

August 7, 2017

CITY COUNCIL AGENDA MEMORANDUM

SUBJECT

Motion to award Bid No. 17061 for AC Water Main Replacement 2017 – Phase 1 to Kar-Vel Construction, as the lowest responsible and responsive bidder, in the amount of \$2,070,498.40 plus all applicable taxes (CIP Plan No.W-16).

FISCAL IMPACT

Awarding this bid commits the City to payment of \$2,070,498.40 plus all applicable taxes. This contract is fully funded through the Utility's Small Diameter Water Main Replacement Program (CIP Plan No. W-16). This amount is approximately 2.1 percent below the Engineer's Estimate. Sufficient funds have been budgeted to fund this contract in the 2017-2018 Utilities CIP Budget (CIP Plan No.W-16).

STAFF CONTACTS

Nav Otal, Director, 452-2041

Paul Bucich, Assistant Director of Engineering, 452-4596

Utilities Department

POLICY CONSIDERATION

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 and 1950's to reduce the possibility of water main breaks. CIP Plan No. W-16 has been designated to do this.

City contracting policies:

- BCC 4.28.040 requires the City to competitively bid public works in accordance with all applicable laws. Council approval is required to award the bid where the cost thereof exceeds \$90,000.

BACKGROUND

The Small Diameter Water Main Replacement program has been ongoing for a number of years. Replacement of older asbestos cement water mains will reduce the possibility of pipeline failure that may result in property damage and potential claims against the City, and is consistent with the Utilities asset management program.

To achieve the best possible price for these improvements, several project sites have been combined into one bid package. This combined project will replace approximately 6,423 linear feet of aging and undersized water main pipe throughout the Utilities service area. Utilities has been coordinating with individual property owners to minimize construction inconveniences to neighborhoods.

The project sites are located in Clyde Hill, Kirkland, Yarrow Point, Redmond, Hillaire, and the Enatai areas within the Bellevue service area.

Bids were opened on June 14 and are as follows:

Kar-Vel Construction	\$2,070,498.40
Road Construction	\$2,689,658.00
Laser Underground & Earthwork	\$2,716,377.00
Engineer's Estimate	\$2,115,355.00

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.

EFFECTIVE DATE

If approved, this Motion becomes effective immediately upon Council adoption.

OPTIONS

1. Award Bid No. 17061 for AC Water Main Replacement 2017 – Phase 1 to Kar-Vel Construction, as the lowest responsible and responsive bidder, in the amount of \$2,070,498.40 plus all applicable taxes (CIP Plan No.W-16).
2. Award contract to another bidder if low bidder is rejected.
3. Reject all bids and re-bid at a later date.

RECOMMENDATION

Option 1

MOTION

Move to award Bid No. 17061 for AC Water Main Replacement 2017 – Phase 1 to Kar-Vel Construction, as the lowest responsible and responsive bidder, in the amount of \$2,070,498.40 plus all applicable taxes (CIP Plan No.W-16).

ATTACHMENTS

- A. CIP Project Description
- B. Vicinity Map

AVAILABLE IN COUNCIL DOCUMENT LIBRARY

N/A