



TO: Board of Contracts and Awards

FROM: Michael P. Slevin III, P.E., Director, Environmental Services
Geoffrey M. Smyth, P.E., Division Manager, Science and 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 Pipe Replacement Project - Vicinity of Wright Avenue and East I Street
Request for Bids Specification No. ES14-0150F – October 7, 2014

DATE: September 22, 2014

SUMMARY:

The Environmental Services Department recommends a contract be awarded to low bidder R.L. Alia Company, Renton, WA, in the amount of \$280,234.00, plus a 15 percent contingency, for a cumulative total of \$322,269.10, excluding applicable sales tax, budgeted from the ES Wastewater Fund 4300, for the replacement of approximately 1,000 linear feet of 8-inch diameter underground wastewater pipe in the vicinity of Wright Avenue and East I 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 1,000 feet of wastewater pipe in the area of Wright Avenue and East I Street. Replacement of these pipes will reduce the risk of failure which could result in the overflow of untreated wastewater into Puget Sound and potentially into the basements of adjacent buildings. Preventive rehabilitation 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 SOLITICIATION: Request for Bids Specification No. ES14-0150F was opened September 9, 2014. 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 four bid proposals. R.L. Alia Company 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>
R.L. Alia Company	Renton, WA	\$280,234.00	\$266,222.30
Northwest Cascade, Inc.	Tacoma, WA	\$301,084.00	\$286,029.80
A. Advanced Septic Service	Puyallup, WA	\$304,084.00	\$289,197.96



Pre-bid Estimate: \$288,543.40, excluding applicable sales tax.

The recommended award is approximately three 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 neighboring properties.

SBE/LEAP COMPLIANCE: The recommended contractor is in compliance with the Small Business Enterprise (SBE) Regulation general requirements per memorandum dated September 17, 2014. The SBE goal for this project is five percent. The SBE participation level of R.L. Alia Company, the recommended contractor with the lowest evaluated bid, is 5.17 percent. The Local Employment and Apprenticeship Training Program (LEAP) goal is 150 hours.

RECOMMENDATION:

The Environmental Services Department recommends a contract be awarded to low bidder R.L. Alia Company, Renton, WA, in the amount of \$280,234.00, plus a 15 percent contingency, for a cumulative total of \$322,269.10, excluding applicable sales tax, budgeted from the ES Wastewater Fund 4300, for the replacement of approximately 1,000 linear feet of 8-inch diameter underground wastewater pipe in the vicinity of Wright Avenue and East I Street.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT**
4300 ES Wastewater Fund	ENV-04011-16	5330100	\$322,269.10
TOTAL			\$322,269.10

* General Fund: Include Department

**Excluding Applicable Sales Tax

REVENUES:

FUNDING SOURCE *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT**
4300 ES Wastewater Fund	523900	Rate Revenues	\$322,269.10
TOTAL			\$322,269.10

* General Fund: Include Department

**Excluding Applicable Sales Tax

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$322,269.10, excluding applicable sales tax.

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes