



**BUSINESS OF THE CITY COUNCIL  
CITY OF MERCER ISLAND**

**AB 6296  
July 5, 2023  
Consent Agenda**

**AGENDA BILL INFORMATION**

|                            |   |   |
|----------------------------|---|---|
| <b>TITLE:</b>              | AB 6296: 2022 Arterial and Residential Street Overlays Project Closeout     | <input type="checkbox"/> Discussion Only<br><input checked="" type="checkbox"/> Action Needed:<br><input checked="" type="checkbox"/> Motion<br><input type="checkbox"/> Ordinance<br><input type="checkbox"/> Resolution |
| <b>RECOMMENDED ACTION:</b> | Accept the completed project and authorize staff to close out the contract. |   |

|                               |  |  |  |
|-------------------------------|--|--|--|
| <b>DEPARTMENT:</b>            | Public Works   |  |  |
| <b>STAFF:</b>                 | Patrick Yamashita, Deputy Public Works Director<br>Clint Morris, Capital Division Manager<br>Ian Powell, Street Engineer |  |  |
| <b>COUNCIL LIAISON:</b>       | n/a  |  |  |
| <b>EXHIBITS:</b>              | 1. Project Location Map  |  |  |
| <b>CITY COUNCIL PRIORITY:</b> | n/a  |  |  |

|                               |              |
|-------------------------------|--------------|
| <b>AMOUNT OF EXPENDITURE</b>  | \$ 1,585,914 |
| <b>AMOUNT BUDGETED</b>        | \$ 1,707,990 |
| <b>APPROPRIATION REQUIRED</b> | \$ 0         |

**EXECUTIVE SUMMARY**

The purpose of this agenda bill is to accept the completed 2022 Arterial and Residential Street Overlays construction project and authorize staff to close out the construction contract.

- Work involved repaving SE 68<sup>th</sup> Street and SE 70<sup>th</sup> Place from Island Crest Way to East Mercer Way and two residential neighborhoods.
- Construction occurred from June 2022 to October 2022.
- The total project cost was \$1,585,914 and came in \$122,076 under budget. Unspent funds remain in the Street Fund.

**BACKGROUND**

The 2022 Arterial and Residential Street Overlays combined arterial and residential street paving locations into one contract for hot mix asphalt (HMA) paving in summer 2022. The project included asphalt overlay of SE 68<sup>th</sup> Street and SE 70<sup>th</sup> Place and residential street repaving in two neighborhoods. Project locations are shown on Exhibit 1. Prior to repaving, minor storm drainage and water system improvements were completed on these roadways under a separate construction contract.

Project design work began in February 2022 and was completed in mid-April 2022. Three contractor bids were received on April 18, 2022. On May 3, 2022, the City Council awarded the construction contract to Watson Asphalt Paving Company in the amount of \$1,449,990.80 and set the project's total budget to \$1,707,990 ([AB 6071](#)).

## ISSUE/DISCUSSION

Construction activities began on June 21, 2022 and all asphalt paving was completed by the end of August 2022. In September and October, crews wrapped up construction by placing shoulder gravel and raising utility castings to the grade of the new pavement. The project was complete by the end of October 2022.

Improvements to SE 68<sup>th</sup> Street and SE 70<sup>th</sup> Place included pavement repairs, pre-level paving (to correct irregularities in roadway profile and cross slope), a 2-inch asphalt overlay, shoulder gravel, new pavement markings, and utility adjustments. Residential streets in the plat of Parkwest (portions of SE 65<sup>th</sup> Street, SE 66<sup>th</sup> Street, SE 67<sup>th</sup> Street, 82<sup>nd</sup> Avenue SE and 83<sup>rd</sup> Place SE) had nearly all the existing pavement removed, gravel base material was augmented and regraded, and 4 inches of new asphalt was placed. The residential streets of SE 68<sup>th</sup> Street and 93<sup>rd</sup> Avenue SE received pavement repairs followed by a 2-inch asphalt overlay.

The total cost of the completed project was \$1,585,914, 7.1% less than the total amount budgeted at the time of contract award. No contingency funds were needed during construction. Design, contract administration and project management costs exceeded their combined budget by \$15,034. However, this was more than offset by the construction costs being \$35,257 under budget. Actual expenses for the project compared to budget amounts are shown in the table on the following page. The \$122,076 of unspent budget from this contract will remain in the Street Fund.

Minor water system and storm drainage improvements were completed on these roadways under a separate construction contract, at a cost of \$571,618. These improvements were funded from the City's Water and Storm Water Utility Funds.

| 2022 ARTERIAL AND RESIDENTIAL STREET OVERLAYS<br>PROJECT BUDGET AND ACTUAL EXPENDITURES |                            |                        |
|---|----------------------------|------------------------|
| Description   | Approved<br>Project Budget | Actual<br>Expenditures |
| <b>Construction Contract</b>  |                            |                        |
| Schedule A - SE 68th / SE 70th Arterial Overlay   | 387,170                    | 357,860                |
| Schedule B - South Island Residential Overlays  | 266,059                    | 279,716                |
| Schedule C - Parkwest Residential Overlays  | 669,656                    | 650,110                |
| Schedule D - Pavement Repairs   | 127,106                    | 127,048                |
| <b>Total Construction Contract</b>  | <b>\$ 1,449,991</b>        | <b>\$ 1,414,734</b>    |
| Construction Contingency @ 7%   | 101,499                    | -                      |
| Project Design - Consultant   | 50,000                     | 55,848                 |
| Inspection Services - In-House  | 44,000                     | 48,922                 |
| Contract Administration / Project Management  | 48,000                     | 52,264                 |
| 1% for the Arts   | 14,500                     | 14,147                 |
| <b>Total Project Budget and Expenditures</b>  | <b>\$ 1,707,990</b>        | <b>\$ 1,585,914</b>    |

## **RECOMMENDED ACTION**

Accept the completed 2022 Arterial and Residential Street Overlays project and authorize staff to close out the contract.