

**CITY COUNCIL REGULAR SESSION**

Motion to award Bid No. 19062 for Somerset Reservoir 1 Pressure Reducing Valve (PRV) Relocation to Earthwork Enterprises, Inc., as the lowest responsive and responsible bidder, in an amount not to exceed \$354,068 plus all applicable taxes (CIP Plan No. W-85).

Nav Otal, Director, 452-2041

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

*Utilities Department*

**EXECUTIVE SUMMARY**

This motion will award Bid No. 19062 to Earthwork Enterprises, Inc. for Somerset Reservoir 1 PRV Relocation.

**RECOMMENDATION**

Move to award Bid No. 19062 for Somerset Reservoir 1 PRV Relocation to Earthwork Enterprises, Inc.

If approved, effective date: 08/05/2019

**BACKGROUND/ANALYSIS**

The City of Bellevue's Reservoir Rehabilitation/Replacement Program (CIP Plan No. W-85) funds the rehabilitation or replacement of drinking water reservoirs to mitigate earthquake damage or to address age or use related deterioration.

Somerset No. 1 reservoir was included in a 1993 Reservoir Seismic Vulnerability Study which identified needs for reservoir upgrade. Subsequent to this study, the Utility changed water system operations to enable the Somerset No. 1 Reservoir to be permanently taken out of service. However, a City pressure reducing valve (PRV) is structurally attached to the reservoir, and both the reservoir and PRV are located within an easement with a private property owner. In 2008 and again in 2012, the City has worked with the property owner to evaluate alternatives to either remove or repurpose the reservoir structure. These discussions are proceeding, albeit slowly.

Since all of the alternatives being considered require relocation of the existing PRV, which is needed for water system operations, Utilities is proceeding with the PRV relocation work as a separate project.

This construction contract will relocate the PRV station into public right-of-way approximately 300 feet down gradient from the current location. Construction will include installation of associated piping, piping appurtenances, and road, sidewalk, and landscaping restoration activities.

Bids were opened on June 20 and are as follows. Please note, these bids include 10 percent Washington State sales tax on applicable bid items.

Earthwork Enterprises, Inc.	\$354,068.00
Kar-Vel Construction	\$366,320.90
Laser Underground & Earthworks	\$368,225.00

**Engineer's Estimate**

**\$345,599.10**

The low bid from Earthwork Enterprises, Inc. is \$8,468.90 or 2.5 percent greater than the engineer's estimate. While slightly higher than the engineers estimate, the low bid is well within the tolerances of the engineer's estimate and is considered a good bid.

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: Rehabilitate or replace deteriorated elements of the water system. CIP Plan No. W-85 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 \$354,068 plus all applicable taxes. This contract is fully funded through the Reservoir Rehabilitation or Replacement Program (CIP Plan No. W-85). Sufficient funds have been budgeted to fund this contract in the 2019-2025 CIP Budget.

## **OPTIONS**

1. Award Bid No. 19062 for Somerset Reservoir 1 Pressure Reducing Valve (PRV) Relocation to Earthwork Enterprises, Inc., as the lowest responsive and responsible bidder, in an amount not to exceed \$354,068 plus all applicable taxes (CIP Plan No. W-85).
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