

April 18, 2016

## CITY COUNCIL AGENDA MEMORANDUM

### **SUBJECT**

Motion to award Bid No. 16015 for Horizon View No. 1 Reservoir/Pump Station, to Pacific Crest Construction, Inc., as the lowest responsible and responsive, bidder in the amount of \$3,189,516.00 (CIP Plan Nos. W-85 and W-91).

### **FISCAL IMPACT**

Awarding this bid commits the City to payment of \$3,189,516.00 for reservoir and pump station replacement within the Bellevue service area. This contract is fully funded through the Utility's CIP Program as follows:

Structural/Seismic Reservoir Rehabilitation	CIP Plan No. W-85	\$1,231,078.08
Water Pump Station Rehabilitation	CIP Plan No. W-91	\$1,958,437.92
	Total Bid Price	\$3,189,516.00

This amount is approximately 8.4% below the Engineer's Estimate. Sufficient funds have been budgeted to fund this contract in the 2015-2021 Utilities CIP Budget.

### **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:

- Department policies provide for the identification and implementation of capital projects via the CIP, to rehabilitate or replace seismically, or structurally, deficient reservoirs. CIP Plan No. W-85 has been designated to do this.
- Rehabilitate or replace deteriorated elements of the water system. CIP Plan No. W-91 has been designated to rehabilitate aging pump stations.

#### 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 Horizon View No. 1 water reservoir and pump station facility is located in the Somerset neighborhood at 4610 Highland Drive Southeast. The reservoir provides domestic water service and fire protection to the Horizon View 700 pressure zone. The water booster pump station supplies the Somerset/ Horizon View/ Cougar Mountain 850 pressure zone. The pump station and reservoir were originally constructed in the 1960's and, after 50 years of operation, they need to be replaced. The new reservoir and pump station will increase the ability to maintain system functionality following a seismic event as well as maintain water supply reliability for domestic use and fire suppression.

This project will replace the aging 0.2 million gallon (MG) reservoir and booster pump station as part of an ongoing program to rehabilitate older pump stations and reservoirs to bring them up to current standards. The old structures will be removed, the new 0.3 MG reservoir will be 41 feet in diameter and 43 feet tall and the pump station will be a 970 square foot L-shaped building.

Bids were opened on March 17, 2016 and are as follows:

Pacific Crest Construction, Inc.	\$3,189,516.00*
Pease & Sons Construction, Inc.	3,221,846.97
McClure and Sons, Inc.	3,222,611.28**
Award Construction	3,273,009.75
2KG Contractors, Inc.	3,345,948.80
Prospect Construction, Inc.	3,480,166.21
TEK Construction, Inc.	3,638,904.00
Harbor Pacific Contractors, Inc.	3,807,315.00

### **Engineer's Estimate \$3,480,000**

\*Pacific Crest Construction, Inc. is the apparent low bidder with a bid price of \$3,189,516.00. Their original reported total bid price was \$3,101,916.00; however, a non-substantive mathematical error was identified and their bid was re-calculated resulting in an actual bid price \$3,189,516.00. This revised bid was deemed competitive, accurate and remained the apparent low bid.

\*\*McClure and Sons, Inc. original reported total bid price was \$3,184,286.00; however, a non-substantive mathematical error was identified and their bid was re-calculated resulting in an actual bid price \$3,222,611.28. This revised bid was deemed competitive and accurate and they are now the third lowest bidder.

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 adopted, the award of this bid will become effective immediately.

### **OPTIONS**

1. Award Bid No. 16015 for Horizon View No. 1 Reservoir/Pump Station, to Pacific Crest Construction, Inc., as the lowest responsible and responsive, bidder in the amount of \$3,189,516.00 (CIP Plan Nos. W-85 and W-91).
2. Award of contract to other 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. 16015 for Horizon View No. 1 Reservoir/Pump Station, to Pacific Crest Construction, Inc., as the lowest responsible and responsive, bidder in the amount of \$3,189,516.00 (CIP Plan Nos. W-85 and W-91).

### **ATTACHMENTS**

Vicinity Map

CIP Project Description (W-85)

CIP Project Description (W-91)