BUSINESS OF THE CITY COUNCIL
CITY OF MERCER ISLAND

AB 6868
February 3, 2026
Consent Agenda

AGENDA BILL INFORMATION

TITLE:	AB 6868: Sewer SCADA System Replacement Project Change Order & Fund Reallocation	☐ Discussion Only ☒ Action Needed: ☒ Motion ☐ Ordinance ☐ Resolution
RECOMMENDED ACTION:	Reallocate $132,650 in sewer capital project resources in the 2025-2026 Biennial Budget to incorporate the upgrade of Sewer Pump Station 11 into the Sewer SCADA System Replacement Project.	

DEPARTMENT:	Public Works
STAFF:	Jason Kintner, Chief of Operations Kellye Hilde, Deputy Director Clint Morris, Capital Division Manager Christopher Marks, Utilities Engineer
COUNCIL LIAISON:	n/a
EXHIBITS:	n/a
CITY COUNCIL PRIORITY:	3. Make once-in-a-generation investments to update and modernize aging infrastructure, capital facilities, and parks.

AMOUNT OF EXPENDITURE	$ 3,666,225
AMOUNT BUDGETED	$ 3,533,625
APPROPRIATION REQUIRED	$ 132,650

EXECUTIVE SUMMARY

The purpose of this agenda item is to reallocate $132,650 from the existing 2025-2026 Sewer Capital Improvement Program biennial budget to upgrade Sewer Pump Station 11 as part of the Sewer SCADA System Replacement Project (90.30.0024), allowing the project to be fully completed and closed out.

- The Sewer SCADA System Replacement Project was initiated to replace aging, unreliable Supervisory Control and Data Acquisition (SCADA) infrastructure across the City's sewer pump stations.
- SCADA upgrades have been completed at sixteen of the City's seventeen sewer pump stations.
- Pump Station 11 was excluded from the original construction scope due to the timing of King County's reconstruction of the station as part of their North Mercer Island/Enatai Interceptor Upgrade Project.
- King County's work at Pump Station 11 was completed in January 2026, allowing the City's SCADA upgrade to proceed.
- Pump Station 11 is now the only remaining sewer pump station operating on the old legacy SCADA system.

- Reallocating $132,650 will allow the City to upgrade Pump Station 11, standardize the SCADA system citywide, and fully close out the project.

BACKGROUND

In 2017, the City identified that critical components of its 1990s-era SCADA system were nearing the end of their useful life and experiencing frequent alarms, fragmented functionality, and declining reliability. In response, the City initiated a comprehensive SCADA system replacement effort to improve system performance, operational reliability, and cybersecurity for both the water and sewer utilities.

Planning and design for the SCADA replacement program began in 2019. Due to significant construction projects already underway on the water utility side and the increased complexity of sewer pump stations, the sewer SCADA replacement project was advanced separately from the water SCADA upgrades.

In January 2023, as the water SCADA project was nearing completion, City Council authorized staff to award the sewer SCADA construction contract to Valley Electric Co. and established a project budget of $2,330,000 (AB 6190). Due to extended material procurement delays affecting the electrical and controls industry, construction did not begin until October 2024. Once mobilized, Valley Electric progressed efficiently and completed upgrades at sixteen sewer pump stations within approximately six months, achieving substantial completion by May 2025.

Pump Station 11 is the only remaining station to be upgraded, due solely to the timing of King County's reconstruction of the facility as part of the North Mercer Island/Enatai Interceptor Upgrade Project. King County's work on the facility was completed on January 8, 2026 clearing the way for the City to proceed with the SCADA upgrade.

ISSUE/DISCUSSION

PROJECT DESCRIPTION

The Sewer SCADA System Replacement Project was designed to upgrade SCADA equipment at the City's sewer pump stations, including replacement of programmable logic controllers (PLCs), control panels, motor controls, communication hardware, and related fire-code improvements necessary to fully integrate each site into the City's modern SCADA platform.

Pump Station 11 was intentionally excluded from the original construction contract to avoid conflicts with King County's reconstruction activities at the site. With King County's work now complete, Pump Station 11 can be safely upgraded and incorporated into the City's current SCADA platform.

Upgrading Pump Station 11 will:

- Eliminate the last remaining legacy SCADA site from the utility network;
- Provide consistent monitoring, alarm management, and operational control across all sewer pump stations,
- Improve system reliability and cybersecurity, and
- Allow the Sewer SCADA System Replacement Project to be fully completed and closed out.

PROJECT EXPENDITURES

There are insufficient funds remaining within the Sewer SCADA System Replacement Project (90.30.0024) to complete the SCADA upgrade at Pump Station 11, as the following project expenditures have nearly fully expended the available $489,377 in construction contingency funds:

Additional Remote Communication Panels

During upgrades at Sewer Pump Stations 15 and 24, the existing conduit between the pump station equipment and the standby diesel generators was found to be crushed. Site conditions required redesign and installation of new remote communication panels to transmit signals wirelessly rather than through hardwired connections.

Additional Project Costs

Varying equipment types and site conditions across the sewer pump stations, including limited as-built drawings and incomplete product documentation, resulted in higher-than-anticipated project management, construction inspection, and programming and software integration costs.

In addition, the City elected to self-perform installation of cellular telecommunications antennas, a work item that was not fully accounted for in the original construction estimate.

Pump Station 11 – Costs Already Incurred

As previously noted, Pump Station 11 was excluded from the original construction estimates. Permitting, engineering design, and programming and software implementation costs have already been authorized and completed using existing project funds. The remaining funding gap is limited to construction costs for Valley Electric to implement the upgrade.

A summary of project costs and fund reallocation are included in Table 1 on the following page.

Table 1

SEWER SCADA SYSTEM REPLACEMENT – 90.30.0024 ORIGINAL BUDGET		
PROJECT ELEMENTS	**ORIGINAL BUDGET**	**ACTUAL EXPENSES**
Construction Contract	$2,446,883	$2,552,677
Construction Contingency	$489,377	
Construction Management	$224,500	$276,048
Contract Administration	$73,406	$150,100
Permitting & Software Configuration	$219,703	$432,650
Permit Materials & Application Fees	$34,656	$43,570
Technology – Hardware & Software	$45,100	$64,000
TOTAL PROJECT COST	**$3,533,625**	**$3,519,045**
	TOTAL BUDGET REMAINING	**$14,580**

CHANGE ORDER 4 EXPENDITURE – PUMP STATION 11 SCADA UPGRADE	
Construction Contract	$142,230
Project Management Reserve	$5,000
TOTAL COST	***$147,230***
REVISED TOTAL PROJECT COST	***$3,666,275***

FUNDING REALLOCATION	
90.30.0008-"Sewer Pipe Replacements and Upsizing"	**$87,230**
90.30.0023-"Sewer Pump Station Generator Replacements"	**$60,000**
ADDITIONAL BUDGET NEEDED	***$132,650***

Sufficient funding exists within the approved 2025–2026 Sewer CIP budget to accommodate this work:

- The Sewer Pipe Replacements and Upsizing Project (90.30.0008) is planned to address sewer pipe capacity deficiencies within Mercerdale Park. Design of the required sewer improvements is approximately 95 percent complete; however, the project has been deferred to the 2027–2028 biennium pending infrastructure improvements at Mercerdale Park. As a result, $87,230 of the $250,000 available project budget will be reallocated to support completion of the Sewer SCADA System Replacement Project.

- The Pump Station Generator Replacement Project (90.30.0023), which provides for replacement of standby diesel generators at Sewer Pump Stations 23 and 25, is currently 57 percent complete, with substantial completion anticipated in April 2026. The project budget includes sufficient contingency and reserve funding to support both completion of the generator replacements and the proposed transfer of funds. Accordingly, $60,000 in available funds will be reallocated to support completion of the Sewer SCADA System Replacement Project.

Approval of this agenda bill authorizes staff to incorporate Pump Station 11 into the construction contract with Valley Electric as Change Order No. 4 and reallocates funds within the adopted CIP biennial budget to complete the work. This upgrade will align Pump Station 11 with all other sewer sites already upgraded under

the project and completes systemwide SCADA standardization. This approach minimizes administrative costs and remains consistent with the original project intent approved by City Council.

Installation of the Pump Station 11 SCADA improvements is tentatively scheduled to occur in the next three months and should be completed by May 1, 2026.

RECOMMENDED ACTION

Reallocate $132,650 in sewer capital project resources in the 2025-2026 Biennial Budget to incorporate the upgrade of Sewer Pump Station 11 into the Sewer SCADA System Replacement Project.