

May 4, 2015

## CITY COUNCIL AGENDA MEMORANDUM

### **SUBJECT**

Motion to award Bid No. 15019 for Factoria Reservoir Coating Repair and Overflow Modifications to Award Construction, as the lowest responsible and responsive bidder, in the amount of \$150,748.65 (CIP Plan No. W-69 and Operations and Maintenance Water Fund).

### **FISCAL IMPACT**

Awarding this bid commits the City to a payment of \$150,748.65. This contract is fully funded through the Utility's Programs as follows:

Minor (Small) Water Capital Improvement Projects	CIP Plan No. W-69	\$107,008.88
Operations and Maintenance Water Fund	44412.548000.3482	43,739.77
	Total Bid Price	\$150,748.65

This amount is approximately 0.38% above the Engineer's Estimate. Sufficient funds have been budgeted to fund this contract in the 2015-2021 Utilities CIP and Operations and Maintenance Water Budgets.

### **STAFF CONTACT**

Nav Otal, Director, 452-2041

Paul Bucich, Assistant Director of Engineering, 452-4596

*Utilities Department*

### **POLICY CONSIDERATION**

#### Utilities Department policies:

- The Utility shall invest resources as necessary to construct, maintain and renew water system infrastructure and equipment such that Utility customers are provided consistent, reliable service.
- Provide reliable water service for domestic use, fire flow protection, and emergencies.

#### Utilities Department practice:

- It is the Utilities' practice to fund minor capital improvements to the City's water system which correct minor deficiencies, improve efficiencies, or solve maintenance issues. CIP Plan No. W-69 has been designated to do this.

#### City contracting policies:

- Bellevue City Code 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.

### **BACKGROUND**

The Factoria Reservoir is located at 3763 132<sup>nd</sup> Avenue SE in Bellevue, and is a welded steel tank approximately 39 feet tall and 93 feet in diameter.

This contract includes the cleaning, preparation and recoating of the damaged areas of the exterior coating and modification of the reservoir overflow. The overflow modifications consist of disconnecting the reservoir overflow from the existing flow control structure and reconnection of the overflow downstream of the control manhole through an air gap structure to meet requirements of the Washington State Department of Health regulations.

Bids were opened on March 26, 2015 and are as follows:

Award Construction, Inc.	\$150,748.65
Gary Harper Construction	151,784.52

<b>Engineer's Estimate</b>	<b>\$150,179.25</b>
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Although the bid for this project exceeds the Engineer's Estimate by 0.38%, funds are available to complete this project.

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 may 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 adopted, this Motion becomes effective immediately upon adoption.

#### **OPTIONS**

1. Award Bid No. 15019 for Factoria Reservoir Coating Repair and Overflow Modifications to Award Construction, as the lowest responsible and responsive bidder in the amount of \$150,748.65 (CIP Plan No. W-69 and Operations and Maintenance Water Fund).
2. Award contract to another bidder, if low bidder is rejected.
3. Reject all bids and re-bid at a later date.

#### **RECOMMENDATION**

Option No. 1.

References have been checked and the contractor has the resources and experience necessary to successfully complete this project.

#### **MOTION**

Move to award Bid No. 15019 for Factoria Reservoir Coating Repair and Overflow Modifications to Award Construction, as the lowest responsible and responsive bidder in the amount of \$150,748.65 (CIP Plan No. W-69 and Operations and Maintenance Water Fund).

#### **ATTACHMENTS**

A: Vicinity Map

B: CIP Project Description