

**CITY COUNCIL REGULAR SESSION**

Motion to award Bid No. 20011 for AC Water Main Replacement 2020 Phase 1 to Kar-Vel Construction, as the lowest responsive and responsible bidder, in an amount not to exceed \$4,797,099.60 plus all applicable taxes (CIP Plan No. W-16).

Nav Otal, Director, 452-2041

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

*Utilities Department*

**EXECUTIVE SUMMARY**

This motion will award Bid No. 20011 to Kar-Vel Construction for AC Water Main Replacement 2020 Phase 1.

**RECOMMENDATION**

Move to award Bid No. 20011 for AC Water Main Replacement 2020 Phase 1 to Kar-Vel Construction.

**BACKGROUND/ANALYSIS**

The Small Diameter Water Main Replacement program has been ongoing for a number of years. 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.

This project will replace approximately 16,000 linear feet of aging and undersized water main pipe in the Utilities service area(s) of Eastgate, Rock Creek, Apple Valley, Bellewood Farms, Stanley Park, Diamond S Farms, Pikes Peak, Cherry Crest, Town of Yarrow Point, and City of Clyde Hill. Utilities has been coordinating with individual property owners to minimize construction inconveniences to their respective property and the neighborhood. Also, Utilities has been coordinating with the City of Clyde Hill and the Town of Yarrow Point to ensure this work is completed prior to their overlay, storm drainage, and PSE power undergrounding project(s) in summer 2020.

Bids were opened on April 3 and are as follows. Please note, these bids include 10 percent Washington State sales tax on applicable bid items.

Kar-Vel Construction Inc	\$5,276,809
Interwest Construction Inc	\$5,813,953
Fury Site Works Inc	\$5,842,990
Road Construction Northwest Inc	\$6,176,402

**Engineer's Estimate****\$5,421,740**

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 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.

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.

### **Fiscal Impact**

Awarding this bid commits the City to payment of \$4,797,099.60, plus all applicable taxes. This contract is fully funded through Small Diameter Water Main Replacement (CIP Plan No. W-16). Sufficient funds have been budgeted to fund this contract in the 2019-2025 CIP Budget.

## **OPTIONS**

1. Award Bid No. 20011 for AC Water Main Replacement 2020 Phase 1 to Kar-Vel Construction, as the lowest responsive and responsible bidder, in an amount not to exceed \$4,797,099.60 plus all applicable taxes (CIP Plan No. W-16). Award contract to another bidder, if low bidder is rejected.
2. 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