



**TO:** Board of Contracts and Awards  
**FROM:** Michael P. Slevin III, P.E., Director, Environmental Services *M.P.S.*  
 Geoffrey M. Smyth, P.E., Division Manager, Science and Engineering  
**COPY:** City Council; City Manager; City Clerk; SBE Coordinator; Joe Parris, Finance/Purchasing;  
 and Teresa Dressler, P.E., Project Manager  
**SUBJECT:** Wastewater Sewer and Side Sewer Connection Repair Project; Request for Bids  
 Specification No. ES14-0262F – August 26, 2014  
**DATE:** August 12, 2014

**SUMMARY:**

The Environmental Services Department recommends a contract be awarded to low bidder Northwest Cascade, Inc., Puyallup, WA, in the amount of \$326,800.00, excluding sales tax, budgeted from the ES Wastewater Fund 4300, for a one-year contract to evaluate and re-establish structural failures of side sewer connections and localized structural failures of the public wastewater system in times when Environmental Services field crews are unable to respond immediately due to multiple concurrent pipe failures.

**STRATEGIC POLICY PRIORITY:**

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

This project will repair failed underground wastewater pipes. The requirement for prompt response time within this project minimizes the threat of untreated wastewater contaminating the surrounding area including Commencement Bay.

**BACKGROUND:**

**ISSUE:** Underground wastewater pipes throughout the City can be more than 100 years old and at risk of localized failure. Environmental Services works hard at managing and repairing these localized failures, but there are times during the year, due to weather, that Environmental Services crews are unable to keep up with failures that have occurred concurrently. During these times of increased repair demand, the repair services provided by this contract will give Environmental Services the ability to have City repair crews supplemented with outside contractor assistance.

**ALTERNATIVES:** The alternative to this contract would be to continue to manage the periods of multiple concurrent failures utilizing existing City repair crews. This is the current practice that is in place and results in a decreased level of service for customers as well as an increase in the amounts of untreated wastewater being released from the failed pipes into the adjacent soil.

**COMPETITIVE SOLICITATION:** Request for Bids Specification No. ES14-0262F was opened June 24, 2014. The project was advertised in the Tacoma Daily Index and on the City’s Purchasing website. The City received two bid proposals. Northwest Cascade, Inc. submitted the lowest responsive bid. The table below reflects the amount of the base award.

<u>Respondent</u>	<u>Location</u> <i>(city and state)</i>	<u>Submittal Amount</u> <i>(Excluding sales tax)</i>	<u>Evaluated Submittal</u> <i>(Excluding sales tax)</i>
Northwest Cascade, Inc.	Puyallup, WA	\$326,800.00	\$313,728.00
A. Advanced Septic Services, Inc.	Puyallup, WA	\$5,233,548.00*	\$5,233,548.00*

\*Submittal contained significant bid proposal errors



Pre-bid Estimate: \$233,555.00.

The recommended award is approximately 39 percent above the pre-bid estimate. Environmental Services has carefully reviewed the bids; the pre-bid estimate that was developed by the City design team. The team believes that the unknown nature of work in the field to address the different types of pipe failures that may occur make it difficult to prepare a completely accurate pre-bid estimate. As a result, many assumptions were necessary to develop the pre-bid estimate. These assumptions are the primary cause for the low pre-bid estimate. Environmental Services is confident that the submitted amount by Northwest Cascade, Inc. represents a fair cost to perform any work.

**CONTRACT HISTORY:** New contract

**SUSTAINABILITY:** A reduced risk of wastewater sewer overflows from this project represents an improvement to human health and the environment.

**SBE/LEAP COMPLIANCE:** The recommended contractor is in compliance with the Small Business Enterprise (SBE) Regulation general requirements per memorandum dated August 4, 2014. The SBE goal for this project is 9 percent. The SBE participation level of Northwest Cascade, Inc., the recommended contractor with the lowest evaluated bid, is 7.2 percent. This project did not require a Local Employment and Apprenticeship Training Program (LEAP) goal.

**RECOMMENDATION:**

The Environmental Services Department recommends a contract be awarded to the low bidder Northwest Cascade, Inc., Puyallup, WA, in the amount of \$326,800.00, excluding sales tax, budgeted from the ES Wastewater Fund 4300. This one-year contract will provide prompt evaluation and re-establishment of wastewater service caused by structural failures of side sewer and localized structural failures of the public wastewater system, in times when Environmental Services field crews are unable to respond immediately due to multiple concurrent pipe failures.

**FISCAL IMPACT:**

**EXPENDITURES:**

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT**
ES Wastewater Fund 4300	80018366	5330100	\$326,800.00
<b>TOTAL</b>			<b>\$326,800.00</b>

\*General Fund: Include Department

\*\* Excluding Applicable Sales Tax

**REVENUES:**

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT**
ES Wastewater Fund 4300	523900	Rate Revenues	\$326,800.00
<b>TOTAL</b>			<b>\$326,800.00</b>

\*\*Excluding Sales Tax

**FISCAL IMPACT TO CURRENT BIENNIAL BUDGET:** \$326,800.00, excluding sales tax.

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