

CITY COUNCIL REGULAR SESSION

Motion to award Bid No. 20019 for Cougar Mountain 3A Reservoir Reline to Industrial Coatings Unlimited, as the lowest responsive and responsible bidder, in an amount not to exceed \$158,000 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. 20019 to Industrial Coatings Unlimited for Cougar Mountain 3A Reservoir Reline.

RECOMMENDATION

Move to award Bid No. 20019 for Cougar Mountain 3A Reservoir Reline to Industrial Coatings Unlimited.

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. The Cougar Mountain 3A (CM3A) Reservoir is a 0.3 million gallons steel water tank built in 1997. As currently designed and configured, operation of Cougar Mountain 2 Pump Station and Cougar Mountain 3 Pump Station (sole supply to pressure zones CM1300, CM1465, and CM1575) requires either CM3A or an adjacent Cougar Mountain 3 (CM3) reservoir to be operational.

Furthermore, CM3 Reservoir is overdue for maintenance which cannot be performed until CM3A reservoir is operational. Since CM3A is out of service, there is no storage backup should something happen with CM3. The CM3A is currently not operational primarily due to failed internal coating issues and can only be operational after the coating issues are mitigated. The 2016 Water System Plan recommended interior coating (re-lining) of CM3A reservoir, and this was included in the Utilities Capital Improvement Plan. This construction contract is for a full interior recoating of CM3A reservoir.

Bids were opened on March 12 and are as follows. Please note, these bids include 10 percent Washington State sales tax on applicable bid items.

Industrial Coatings Unlimited	\$173,800
S&K Painting, Inc.	\$271,000
Long Painting Company	\$294,314
Coating Applicators	\$327,363
Coastal Services, Inc.	\$332,750

Engineer's Estimate

\$321,779

The low bid from Industrial Coatings Unlimited is about 46 percent lower than the engineer's estimate. This is likely due to the current bidding climate. There were five bids received and the engineer's estimate was close to the remaining four submitted bids. Staff have confirmed with the low bidder that all cost factors were accounted for and they believe that the required work can be completed for the amount 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 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 \$158,000, plus all applicable taxes. This contract is fully funded through Reservoir Replacement or Rehabilitation (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. 20019 for Cougar Mountain 3A Reservoir Reline to Industrial Coatings Unlimited, as the lowest responsive and responsible bidder, in an amount not to exceed \$158,000 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

