



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

**AB 6079
May 17, 2022
Consent Agenda**

AGENDA BILL INFORMATION

TITLE:	AB 6079: 2020 Water System Improvements Project Closeout	<input type="checkbox"/> Discussion Only <input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution
RECOMMENDED ACTION:	Accept the completed project and authorize staff to close out the contract.	

DEPARTMENT:	Public Works
STAFF:	Jason Kintner, Chief of Operations Clint Morris, Capital Division Manager Rona Lin, Utilities Engineer
COUNCIL LIAISON:	n/a
EXHIBITS:	1. Project Vicinity Map
CITY COUNCIL PRIORITY:	n/a

AMOUNT OF EXPENDITURE	\$ 853,918
AMOUNT BUDGETED	\$ 1,194,009
APPROPRIATION REQUIRED	\$ 0

EXECUTIVE SUMMARY

The purpose of this agenda bill is to accept the completed 2020 Water System Improvements project and authorize staff to close out the construction contract.

- Work involved abandoning over 1,000 linear feet of obsolete and redundant watermain, replacing 1,400 linear feet of water main along with water services and fire hydrants, and upgrades to an existing stormwater system.
- The project was included in the 2019-2020 Capital Budget and was funded from the Water Fund and the Stormwater Fund.
- Construction was performed from June through October 2020.
- The total project cost was \$853,918, which was \$340,091 under the approved budget. Unspent funds remain in the Water Fund and Stormwater Fund.

BACKGROUND

The 2020 Water System Improvements involved water system upgrades (Bid Schedule A and B) in two different neighborhoods and stormwater drainage system improvements (Bid Schedule C) in one of the two neighborhoods.

Schedules A and C were in the neighborhood served by portions of SE 34th Street, 96th Avenue SE, and 97th Avenue SE, all lying north of I-90. Work scope for these two schedules included the abandonment of an aging, problematic water main, replacement of an undersized water main, replacement of water services and fire hydrants, and replacement of deteriorated storm pipes and catch basins. Schedule B was on 87th Avenue SE from SE 42nd to SE 44th Streets. Work in this schedule included the replacement of an aging water main and its associated water services and fire hydrants. Project locations for all three schedules are shown in Exhibit 1.

Project design began in October 2019 and was completed in March 2020. Four contractor bids were received on April 7, 2020. On May 5, 2020, Council awarded the construction contract to Oceanside Construction in the amount of \$705,841 and set the total budget at \$1,194,009 ([AB 5686](#)).

Construction activities began in June 2020 and the project was substantially complete by the end of September. Work included the abandonment of 1,050 linear feet of aging and redundant water main, installation of 1,400 linear feet of new 8-inch diameter ductile iron watermain, 33 water services, eight fire hydrants, and replacement of 180 linear feet of storm drainage pipe and associated catch basins.

The total cost of the project was \$853,918, which was \$340,091 less than the total amount budgeted at the time of the contract bid award. Over 40 percent of the project savings came from unused contingency funds. Significant savings were also seen in lower-than-expected construction costs and lower design, project management, and inspection services costs. Unspent funds from the project will remain in the Water Fund (\$294,824) and in the Stormwater Fund (\$45,267). The table below provides a summary of project budget and overall project expenditures.

2020 WATER SYSTEM IMPROVEMENTS					
PROJECT BUDGET AND ACTUAL EXPENDITURES					
Description	Schedule A WW914R	Schedule B WW718R	Schedule C WD140R	TOTAL APPROVED PROJECT BUDGET	ACTUAL EXPENDITURES
Construction Contract					
Schedule A - SE 34th, 96th & 97th Ave SE - Water	\$ 230,593			\$ 230,593	\$ 182,996
Schedule B - 87th Ave SE - Water		\$ 404,283		\$ 404,283	\$ 336,075
Schedule C - Residential Stormwater			\$ 70,965	\$ 70,965	\$ 59,222
Total Construction Contract	\$ 230,593	\$ 404,283	\$ 70,965	\$ 705,841	\$ 578,293
Construction Contingency @ 20%	\$ 46,119	\$ 80,857	\$ 14,193	\$ 141,168	\$ -
Project Design - consultant	\$ 75,000	\$ 50,000	\$ 17,000	\$ 142,000	\$ 119,843
Project Management/In-house team support	\$ 20,000	\$ 78,000	\$ 15,000	\$ 113,000	\$ 101,066
Construction Inspection	\$ 20,000	\$ 62,000	\$ 10,000	\$ 92,000	\$ 54,716
Total Actual Expenditures					\$ 853,918
Total Project Budget	\$ 391,712	\$ 675,140	\$ 127,158	\$ 1,194,009	

RECOMMENDED ACTION

Accept the completed 2020 Water System Improvements project and authorize staff to close out the contract.