

CITY COUNCIL REGULAR SESSION

Motion to award Bid No. 22042 for 2022 Pipe Defect Trenchless Repair to Insituform Technologies LLC, as the lowest responsive and responsible bidder, in an amount not to exceed \$3,356,002.28, plus all applicable taxes (CIP Plan Nos. D-64 and S-24).

Nav Ota, Director, 452-2041
 Linda De Boldt, Assistant Director of Engineering, 452-4625
Utilities Department

EXECUTIVE SUMMARY

This motion will award Bid No. 22042 to Insituform Technologies LLC for 2022 Pipe Defect Trenchless Repair Package.

RECOMMENDATION

Move to award Bid No. 22042 for 2022 Pipe Defect Trenchless Repair Package to Insituform Technologies LLC.

BACKGROUND/ANALYSIS

The 2022 Pipe Defect Trenchless Repair project will rehabilitate existing sewer and stormwater pipes, which are deteriorated by excessive corrosion, root penetration, and pipe deformation by installing pipe liners into the existing pipes through trenchless methods. This project will rehabilitate pipes at 26 different sites within the City of Bellevue. Pipe lining technology is appropriate for pipes that have not deteriorated to a degree requiring dig and repair. This allows for lower rehabilitation costs and less impact to the public because substantial street cuts are avoided.

As the City's sewer and storm drainage infrastructure ages, pipelines, catch basins and other system components deteriorate to the point that some components are at risk of failing. Repair or replacement of these critical facilities is needed to prevent failures that could result in increased flooding, erosion, sewer overflows, and damage claims. Utilities uses asset management best practices to proactively assess and prioritize sewer and storm drainage infrastructure for rehabilitation and replacement. This is based on pipe age, condition, criticality and failure risk. Based on these assessments, timely replacement or repair of wastewater and stormwater facilities enables proactive system management to maintain sewer and stormwater service levels and meet regulatory requirements at the lowest life cycle costs. This project will be accomplished through CIP Plan No. D-64 and CIP Plan No. S-24.

By awarding this contract, the City will avoid pipe failure and expensive and disruptive conventional construction work to excavate and replace the pipe.

Bids were opened on September 29 and are as follows. (These bid prices include 10.1 percent Washington State sales tax on applicable bid items.)

Insituform Technologies LLC	\$3,356,002.28
Insta-Pipe	\$3,869,220.23
Michels Trenchless	\$4,134,365.07

Iron Horse LLC	\$4,602,862.50
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Engineer's Estimate **\$4,165,897.54**

The low bid from Insituform Technologies LLC is \$809,895.26 or approximately 19 percent less than the engineer's estimate. Staff believe that the 19 percent gap from the Engineer's estimate is reasonable given the current market volatility. Staff also believe the low bid received is competitive and reflects the true cost to perform this work.

To the best of staff's knowledge, all factors that normally contribute to construction expense have been accounted for in the plans and in the engineer's estimate. It is our experience that construction projects of this type usually result in some amount of field changes. Such claims are rigorously reviewed and only those that are clearly necessary to accomplish the intent of the contract, but have somehow not been provided for, will be paid.

POLICY & FISCAL IMPACTS

Policy Impact

Utilities Department policies: The Utility shall identify drainage capital projects that prevent or reduce flooding or property damage, protect or improve water quality, and maintain or improve the reliability and integrity of the drainage system. The Utility shall invest resources as necessary to construct, maintain and renew sewer system infrastructure and equipment such that Utility customers are provided consistent, reliable service.

Utilities Department practice: Rehabilitate or replace deteriorated elements of the storm drainage system to ensure that utility customers are provided with consistent and reliable service. CIP Plan No. D-64 has been designated to do this. Rehabilitate or replace deteriorated elements of the wastewater system. CIP Plan No. S-24 have been designated to do this.

Bellevue City Code 4.28 provides for the fair and equitable treatment of all persons involved in the purchasing process. Council approval is required to award the bid where the cost exceeds \$90,000.

Fiscal Impact

Awarding this bid commits the City to payment of \$3,356,002.28 plus all applicable taxes. This contract is fully funded through Storm System Conveyance Repairs and Replacement program (CIP Plan No. D-64) and Sewer System Pipeline Major Repairs (CIP Plan No. S-24). Sufficient funds have been budgeted to fund this contract in the 2021-2027 Utilities CIP Budget.

OPTIONS

1. Award Bid No. 22042 for 2022 Pipe Defect Trenchless Repair to Insituform Technologies LLC, as the lowest responsive and responsible bidder, in an amount not to exceed \$3,356,002.28, plus all applicable taxes (CIP Plan Nos. D-64 and S-24).
2. Reject all bids and re-bid at a later date.

ATTACHMENTS

- A. Vicinity Map

B. CIP Project Description

AVAILABLE IN COUNCIL LIBRARY

N/A