Item No. 8(i)
May 21, 2012

CITY COUNCIL AGENDA MEMORANDUM

SUBJECT

Motion to award Bid No. 12067 for CBD Sanitary Sewer Capacity Improvements and Sewer Repair to Shoreline Construction Co., as the lowest responsive and responsible bidder, in an amount not to exceed $425,697.68 (CIP Plan Nos. S-24 and S-30).

FISCAL IMPACT

Awarding this bid commits the City to a contract in the amount of $425,697.68, which is 2.3% above the Engineer's Estimate. This work is included in the 2011-2017 Utilities CIP, and sufficient budget exists within the Utility's CIP Plan No. S-24, Sewer System Pipeline Rehabilitation and CIP Plan S-30, Sewer Service Extension to fully fund this contract.

Distribution of construction costs are as follows:

CIP Plan No. S-24, Sewer System Pipeline	$ 64,867.80
CIP Plan No. S-30, Sewer Service Extension	360,829.88
	$425,697.68

STAFF CONTACT

Michael Jackman, Interim Deputy Director, 452-6012
Wes Jorgenson, Assistant Director, 452-4887
Utilities Department

POLICY CONSIDERATION

It is the Utilities Department policy to design and construct sewer mains at various locations throughout the sewer system service area. These sewer mains will serve existing single-family residences. CIP Plan No. S-30 has been designated to do this.

It is also the Utilities Department policy to identify and implement capital projects via the CIP to rehabilitate or replace deteriorated elements of the wastewater systems, and resolve minor deficiencies or maintenance problems to provide utility customers with consistent, reliable service. CIP Plan No. S-24 has been designated to do this.

BACKGROUND

There are four sites associated with this project, all of which are located within the CBD (Central Business District). Work at three sites will improve wastewater conveyance capacity. Capacity is improved by either installing a larger diameter pipe or by installing a new pipe to divert flows to a pipe with higher capacity. A fourth location was added to these sites as a cost saving measure and repairs a sewer pipe damaged by another utility during directional drilling.

Sewer capacity improvements will be done along NE 8th Street at Bellevue Way and 106th Avenue NE.

Work involves installing a larger pipe at Bellevue Way and installing a new pipe to divert flow to a higher capacity main at 106th Avenue NE. The work on Main Street between 106th and 107th Avenues NE is a continuation of an earlier phase. Work here involves connecting a side sewer to the new system and abandoning the old system. The City needed to wait to complete the Main Street work until after an adjacent developer completed their sewer work which involved connecting to the new main.

The sewer repair work is located at NE 2nd Street and 112th Avenue NE. The existing pipe was damaged when it was drilled through. At this time it cannot be determined which utility caused the damage. The pipe needs to be uncovered in order to determine who the conduit belongs to. The offending utility will be asked to reimburse the City for costs incurred to make repairs.

Since this work occurs within the CBD the Utility undertook a public relations campaign to inform the public of the upcoming project and its impacts and 5000 post cards were mailed to adjacent residents and businesses that may be affected by the construction work. The post card included an invitation to a project open house where questions could be asked and concerns expressed. Two people attended the April 5th open house. The project was also mentioned in the local paper and notice was posted on the City's website.

Bids were opened on May 3, 2012 and are as follows:

Shoreline Construction	$425,697.68
Road Construction	483,595.80
Kamins Construction	585,295.90
R.L. Alia	591,300.00
Westwater Construction Co.	662,520.99

Engineer's Estimate **$416,000**

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.

EFFECTIVE DATE

If adopted, the award of this bid will become effective immediately.

OPTIONS

1. Award Bid No. 12067 for CBD Sanitary Sewer Capacity Improvements and Sewer Repair to Shoreline Construction Co., as the lowest responsive and responsible bidder, in an amount not to exceed $425,697.68 (CIP Plan Nos. S-24 and S-30).
2. Award contract to another bidder, if low bidder is rejected.
3. Reject all bids and re-bid at a later date.

RECOMMENDATION

Adopt Option No. 1, which awards Bid No. 12067 for CBD Sanitary Sewer Capacity Improvements and Sewer Repair to Shoreline Construction Co., as the lowest responsive and responsible bidder, in an amount not to exceed $425,697.68 (CIP Plan Nos. S-24 and S-30).

References listed by the Contractor in their bid submittal have been checked by staff. Based on comments received from these references, it has been determined that this contractor can satisfactorily perform the work as proposed in this contract.

MOTION

Move to award Bid No. 12067 for CBD Sanitary Sewer Capacity Improvements and Sewer Repair to Shoreline Construction Co., as the lowest responsive and responsible bidder, in an amount not to exceed $425,697.68 (CIP Plan Nos. S- 24 and S-30).

ATTACHMENTS

Vicinity Map
CIP Project Description

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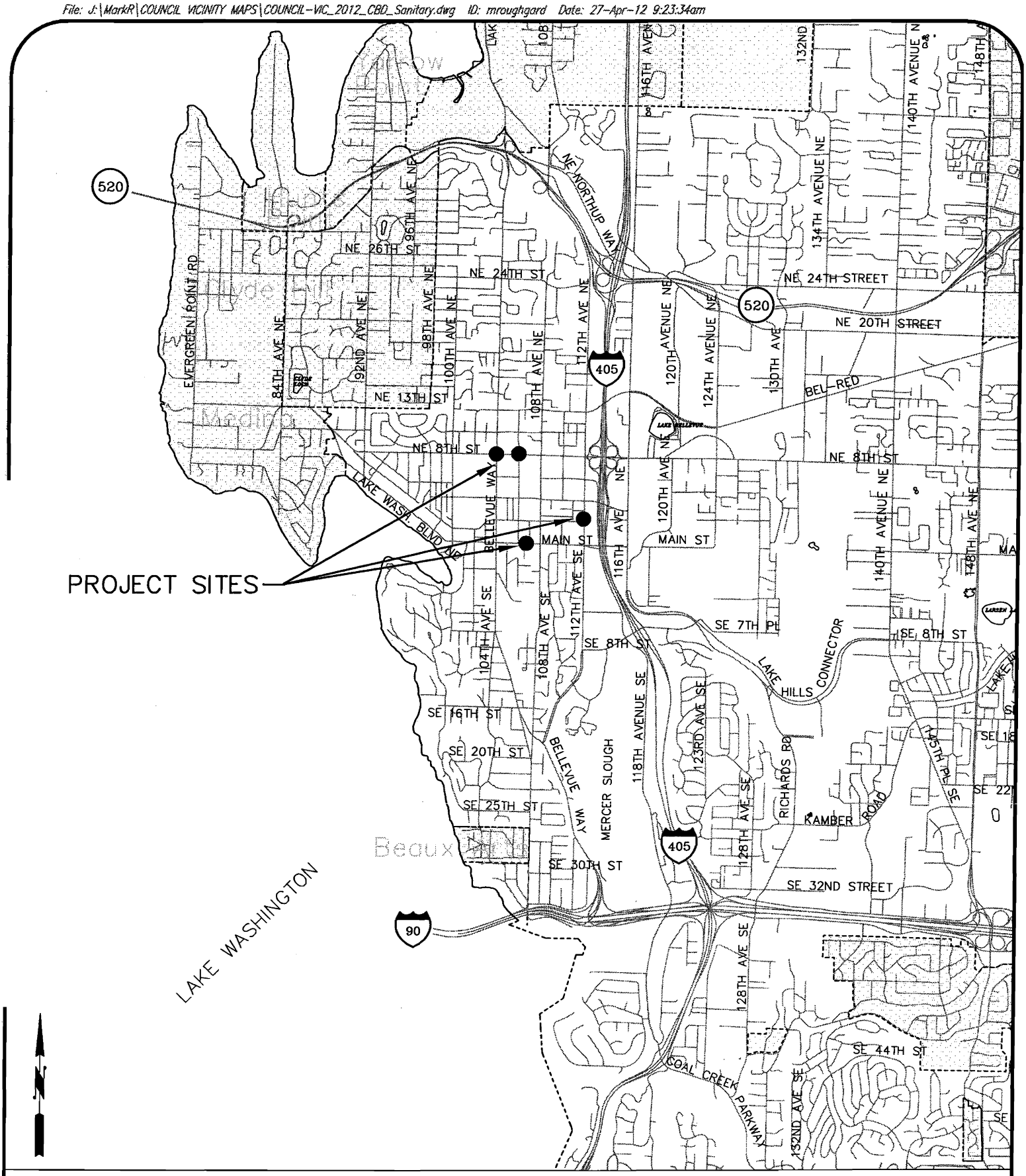


--------- CITY OF BELLEVUE CITY LIMITS

VICINITY MAP

CBD SANITARY SEWER CAPACITY IMPROVEMENTS
C.I.P. NO. S-24 AND S-30

S-24 Sewer System Pipeline Rehabilitation

Category: **Sewer**
Department: **Utilities**

Status: **Ongoing**
Location: **Various locations throughout Sewer Utility's service area**

Programmed Funding

Programmed Funding	Appropriated To Date	FY 2011 Budget	FY 2012 Budget	FY 2013 Budget	FY 2014 Budget	FY 2015 Budget	FY 2016 Budget	FY 2017 Budget
23,122,293	12,278,000	1,086,800	1,130,272	1,175,521	1,754,850	1,825,050	1,897,950	1,973,850

Description and Scope

This program funds repair of localized defects and occasional relining or replacement of defective sewer pipes. Most defects are identified from the Utility's infrastructure condition assessment (video) program. Pipes are selected for replacement based on risk of failure (likelihood and consequence), failure history, and to coordinate with other construction, such as planned street overlays (which reduce restoration costs).

PROJECT NEED: System Renewal and Replacement

Rationale

Bellevue's 650+ miles of sewer mains and 'stubs' that carry wastewater from homes and businesses to the mains are rapidly deteriorating. Most are 35-60 years old, and more than halfway through their expected functional life. As pipes age, cracks become wider and joints between pipes loosen, increasing the likelihood of blockages that cause sewer backups. Pipe rehabilitation reduces pipeline failures, reduces the risk of blockages or collapse that could result in property damage, and reduces the amount of ground water entering the sewer system which in turn reduces the risk of exceeding the system capacity.

In most cases, localized 'spot' repairs are the most cost effective choice and assure maximum total pipe life. Video observations and condition data indicates Bellevue will need to begin full pipe replacement or relining in the next few years, which will require significantly higher investment.

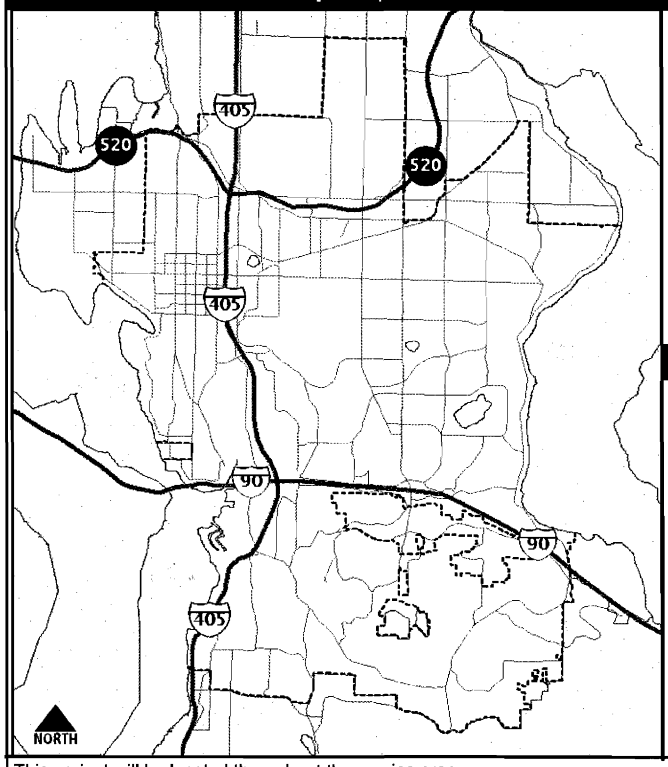
Environmental Impacts

The environmental impacts and the State Environmental Protection Act (SEPA) requirements will be determined for each replacement segment, but they are generally SEPA exempt.

Operating Budget Impacts

This project will have no impact on operating revenues (and/or) expenditures, since it replaces or repairs existing facilities.

Project Map



Schedule of Activities

Project Activities	From - To	Amount
Project Costs	1990 - Ongoing	23,122,293
Total Budgetary Cost Estimate:		23,122,293

Means of Financing

Funding Source	Amount
Charges for Services	6,000
Judgements/Settlements	84,000
Miscellaneous Revenue	806,000
Private Contributions	67,000
Utility Rates/Fees	22,159,293
Total Programmed Funding:	23,122,293
Future Funding Requirements:	0

This project will be located throughout the service area.

S-30 Sewer Service Extension

Category: **Sewer**
Department: **Utilities**

Status: **Ongoing**
Location: **Various locations throughout Sewer Utility's service area**

Programmed Funding

Programmed Funding	Appropriated To Date	FY 2011 Budget	FY 2012 Budget	FY 2013 Budget	FY 2014 Budget	FY 2015 Budget	FY 2016 Budget	FY 2017 Budget
11,068,079	8,152,000	369,200	383,968	399,340	415,315	431,929	449,182	467,145

Description and Scope

This ongoing program provides funds for the design and construction of new sewer pipes for development or redevelopment, or to extend sewer pipes to areas with failing septic systems throughout the service area. These facilities are constructed to serve areas that currently do not have sewer service available.

PROJECT NEED: System Expansion

Rationale

This program facilitates orderly extension of the sewer system, which state and county policies encourage, and provides an affordable option for customers who might otherwise not be able to develop their property. Projects are typically constructed in areas where the City is approached by affected property owners or in conjunction with other Utility or roadway construction. Each project requires majority support of affected property owners, except when health or safety is at risk. The program eliminates dependence on septic systems by providing sewer service. It reduces costs and disruption to communities when constructed in conjunction with other projects.

Property owner interest fluctuates annually, resulting in some years with no construction, and other years with substantial new construction. As the sewer system approaches build-out, fewer requests for sewer system extension are anticipated. Benefited properties pay their share of the project costs through connection charges when they connect.

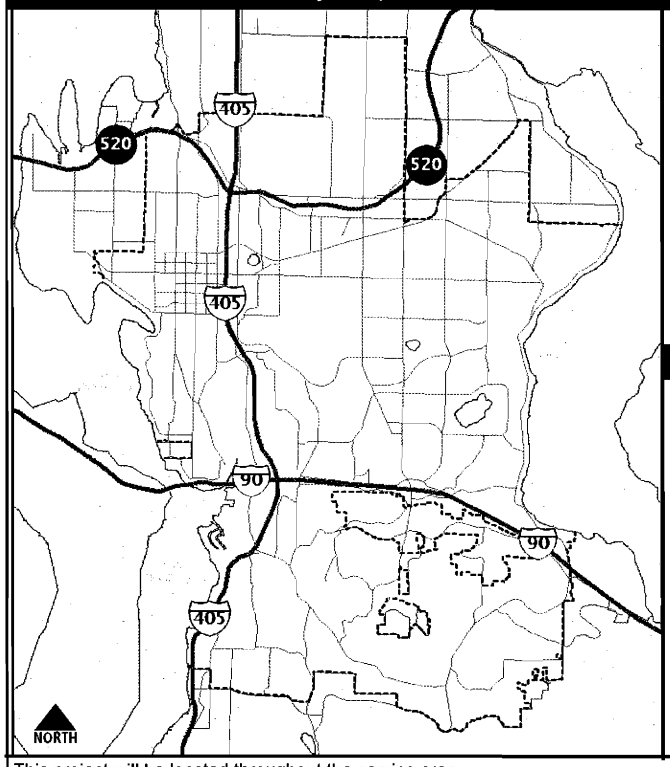
Environmental Impacts

The environmental impacts and the State Environmental Protection Act (SEPA) requirements are determined for each specific project.

Operating Budget Impacts

Operating budget costs will increase due to the addition of new sewer pipe. Additional operating costs will be incremental depending on the length and location of new sewer pipes, and can be approximated at $0.90/LF. The existing budget allows construction of approximately 1,000 LF of sewer pipe each year, which is only constructed if requests are received.

Project Map



Schedule of Activities

Project Activities	From - To	Amount
Project Costs	1990 - Ongoing	11,068,079
Total Budgetary Cost Estimate:		11,068,079

Means of Financing

Funding Source	Amount
Charges for Services	5,000
Miscellaneous Revenue	823,000
Utility Rates/Fees	10,240,079
Total Programmed Funding:	11,068,079
Future Funding Requirements:	0

This project will be located throughout the service area.