



**Contract and Award Letter  
Purchase Resolution – Exhibit “A”**

**TO:** Board of Contracts and Awards  
**FROM:** Ramiro A. Chavez, P.E. PgMP, Director, Environmental Services  
 Kari Prussen, P.E., Engineering Assistant Division Manager, Science and Engineering  
**COPY:** City Council, City Manager, City Clerk, EIC Coordinator, LEAP Coordinator, and Stan Rowden II, Senior Buyer, Finance/Procurement  
**SUBJECT:** Central Treatment Plant Building “A” Renovation Project  
 Request for Bids Specification No. ES25-0195F, Contract No. CW2280847 –  
 March 31, 2026 City Council  
**DATE:** March 10, 2026

Initial DS  
 GMS RALCP

**RECOMMENDATION SUMMARY:** The Environmental Services Department (ES) recommends awarding a contract to Pease Construction, Inc., Lakewood, WA, in the amount of \$818,150.00, plus 15 percent contingency, for a projected contract amount of \$940,872.50, plus applicable taxes, budgeted from the ES Wastewater Fund 4300, and ES Stormwater Fund 4301 for the Central Treatment Plant (CTP) Building “A” Renovation Project.

**STRATEGIC POLICY PRIORITY:**

- Assure outstanding stewardship of the natural and built environment.

This project assures outstanding stewardship of the built environment by providing a code-compliant and adequately sized locker, bathroom, and shower space for operational staff that consistently work in a raw wastewater and stormwater environment and applying protective paint coatings to extend the life of the facility.

**BACKGROUND:** The project will upgrade and increase capacity in the men's and women's locker rooms in Building “A” of the CTP, encompassing demolition of existing finishes and fixtures, installation of new lockers, plumbing fixtures, tile, lighting, and associated architectural and mechanical, electrical, and plumbing improvements. Additionally, the project includes surface preparation and exterior painting of the building to enhance durability and long-term protection of the existing metal siding.

**ISSUE:** The men’s and women’s locker rooms and restrooms at this facility are outdated, deteriorating, and do not accommodate both current and future staffing levels, requiring upgrades to ensure functionality and capacity in compliance with building codes. Additionally, the building’s exterior paint is fading and chipping, requiring repainting to protect and extend the life of the structure.

**ALTERNATIVES:** If these upgrades are not completed, the facility will continue to experience restroom and locker room facilities that do not accommodate all personnel, leading to ongoing congestion, reduced functionality, and potential sanitation concerns. Additionally, the deteriorating exterior paint will worsen over time, increasing the risk of structural damage and higher future maintenance costs.



**COMPETITIVE SOLICITATION:**

Request for Bids Specification No. ES25-0195F was opened February 3, 2026. Four hundred seventy-three companies were invited to bid in addition to normal advertising of the project. Ten submittals were received.

Pease Construction, Inc. submitted a bid that resulted in the lowest evaluated submittal after consideration of EIC participation goals. The table below reflects the amount of the base award.

<u>Respondent</u>	<u>Location</u>	<u>Submittal Amount</u>
<b>Pease Construction, Inc.</b>	<b>Lakewood, WA</b>	<b>\$818,150.00</b>
DM Pacific*	Maple Valley, WA	\$650,447.15
J.A. Morris Construction, LLC*	Olympia, WA	\$675,000.00
Jones & Roberts Co.*	Olympia, WA	\$808,256.00
CDK Construction Services, Inc.*	Duvall, WA	\$815,256.00
GLY Construction*	Bellevue, WA	\$881,496.00
Reynold’s General Contracting, Inc.*	Redmond, WA	\$883,000.00
Berschauer Group Inc*	Tumwater, WA	\$982,249.00
Westmark Construction, Inc.*	Tacoma, WA	\$984,779.04
Peak Construction*	Tukwila, WA	\$1,001,622.07

\*Bidder deemed non-responsible for failing to meet EIC requirements.

Pre-bid Estimate: \$940,000.00

The recommended award is 13 percent below the pre-bid estimate.

CONTRACT HISTORY: New contract.

SUSTAINABILITY: These improvements will extend the life of the facility and reduce the need for more extensive repairs in the future. Upgraded restrooms will incorporate durable, low-maintenance materials, and repainting the exterior will protect the building from weather related deterioration and long-term environmental impact.

EQUITY IN CONTRACTING (EIC) COMPLIANCE: The recommended contractor is in compliance with the EIC requirements per memorandum dated February 11, 2026. The EIC requirements for this project are 11 percent MBE, 11 percent WBE, and 11 percent SBE. The EIC utilization levels of the recommended contractor, Pease Construction, Inc., are 15.36 percent MBE, 13.55 percent WBE, and 11.90 percent SBE.

LOCAL EMPLOYMENT AND APPRENTICESHIP TRAINING PROGRAM (LEAP) COMPLIANCE: The LEAP requirements for this project are 15 percent of the project labor hours must be worked by Local Employees and an additional 15 percent of the labor hours must be worked by Apprentices, per TMC 1.90.040.

**FISCAL IMPACT:**



**EXPENDITURES:**

FUND NUMBER & FUND NAME	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4300 ES Wastewater Fund	ENV-04031-01-04	5330100	\$564,523.50
4301 ES Stormwater Fund	ENV-03036-01-04	5330100	\$376,349.00
<b>TOTAL</b>			<b>Up to \$940,872.50</b>

**REVENUES:**

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4300 ES Wastewater Fund	523900	4343150	(\$564,523.50)
4301 ES Stormwater Fund	521900	4343243	(\$376,349.00)
<b>TOTAL</b>			<b>Up to (\$940,872.50)</b>

**FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$ 940,872.50**

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

**IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED. N/A**