

TO: City Council
FROM: Bill Lindauer, Engineering Services Manager
DATE: June 27, 2023
SUBJECT: Israel Road and Linderson Way Water Main Project, Award and Authority to Sign Contract

1) Recommended Action:

Staff recommends the City Council Award and authorize the Mayor to sign a public works contract with Reed Trucking & Excavating, Inc. of Puyallup Washington, in the amount of \$3,365,536.16 for the Israel Road and Linderson Way Water Main project.

2) Background:

This project will replace the existing 8-inch water main on Israel Road from Interstate 5 to Capitol Boulevard along with a segment on Linderson Way south of Israel Road. Utility underground conversion will also be completed on Israel Road from Linderson Way to Capitol Boulevard. The project was prioritized to complete needed improvements that are shown in the City's Water System Plan and Water CFP ahead of the roadway improvements along Israel Road slated for construction in 2024.

The existing 8-inch water main is an aged asbestos concrete water line that has exceeded its design life and requires an upgrade to a 12-inch main to provide additional water service capacity. As part of this project, the overhead utilities on Israel Road between Linderson Way and Capitol Boulevard will be converted to an underground system.

Bids for the project were opened on June 22, 2023. The engineers cost estimate was \$2,997,283.28 with an anticipated bidding range of \$2,700,000 to \$3,200,000. Seven (7) bids were received with the lowest responsible bidder being Reed Trucking & Excavating, Inc. at \$3,365,536.16. The low bid is 12.3% (\$368,252.88) over the engineering estimate.

City staff has evaluated the low bid and determined that the additional costs over the engineering estimate are reasonable due to increases in material and labor costs, bidding and construction time of year, and limited working days to complete the project.

3) Policy Support:

Create and Maintain a Transportation System Safe for All Modes of Travel – Complete roadway maintenance to enhance vehicle, bicycle, and pedestrian safety.

4) Alternatives:

☐ Reject the bids and re-advertise.

5) Fiscal Notes:

The water main improvements will be funded by the Water CFP. The PSE Schedule 74 work will be funded by the Transportation CFP, with costs split 60% paid by PSE and 40% paid by the City.

6) Attachments:

A. Project Overview