



# MONROE CITY COUNCIL

## Agenda Bill No. 20-009

<b>SUBJECT:</b>	<b>Accept Project/Begin Lien Period for 132<sup>nd</sup> Street Water Main Project</b>
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<b>DATE:</b>	<b>DEPT:</b>	<b>CONTACT:</b>	<b>PRESENTER:</b>	<b>ITEM:</b>
01/21/2020	Public Works Design & Construction	Jim Gardner	Scott Peterson	Consent Agenda #6

**Discussion:** 01/16/2018; 02/12/2019; 03/19/2019; 01/21/2020

**Attachments:** 1. Vicinity Map

**REQUESTED ACTION:** Move to accept the 132<sup>nd</sup> Street Water Main Project, M2018-0003, 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 132<sup>nd</sup> Watermain Replacement Project was authorized by Council during the January 16, 2018, regular business meeting. This capital project is identified in the City’s Utility Systems Plan as W-23, and replaces the existing, obsolete watermain with a new eight-inch ductile iron pipe. Additional work elements include new service connections to thirty residences and replacing six fire hydrants. Refer to Attachment 1 for the Vicinity Map.

City engineering staff prepared the plans, specifications and probable cost opinion of \$1,300,000. The project was advertised for contractor bids on January 9, and January 16, 2019. SRV Construction was the apparent low bidder at \$644,510.41. Council authorized this contract per Section 5 of the Procurement Policies & Procedures, including a 20% contingency, for a total of \$793,412.49.

During the initial days of construction, it was discovered that there were numerous issues with the existing utility lines located within the County ROW. After researching the options available, it was determined that the best option was to place the new water main approximately 8 feet north of the original design location. This increased the contract by \$259,678.48, for a total of \$904,188.89, which was authorized by Council on March 19, 2019.

The project reached physical completion status on June 19, 2019. In October, a letter was sent to the contractor requesting final contract documentation be provided within 30 days, or the City will move toward project acceptance and unilaterally process the Final Contract Certification Voucher. Some of the requested documents were received and were incorporated into the pay estimate. The remaining missing documentation and associated value are excluded from payment. The City has processed the Unilateral Final Contract Certification Voucher establishing a Completion Date of December 19, 2019. The final construction cost was \$876,882.39.

## FISCAL IMPACTS

A summary of the construction contract with SRV Construction is listed below:

Original Construction Contract:	\$ 644,510.41
Change Orders:	\$ 260,737.12
Final Construction Contract:	\$ 905,247.53
Final Amount Due to Contractor:	\$ 876,882.39*
Contractor Payments to Date:	\$ 836,196.95
Retainage Withheld:	\$ 40,685.45

\*Based on actual work and cost incurred to complete this project. Actual material quantities were less than the estimated quantities. As a result, the final amount due to contractor is less than the construction contract.

The approved 2019 Water CIP Fund 412 included \$1,591,090 for the 132<sup>nd</sup> Street Water Main Project. The following table summarizes the final project finance position:

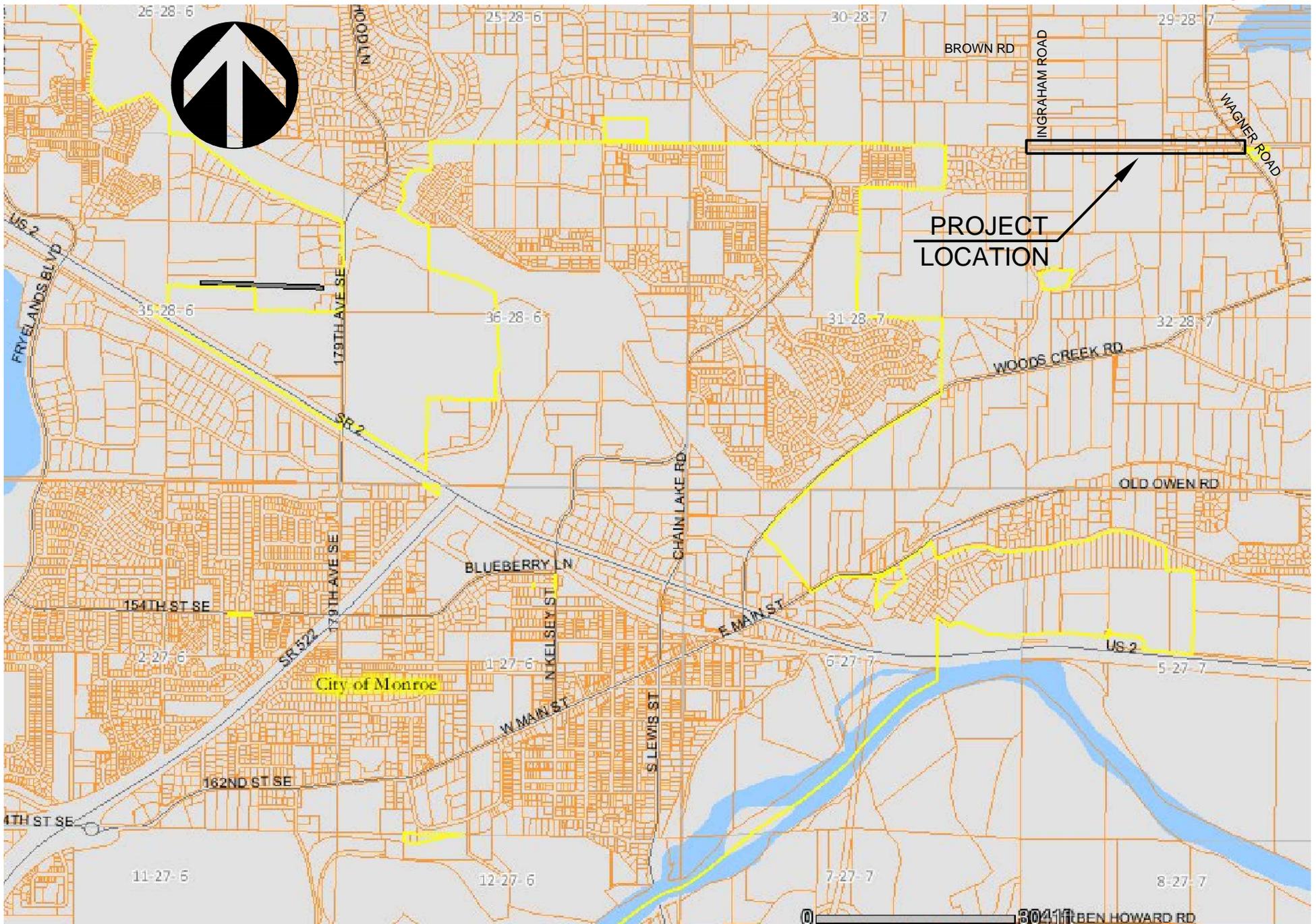
	<b>Anticipated 2019 Expenses</b>	<b>Actual 2019 Expenses</b>
Snohomish County permits	\$ 20,000	\$ 170.00
Advertisement / public notice	\$ 2,000	\$ 769.86
Construction	\$1,500,000	\$ 876,882.39
Services during construction	\$ 69,090	\$ 2,314.15
<b>TOTAL</b>	<b>\$1,591,090</b>	<b>\$ 880,136.40</b>

## 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.



1 VICINITY MAP