

CITY OF MERCER ISLAND

- NEW WATER SUPPLY PIPELINE GC/CM PROJECT

1. With the multitude of permitting agencies involved in this project, the panel would like to see more definitive plans for how the city will work with the various agencies and address challenges related to permit approvals and schedule.

Given the complexity of the project, the City of Mercer Island Public Works department has had discussions with the various agencies to understand and plan for the required approvals and permitting including:

- a. The Public Works Department has had discussions with the City's Community Planning and Development Department to discuss local, state and other permitting requirements for this project. A formal preapplication meeting will be held prior to permit submittal.
- b. Public Works has had discussions with WSDOT and understands the required approvals required for this portion of the project and work within the WSDOT right-of-way.
- c. The City continues to engage with Seattle Public Utilities regarding the design and construction of the new transmission line. Seattle Public Utilities will be an instrumental partner throughout this project as the City is solely dependent on drinking water provided by Seattle Public Utilities.

When selected the engineer of record will identify all the approvals and permits required, and the project team will jointly review, analyze and develop a phasing plan for the project accordingly. A permit log will be developed and reviewed/tracked on a weekly basis throughout the project.

It should be noted that the GC/CM delivery was specifically selected for this project to allow for the flexibility to phase and schedule the work to respond to the potentially complex permitting requirements.

2. The City of Mercer Island mentions having read the best practices manual, but have the staff attended or plan to attend any sort of GC/CM-specific training?

The City of Mercer Island project staff does have plans to attend the AGC GC/CM Workshop. Unfortunately, the PRC presentation for this project occurs on the same date as the workshop, so staff will be planning to attend the next one.

In addition, OAC has been advising the City of Mercer Island on alternative delivery and this past spring made a presentation to the City council who fully supports the use of GC/CM delivery for this project.

- a. Has the City of Mercer Island reached out to other public owners who have used GC/CM for heavy civil?

Yes. The City of Mercer Island has discussed alternative delivery with a few other public agencies including Chris McMeen, former Deputy Water Superintendent/water Quality and Supply Manager for Tacoma Water and Trent Van Duyn, Transit Capital Supervisor with King County Metro Transit.

3. What level of risk analysis has the City of Mercer Island conducted internally?

Risk and resiliency are common themes discussed amongst modernizing the City's aging utilities. Following two major water emergencies (in subsequent calendar years), the city contracted with Confluence Engineering to assist the City with identifying risk and improving resiliency within the water utility.

Additionally, the City recently updated the Water System Plan (2022) which focuses on updating planning data, the water demand forecast, and system analysis. The City also completed a Risk and Resilience

CAPITAL PROJECTS ADVISORY REVIEW BOARD

PROJECT REVIEW COMMITTEE

QUESTIONS RE: PROJECT APPLICATION

Meeting Date: December 5, 2024

Assessment as part of the America's Water Infrastructure Act. This assessment evaluated all potential hazards, cyber security, source water, proximity and dependency hazards and others.

Pertaining to the anticipated construction project, the project budget includes a contingency of 10% to cover risks associated with the design, permitting and construction. This contingency reflects the anticipated risks based on City of Mercer Island experience with pipeline and construction projects.

- a. The application mentions the replacement of 2,000 feet of 6-inch asbestos cement watermain. Has the condition of the pipe been assessed?

Yes. As part of the 2022-2023 Capital Improvement Program, the City has been implementing a program to replace all remaining AC pipe within the distribution system (approximately 5 miles of pipe).

The completion of this project is another step towards that goal, which includes the replacement of the existing AC pipe with new ductile iron pipe. Per past City practices, the old AC pipe will be disconnected from the distribution system and abandoned in place.

- b. Is there risk of contaminated soils resulting from deteriorated asbestos pipe?

There is no known risk of soil contamination from the deteriorated AC pipe. The City continues to monitor environmental regulations associated with this type of existing pipe and will adjust design/construction if needed or conditions change.

- c. Does the design/owner contingency reflect this potential risk.

Yes, the contingency aligns with the anticipated level of risk.

4. Please clarify when funds will be available. The schedule shows construction to start 2025, but some funding is shown in 2027.

The project will be funded through a combination of funding sources, including water and street fund revenues. The supply line and subsequent water infrastructure will be funded through Mercer Island water utility rates while the street overlay and subsequent pedestrian improvements (sidewalks, curb, gutter, etc) will be funded through the City's Street Fund. Additionally, the City is pursuing State and Federal grant opportunities and will likely complete a debt issuance in 2027.

The Street Fund is a restricted fund that includes major sources of revenue from Real Estate Excise Tax (REET), Fuel tax, and Federal and State Grants. The Water Fund is dedicated revenue for to the provision of water services to the City's residential, commercial and public customers.

5. Please provide more information about City of Mercer Island's planned staffing during construction and whether any additional staffing from the city or outside consults will be added to the team for the construction phase.

Per the organizational chart in the PRC Application (Attachment B), OAC Services has been retained as GC/CM delivery advisor and will continue to provide project management services through the procurement, design, permitting, construction and close-out phases. Alec Weintraub with OAC will provide GC/CM advisory services and project management support. Elayne Grueber, Utilities Engineer with Mercer Island, will provide technical oversight, quality control and coordination with other Mercer Island agencies.