

September 5, 2017

CITY COUNCIL AGENDA MEMORANDUM

SUBJECT

Motion to award Bid No. 17052 for Storm Drain Trenchless Repair (2017) to Michels Corporation, as the lowest responsible and responsive bidder, in the amount of \$1,025,230.00 plus all applicable taxes (CIP Plan No. D-64).

FISCAL IMPACT

Awarding this bid commits the City to payment of \$1,025,230.00 plus all applicable taxes. This contract is fully funded through the Utility's Storm Water System Conveyance Repairs and Replacement project (CIP Plan No. D-64). This amount is approximately 1.4 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 Otal, Director, 452-2041

Paul A. Bucich, Assistant Director of 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.

Utilities Department practice:

- Rehabilitate or replace deteriorated elements of the storm drainage system to ensure that Utility Customers are provided with consistent and reliable service. CIP Plan No. D-64 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

This contract involves inserting internal lining into existing pipes which are deteriorated by excessive corrosion, root penetration, gasket failure, joint separation, cracks and slight deformation at 25 different sites within City of Bellevue right of way in Bellevue's service area. All of these pipes are conveying significant flows and, if pipe conditions continue to deteriorate further, pipe deformation will worsen, eliminating the possibility of repairing by the less expensive and less disruptive trenchless methods. In addition, if not repaired, storm water backup may result in flooding and claims.

Approved traffic control plans were included in the contract to address traffic safety during construction. The contractor will install storm water bypass systems to handle storm water safely and bypass ramps at the driveway locations to maintain egress and ingress to affected home owners during

construction. Neighborhood letters will be sent to property owners who will be impacted by traffic control.

By awarding this trenchless contract, the City will avoid pipe failure and expensive and disruptive conventional construction work to excavate and replace the pipe.

Bids were opened on August 2 and are as follows:

| | |
|---------------------|----------------|
| Michels Corporation | \$1,025,230.00 |
| Engineer's Estimate | \$1,010,950.00 |

Although the City only received one bidder on this contract the Engineer believes that a reasonable bid for the intended work was received and advertising at a later date will not result in lower bids due to the nature of the work.

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 approved, this Motion becomes effective immediately upon Council adoption.

OPTIONS

1. Award Motion to award Bid No. 17052 for Storm Drain Trenchless Repair (2017) to Michels Corporation, as the lowest responsible and responsive bidder, in the amount of \$1,025,230.00 plus all applicable taxes (CIP Plan No. D-64).
2. Award contract to another bidder, if low bidder is rejected.
3. Reject all bids and re-bid at a later date.

RECOMMENDATION

Option 1

MOTION

Move to award Bid No. 17052 for Storm Drain Trenchless Repair (2017) to Michels Corporation, as the lowest responsible and responsive bidder, in the amount of \$1,025,230.00 plus all applicable taxes (CIP Plan No. D-64).

ATTACHMENTS

- A. Vicinity Map
- B. CIP Project Description (D-64)

AVAILABLE IN COUNCIL DOCUMENT LIBRARY

N/A