

**CITY COUNCIL REGULAR SESSION**

Motion to award Bid No. 20030 for Lake Heights Wastewater Pump Station Rehabilitation to Gary Harper Construction, as the lowest responsive and responsible bidder, in an amount not to exceed \$1,042,061 plus all applicable taxes (CIP Plan No. S-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. 20030 to Gary Harper Construction for Lake Heights Wastewater Pump Station Rehabilitation.

**RECOMMENDATION**

Move to award Bid No. 20030 for Lake Heights Wastewater Pump Station Rehabilitation to Gary Harper Construction.

**BACKGROUND/ANALYSIS**

The Lake Heights Waste Water Pump Station is located in the Newport neighborhood on a private driveway adjacent to 116<sup>th</sup> Place SE and below a steep slope. It was built in 1959 and was re-built by Coal Creek Utility District (CCUD) in 1987. Its operation and maintenance was taken over by the City from Coal Creek Utility District in 2004. The pumps and mechanical equipment have reached their expected useful life. The pump station electrical building is a confined space and does not comply with current electrical code. The Lake Heights Wastewater Pump Station Rehabilitation Project will replace the pump station building, pumps, piping and mechanical equipment in order to continue sewer services to customers for the future. The new building will also require construction of a retaining wall to support the pump station and bypass pumping system to maintain flows during construction.

Bids were opened on June 18 and are as follows. Please note, these bids include 10 percent Washington State sales tax on applicable bid items.

Gary Harper Construction	\$1,146,267.10
Interwest Construction Inc	\$1,196,896.80
McClure and Sons, Inc	\$1,292,618.80
Award Construction Inc	\$1,310,578.50

**Engineer's Estimate****\$687,484.88**

The low bid from Gary Harper Construction is \$458,782.22 or 66.7 percent greater than the engineer's estimate. The range between the high and low bids is 14.34 percent, indicating that the plans and specifications were interpreted relatively consistently between all the bidders. The increase in bid prices over the engineers estimate is most likely due to the design engineer's under estimation of the construction costs for several bid items.

Staff have discussed the bids with the design engineer and with the low and high bidders. Bidders confirmed that they have material supplier and sub-contractor quotes that substantiate their bids and noted that bid prices were related to higher costs for building materials, the difficulty of the site to work on due to steep slopes with several large trees and overhead power lines, higher costs for bypass pumping, a narrow residential access roadway and little room to stage equipment and materials on. These factors increased the cost of construction above the engineer's estimate.

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 Contractors' bids. 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**

Utilities Department policies: To invest resources as necessary to construct, maintain and renew sewer system infrastructure and equipment such that Utility customers are provided consistent, reliable service.

Utilities Department practice: Rehabilitate or replace deteriorated elements of the wastewater system. CIP Plan No. S-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 \$1,042,061 plus all applicable taxes. This contract is fully funded through Sewer Pump Station Improvements Program (CIP Plan No. S-16). Sufficient funds have been budgeted to fund this contract in the 2019-2025 CIP Budget.

## **OPTIONS**

1. Award Bid No. 20030 for Lake Heights Wastewater Pump Station Rehabilitation to Gary Harper Construction, as the lowest responsive and responsible bidder, in an amount not to exceed \$1,042,061 plus all applicable taxes (CIP Plan No. S-16).
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