MEMORANDUM

To: Kurt Triplett, City Manager

From: Patrick Herbig, P.E., Project Engineer
       Rod Steitzer, P.E., Capital Projects Manager
       Julie Underwood, Interim Director of Public Works

Date: March 5, 2020

Subject: 3RD STREET WATERMAIN IMPROVEMENT—ACCEPT WORK

RECOMMENDATION:

Staff recommends that the City Council:

- Accept the work on the 3rd Street Watermain Improvement (Project) as constructed by Shoreline Construction of Woodinville, Washington, thereby establishing the statutory lien period; and
- Return excess funds of $33,455.00 to the Water/Sewer Reserve.

By taking action on this item under the Consent Calendar, City Council is accepting the work on the Project and returning excess funds.

BACKGROUND DISCUSSION:

To increase water capacity and lower maintenance costs within the Norkirk Neighborhood, this Project called for the replacement of the domestic water main on 3rd Street between Central Way and 7th Avenue (see Attachment A, Vicinity Map). Specific improvements included the replacement of 850 lineal feet of asbestos concrete water main with ductile iron water main.

At its June 18, 2019, meeting, the City Council awarded the Project contract to Shoreline Construction (Shoreline) in the amount of $855,118.07. Construction began on August 26, 2019 and reached substantial completion on November 11, 2019.

This Project addresses the Council Goal: Dependable Infrastructure – To maintain levels of service commensurate with growing community requirements at optimum life-cycle costs.

Funding and Expenses

Total project funds are $1,203,300.00 and total expenses are $1,169,845.00 resulting in a remaining balance of $33,455.00 (see Attachment B, 3rd Street Water Replacement Project—Project Budget Report; and see Table 1, "Funding and Expense," below). The total amount paid to the contractor was $870,315.00, or $15,196.93 more than the contract award amount. Through the execution of the contract, two change orders were issued for a total amount of
$14,464.57. The change orders included: 1) the removal of a communications access structure and 2) the resolution of unanticipated site conditions. The Project also needed $732.36 in additional quantities.

### Table 1: Funding and Expense

<table>
<thead>
<tr>
<th>Item</th>
<th>Budget</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funding</td>
<td>$1,203,300.00</td>
<td>$1,203,300.00</td>
</tr>
<tr>
<td>Design/Engineering/Management</td>
<td>($237,000.00)</td>
<td>($299,530.00)</td>
</tr>
<tr>
<td>Right-of-Way</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>Construction</td>
<td>($855,118.07)</td>
<td>($870,315.00)</td>
</tr>
<tr>
<td>Contingency</td>
<td>($87,882.00)</td>
<td></td>
</tr>
<tr>
<td>Change Orders</td>
<td></td>
<td>($14,464.57)</td>
</tr>
<tr>
<td>Quantities</td>
<td></td>
<td>($732.36)</td>
</tr>
<tr>
<td>Project Total</td>
<td>($1,180,000.00)</td>
<td>($1,169,845.00)</td>
</tr>
<tr>
<td>Balance</td>
<td>$23,300.00</td>
<td>$33,455.00</td>
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</tbody>
</table>

Staff recommends accepting the work by Shoreline on this Project and returning $33,455.00 to the Water/Sewer Reserve.

Attachment A: Vicinity Map  
Attachment B: Project Budget Report  
Attachment C: Fiscal Note
3rd Street Water Replacement Project (WAC 15300)
Project Budget Report

**Estimated Cost**

- **Approved Budget (2019 - 2024 CIP)**
  - Engineering: $197,000
  - Construction: $616,000
  - Contingency: $62,000

- **Award Contract**
  - Engineering: $237,000
  - Construction: $855,118
  - Contingency: $87,882

- **Accept Work (this memo)**
  - Engineering: $299,530
  - Construction: $870,315

- **Funding**
  - Engineering: $1,203,300

Legend:
- Engineering
- ROW
- Construction
- Contingency
- Funding

Legend:
- Engineering
- ROW
- Construction
- Contingency
- Funding

RETURN TO WATER SEWER RESERVE $33,455

$1,169,845 $1,203,300
One-time transfer of $33,455 unspent resources from 3rd St Watermain Improvement project (WAC1530000) back to the Water-Sewer Capital Construction Reserve.

**Recommended Funding Source(s)**

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<tbody>
<tr>
<td>W/S Construction Reserve</td>
<td>11,100,663</td>
<td>(9,084,831)</td>
<td>4,726,068</td>
<td>33,455</td>
<td>6,775,355</td>
<td>n/a</td>
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</tbody>
</table>

Prior Authorized Additions represent project close outs from work acceptance memos and return of funds since January 1st, 2019. Prior Authorized Uses include changes from the December 10th, 2019 CIP Update.