

**CITY COUNCIL REGULAR SESSION**

Motion to award Bid No. 19000 for Fire Hydrant Standardization 2018 to HighMark Enterprises, LLC , as the lowest responsive and responsible bidder, in an amount not to exceed \$412,358.38 plus all applicable taxes (CIP Plan No. W-82).

Nav Otal, Director, 452-2041

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

*Utilities Department*

**EXECUTIVE SUMMARY**

This motion will award Bid No. 19000 to HighMark Enterprises, LLC for Fire Hydrant Standardization 2018.

**RECOMMENDATION**

Move to award Bid No. 19000 for Fire Hydrant Standardization 2018 to Highmark Enterprises, LLC.

If approved, effective date: 03/18/2019

**BACKGROUND/ANALYSIS**

The fire hydrant replacement program was recommended in the 1992 Water Comprehensive Plan Update to improve the available water flow and emergency response time in the event of a fire. This program has been gradually replacing non-standard two-port hydrants with Bellevue's current standard three-port hydrants. The two-port hydrants restrict flow compared to the modern three-port hydrants and require special adapters to attach fire hoses. This contract will replace the last remaining two-port fire hydrants in Bellevue Water system that aren't already part of other projects. Utilities usually replaces these hydrants when we construct water system infrastructure projects. This includes replacing 12 non-standard two-port hydrants with Bellevue's current standard three-port hydrants and removing one non-standard two-port hydrant. The hydrants replaced and removed in this contract are located at various sites within the City of Bellevue.

Bids were opened on January 29 and are as follows. Please note, these bids include 10 percent Washington State sales tax on applicable bid items.

|                               |              |
|-------------------------------|--------------|
| HighMark Enterprises          | \$412,358.38 |
| Northwest Cascade, Inc.       | \$580,967.20 |
| Kar-Vel Construction          | \$610,661.70 |
| Laser Underground & Earthwork | \$639,578.50 |
| Road Construction NW Inc.     | \$745,566.06 |

**Engineer's Estimate** **\$333,759.25**

The low bid from HighMark Enterprises is \$78,599.13 greater than the Engineer's Estimate. Utilities performed a bid evaluation and found that the inconsistent bid prices are likely due to the current bidding climate and the proposed work being spread throughout the City. Work of this nature can

increase mobilization costs and reduce efficiencies for the contractor. While the risk of this occurring was considered, it was not included in the engineer's estimate in an effort to limit influence on the bids.

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.

## **POLICY & FISCAL IMPACTS**

### **Policy Impact**

City Comprehensive Plan policies: Provide reliable water service for domestic use, fire flow protection, and emergencies.

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: Replace non-standard hydrants that have outdated two-port connections, thereby improving the rate of water flow and reducing response time in the event of a fire. CIP Plan No. W-82 has been designated to do this.

Bellevue City Code: BCC 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.

### **Fiscal Impact**

Awarding this bid commits the City to payment of \$412,358.38, plus all applicable taxes. This contract is fully funded through the Fire Hydrant Standardization (CIP Plan No. W-82). Sufficient funds have been budgeted to fund this contract in the 2019-2025 CIP Budget.

## **OPTIONS**

1. Award Bid No. 19000 for Fire Hydrant Standardization 2018 to HighMark Enterprises, LLC, as the lowest responsive and responsible bidder, in an amount not to exceed \$412,358.38 plus all applicable taxes (CIP Plan No. W-82).
2. Award contract to another bidder, if low bidder is rejected.
3. Reject all bids and re-bid at a later date.

## **ATTACHMENTS & AVAILABLE DOCUMENTS**

- A. Vicinity Map
- B. CIP Project Description

**AVAILABLE IN COUNCIL LIBRARY**

N/A