



CITY OF KIRKLAND
Department of Public Works
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MEMORANDUM

To: David Ramsay, City Manager

From: Daryl Grigsby, Public Works Director
Ray Steiger, P.E., Capital Projects Manager

Date: November 4, 2008

Subject: 2008 WATER SYSTEM IMPROVEMENT PROJECT - NORTH – AWARD CONTRACT

RECOMMENDATION:

It is recommended that Council award the 2008 Water System Improvement Project – North to KarVel Construction Company of Renton, WA for the amount of \$815,570.01

BACKGROUND AND DISCUSSION:

The 2008 Water System Improvement Project - North replaces approximately 4,900 lineal feet of asbestos cement (AC) water main with 8" ductile iron pipe at three separate locations (Attachment A). The existing AC water main is susceptible to breaks and is not capable of providing adequate fire flow. The replacement of individual water service lines and fire hydrant connections along the project alignment is also included in the work.

With an engineer's estimate of \$1,153,802, staff first advertised for contractor bids on October 1st followed by a bid opening on October 16, 2008; twenty-five contractor bids were received and tabulated (the highest number of bidders ever received on a public works project). The total bid prices ranged from \$815,570 to \$1,394,363, with an average bid equal to \$983,158. The ten lowest bids and engineers estimates are as follows:

Contractor	Total Bid
KarVel Construction Company	\$815,570.01
Earthwork Enterprises	\$ 817,908.72
A&A Excavating Inc.	\$824,125.57
Buno Construction	\$828,204.26
D&G Backhoe	\$854,034.57
Laser Underground & Earthworks Inc.	\$859,894.46
Archer Construction Inc.	\$879,909.04
Marshbank Construction Inc.	\$897,954.74
RP & Company Inc.	\$903,958.80
Nelson & Sons Construction	\$915,559.84
Engineers Estimate	\$1,153,802.06

The high number of bidders and close bid prices signal a much more competitive construction market than what we have experienced in recent months, and the bid recommended for award is within the project's construction budget of \$1,026,900 (Attachment B).

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Staff originally intended to recommend award of the project to the 2nd low bidder based on the low bidder, KarVel Construction Company's (KarVel) unsatisfactory performance during the recently completed 2007 Water System Improvement project. KarVel was informed of our intent to recommend rejection of their bid and filed a formal bid protest. Within the protest, KarVel acknowledged that the unsatisfactory performance was a result of difficulties in working with the foreman and crew assigned to the 2007 Water System Improvement project and stated they would not assign the same foreman and crew to the 2008 Water System Improvement Project – North. Staff has followed up with reference checks and received positive reports with regards to the foreman and crew KarVel has proposed using on this project. With the advice of the City Purchasing Agent and City Attorney, staff's recommendation is for Council to award the 2008 Water System Improvement project to KarVel Construction Company.

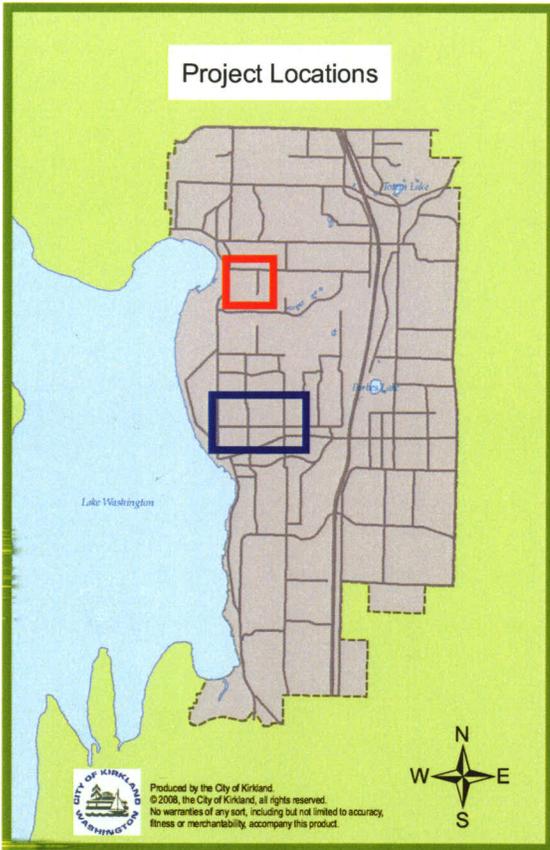
With Council approval, construction will begin in January, 2009 with substantial completion expected in early May, 2009.

Attachments (3)

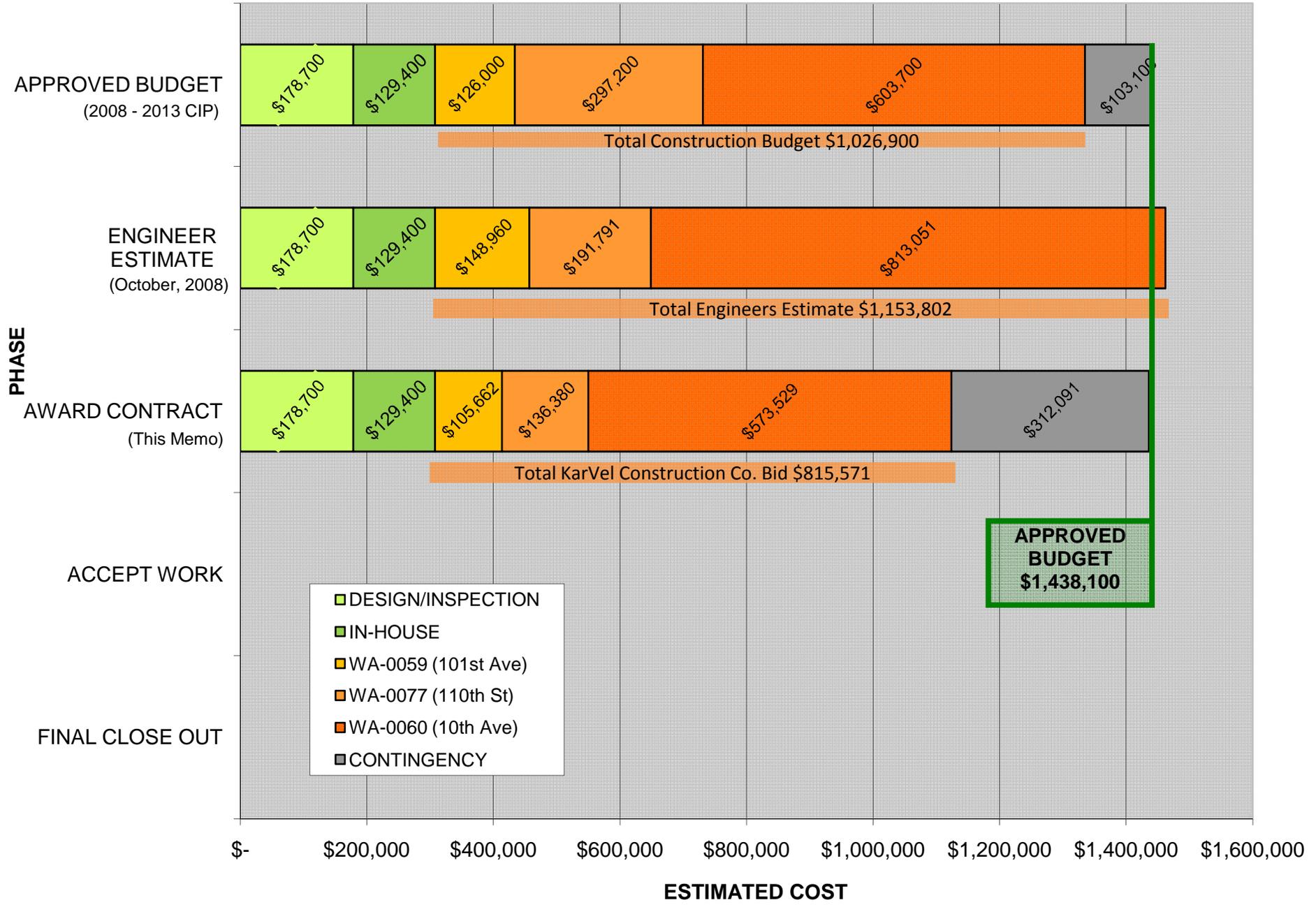
Site Map

2008 Water System Improvements Project - North

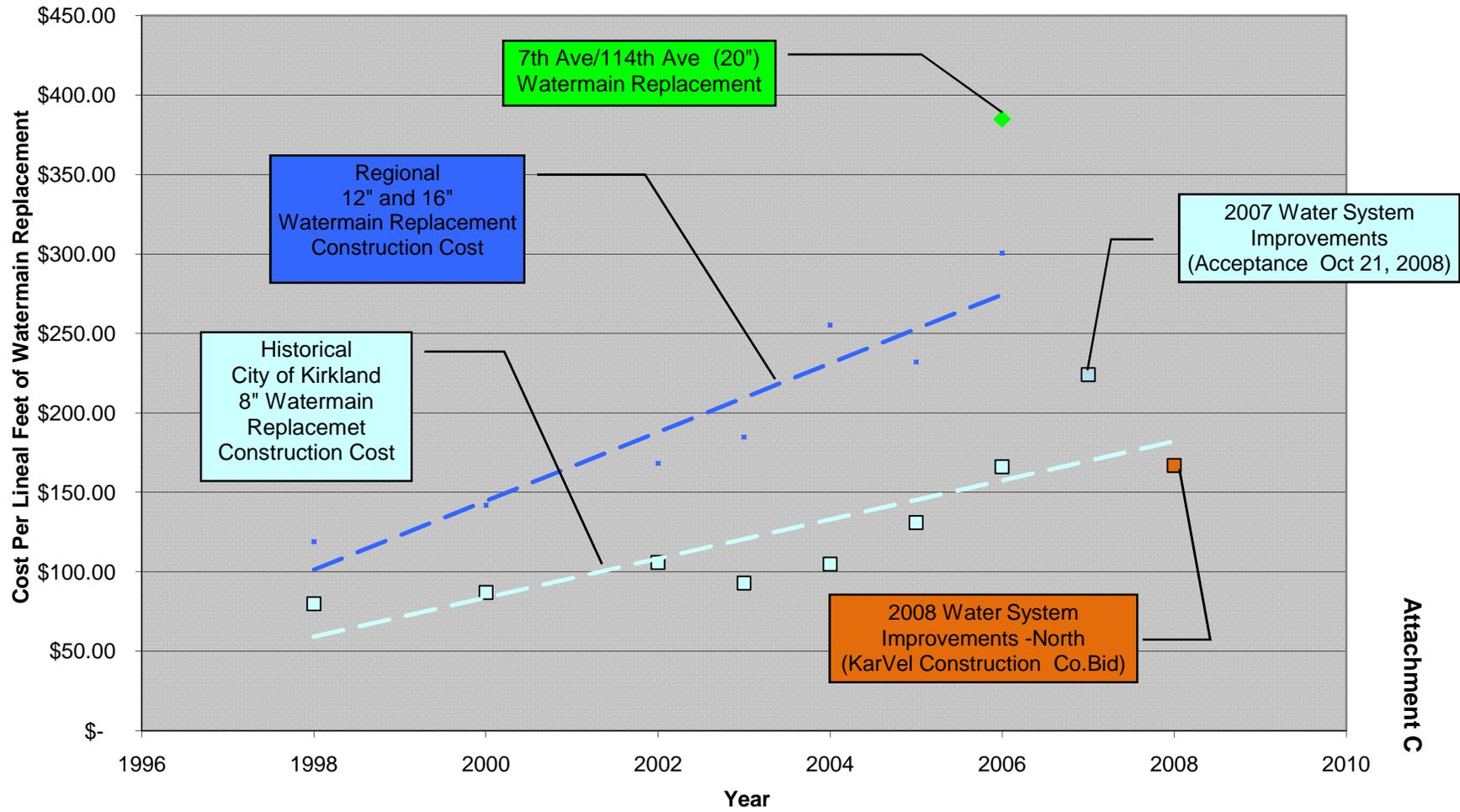
WA-0059 WA-0060 WA-0077



**2008 Water System Improvements Project - North
WA-0059 WA-060 WA-0077
Project Budget Report**



Watermain Replacement Construction Cost Comparison



Attachment C