

## CITY COUNCIL REGULAR SESSION

Motion to award Bid No. 19021 for Newport Hills 580/470 Pressure Reducing Valve (PRV) Station to Pro Grade Enterprises, Inc, as the lowest responsive and responsible bidder, in an amount not to exceed \$237,524.32 plus all applicable taxes (CIP Plan No W-69).

Nav Otal, Director, 452-2041

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

*Utilities Department*

## EXECUTIVE SUMMARY

This motion will award Bid No. 19021 to Pro Grade Enterprises, Inc for the Newport Hills 580/470 PRV Station.

## RECOMMENDATION

Move to award Bid No. 19021 for Newport Hills 580/470 PRV Station to Pro Grade Enterprises, Inc.

If approved, effective date: 05/06/2019

## BACKGROUND/ANALYSIS

There is a fire-flow and service reliability deficiency in an area within pressure zone Newport Hills 470 (NH 470). A recommendation has been made in the City's Water System Plan to address this deficiency.

The City's adopted policy is to provide a minimum fire-flow of 1,000 gpm throughout the distribution system. In addition, our service reliability policy requires that no more than 250 equivalent residential units (ERUs) should be supplied from a single pipeline. The area identified within pressure zone NH 470 does not meet the stated requirements above for either fire flow or service reliability.

In accordance with the City's Water System Plan, this project will address these deficiencies by installing a new PRV station that will increase the available fire flow and add a second water feed to the area by supplying water from the adjacent high pressure zone NH 580.

Bids were opened on March 14 and are as follows. Please note, these bids include 10 percent Washington State sales tax on applicable bid items.

|                               |              |
|-------------------------------|--------------|
| Pro Grade Enterprises, Inc.   | \$237,524.32 |
| Kar-Vel Construction          | \$242,394.46 |
| Laser Underground & Earthwork | \$246,455.00 |
| Oceanside Construction        | \$280,341.67 |
| Road Construction Northwest   | \$321,469.50 |

**Engineer's Estimate**

**\$209,522.78**

The low bid from Pro Grade Enterprises is \$ 28,001.54 greater than the Engineer's estimate. This is likely due to the current bidding climate.

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**

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: Rehabilitation or replacement of old and deteriorating PRVs throughout the water service area. CIP Plan No. W-69 has been designated to do this.

Bellevue City Code: BCC Section 4.28.040 requires the City to competitively bid public works in accordance with the Code and state law. 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 \$237,524.32 plus all applicable taxes. This contract is fully funded through the Minor (Small) Water Capital Improvement Projects (CIP Plan No. W-69). Sufficient funds have been budgeted to fund this contract in the 2019-2025 Utilities CIP Budget.

## **OPTIONS**

1. Award Bid No.19021 for Newport Hills 580/470 PRV Station to Pro Grade Enterprises, Inc, as the lowest responsive and responsible bidder, in an amount not to exceed \$237,524.32 plus all applicable taxes (CIP Plan No. W-69 ).
2. Award contract to another bidder, if low bidder is rejected.
3. Reject all bids and re-bid at a later date.

## **ATTACHMENTS & AVAILABLE DOCUMENTS**

- A. Vicinity Map
- B. CIP Project Description

## **AVAILABLE IN COUNCIL LIBRARY**

N/A