June 20, 2016

CITY COUNCIL AGENDA MEMORANDUM

SUBJECT
Motion to award Bid No. 16026 for Sanitary Sewer Repairs 2016 to Shoreline Construction Co., as the lowest responsive and responsible bidder, in an amount not to exceed $1,073,373.75 (CIP Plan No. S-24).

FISCAL IMPACT
Awarding this bid commits the City to payment of $1,073,373.75. This contract is fully funded through the Utility's Sewer System Pipeline Rehabilitation Program (CIP Plan No. S-24). This amount is approximately 0.1% 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, Acting Assistant Director , 452-4596
Utilities Department

POLICY CONSIDERATION
Utilities Department policies:
>   The Utility shall 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 the wastewater system. CIP Plan No. S-24 has been designated to do this.

City Contracting policies:
>   Bellevue City Code section 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
This construction project will repair portions of the sanitary sewer in 34 locations throughout the Utilities service area. Repair sites are located in the Bridle Trails, Lake Hills, Northwest Bellevue, West Bellevue neighborhoods, as well as in the cities of Medina, Clyde Hill and Yarrow Points. These sites are among Utilities' highest priority repairs identified through video pipeline inspections, maintenance history, and field reconnaissance. A portion of these repairs will occur in streets scheduled for pavement overlay in 2016 and 2017 along with repairs in adjacent streets and neighborhoods. Utilities has been coordinating with the AC Main Replacement program and Transportation Department to complete sewer repairs prior to the pavement overlay in order to minimize street restoration costs and construction inconveniences to neighborhoods.

Bids were opened on May 18, 2016 and are as follows:

SCI Infrastructure, LLC	$ 979,816.65*
Shoreline Construction Co.	1,073,373.75
Ryatt Construction, LLC	1,105,078.93
Laser Underground & Earthworks, Inc.	1,573,569.75
Engineers Estimate	$1,073,921.25

*SCI Infrastructure, LLC, was initially the apparent low bidder. However, this bid included a mobilization/demobilization bid item that was 23% of the total bid amount, well over the 5% maximum limit. After consulting with the City Attorney's Office, Utilities determined the bid was non-responsive and non-responsible.

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, the award of this bid will become effective immediately.

OPTIONS
1. Award Bid No. 16026 for Sanitary Sewer Repairs 2016 to Shoreline Construction Co., as the lowest responsive and responsible bidder, in an amount not to exceed $1,073,373.75 (CIP Plan No. S-24).
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. 16026 for Sanitary Sewer Repairs 2016 to Shoreline Construction Co., as the lowest responsive and responsible bidder, in an amount not to exceed $1,073,373.75 (CIP Plan No. S-24).

ATTACHMENTS
Vicinity Map
CIP Project Description