

CITY COUNCIL REGULAR SESSION

Ordinance authorizing (1) the award of Bid No. 22026, for Newport Sewer Basin Capacity Improvements – Cascade Key Force Main (Capital Investment Program (CIP) Plan No. S-66), to Titan Earthwork, as the lowest responsible and responsive bidder, in an amount not to exceed \$2,992,137.05, plus all applicable taxes; (2) the amendment of the 2021-2027 Sewer Utility CIP Plan to transfer \$650,000 from the Midlakes Pump Station Capacity Improvements (CIP Plan No. S-61) to the Sewer System Pipeline Replacement Program (CIP Plan No. S-66); and (3) the amendment of the 2021-2027 Sewer Utility CIP Plan to transfer \$447,444 from the Sewer Facilities for 120th AVE NE Improvements (CIP Plan No. S-63) to the Sewer System Pipeline Replacement Program (CIP Plan No. S-66).

Nav Ota, Director, 452-2042

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

Utilities Department

EXECUTIVE SUMMARY

This Ordinance authorizes a bid award for Newport Sewer Basin Capacity Improvements – Cascade Key Force Main to Titan Earthwork; and it amends the 2021-2027 Sewer Utility CIP Plan to transfer \$650,000 from the Midlakes Pump Station Capacity Improvements and \$447,444 from the Sewer Facilities for 120th Avenue NE Improvements to the Sewer System Pipeline Replacement Program.

RECOMMENDATION

Move to adopt Ordinance No. 6684

BACKGROUND/ANALYSIS

The Newport Sewer Basin Capacity Improvements Project, Cascade Key Force Main will help provide increased reliability and supplemental capacity to the sewer system draining to Newport Lift Station in the Newport Shores neighborhood of Bellevue. Constructed in the 1960s, the sewer infrastructure in Newport Shores is aging. During large storm events, the sewer experiences high rates of infiltration and inflow through joints and cracks in the sewer pipe and overloads Newport Lift Station. This can result in wastewater backing up into low lying homes. In order to prevent this, Utility crews drive a vac truck back and forth along Cascade Key during storm events to remove wastewater from a manhole upstream of Newport Lift Station and discharge to a manhole downstream of Newport Lift Station in order to bypass the flow away from Newport Lift Station. Additionally, the Newport Lift Station was not originally designed to accommodate the flows from the south it currently receives and is planned to be upgraded in the next 10 years.

The Newport Sewer Basin Capacity Improvements Project, Cascade Key Force Main will install approximately 3,300 linear feet of 10-inch diameter dry force main to be used during large storm events to bypass flow around the undersized Newport Lift Station with the aid of a portable pump. This project will make bypassing the wastewater more reliable and safer for City crews. In addition, it can be used as a permanent force main in the future once the Newport Lift Station is upgraded.

The pipeline will be constructed in the street section of Cascade Key at depths ranging from approximately three feet to seven feet and includes an aerial segment connected to the east side of the Cascade Key culvert where the roadway passes over Coal Creek.

The project received one bid on September 1; this bid includes 10.1 percent Washington State sales tax on applicable bid items.

Titan Earthwork	\$2,992,137.05
Engineer's Estimate	\$2,422,566.63

The low bid from Titan Earthwork is \$569,570.42 or approximately 24 percent greater than the Engineer's estimate. An analysis of this bid found that bid prices for the following items were higher than expected: excavation, trench protection, groundwater dewatering, and traffic control. In contrast, the bid for HDPE sewer pipe was half the price of the engineers estimate. Pipe material cost and lead time have varied greatly over the past year, likely the result of supply chain challenges for contractors. Since the bid price of the pipe is significantly lower than expected and makes up a large portion of the project construction cost, staff believe a rebid of the project runs the risk of this bid item having a higher cost with no assurance that the other bid items will come in with more favorable costs. Therefore, staff recommends accepting this bid and moving forward with construction.

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: To 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 wastewater system. CIP Plan No. S-66 has 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

The Sewer System Pipeline Replacement Program (CIP Plan No. S-66) has an estimated shortfall of \$1,097,444 due to higher projected construction expenditures than what was budgeted in this program. To fill the budget deficit, Council budget authority is requested to transfer \$650,000 from the Midlakes Pump Station Capacity Improvements (CIP Plan No. S-61) and \$447,444 from the Sewer Facilities for 120th Avenue NE Improvements (CIP Plan No. S-63) to the Sewer System Pipeline Replacement Program to increase the Fiscal Year 2022 budget for CIP Plan No. S-66. The Midlakes Pump Station

Capacity Improvements (CIP Plan No. S-61) and the Sewer Facilities for 120th Avenue NE Improvements (CIP Plan No. S-63) have substantially completed all construction and have under expenditures of \$676,219 and \$447,444 respectively after accounting for all remaining costs. This action will result in no net change to the total budget for the Sewer Utility CIP. Approval of this budget transfer will amend the program budgets for the CIP Plans as follows:

	Total Program Budget	Total Projected Expenditures	Projected Balance	This Action
S-66 Sewer System Pipeline Replacement Program	\$ 18,070,889	\$ 19,168,333	(\$ 1,097,444)	\$ 1,097,444
S-61 Midlakes Pump Station Capacity Improvements	\$ 8,482,695	\$ 7,806,476	\$ 676,219	(\$ 650,000)
S-63 Sewer Facilities for 120th Ave NE Improvements	\$ 788,914	\$ 341,470	\$ 447,444	(\$ 447,444)

Awarding this bid commits the City to payment of \$2,992,137.05, plus all applicable taxes.

OPTIONS

1. Adopt the Ordinance authorizing (1) the award of Bid No. 22026, for Newport Sewer Basin Capacity Improvements – Cascade Key Force Main (Capital Investment Program (CIP) Plan No. S-66), to Titan Earthwork, as the lowest responsible and responsive bidder, in an amount not to exceed \$2,992,137.05, plus all applicable taxes; (2) the amendment of the 2021-2027 Sewer Utility CIP Plan to transfer \$650,000 from the Midlakes Pump Station Capacity Improvements (CIP Plan No. S-61) to the Sewer System Pipeline Replacement Program (CIP Plan No. S-66); and (3) the amendment of the 2021-2027 Sewer Utility CIP Plan to transfer \$447,444 from the Sewer Facilities for 120th AVE NE Improvements (CIP Plan No. S-63) to the Sewer System Pipeline Replacement Program (CIP Plan No. S-66).
2. Do not adopt the Ordinance, reject all bids and provide alternative direction to staff.

ATTACHMENTS

- A. CIP Project Description
 - B. Vicinity Map
- Proposed Ordinance No. 6684

AVAILABLE IN COUNCIL LIBRARY

N/A