MONROE CITY COUNCIL

Agenda Bill No. 20-007

SUBJECT:	***Accept Project / Begin Lien Period for 182nd Avenue Water Main Project***

DATE:	**DEPT:**	**CONTACT:**	**PRESENTER:**	**ITEM:**
01/14/2020	Public Works Design & Construction	Kim Klinkers	Scott Peterson	Consent Agenda #7

Discussion: 01/16/2018; 09/10/2019; 01/14/2020
Attachment: 1. Project Location Map

REQUESTED ACTION: Move to accept the 182nd Avenue Water Main Project, M2018-0005, and begin the 45-Day Lien Period; and authorize release of retainage upon filing of Notice of Completion and receipt of State of Washington releases.

POLICY CONSIDERATIONS

A project must be accepted by the governing body after all contract work has been completed and required documentation has been received. Once accepted, the Forty-Five-Day Lien Period begins. Within sixty days after project acceptance, and upon receipts of certification from the Department of Labor and Industries, the Department of Revenue, and the Employment Security Department, the governing body shall release any retainage withheld from the contractor.

DESCRIPTION / BACKGROUND

The 182nd Avenue Water Main Project was authorized by Council at the January 16, 2018, regular business meeting. The initial project scope was to replace approximately 1,300 feet of aging four-inch diameter asbestos cement water main along 182nd Avenue, between 154th Street and 150th Street (crossing under SR 522), replace two fire hydrants, and connect 38 residences to the new main.

During the design phase, engineering staff worked with a geotechnical consultant in an attempt to acquire a utility permit from the Washington State Department of Transportation (WSDOT) for this project. WSDOT required subsurface investigations, structural wall analysis, and extensive groundwater monitoring. To meet the 2019 construction schedule and approved budget, staff facilitated a value engineering analysis and concluded that this project should be phased. As a result, the project limits for the initial phase in 2019 are along 182nd Avenue, from 154th Street to SR 522. Refer to Attachment 1 for the Project Location Map.

This phase of the 182nd Avenue Water Main Project provides for the installation of approximately 700 feet of new eight-inch diameter ductile iron water main, two new fire hydrants, 35 service connections and other work, all in accordance with the Contract Plans, the Contract Provisions, and the Standard Specifications.

The final phase is programmed for 2021 / 2022 per the adopted Capital Facilities Plan. To meet the original intent of the 182nd Avenue Water Main Project and complete the remaining phase, the Capital Facilities Plan has $30,000 budgeted in 2021 and $298,667 budgeted in 2022.

On August 6 and August 13, 2019 the 182nd Avenue Water Main Project was advertised for contractor bids. The Engineer's probable cost opinion was $530,000. On August 22nd, seven bids were received and opened with bids ranging from $287,422 to $499,377, inclusive of sales tax. After review, state licensing verification, and reference calls, the lowest responsive bidder was D&G Backhoe, Inc. and was awarded the construction contract for $287,422. This contract was authorized by Council during the September 10th regular business meeting.

D&G Backhoe, Inc. received a "Notice to Proceed" effective September 23rd. All of the work was completed on schedule and under budget, and per contract requirements. The project reached physical completion status on November 12th. The final construction cost was $280,438.

FISCAL IMPACTS

A summary of the construction contract with D&G Backhoe, Inc. is listed below:

Original Construction Contract:	$ 287,422
Change Orders:	$ 0
Final Amount Due to Contractor:	$ 280,438*
Contractor Payments to Date:	$ 267,609
Retainage Withheld:	$ 12,828

*Based on actual work and cost incurred to complete this project. Actual material quantities were less than the estimated quantities, and provisions for unforeseen underground conflicts did not need to be utilized. As a result, the final amount due to contractor is less than the construction contract.

The 2019 Water Utility Capital Fund (F412) included $814,825 for the 182nd Avenue Water Main Project. The following table summarizes the final project finance position:

	Anticipated 2019 Expenses	Actual 2019 Expenses
WSDOT Coordination	$ 10,000	$ 4,743
Advertisement / printing service	$ 2,000	$ 570
Construction	$ 797,825	$ 280,438
Material testing services	$ 5,000	$ 1,331
TOTAL	**$ 814,825**	**$ 287,082**

TIME CONSTRAINTS

Once the project is accepted by Council, the City has sixty days to release the retainage. Any delays in acceptance could put the City out of compliance with RCW 60.28.

ALTERNATIVES

Do not approve. Provide direction to staff.

Attachment 1: Project Location Map

182nd Avenue Water Main Project
154th Street SE to SR 522