additional funding of \$54,000 from the Water/Sewer Capital Contingency for the completion of the Supply Station #2 Improvement Project. This project was originally budgeted in the 2004-09 CIP and has had a scope change to include telemetry system upgrades to coincide with a City-wide upgrade of telemetry panels at other water facility sites. The total project cost has increased from \$124,000 to \$269,000 due to the addition of the telemetry upgrades as well as inflation over the past five years since this project was originally planned. This project is a joint project with the City of Redmond and they will be contributing 34% of the total project cost.							
Legality/City Policy Basis							
Fiscal Impact							
One-time use of \$121,000 of the Water/Sewer Capital Contingency. The contingency is able to fully fund this request.							
Recommended Funding Source(s)							
<i>Reserve</i>	Description	2010 Est End Balance	Prior Auth. 2009-10 Uses	Prior Auth. 2009-10 Additions	Amount This Request	Revised 2010 End Balance	2010 Target
	Water/Sewer Capital Contingency	2,756,710	0	0	54,000	2,702,710	2,756,710
<i>Revenue/Exp Savings</i>							
<i>Other Source</i>							
Other Information							

Prepared By	Sandi Hines, Financial Planning Manager	Date	February 5, 2009
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