

March 19, 2018

CITY COUNCIL AGENDA MEMORANDUM

SUBJECT

Motion to award Bid No. 17073 for AC Water Main Replacement 2017 – Phase 3 to Earthwork Enterprises, as the lowest responsible and responsive bidder, in the amount of \$3,375,728 plus all applicable taxes (CIP Plan Nos W-16 and W-67).

FISCAL IMPACT

Awarding this bid commits the City to a payment of \$3,375,728 plus all applicable taxes. This contract is fully funded through the Utility's CIP Program as follows:

Small Diameter Water Main Replacement Program	CIP Plan No. W-16	\$3,252,349.01
Pressure Reducing Valve Rehabilitation	CIP Plan No. W-67	123,378.99
	Total Bid Price	3,375,728.00

This amount is approximately 16.3 percent below 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

Linda De Bolt, Assistant Director of Engineering, 452-4625

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.

Utilities Department practice:

- Replace small diameter asbestos cement water main installed in the late 1940's and 1950's to reduce the possibility of water main breaks. CIP Plan No. W-16 has been designated to do this.
- Replacing old and outdated pressure reducing stations, commercial meters, fire hydrants and service lines ensures utility customers receive consistent, reliable service, and ensures the system infrastructure delivers adequate water flow for fire protection. 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.

BACKGROUND

The Small Diameter Water Main Replacement program has been ongoing for a number of years. The proposed replacement of older asbestos cement water mains will reduce the possibility of pipeline

failure that may result in property damage and potential claims against the City, and is consistent with the Utilities asset management program.

To achieve the best possible price for these improvements, several project sites have been combined into one bid package. This combined project will replace approximately 13,240 linear feet of aging and undersized water main pipe throughout the Utilities service area. Utilities Department has been coordinating with individual property owners to minimize construction inconveniences to neighborhoods.

The project sites are located in the Springhill, Northtowne, Manor Hill, Hill Top and Horizon Crest areas within the Bellevue service area.

Bids were opened on February 8 and are as follows:

Earthwork Enterprises, Inc.	\$3,375,728.00
Laser Underground & Earthwork	\$3,408,758.70
Fury Site Works	\$3,542,242.45
D&G Backhoe, Inc.	\$3,576,086.18
Kar-Vel Construction	\$3,639,790.00
Road Construction	\$4,754,512.00
Thomco Construction, Inc.	\$5,208,309.10
Engineer's Estimate	\$4,031,413.00

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. 17073 for AC Water Main Replacement 2017 – Phase 3 to Earthwork Enterprises, as the lowest responsible and responsive bidder, in the amount of \$3,375,728 plus all applicable taxes (CIP Plan Nos W-16 and 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 1

MOTION

Move to award Bid No. 17073 for AC Water Main Replacement 2017 – Phase 3 to Earthwork Enterprises, as the lowest responsible and responsive bidder, in the amount of \$3,375,728 plus all applicable taxes (CIP Plan Nos W-16 and W-67).

ATTACHMENTS

- A. Vicinity Map
- B. CIP Project Description (W-16)
- C. CIP Project Description (W-67)

AVAILABLE IN COUNCIL DOCUMENT LIBRARY

N/A