



BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

AB 7008
October 6, 2026
Consent Agenda

AGENDA BILL INFORMATION

TITLE:	AB 7008: Pressure Reducing Valve Station Replacements Project Phase 2 Bid Award	☐ Discussion Only ☒ Action Needed: ☒ Motion ☐ Ordinance ☐ Resolution
RECOMMENDED ACTION:	Award Phase 2 of the Pressure Reducing Valve Station Replacements project to Fury Site Works Inc.; authorize the City Manager to execute a contract with Fury Site Works Inc. in an amount not to exceed \$1,732,213; and set the total project budget at \$2,148,356.	

DEPARTMENT:	Public Works
STAFF:	Jason Kintner, Chief of Operations Kellye Hilde, Public Works Deputy Director Chris Marks, Interim Assistant City Engineer Zechariah Rodino, Utilities Engineer
COUNCIL LIAISON:	n/a
EXHIBITS:	1. Project Locations Map 2. PRV Photo Example
CITY COUNCIL PRIORITY:	3. Make once-in-a-generation investments to update and modernize aging infrastructure, capital facilities, and parks.

AMOUNT OF EXPENDITURE	\$ 2,148,356
AMOUNT BUDGETED	\$ 2,965,119
APPROPRIATION REQUIRED	\$ 0

EXECUTIVE SUMMARY

The purpose of this agenda item is to award a public works construction contract to Fury Site Works Inc. to replace aging Pressure Reducing Valve (PRV) stations along West Mercer Way and 78th Avenue SE.

- The City operates 85 PRV stations within the water system which are vital for regulating pressure across elevation changes and maintaining safe water service.
- In 2021, the City assessed the 20 poorest-condition PRV stations, using visual, age, and operational data to prioritize improvements and establish a phased replacement program.
- As part of the City's Capital Improvement Program, these 20 PRV stations are planned for design and replacement through 2032 using a phased approach, including being replaced as separate projects (such as this current scope of work), or completed in coordination with other City construction projects.

- Phase 2 of the PRV Station Replacements project (90.40.0005 and 90.40.0036) replaces and consolidates five existing PRV stations into four new facilities. See Exhibit 1 for project locations.
- The project was advertised on August 17, 2026, and nine contractor bids were received. Fury Site Works Inc. submitted the lowest responsive and responsible bid in the amount of \$1,732,213.
- Funding for this construction contract is included in the 2025-2026 Capital Budget in the Water Fund. No additional budget appropriation is required.
- Construction is scheduled to begin in November 2026 and is anticipated to be completed by May 2027.

BACKGROUND

Providing safe and reliable drinking water remains one of the City's top priorities. A major component of achieving that goal is ongoing planned replacement of portions of the water system that have reached the end of their service life.

The City of Mercer Island currently operates 85 PRV stations within the water system. These stations reduce water pressure from high elevations to lower elevations to maintain acceptable water pressures for customers. Pressure zones usually range between 40 to 80 pounds per square inch. The stations are housed in underground utility vaults and contain valves, piping, and related equipment (Exhibit 2). Previous investigations by the City found that approximately 25 percent of the existing PRV stations were in poor condition and had operational issues.

In 2021, the City assessed the 20 poorest-condition PRV stations, using visual, age, and operational data to prioritize improvements and establish a phased replacement program. In total, the City has six phases of PRV replacements planned through 2032. Phase 1 replaced the four highest-risk stations and was completed in November 2024. Design for Phase 2 began in January 2025 and was completed in July 2026.

ISSUE/DISCUSSION

PROJECT DESCRIPTION

Phase 2 of the PRV Station Replacements project (90.40.0005 and 90.40.0036) consists of work at four sites (Exhibit 1):

- Site 1: 3788 78th Avenue SE: Work includes replacing the existing PRV station with a single new PRV station and installing two new water meters and roughly eighty feet of new eight-inch ductile iron water main.
- Site 2: West Mercer Way and Brook Bay Road: Work includes replacing two existing PRV stations with a single new PRV station, one new fire hydrant, and 300 linear feet of new eight-inch ductile iron water main.
- Site 3: West Mercer Way and SE 71st Street: Work includes replacing the existing PRV station with a single new PRV station and roughly 125 linear feet of new eight-inch ductile iron water main.
- Site 4: West Mercer Way and Meadow Lane: Work includes replacing the existing PRV station with a single new PRV station, one water meter, and roughly 415 linear feet of new eight-inch ductile iron water main.

At the completion of design, the engineer's estimate for construction was \$2,631,000.

BID RESULTS

Nine construction bids were received on September 4, 2026. The lowest bid was from Fury Site Works Inc., a Washington-based corporation, for \$1,732,213. Table 1 shows the bid results.

Table 1. Phase 2 of the PRV Station Replacements Construction Bid Results	
Company Name	Total Bid Amount
Fury Site Works Inc.	\$1,732,213
Kar-Vel Construction	\$1,993,877
Ceccanti, Inc	\$2,200,055
Laser Underground	\$2,353,844
Gary Merlino Construction	\$2,425,795
Strider Construction	\$2,492,607
Road Construction Northwest	\$2,596,835
JH Kelly	\$2,641,872
Jansen Inc.	\$2,670,564
Engineer's Estimate	\$2,631,000

Note: All bids include Washington State 10.3% sales tax.

The apparent low bidder, Fury Site Works Inc., successfully completed Phase 1 of the PRV Station Replacements project and the 2022 Water System Improvements Project for the City. In Phase 1, Fury installed four PRVs and two temporary bypass systems. This work gave Fury direct experience with the City's PRV facilities, and the type of construction required for Phase 2. Fury also replaced approximately 4,000 linear feet of 4-inch and 6-inch cast iron water main with new 8-inch ductile iron water main as part of the 2022 Water System Improvements Project.

Fury's bid is below the engineer's estimate. Their experience on Phase 1 may have helped the company develop a competitive bid for Phase 2. Staff reviewed Fury's bid and references and confirmed through the Washington State Department of Labor & Industries website that Fury is a contractor in good standing. Based on this review and Fury's performance on prior City projects, staff determined that Fury is the lowest responsive and responsible bidder and recommends awarding Phase 2 of the PRV Station Replacements project to Fury Site Works Inc.

PROJECT BUDGET

The total estimated cost for Phase 2 is \$2,148,356, including the construction contract, a 20% construction contingency, consultant support, and staff project management and construction inspection. The available 2025–2026 budget is \$2,962,119.48 across two budget codes that support PRV replacements. Project costs and budget are summarized in Table 2 on the next page.

Table 2. Phase 2 of the PRV Station Replacements Project Budget	
Description	Total
Construction Contract	\$1,732,213
Construction Contingency @ 20%	\$346,443
Consultant Project Design and Construction Support	\$9,700
Staff Project Management and Inspection	\$60,000
Total Project Cost	\$2,148,356
2025 – 2026 Budget Resources	
PRV Station Replacements (90.40.0036)	\$475,840
2024 PRV Station Construction (90.40.0005)	\$2,489,279
Total Budget Available for Project	\$2,965,119
Budget Remaining	\$816,763

Staff estimate \$1,282,213 of project 90.40.0005 and \$450,000 of project 90.40.0036 will fund PRV Station Replacement Phase 2 work. The remaining unspent project funds return to the Water Fund (410) for future use on the City's water distribution system.

NEXT STEPS

Following City Council award of the Phase 2 of the PRV Station Replacements project to Fury Site Works Inc., staff will finalize the construction contract and issue a notice to proceed. Construction is scheduled to begin in November 2026 and is anticipated to be completed by May 2027.

Staff will proactively notify affected businesses and residents before construction begins and post construction updates on the project's [Let's Talk](#) page. Work will be scheduled to avoid federal holidays and local events.

RECOMMENDED ACTION

Award Phase 2 of the PRV Station Replacements project to Fury Site Works Inc.; authorize the City Manager to execute a contract with Fury Site Works Inc. – a Washington-based corporation – in an amount not to exceed \$1,732,213; and set the total project budget at \$2,148,356.