

CITY COUNCIL REGULAR SESSION

Motion to reject the only bid submitted by James W. Fowler Company for Bid No. 20077 - Pikes Peak Reservoir Replacement - due to this bid of \$6,281,200 having exceeded the Engineer's Estimate of \$4,913,460 (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 reject the bid for Bid No. 20077 for Pikes Peak Reservoir Replacement for exceeding the Engineer's Estimate.

RECOMMENDATION

Move to reject the bid for Bid No. 20077 for Pikes Peak Reservoir Replacement (CIP Plan No. W-85) for exceeding the Engineer's Estimate, revise the bidder qualification criteria, and re-advertise for bids in the near future.

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 existing Pikes Peak 1.0-million-gallon steel reservoir and Pikes Peak pump station located within Bridle Trails State Park (BTSP) needs to be replaced with a 1.25 million-gallon reservoir (based on the 2016 Water System Plan update).

The existing reservoir is not up to current seismic standards, is nearing the end of its useful life, and does not have sufficient fire flow storage for the areas it serves. The pump station is also nearing the end of its useful life, is not up to current safety standards, and is one of the City's higher priority pump stations for replacement. Both facilities were originally built in 1968, and they reside within an easement from Washington State Parks. This project includes replacing the existing steel reservoir with a concrete reservoir at the existing site within BTSP. The existing Pikes Peak pump station is currently being replaced by the new Cherry Crest pump station through a separate CIP project.

Bids were opened on January 7 and are as follows.

James W. Fowler Co	\$6,281,200
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Engineer's Estimate**\$4,913,460**

The low bid from James W. Fowler Co is \$6,281,200, or 28 percent greater than the Engineer's Estimate. This is likely due to the current bidding climate as well as bidder qualification criteria that needs revision to allow more bidders to potentially bid on the project.

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. Therefore, staff recommend rejection of the

bid, making minor adjustments to the bidder qualification criteria, and re-bidding this project in the near future.

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 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.

BCC 4.28.040(I) authorizes the City Council to “reject any or all bids in its discretion and make further call for bids.”

Fiscal Impact

Rejecting this bid does not commit the City to a contract. Rejecting this bid and re-bidding this project in the near future is expected to result in a lower bid amount. However, the expected construction budget may need to be increased, depending on the bid results. This contract is intended to be funded through Reservoir Rehabilitation or Replacement (CIP Plan No. W-85).

OPTIONS

1. Reject the bid for Bid No. 20077 for Pikes Peak Reservoir Replacement (CIP Plan No. W-85) for exceeding the Engineer’s Estimate, revise the bidder qualification criteria, and re-advertise for bids in the near future.
2. Award the contract to the low and only bidder.
3. Reject the bid and provide alternative direction to staff.

ATTACHMENTS & AVAILABLE DOCUMENTS

- A. Vicinity Map
- B. CIP Project Description

AVAILABLE IN COUNCIL LIBRARY

N/A