



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

**AB 6080
May 17, 2022
Consent Agenda**

AGENDA BILL INFORMATION

TITLE:	AB 6080: 2021 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 Location Map
CITY COUNCIL PRIORITY:	n/a

AMOUNT OF EXPENDITURE	\$ 1,208,010
AMOUNT BUDGETED	\$ 1,638,960
APPROPRIATION REQUIRED	\$ 0

EXECUTIVE SUMMARY

The purpose of this agenda bill is to accept the completed 2021 Water System Improvements project and authorize staff to close out the construction contract.

- Work involved replacing over 2,600 linear feet of water main, along with water services, fire hydrants, and other components.
- The project was included in the 2021-2022 Capital Budget and was funded from the Water Fund.
- Construction was performed from May through September 2021.
- The total project cost was \$1,208,010, which was \$430,950 under the approved budget. Unspent funds remain in the Water Fund.

BACKGROUND

The 2021 Water System Improvements project involved water main replacements on three roadways: 81st Avenue SE (North Mercer Way to SE 24th Street), 82nd Avenue SE (north of SE 24th Street), and SE 24th Street (80th to 82nd Avenues SE), as shown in Exhibit 1. The existing 6-inch water mains in these areas were installed in the 1960's. The water mains were undersized, had a history of breaks, and had obsolete fire hydrants. Project design began in September 2020 and was completed in February 2021.

Six contractor bids were received on March 17, 2021. On April 6, 2021, Council awarded the construction contract to Pacific Civil & Infrastructure (PCI) in the amount of \$1,082,268 and set the total budget to \$1,638,960 with a budget appropriation of \$441,960 from the Water Fund ([AB 5826](#)) to accommodate the expanded scope of work.

Construction activities began in May 2021 and the project was substantially complete by end of August. Work included the installation of over 2,600 linear feet of new 8- and 12-inch diameter ductile iron watermain, 32 water services, 8 fire hydrants, and 3 air vacuum release valve assemblies.

Disturbed roadways within the project area received permanent trench patches at the end of construction. On 82nd Avenue SE, half-street width paving was necessary given the narrow roadway and areas of deteriorated pavement. Sidewalks were restored on portions of 81st Avenue SE and North Mercer Way near the entrance to Mercer Isle condominiums. All work on the project was completed by the end of September.

The total cost of the project was \$1,208,010, which was \$430,950 less than the total amount budgeted at the time of the contract bid award. Project savings include unused contingency funds and lower than expected construction costs. Additional savings in construction support, project management, and inspection services were also obtained. The unspent funding from this project will remain in the Water Fund. The table below provides a summary of project budget and overall project expenditures.

2021 WATER SYSTEM IMPROVEMENTS PROJECT BUDGET AND ACTUAL EXPENDITURES		
Description	Approved Project Budget	Actual Expenditures
Construction Contract	\$ 1,082,268	\$ 962,865
Construction Contingency @20%	\$ 216,452	
Project Design - Consultant	\$ 108,240	\$ 107,407
Construction Support Services - Consultant	\$ 31,000	\$ 14,538
Project Management/In-House Support	\$ 130,000	\$ 60,500
Inspection	\$ 71,000	\$ 62,700
Total Project Budget and Expenditures	\$ 1,638,960	\$ 1,208,010

RECOMMENDED ACTION

Accept the completed 2021 Water System Improvements project and authorize staff to close out the contract.