

May 15, 2017

## **CITY COUNCIL AGENDA MEMORANDUM**

### **SUBJECT**

Motion to award Bid No. 17006 for Lower Coal Creek Flood Hazard Reduction - Group 1 Upper Skagit Key Culvert Replacement to Olson Brothers Excavating, Inc., as the lowest responsible and responsive bidder, in the amount of \$1,068,595 plus all applicable taxes (CIP Plan No. D-106).

### **FISCAL IMPACT**

Awarding this bid commits the City to payment of \$1,068,595 plus all applicable taxes. This amount is fully funded through the Utility's Lower Coal Creek Flood Hazard Reduction Phase 1 (CIP Plan No. D-106) reimbursed from the King County Flood Control District. This amount is approximately 4.4 percent above the Engineer's Estimate. Sufficient funds have been budgeted to fund this contract in the 2017-2023 Utilities CIP Budget.

### **STAFF CONTACTS**

Nav Ota, Director, 452-2041

Paul Bucich, Assistant Director, Engineering, 452-4596

*Utilities Department*

### **POLICY CONSIDERATION**

#### Utilities Department policies:

- The Utility shall identify drainage capital projects that prevent or reduce flooding or property damage, protect or improve water quality, and maintain or improve the reliability and integrity of the drainage system. The Utility shall implement projects based on priorities that are systematically identified using a rating guide to be developed by staff.

#### Utilities Department practices:

- It is the practice of the Utilities Department to identify and implement capital projects via the CIP that prevent or reduce flooding or property damage, protect or improve water quality, and maintain or improve the reliability and integrity of the drainage system. CIP No. D-106 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**

The City of Bellevue has received and responded to numerous flooding complaints in the Coal Creek Newport Shores neighborhood over the last twenty years. Prior to the City annexing the area, King County struggled with these problems for decades. With funding from the King County Flood Control District, the City has initiated a series of projects to eliminate/ or reduce the creek side and local flooding throughout the neighborhood where feasible. Extensive analysis resulted in recommending

replacement of the five roadway culverts and installation of two new outfalls to Lake Washington for local drainage. Based on the size of the projects, the work was divided into three groups. The first group consists of the upper Skagit Key Culvert Replacement design and construction.

In order to reliably pass major storm flows and debris, to provide fish passage and habitat and meet bridge requirements, this project will replace an undersized box culvert with a 24-foot wide drilled shaft bridge. The design has incorporated neighborhood input such as revising the concrete traffic barriers at the edge of the culvert with traffic rated metal railings that allow pedestrians and drivers to see through.

King County Flood Control District has allocated \$8.2M in its CIP program for solving the flooding issues in the Newport Shores neighborhood. At this time, staff have identified potential future funding shortfalls for completion of the remaining two groups of projects. This first project is not impacted by potential future funding shortfalls and is the first necessary replacement project in a larger effort. Staff will work with the Flood District to identify additional funding for future work.

Bids were opened on April 13 and are as follows:

Olson Brothers Excavating, Inc.	\$1,068,595
Active Construction, Inc.	\$1,323,333
C.A. Carey Construction	\$1,460,460
<b>Engineer's Estimate</b>	<b>\$1,024,003</b>

The bid price by the low bidder, Olson Brothers Excavating, Inc., exceeds the Engineer's Estimate by approximately 4.4 percent. Staff have reviewed the bid and believe that the price received from the low bidder is valid and represents a fair cost to perform the work. Several bids were received, and staff believe bids were competitive. The low bid price is reasonably close to the Engineer's Estimate, and it is unlikely that re-bidding the project will provide better results than that obtained with this bid.

Although the bid for this project exceeds the Engineer's Estimate, 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 approved, this Motion becomes effective immediately upon Council adoption.

**OPTIONS**

1. Award Bid No. 17006 for Lower Coal Creek Flood Hazard Reduction - Group 1 Upper Skagit Key Culvert Replacement to Olson Brothers Excavating, Inc., as the lowest responsible and responsive bidder, in the amount of \$1,068,595 plus all applicable taxes (CIP Plan No. D-106).
2. Award the bid to the next lowest bidder if the low bidder is not responsive.
3. Reject all bids and provide alternative direction to staff.

**RECOMMENDATION**

Option 1

**MOTION**

Move to award Bid No. 17006 for Lower Coal Creek Flood Hazard Reduction - Group 1 Upper Skagit Key Culvert Replacement to Olson Brothers Excavating, Inc., as the lowest responsible and responsive bidder, in the amount of \$1,068,595 plus all applicable taxes (CIP Plan No. D-106).

**ATTACHMENTS**

- A. Vicinity Map
- B. CIP Project Description

**AVAILABLE IN COUNCIL DOCUMENT LIBRARY**

N/A