

CITY COUNCIL AGENDA TOPIC

Motion to reject all bids for Bid No. 24031 for the 2023 Water Main Replacement project, review and revise the project plans and specifications if needed to ensure clarity of project requirements, and re-bid the project at a later date.

Lucy Liu, Director, 452-4445

Linda De Boldt, Assistant Director of Engineering, 452-4625

Utilities Department

EXECUTIVE SUMMARY**ACTION**

This motion will reject all bid submissions for Bid No. 24031 for the 2023 Water Main Replacement project. While several bids were received, process irregularities were experienced when opening/reviewing the bids. Rejecting all bids and re-bidding will ensure a fair and competitive process. Additionally, reviewing and revising project plans and specifications if needed may result in more accurate and competitive bid values, ensuring the project will be completed consistent with the lowest and most responsive bid.

RECOMMENDATION

Move to reject all bids for Bid No. 24031 for the 2023 Water Main Replacement project, review and revise project plans and specifications if needed, and re-bid the project at a later date.

BACKGROUND/ANALYSIS

The Water Main Replacement program has been ongoing for many years and is a major component of Utilities proactive strategy for renewal and replacement of aging infrastructure. Replacement of aging water mains will reduce the risk of pipeline failures that may result in customer impacts and property damage. Utilities staff commonly include other needed utility improvements, in the vicinity of watermain replacement work, in the scope of watermain projects to achieve cost efficiencies and reduce construction impacts to affected neighborhoods.

This project will replace approximately 16,150 linear feet of aging and undersized water main pipe in the Utilities service areas of West Bellevue, Wilburton/BelRed, Newport, and Factoria/Eastgate. The project will also replace pressure reducing valve station #96 which is located adjacent to 4303 155th PI SE, Bellevue, WA 98006. Utilities has coordinated with individual property and business owners to minimize construction inconveniences to their respective properties and the neighborhood.

Bids were advertised on the City's website, the Seattle Times, and Daily Journal of Commerce beginning March 14. Contract documents were made available on the City and Builder's Exchange websites for three weeks. The following bids were opened: *(not including Washington State sales tax)*

Contractor	Bid amount
<i>Fury Site Works, Inc</i>	<i>7,228,214.43</i>
<i>Kar-Vel Construction</i>	<i>9,030,698.00</i>
<i>Northwest Cascade, Inc</i>	<i>9,721,185.00</i>
<i>Marshbank Construction, Inc</i>	<i>10,039,165.00</i>
<i>Active Construction, Inc</i>	<i>11,776,534.97</i>
Engineer's Estimate	\$8,800,035.00

Unfortunately, during the bid opening the City did not confirm whether bids were supported with all requisite documentation. After the bids were transmitted to the Utilities Department for evaluation, staff noted the absence of certain required documents and could not determine whether (1) the bidders failed to include the requisite documents with bid submissions, or (2) whether the City had misplaced the documents received. Therefore, to ensure a fair review process, staff recommends rejecting all bids. Additionally, given the disparity in the bids received, staff will review the project's plans and specifications to determine if revisions are needed prior to rebidding.

Pending council approval of the motion, the current re-bid date is set for May 9, 2024.

POLICY & FISCAL IMPACTS

Policy Impact

The City Comprehensive Plan policies: Provide reliable water service for domestic use, fire flow protection, and emergencies.

Utilities Department policies: To invest resources as necessary to construct, maintain and renew water system infrastructure and equipment so that Utility customers are provided with consistent, reliable service.

Utilities Department practice: Replace small diameter asbestos cement water main installed in the late 1940's through 1960's to reduce the possibility of water main breaks as well as other small diameter water pipes of varying materials determined by City Staff to be at high risk of failure; CIP Plan No. W-16 has been designated to do this. Install pressure reducing valves to provide increased water system operational control when needed; CIP Plan No. W-67 has been designated to do this.

Bellevue City Code 4.28.040 requires the City to competitively bid public works in accordance with City Codes and state law. Council approval is required to award the bid where the cost exceeds \$350,000. Council approval is also required to reject any or all bids.

Fiscal Impact

Rejection of these bids has no fiscal impact. Re-bidding in the near future will provide a new set of bids and the fiscal impacts will be re-evaluated at that time. This contract is primarily funded through the Water Main Replacement Program (CIP Plan No. W-16) and partially through the Pressure Reducing Valve (PRV) Station Rehabilitation Program (CIP Plan No. W-67).

OPTIONS

1. Reject all bids for Bid No. 24031 for the 2023 Water Main Replacement project, review and revise project plans and specifications if needed, and re-bid the project at a later date.
2. Provide alternative direction to staff.

ATTACHMENTS

- A. Vicinity Map
- B. CIP Project Descriptions

AVAILABLE IN COUNCIL LIBRARY

N/A