

CITY COUNCIL AGENDA ITEM

CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Motion to authorize the City Manager to (1) Adopt Ordinance No. 381 amending the 2005 Surface Water Capital Budget increasing the spending authority for the 3 rd Avenue NW Drainage Project, and (2) Execute a construction change order in an amount not to exceed \$230,000 with Thomco Construction, Inc.
DEPARTMENT:	Public Works
PRESENTED BY:	Jill Marilley, P.E., City Engineer Jon Jordan, P.E., Project Manager

BACKGROUND: The goal of this project is to construct a new storm drain system to prevent flooding to approximately 20 homes in 3rd Avenue NW neighborhood. This has involved the installation of over a mile of deep, large drain pipes.

The original scope of work was to patch and pave the trench along the conveyance route along 3rd Avenue NW as a cost saving measure as our investigations showed we could expect that the roads along the route were in reasonable condition. As it turned out, much of the 2,920 ft along the conveyance route on 3rd Avenue NW was either built on native soil without adequate or proper road base material, which provides structural support for the pavement, or the asphalt thickness was marginal. In both cases, the asphalt pavement in these areas broke apart during construction. A properly built road would typically withstand this type of use and we discovered this was not the case on 3rd Avenue NW as it was in other areas of the project.

The contract contingency previously approved by Council is partially needed for change orders (such as the discovery of an old concrete road under the pavement on Richmond Beach Road, which resulted in additional expenses and minor delays in the project) and normal overruns of estimated quantities. Reconstructing the road on 3rd Avenue NW is a significant change in scope and the cost exceeds the available contract amount and the contingency. However, reconstruction is the right action to take. Patching the failed sections of the road will result in an unacceptable condition and appearance in the finished product and replacing the asphalt on the same incompetent soil will not last nearly as long or provide the level of service that a reconstructed road will provide.

As the road is rebuilt, the utilities in the street, including manhole covers and catch basin grates, will be left two inches higher than the road surface until the final layer of asphalt is placed this summer. This allows time for the soils to settle in the deep trench where the storm drain pipe was installed. Staff also expects a cost savings by doing this work as part of the City's Asphalt Overlay program through the King County contract. Additionally, the work to complete the driveway transitions and gravel shoulder on the east side will take place following the final asphalt overlay. This road reconstruction is required and the contractor has begun preliminary work.

The project still includes all of the pedestrian safety improvements that were part of the original plan. And, because we are rebuilding the road, we were able to upgrade the proposed asphalt swale and pathway south of 180th with concrete curb, gutter, and sidewalk at little additional cost. This provides better drainage control and prevents vehicles from parking on the pathway, which improves pedestrian safety, and is a less expensive improvement in the long-term.

Additional work for this project includes Phase 2 (Pond Phase) and Phase 3 (Pump Phase). Phase 2 involves regrading the detention at Boeing Creek Park to increase storage capacity and to provide park improvements as mitigation. Phase 3 involves diverting some of the storm water from Pantera Pond (Dayton & Richmond Beach Road) to the new conveyance system on 3rd Avenue. Please note that Phase 3 construction funding is currently not in the CIP. However, as part of the overall program it has been designed and put on hold. Should the construction of this be required, it will be included in future CIP requests.

PROBLEM/ISSUE STATEMENT: The contract cost, with Thomco, Construction, Inc., to reconstruct the road is \$350,000. An additional \$230,000 is needed in change order authority. The balance of \$120,000 is covered by credits from deleted work and remaining contingency. An additional \$100,000 for the overlay and related driveway and shoulder work will be contracted with the King County Department of Transportation and is not included in Thomco's scope of work. In order to pay for this additional work, staff is requesting that Council authorize the City Manager with additional spending authority by adopting Ordinance No. 381 to increase the 2005 budget by \$330,000. In addition, staff is requesting Council to authorize the City Manager to execute a construction contract change order with Thomco Construction, Inc. in the amount not to exceed \$230,000 to reconstruct 3rd Avenue NW from NW 176th Street to Richmond Beach Road. There are sufficient funds in the CIP for this change order.

FINANCIAL IMPACT: The Project Budget based on the 2005 2010 Capital Improvement Program (CIP) totals \$3,557,320. The 2005 Budget totals \$1,720,118 along with \$526,811 programmed in 2006. With Council adoption of Ordinance No. 381, \$330,000 would be transferred from the 2006 Budget to the 2005 Budget, increasing the 2005 budget to \$2,050,118 to pay for the proposed change order work and the King County work. The additional budget is needed to complete this work and allows staff to continue with other planned work in 2005. The total project budget will remain at \$3,557,320. The revenues and costs are outlined as follows:

Phase 1 – Project Revenues	Amount
Surface Water Capital Fund	\$1,597,820
Public Works Trust Fund Loan	\$1,959,500
Total Project Budget	\$3,557,320

Phase 1 – Project Construction Costs	Amount	% of Contract
Contract Amount	\$1,641,630	
Contingency Change Order Authority	\$164,163	10%
Additional Change Order Needed for Road Reconstruction	\$330,000	20.0%
Total	\$2,135,793	30.0%

The additional cost to Phase 1 does not impact Phase 2 (Pond Phase) of the 3rd Avenue Drainage Project.

RECOMMENDATION

Staff recommends Council authorize (1) approve Ordinance No. 381 amending the 2005 Surface Water Capital Fund appropriation and (2) authorize the City Manager to execute a construction contract change order with Thomco Construction, Inc. in an amount not to exceed \$230,000 to address the cost to reconstruct the road on 3rd Avenue NW from NW 176th Street to Richmond Beach Road.

Approved By: City Manager  City Attorney Fpc

This page intentionally left blank.

ORDINANCE NO. 381

AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON, AMENDING ORDINANCE 366 AS AMENDED BY ORDINANCES 372, 376, AND 377 BY INCREASING THE APPROPRIATION IN THE SURFACE WATER CAPITAL FUND.

WHEREAS, the 2005 Budget was adopted in Ordinance 366; and

WHEREAS, the 2005–2010 Capital Improvement Plan was adopted in Ordinance 357; and

WHEREAS, the 3rd Avenue Drainage Improvements Project is included in the 2005 – 2010 Capital Improvement Plan; and

WHEREAS, the City is requesting to bring funds programmed to be used for this project in the year 2006 forward into the current year; and

WHEREAS, the total project budget for the 3rd Avenue Drainage Improvement Project will remain the same; and

WHEREAS, the City has sufficient funding within the fund balance of the Surface Water Capital Fund;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON DO ORDAIN AS FOLLOWS:

Section 1. Amending Section 2 of Ordinance No. 366 as amended by Ordinances 372, 376, and 377. The City hereby amends Section 2 of Ordinance No. 366, the 2005 Annual Budget, by increasing the appropriation from the Surface Water Capital Fund by \$330,000 for a Surface Water Capital Fund appropriation of \$3,377,626 and by increasing the Total Funds appropriation to \$91,201,871 as follows:

General Fund	\$30,986,451	
Street Fund	2,374,833	
Arterial Street Fund	353,358	
Surface Water Management Fund	2,898,600	
General Reserve Fund	0	
Code Abatement Fund	100,000	
Asset Seizure Fund	23,000	
Public Arts Fund	193,995	
General Capital Fund	17,195,000	
City Facility-Major Maintenance Fund	124,000	
Roads Capital Fund	33,203,548	
Surface Water Capital Fund	3,147,626	3,477,626
Vehicle Operations/Maintenance Fund	71,824	
Equipment Replacement Fund	189,636	

Unemployment Fund

	10,000	
Total Funds	<u>\$90,871,871</u>	\$91,201,871

Section 2. Effective Date. A summary of this ordinance consisting of its title shall be published in the official newspaper of the City. The ordinance shall take effect and be in full force five days after passage and publication.

PASSED BY THE CITY COUNCIL ON APRIL 25, 2005

Mayor Ronald B. Hansen

ATTEST:

APPROVED AS TO FORM:

Sharon Mattioli, CMC
City Clerk

Ian Sievers
City Attorney

Publication Date:
Effective Date: