



CITY OF KIRKLAND

Department of Public Works

123 Fifth Avenue, Kirkland, WA 98033 425.587.3809

www.ci.kirkland.wa.us

MEMORANDUM

To: David Ramsay, City Manager

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

Date: November 9, 2006

Subject: 105TH AVE NE/106TH AVE NE WATERMAIN REPLACEMENT – AWARD CONTRACT

RECOMMENDATION:

It is recommended that the City Council award the construction contract for the 105th Ave NE/106th Ave NE Watermain Replacement to VJM Construction Company of Redmond, WA in the amount of \$243,367.87.

BACKGROUND AND DISCUSSION:

At their regular meeting of October 3, 2006, Council authorized staff to advertise for contractor bids on the 105th Ave NE/106th Ave NE Watermain Replacement Project. The first advertisement was published on October 11th and on October 26, 2006 seven contractor bids were received and tabulated. The total bid prices are as follows:

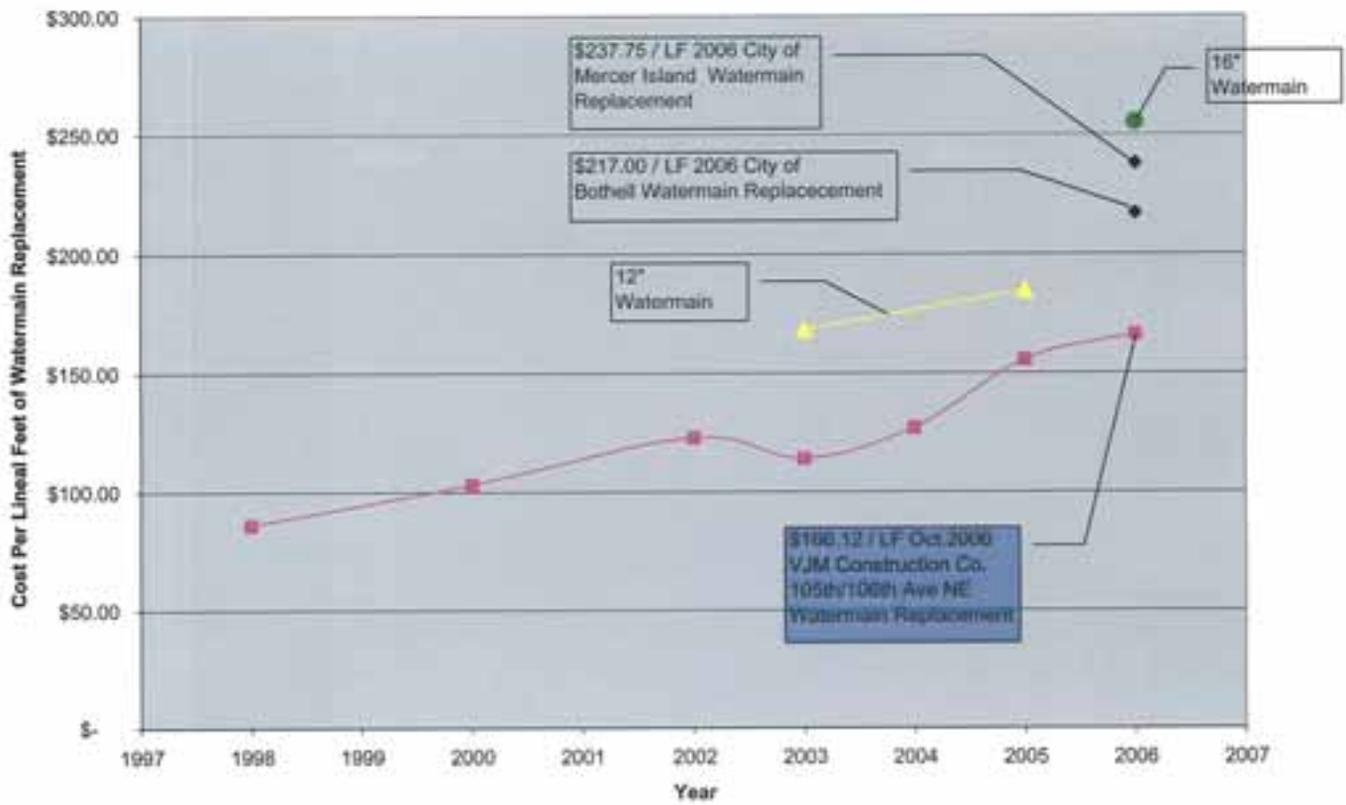
Contractor	Total Bid
VJM Construction Co.	\$ 243,367.87
Sanders General Contractors	\$275,683.97
Marshbank Construction	\$277,012.96
D&G Backhoe	\$283,682.40
Earthwork Enterprises	\$283,904.35
Construct Co.	\$304,328.83
Engineers Estimate	\$316,807.10
Westwater Construction Co.	\$497,172.48

At authorization to bid, staff reported that unit costs used to develop the engineers estimate were based on bid tabulations from recent watermain replacement projects for the Cities of Mercer Island and Bothell. It was noted that these other projects were bid in the height of the summer construction season and that we anticipated lower and more competitive bids by advertising bids in the fall. As shown in the table above, this appears to be the case as we received a total of seven bids with only one exceeding the engineers estimate.

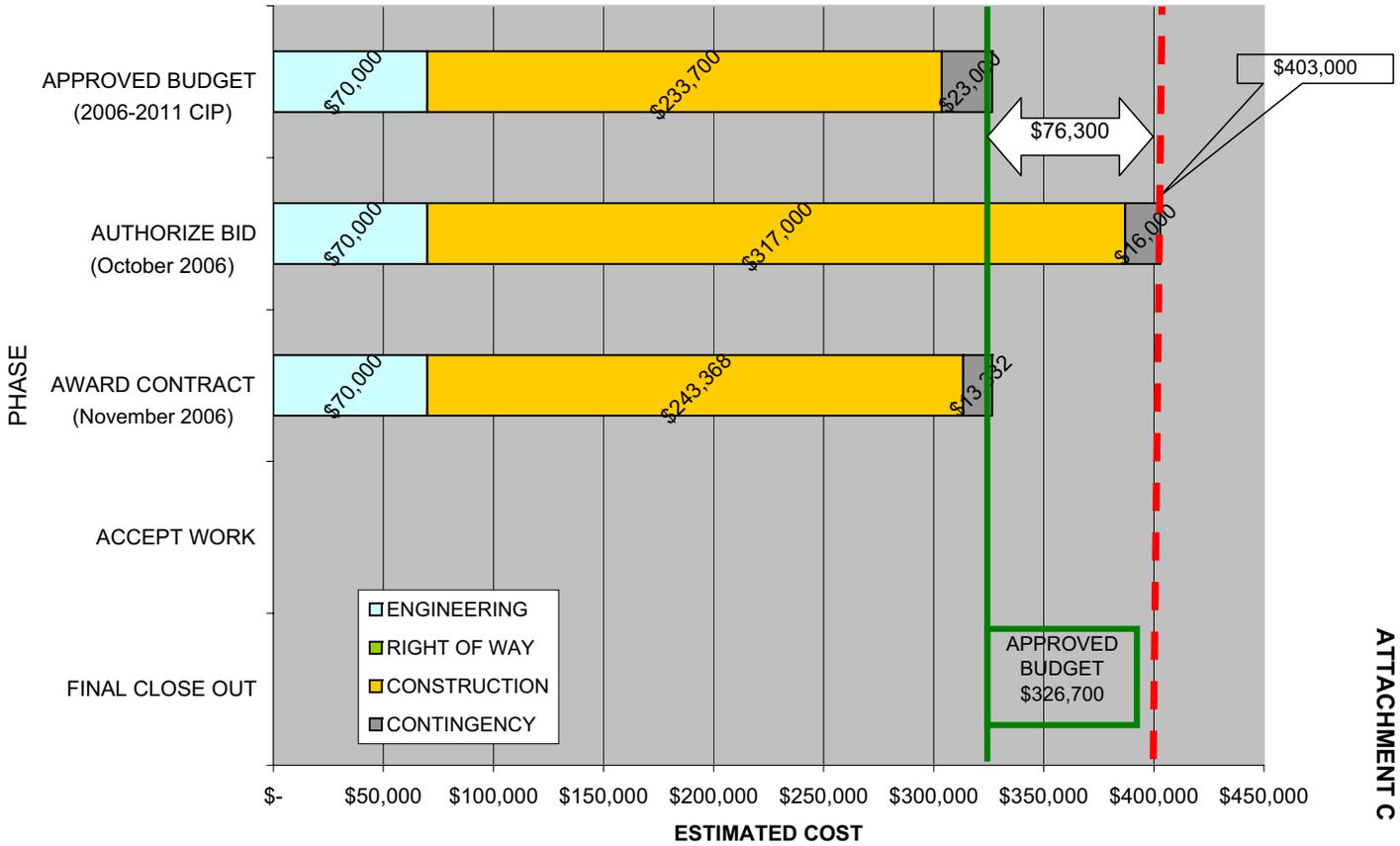
Increasing construction costs remain to be the trend; however, by comparing bids opened during the summer to this most current bid, we did see lower prices due to a more competitive market (Attachment B). Including the project contingency the approved budget is \$257,000 and an award of the low bidder, VJM Construction Co., will result in a 5% contingency of \$13,632 (Attachment C).

With Council award, construction is anticipated to begin in January 2007 with substantial completion expected in early April 2007.

Watermain Replacement Cost (8-inch Diameter Pipe)



PROJECT BUDGET REPORT
(105th Avenue NE/106th Avenue NE Watermain Replacement)
WA-0110



ATTACHMENT C