

July 6, 2015

CITY COUNCIL AGENDA MEMORANDUM

SUBJECT

Motion to award Bid No. 15038 for Kelsey Creek Sewer Stabilization to Engineering/Remediation Resources Group (ERRG), as the lowest responsible and responsive bidder, in the amount of \$97,135.67 (CIP Plan No. S-32).

FISCAL IMPACT

Awarding this bid commits the City to a payment of \$97,135.67. This contract is fully funded through the Minor (Small) Sewer Capital Improvement Projects (CIP Plan No. S-32). This amount is approximately 57.9% below the Engineer's Estimate. Sufficient funds have been budgeted to fund this contract in the 2015-2021 Utilities CIP Budget.

STAFF CONTACT

Nav Ota, Director, 452-2041

Paul A. Bucich, Assistant Director of Engineering, 452-4596

Utilities Department

POLICY CONSIDERATION

City Comprehensive Plan policies:

- UT-1 Utilize design and construction standards which are environmentally sensitive, safe, cost-effective, and appropriate.
- UT-2 Manage utility systems effectively in order to provide reliable quality service.
- UT-3 Ensure that the location, type, and size of all public facilities is determined and/or approved by the city.
- UT-6 Encourage the joint use of public facilities.

Utility Department practice:

- Evaluate existing Maintenance Facilities to determine its ability to support Water, Wastewater, Storm Drainage, Streets and Signals needs for near term 0-5 years and long term 5-15 years. CIP Plan No. S-32 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

In February 2013, a broken side sewer was discovered in Kelsey Creek where it ties into the sewer main, approximately 500 feet downstream of 148th Avenue NE and NE 11th Place. The creek had eroded and destabilized the bank, causing a portion of it to slide into the creek, and breaking the side sewer connection to the manhole in the process. An emergency repair was undertaken on February 14, 2013 to repair the broken side sewer and temporarily stabilize the side sewer pipe. During the repair it was noted that the top half of the sewer main was exposed in the creek bottom and was at risk.

This project will cover and protect the exposed sewer pipe and stabilize the Kelsey Creek channel bed by constructing a roughened channel. The existing bank failure at the slide location will also be stabilized and repaired. The construction contract includes:

- Design, installation, maintenance, and removal of a temporary stream bypass in Kelsey Creek at the project location;
- Protection of the existing City of Bellevue sewer system;
- Installation of log toes, root wads, stream boulders, coir logs and restoration of the bank;
- Constructing a roughened channel to restore and stabilize the bed of the creek; and
- Planting and landscaping / site restoration.

Five bids were received for this construction contract. Four of the five bidders were under the Engineer's Estimate, and the low bidder, ERRG Inc., was 45% under the Engineer's Estimate. The Engineer's Estimate appears to have been overly conservative on Bid Items 4 - water pollution control and 6 - Temporary stream bypass. Conservative estimates were developed based on a mandated two-month construction window and the fact that Kelsey Creek is a fish bearing stream that provides habitat for listed Coho Salmon.

Staff have verified that the low bidder meets the supplemental bidder criteria and has performed similar projects in the recent past. ERRG Inc. has indicated to staff that they intend to complete the project in half the time expected and that efficiency was reflected in their bid price. ERRG is confident they can perform the required work for the bid price.

Bids were opened on June 3, 2015 and are as follows:

ERRG, Inc.	\$ 97,135.67*
Road Construction NW	117,986.25
Agostino Construction, Inc.	142,350.00
Accord Contractors	150,179.25
GEC NW, Inc.	234,373.80

Engineer's Estimate

\$176,295.00

*ERRG, Inc. is the apparent low bidder with a bid price of \$97,135.67. Their original reported total bid price was \$97,135.12; however, a non-substantive mathematical error was identified and their bid was re-calculated resulting in an actual bid price \$97,135.67. This revised bid was deemed competitive, accurate and remained the apparent low bid.

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. 15038 for Kelsey Creek Sewer Stabilization to Engineering/Remediation Resources Group (ERRG), as the lowest responsible and responsive, bidder in the amount of \$97,135.67 (CIP Plan No. S-32).
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. 15038 for Kelsey Creek Sewer Stabilization to Engineering/Remediation Resources Group (ERRG), as the lowest responsible and responsive, bidder in the amount of \$97,135.67 (CIP Plan No. S-32).

ATTACHMENTS

- A. Vicinity Map
- B. CIP Project Description