



## **CITY OF KIRKLAND**

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### **MEMORANDUM**

**To:** Kurt Triplett, City Manager

**From:** Julie Underwood, Director of Public Works  
Rod Steitzer, P.E., Capital Projects Manager  
Ben Mahony, E.I.T., Associate Project Engineer

**Date:** October 26, 2023

**Subject:** 2023 ANNUAL REPLACEMENT OF AGING AND FAILING  
INFRASTRUCTURE—AWARD CONTRACT

### **RECOMMENDATION:**

It is recommended that the City Council award a construction contract for the 2023 Annual Replacement of Aging and Failing Infrastructure project to Always Active Services LLC of Seattle, Washington, in the amount of \$540,186.50 and approve the attached fiscal note which moves revenue between fiscal years 2022 and 2023 to fund the project.

By acting on this staff report during the approval of the Consent Calendar, the City Council is awarding the construction contract to Always Active Services LLC and approving the fiscal note.

### **BACKGROUND DISCUSSION:**

In support of the City Council's "Dependable Infrastructure" goal, the Annual Replacement of Aging/Failing Infrastructure project provides for regular replacement of surface water utility infrastructure that has surpassed expected and useful service life and/or is experiencing failure.

The 2023 project completes 2022 and 2023 prioritized work. The component of the 2023 project awarded by this contract rehabilitates 1,162 linear feet of storm system pipe, installs new drain structures, and replaces certain deficient gutters to drain road surfaces (see Attachment A, Vicinity and Area Map). Rehabilitation work for this project utilizes cured-in-place pipe (CIPP) to reline the interior of existing pipes. CIPP has an expected life cycle of up to 50 years and, with less trenching needed to install CIPP, allows the City to address more system deficiencies for similar costs. Additionally, the rehabilitated infrastructure will reduce time and effort of City crews to maintain the stormwater system. To help determine the feasibility of using CIPP, staff reviewed Closed Circuit Television (CCTV) footage collected by City crews and used criteria such as existing pipe condition, slope, vegetative root intrusion, and existing pipe size (for flow capacity) to determine that all prioritized 2023 locations were good candidates for CIPP.

With an engineer's estimate of \$625,016.00 for four schedules of work, staff first advertised the project on September 13, 2023. On September 27, 2023, the City received two construction bids (Always Active Services and Kamins), which are shown in Table 1 below, along with the engineer's estimate.

**Table 1: 2023 Aging and Failing Infrastructure Project—Bid Results**

Company	Schedule A (Base Bid)	Schedule B (Alternate #1)	Schedule C (Alternate #2)	Schedule D (Alternate #3)	Total All Schedules
Always Active Services	<b>\$314,420.00</b>	\$86,339.00	\$70,547.50	\$68,880.00	<b>\$540,186.50</b>
Engineer's Estimate	\$251,460.00	\$157,672.00	\$100,494.00	\$115,390.00	\$625,016.00
Kamins Construction	\$369,006.20	\$192,604.28	\$151,653.40	\$163,151.00	\$876,414.88

Always Active Services' low bid is both responsive and responsible, as defined by state law. Additionally, reference checks for Always Active Services were satisfactory and the contractor has completed several similar CIPP stormwater projects in western Washington. Because the total for all schedules is below the Engineer's Estimate and within the existing multi-year budget, staff is proposing to award all four schedules.

### **Budget**

Funding for the Aging Infrastructure program is comprised of \$800,000 from the 2023-2028 Capital Improvement Program and \$588,547 from prior years for a total of \$1,388,547. However, the program also will be funding other prioritized needs such as storm system improvements to be completed with the 5<sup>th</sup> Avenue South and 8<sup>th</sup> Street South Watermain Improvements (\$300,000), and the Holmes Point storm system improvements (\$200,000) to be completed in coordination with a Northshore Utility District project. The \$888,547 remaining funds are available for the 2023 subject project and is shown with anticipated expenses in Table 2, below.

**Table 2: Funding and Projected Expenses**

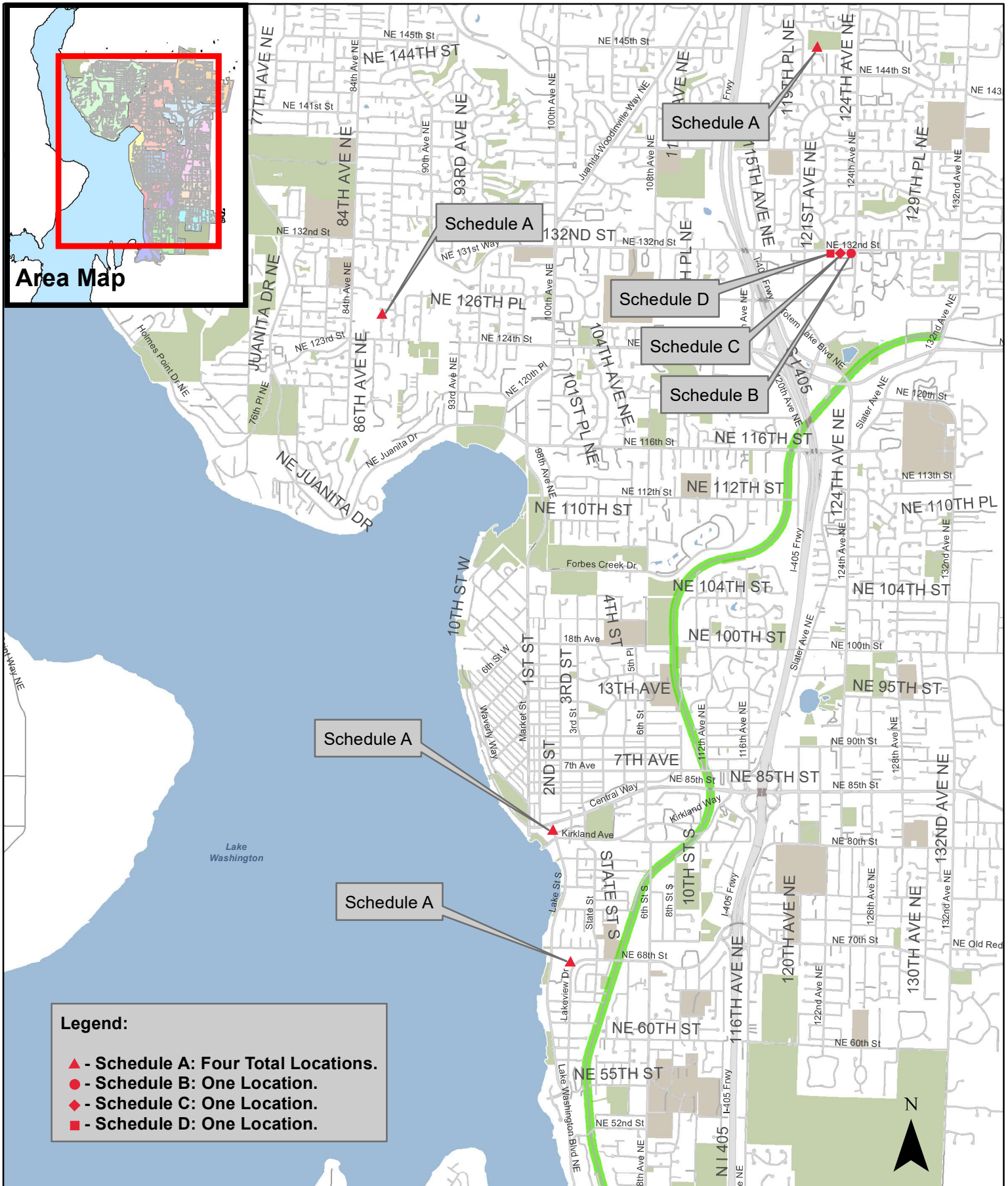
Items	Amount
<b>Funding</b>	\$888,547
<b>Expenses</b>	
Design/Inspection/Staff/Permitting	(\$266,852)
Construction	(\$540,187)
Contingency (15%)	(\$81,508)
Total Project Expenses	(\$888,547)
<b>Difference (remaining)</b>	\$0

Although the project does not need additional funding, moving funds across years is formalized in the attached Fiscal Note.

### **NEXT STEPS:**

Following the City Council's award of this contract, staff will provide outreach for the upcoming construction work, which includes notifying adjacent property owners with an informational mailer and providing updated construction schedule information on the City's website. Construction activities are anticipated to start in January 2024. At the conclusion of this project, any remaining funds can be repurposed for the 2024 Annual Aging and Failing Infrastructure project.

## ATTACHMENT A



## FISCAL NOTE

## CITY OF KIRKLAND

Source of Request							
Julie Underwood, Director of Public Works							
Description of Request							
<p>One-time transfers of Surface Water Rates of approximately \$182,124 from the 2023 Aging &amp; Failing Infrastructure project (<b>SDC 0470023</b>) and approximately \$11,423 from the Aging &amp; Failing Infrastructure parent project (<b>SDC 0470000</b>) to the 2022 Aging &amp; Failing Infrastructure project (<b>SDC 0470022</b>). Additional funding will allow City to award construction contract and maintain project contingencies.</p> <p>Remaining \$200,000 funding in <b>SDC 0470023</b> will be used to complete the '<b>Champagne Point Stormwater Replacement</b>' scope and will be renamed as such to avoid confusion.</p>							
Legality/City Policy Basis							
Fiscal Impact							
<p>- One-time transfer of approximately \$182,124 from 2023 Aging &amp; Failing Infrastructure (SDC 0470023) to SDC 0470022</p> <p>- One-time transfer of approximately \$11,423 from Aging &amp; Failing Infrastructure Parent (SDC 0470000) to SDC 0470022</p>							
Recommended Funding Source(s)							
	Description	2024 Est End Balance	Prior Auth. 2023-24 Uses	Prior Auth. 2023-24 Additions	This Request	Revised 2024 End Balance	2024 Target
Reserve							
Revenue/Exp Savings							
Other Source							
Other Information							

Prepared By	Kevin Pelstring, Financial Planning Supervisor	Date	October 25, 2023
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