



**TO:** Board of Contracts and Awards  
**FROM:** Geoffrey M. Smyth, P.E., Division Manager, Science & Engineering  
 Michael P. Slevin III, P.E., Director, Environmental Services  
**COPY:** City Council, City Manager, City Clerk, SBE Coordinator, LEAP Coordinator,  
 Kari Prussen, P.E., Project Manager, and Jessica Tonka, Finance/Purchasing  
**SUBJECT:** 2017 Wastewater and Stormwater Sewer Rehabilitation CIPP Project  
 Request for Bids Specification No. ES17-0002F – July 11, 2017  
**DATE:** June 23, 2017

**SUMMARY:**

The Environmental Services Department recommends a contract be awarded to Insituform Technologies, LLC, Chesterfield, MO, in the amount of \$1,046,724.00, plus a 15 percent contingency, for a cumulative total of \$1,203,732.60, excluding applicable sales tax, budgeted from ES Wastewater Fund 4300 and ES Surface Water Fund 4301, for the rehabilitation of approximately 2.8 miles of underground wastewater and stormwater sewer pipes in various locations.

**STRATEGIC POLICY PRIORITY:**

- Assure outstanding stewardship of the natural and built environment.

A reduced risk of wastewater sewer overflows and stormwater flooding represents an improvement to human health and the environment. For this construction work the City is able to utilize cured-in-place pipe (CIPP) trenchless technology to rehabilitate these existing wastewater and stormwater pipes without undertaking the more expensive and disruptive impact of traditional open-cut construction.

**BACKGROUND:**

ISSUE: The underground wastewater and stormwater sewer pipes in these various locations are reaching the end of their design life and are at risk of failure. Rehabilitation of these pipes will reduce the risk of future failures. Pipe failures can result in overflow of untreated wastewater into the Puget Sound or increased flooding of right-of-way or private property. This work will rehabilitate approximately 14,912 linear feet of 8-inch to 30-inch diameter underground pipe utilizing CIPP trenchless technology. Preventative maintenance of these underground pipes in these project areas represents the lowest life cycle cost solution to maintaining these assets.

ALTERNATIVES: One alternative is taking no action and accepting the risk of continued pipe failures which can result in untreated wastewater overflowing in the Puget Sound or stormwater flooding. An alternative construction method, traditional open-cut trenching, would have resulted in higher costs and a more significant impact to the neighborhoods during construction.

COMPETITIVE SOLICITATION: Request for Bids Specification No. ES17-0002F was opened June 13, 2017. The project was advertised in the Tacoma Daily Index, Seattle Daily Journal of Commerce, online contractor network, the state’s electronic bid website WEBS, and on the City’s Purchasing website. Two submittals were received. The table below reflects the amount of the base award.



<u>Respondent</u>	<u>Location (city and state)</u>	<u>Submittal Amount</u> <i>(excluding applicable sales tax)</i>	<u>Evaluated Submittal</u> <i>(excluding applicable sales tax)</i>
<b>Insituform Technologies, LLC</b>	<b>Chesterfield, MO</b>	<b>\$1,046,724.00</b>	<b>\$994,387.80</b>
Michels Corporation	Salem, OR	\$1,126,140.00	\$1,073,803.80

Pre-bid Estimate: \$917,306.50, excluding applicable sales tax  
 The recommended award is approximately 14.1 percent above the pre-bid estimate.

CONTRACT HISTORY: New contract.

SUSTAINABILITY: Replacement of these pipes will reduce the risk of failure thereby reducing the potential for discharge of untreated wastewater into the Puget Sound or stormwater flooding, resulting in positive environmental impacts.

SBE/LEAP COMPLIANCE: The recommended contractor is in compliance with the Small Business Enterprise (SBE) Regulation requirements per memorandum dated June 14, 2017. The SBE goal for this project is 5 percent. The SBE participation level of the recommended contractor is 11.85 percent. Insituform Technologies, LLC submitted the lowest evaluated bid per the SBE Regulation requirements. The Local Employment and Apprenticeship Training Program (LEAP) goal is 535 hours.

**RECOMMENDATION:**

The Environmental Services Department recommends a contract be awarded to Insituform Technologies, LLC, Chesterfield, MO, in the amount of \$1,046,724.00, plus a 15 percent contingency, for a cumulative total of \$1,203,732.60, excluding applicable sales tax, budgeted from ES Wastewater Fund 4300 and ES Surface Water Fund 4301, for the rehabilitation of approximately 2.8 miles of underground wastewater and stormwater sewer pipes in various locations.



**FISCAL IMPACT:**

**EXPENDITURES:**

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4300 ES Wastewater Fund*	ENV-04022-06	5330100	\$780,692.45
4301 ES Surface Water Fund	ENV-03029-07	5330100	\$423,040.15
<b>TOTAL</b>			<b>\$1,203,732.60</b>

\* General Fund: Include Department

**REVENUES:**

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4300 ES Wastewater Fund *	523900	Rate Revenues	\$780,692.45
4301 ES Surface Water Fund	521900	Rate Revenues	\$423,040.15
<b>TOTAL</b>			<b>\$1,203,732.60</b>

**POTENTIAL POSITION IMPACT:**

POSITION TITLE	PERMANENT/ PROJECT TEMPORARY POSITION	FTE IMPACT	POSITION END DATE
N/A			
<b>TOTAL</b>			

*This section should only be completed if a subsequent request will be made to increase or decrease the current position count.*

**FISCAL IMPACT TO CURRENT BIENNIAL BUDGET:** \$1,203,732.60 excluding applicable sales tax.

**ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED?** Yes

FINANCE PURCHASING  
JUN 27 2017 8:08:44

