



CITY OF KIRKLAND
Department of Public Works
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MEMORANDUM

To: Kurt Triplett, City Manager

From: George Minassian, P.E., Sr. Project Engineer
Rod Steitzer, P.E., Capital Projects Manager
Julie Underwood, Director of Public Works

Date: November 25, 2020

Subject: ANNUAL STREET PRESERVATION PROGRAM: 2019 PHASE I STREET
OVERLAY—ACCEPT WORK

RECOMMENDATION:

Staff recommends that the City Council accept the work on the Annual Street Preservation Program: 2019 Phase I Street Overlay (Project), as completed by Watson Asphalt of Redmond, Washington, thereby establishing the statutory lien period.

By taking action on this staff report during approval of the consent calendar, the City Council is accepting the contracted work completed for the Project.

BACKGROUND DISCUSSION:

The 2019 Annual Street Preservation Program was accomplished through two separate construction contracts, each representing a different program phase and scope. Those two phases were:

- Phase I, Asphalt Street Overlay Project—recommended for acceptance through this agenda item; and
- Phase II, Slurry Seal Resurfacing Project—that work was accepted by the Council at its February 4, 2020 meeting.

Each type of work—asphalt and slurry—is a specialty. Dividing the work in this way allows a contractor to bid on its specialty, which reduces the City's expense because it is not paying for added sub-contracting costs.

Acceptance of Phase I Street Overland Project:

This agenda item is seeking the Council’s acceptance of Phase I of the 2019 Street Preservation Program, which is the final element of the 2019 Program. The Project included subgrade preparation and repair, asphalt grinding, and the application of new surface-layer asphalt totaling approximately 2.6 lane miles at two locations (see Attachment A, Vicinity Map).

At its June 18, 2019 meeting, the Council awarded the Project to Watson Asphalt in the amount of \$1,036,993.30. Construction began on July 24, 2019, but work was suspended on September 26, 2019 because of unseasonably early wet and cold weather conditions. Work on the Project resumed June 1, 2020 and continued until June 25, and the work was physically complete on September 18.

2019 Street Preservation Program Expenditures:

The 2019 Program was funded primarily from two funding sources: the Annual Street Preservation Program (STC00600) and the Street Levy Street Preservation (STC00603), which totaled \$2,281,800. Separately, on May 7, 2019, the Council approved a \$367,000 carry-forward from the 2018 Program to the 2019 Program, bringing the funds available to \$2,648,800 (see Table 1, below; and Attachment B, Project Budget Report).

Table 1: 2019 Street Preservation Program Funding

CIP Funding Source	City
2019 Street Preservation (Phase I & II)	\$957,100
2019 Street Levy Street Preservation (Phase I & II)	\$1,324,700
Carry-over from 2018 Program (City Council action 5/7/2019)	\$367,000
Total 2019 Street Preservation Program Budget	\$2,648,800

For Phase I, the total of all payments made to Watson Asphalt was \$915,562.39, which was less than the amount awarded (see below). Together with the work performed for Phase II and all related soft costs for both phases, the total amount expended for the 2019 Program was \$1,621,136. During 2019, the Council accepted staff’s recommendation to transfer \$650,000 from the 2019 Program to assist the funding of the 6th Street South Rehabilitation Project. When expenses for the 2019 Program and the transfer of funds are combined, there remains a positive balance of \$377,664 (see Table 2, below).

Table 2: Funding Versus Expenses

	Funding Versus Expenses
Total 2019 Program Budget	\$2,648,800
Phase I: Overlay	(\$915,562)
Phase II: Slurry Seal	(\$337,121)
Engineering, Admin., Inspection	(\$368,453)
Transfer to 6 th Street South Rehabilitation Project (Council action 6/18/2019)	(\$650,000)
Total Expenses	(\$2,271,136)
Balance	\$377,664

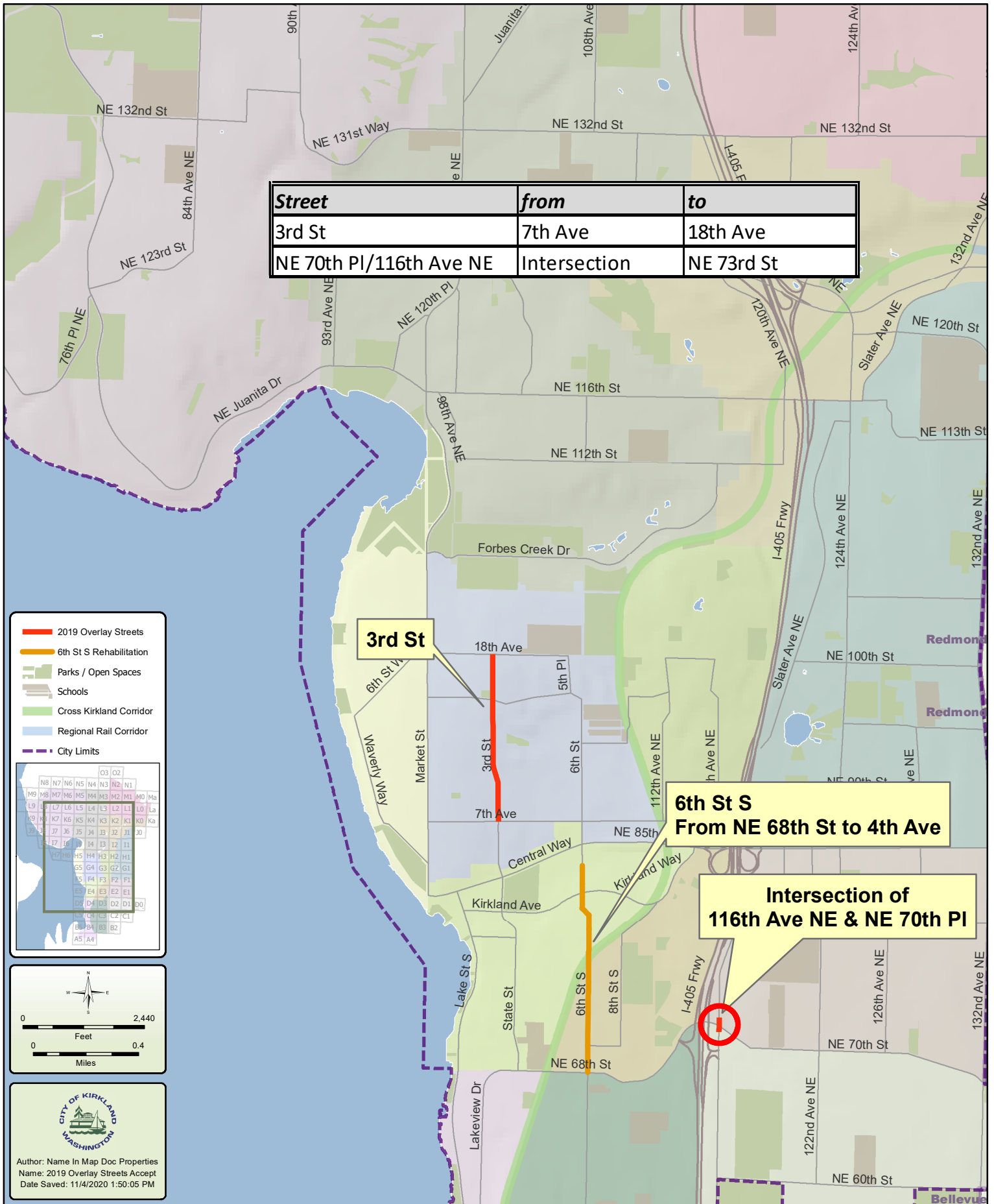
There are two major factors that explain this positive balance:

- The first is that when this Project was scoped and an engineer's estimate determined, there were four schedules of work—three in the base bid and an optional fourth. Watson's bid on the optional fourth schedule was higher than anticipated, so at the time of the Council's award of the contract it was determined not to do the fourth schedule, which immediately created the possibility of a positive balance for the Project.
- The second is that some of the quantities or contract provisions actually needed for the Project were less than anticipated or engineered, such as:
 - The contract had a budgetary provision to accommodate any increase in oil pricing. This provision did not need to be used;
 - The contract had a provision and bid prices for unanticipated pavement repairs, such as are discovered below the surface. This provision did not need to be used; and
 - The Project required only minor change orders.

Staff recommends transferring the full \$377,644 balance to the 2021 Annual Street Preservation Program. The 2021 Project includes preservation work for City-owned parking lots and alleys as well as streets.

Attachment A: Vicinity Map

Attachment B: Project Budget Report



Street	from	to
3rd St	7th Ave	18th Ave
NE 70th PI/116th Ave NE	Intersection	NE 73rd St

— 2019 Overlay Streets
— 6th St S Rehabilitation
 Parks / Open Spaces
 Schools
 Cross Kirkland Corridor
 Regional Rail Corridor
 City Limits

0 2,440
Feet

0 0.4
Miles

Author: Name In Map Doc Properties
 Name: 2019 Overlay Streets Accept
 Date Saved: 11/4/2020 1:50:05 PM

6th St S
From NE 68th St to 4th Ave

Intersection of
116th Ave NE & NE 70th PI



Project Budget Report
Annual Street Preservation - 2019 Street Overlay Project
(STC00619)

Attachment B

