



**TO:** Board of Contracts and Awards  
**FROM:** Michael P. Slevin III, P.E., Director, Environmental Services  
Geoffrey M. Smyth, P.E., Division Manager, Science & Engineering  
**COPY:** City Council, City Manager, City Clerk, SBE Coordinator, LEAP Coordinator,  
Joe Parris, Finance/Purchasing, and Kristy Beardemphl, P.E./Project Manager  
**SUBJECT:** Wastewater Sewer Replacement Project in the vicinity of 6<sup>th</sup> Avenue and Monroe  
Street, Request for Bids, Specification No. ES15-0003F – June 2, 2015  
**DATE:** May 18, 2015

**SUMMARY:**

The Environmental Services Department recommends a contract be awarded to Pape & Sons Construction, Inc., Gig Harbor, WA, in the amount of \$428,244.00, plus a 20 percent contingency, for a cumulative total of \$513,892.80, excluding applicable sales tax, budgeted from the ES Wastewater Fund 4300, for the construction of approximately 940 linear feet of 8-inch diameter underground wastewater pipe in the vicinity of 6th Avenue and Monroe Street.

**STRATEGIC POLICY PRIORITY:**

- Foster neighborhood, community, and economic development vitality and sustainability.

This project will replace underground wastewater pipes that have exceeded their design life and are at risk of failure. Failure of these pipes would have negative sustainability-related impacts, including untreated wastewater entering Commencement Bay.

**BACKGROUND:**

**ISSUE:** The underground wastewater pipes in the vicinity of this project were installed over 100 years ago and are at risk of failure. This project will replace approximately 940 linear feet of wastewater pipe in the area of 6<sup>th</sup> Avenue and Monroe Street. Replacement of these pipes will reduce the risk of failure which could result in the overflow of untreated wastewater into the Puget Sound and potentially into the basements of adjacent buildings. Preventative replacement of underground pipes in the project area, prior to complete failure, represents the lowest life cycle cost solution to maintaining these assets.

**ALTERNATIVES:** Alternatives to the project include lining the existing pipes or taking no action to replace the existing pipes. These wastewater pipes are not good candidates for pipe lining because of their deteriorated condition. If the existing pipes are not replaced, the rate and magnitude of isolated failures will increase with time. The risk of pipe failures and wastewater overflows will increase every year this project is postponed.

**COMPETITIVE SOLICITATION:** Request for Bids Specification No. ES15-0003F was opened May 5, 2015. The project was advertised in the Tacoma Daily Index and the Seattle Daily Journal of Commerce, in addition to being listed on the City’s Purchasing website. The City received six bid proposals. Pape & Sons Construction, Inc. submitted the lowest responsive bid. The following table reflects the amount of the base award.



<u>Respondent</u>	<u>Location</u> <i>(city and state)</i>	<u>Submittal</u> <u>Amount</u> <i>(excluding sales tax)</i>	<u>Evaluated</u> <u>Submittal</u> <i>(excluding sales tax)</i>
<b>Pape &amp; Sons Construction Inc.</b>	<b>Gig Harbor, WA</b>	<b>\$428,244.00</b>	<b>\$406,831.80</b>
Northwest Cascade Inc.	Tacoma, WA	\$466,031.00	\$442,729.45
Rodarte Construction Inc.	Auburn, WA	\$499,455.00	\$474,482.25
R L Alia Company	Renton, WA	\$509,780.00	\$484,291.00
Stan Palmer Construction Inc.	Bremerton, WA	\$597,035.00	\$597,035.00
Nova Contracting Inc.	Olympia, WA	\$648,400.00	\$648,400.00

Pre-bid Estimate: \$458,127.13, excluding applicable sales tax.

The recommended award is approximately 6.5 percent below the pre-bid estimate.

CONTRACT HISTORY: New contract.

SUSTAINABILITY: When completed, this project will result in structurally sound wastewater pipes. Replacement of the wastewater pipes will reduce the risk of failure thereby reducing the potential for discharge of untreated wastewater into the Puget Sound or on to neighboring properties.

SBE/LEAP COMPLIANCE: The recommended contractor is in compliance with the Small Business Enterprise (SBE) Regulation requirements per memorandum dated May 11, 2015. The SBE goal for this project is 13 percent. The SBE participation level of the recommended contractor is 13.19 percent. Pape & Sons Construction, Inc. submitted the lowest evaluated bid per the SBE Regulation requirements. The Local Employment and Apprenticeship Training Program (LEAP) goal is 270 hours.

**RECOMMENDATION:**

The Environmental Services Department recommends a contract be awarded to Pape & Sons Construction, Inc., in the amount of \$428,244.00 plus a 20 percent contingency, for a cumulative total of \$513,892.80, excluding applicable sales tax, budgeted from the ES Wastewater Fund 4300, for the construction of approximately 940 linear feet of 8-inch diameter underground wastewater pipe in the vicinity of 6th Avenue and Monroe Street.

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FINANCE PURCHASING



**FISCAL IMPACT:**

**EXPENDITURES:**

<b>FUND NUMBER &amp; FUND NAME *</b>	<b>COST OBJECT (CC/WBS/ORDER)</b>	<b>COST ELEMENT</b>	<b>TOTAL AMOUNT*</b>
4300 ES Wastewater Fund	ENV-04014-01	5330100	\$513,892.80
<b>TOTAL</b>			

\* Excluding Applicable Sales Tax

**REVENUES:**

<b>FUNDING SOURCE</b>	<b>COST OBJECT (CC/WBS/ORDER)</b>	<b>COST ELEMENT</b>	<b>TOTAL AMOUNT*</b>
4300 ES Wastewater Fund	523900	Rate Revenues	\$513,892.80
<b>TOTAL</b>			

\* Excluding Applicable Sales Tax

**FISCAL IMPACT TO CURRENT BIENNIAL BUDGET:** \$513,892.80, excluding applicable sales tax.

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