

September 19, 2016

## **CITY COUNCIL AGENDA MEMORANDUM**

### **SUBJECT**

Motion to award Bid No. 16055 for PRV Replacement 2016, to Kar-Vel Construction, as lowest responsible and responsive bidder in the amount of \$384,891.41 (CIP Plan No. W-67).

### **FISCAL IMPACT**

Awarding this bid commits the City to payment of \$384,891.41. This contract is fully funded through the Utility's Pressure Reducing Valve (PRV) Rehabilitation Program (CIP Plan No. W-67). This amount is approximately 10.5% below the Engineer's Estimate. Sufficient funds have been budgeted to fund this contract in the 2015-2021 Utilities CIP Budget.

### **STAFF CONTACTS**

Andrew Lee, Deputy Director, 452-7675

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

*Utilities Department*

### **POLICY CONSIDERATION**

#### Utilities Department policies:

- To invest resources as necessary to construct, maintain and renew water system infrastructure and equipment so that Utility customers are provided with consistent, reliable service.

#### Utilities Department practice:

- Rehabilitation or replacement of old and deteriorating pressure reducing valves (PRVs) throughout the water service area. CIP Plan No. W-67 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.

### **DIRECTION NEEDED FROM COUNCIL**

  X   Action

### **BACKGROUND**

The City maintains numerous vaults containing pressure reducing valves (PRVs) that regulate water pressure as water flows between different pressure zones. Many of these facilities are over 25 years old and contain older pipe, valves, and other deteriorating components. Reliability has become a concern, and repair parts can be difficult or impossible to find. The size and constricted access to many of these older vaults makes increased maintenance and repair activities difficult and raises maintenance and personnel safety concerns. This project is part of an ongoing program that rehabilitates and replaces existing water system vaults containing PRVs. This program reduces the likelihood of PRV failures, thereby increasing the reliability of water supply.

The project sites recommended for rehabilitation/replacement within this project of the 2016 maintenance program are located in the Sunset Community, Spiritridge and Lake Crest areas within the Bellevue service area.

Bids were opened on August 11, 2016 and are as follows:

Kar-Vel Construction	\$384,891.41
Bonner Brothers Construction	414,183.75
Oceanside Construction	425,023.16
Laser Underground	474,573.00
DPK, Inc.	507,160.20
Western Engineering	516,329.73

**Engineer's Estimate            \$429,984.60**

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 upon Council adoption.

#### **OPTIONS**

1. Award Bid No. 16055 for PRV Replacement 2016, to Kar-Vel Construction, as lowest responsible and responsive bidder in the amount of \$384,891.41 (CIP Plan No. W-67).
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. This contractor has satisfactorily performed similar projects for the City in the past.

#### **MOTION**

Move to award Bid No. 16055 for PRV Replacement 2016, to Kar-Vel Construction, as lowest responsible and responsive bidder in the amount of \$384,891.41 (CIP Plan No. W-67).

#### **ATTACHMENTS**

CIP Project Description  
Vicinity Map

#### **AVAILABLE IN COUNCIL DOCUMENT LIBRARY**

N/A