



CITY OF KIRKLAND

Department of Public Works

123 Fifth Avenue, Kirkland, WA 98033 425.587.3809

www.ci.kirkland.wa.us

Council Meeting: 07/07/2009

Agenda: Award of Bids

Item #: 8. e. (1).

MEMORANDUM

To: David Ramsay, City Manager

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

Date: June 25, 2009

Subject: North Reservoir Rehabilitation / Repainting – Award Contract

RECOMMENDATION:

It is recommended that City Council award the contract for Schedules A, B (Option 2), and C on the North Reservoir Rehabilitation/Repainting Project, to Ebenal General, Inc of Bellingham, WA, in the amount of \$2,465,666.25.

BACKGROUND AND DISCUSSION:

The North Rose Hill Reservoir (tank) is a major water system facility located in Mark Twain Park (Attachment A) and is jointly owned by the Cities of Kirkland (66% ownership) and Redmond (34%). The 14 million gallon tank was inspected in 2002 as a part of routine maintenance, and the inspection report indicated that there was evidence of minor rusting inside of the 18-year old tank. During development of the painting specifications, members of the Joint Board, which oversees the maintenance and operations of all joint water system facilities, recommended that a number of additional improvements be made to the tank prior to the recoating process.

The additional improvements recommended by the Joint Board include: performing seismic upgrades, installing new roof access and fall protection safety railings for maintenance personnel, improving telecommunications mounting rails for the cell vendors who pay rent for antenna space on the tank, the installation of rain gutters to help preserve the exterior coating together with other miscellaneous welding repairs, and the repainting of the exterior of the tank including the replacement of the existing tree mural. The Joint Board's recommendations required a significantly increased budget, additional design and permitting processes, and additional time and coordination efforts. The final scope of work was subsequently incorporated into each agencies respective CIP programs, and the Project exists within the City's current CIP with a total budget of \$3,399,000 (Attachment B).

At their meeting of May 16, 2009, Council approved advertising for contractor bids after staff identified a potential \$301,000 budget shortfall between the total of all anticipated costs and the current budget. In the agenda memo for that meeting, staff pointed out that, considering the current bidding climate, contractor pricing could significantly offset that possible shortfall. The first advertisement for this project was published on June 2nd, and on June 23rd six contractor bids were opened (Attachment C); the three lowest priced bids received are as follows:

Contractor	Schedule A Seismic/Interior	Schedule B* Exterior Paint	Schedule C Mural	Total Bid (all schedules)
Ebenal General Inc.	\$ 1,726,541.25	\$ 689,850.00	\$ 49,275.00	\$ 2,465,666.25
Hisey Construction, Inc.	\$ 1,827,555.00	\$ 650,977.50	\$ 39,858.00	\$ 2,409,876.00
T Bailey, Inc	\$ 1,890,517.50	\$ 618,675.00	\$ 39,420.00	\$ 2,548,612.50
<i>Engineer's Estimate</i>	\$ 2,910,000.00	\$ 705,000.00	\$ 85,000.00	\$ 3,700,000.00

* Schedule B included two preparations methods: 1) wire brush – less costly, however somewhat less desirable lifecycle, and 2) media blast – more durable with higher initial cost (*This method is being awarded*).

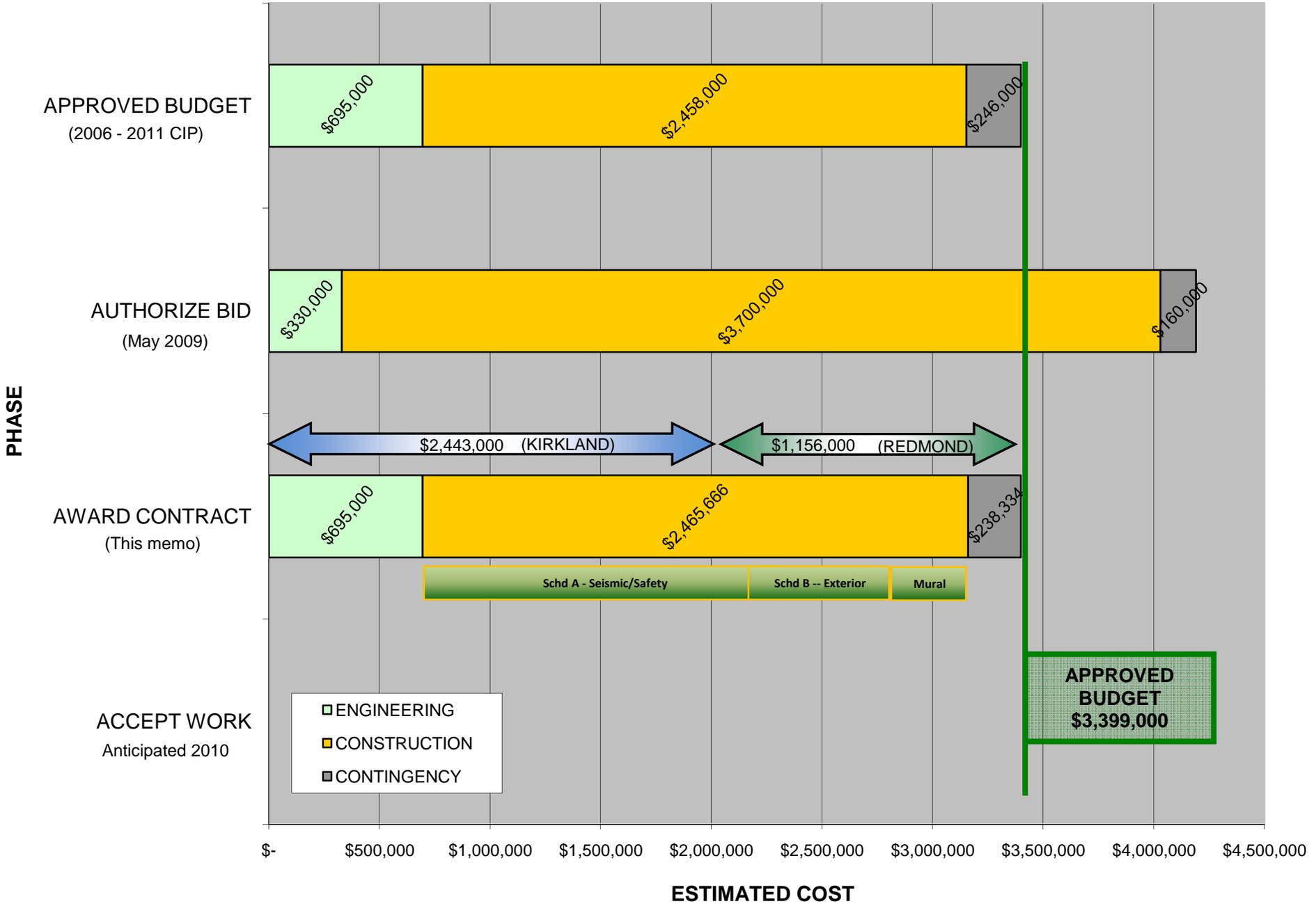
Also, at their meeting of May 16, Council asked about lease payments paid to the City by the various cell phone providers for antenna array placements. In response to this question, we offer the following: the City has lease agreements with three major cell providers, and in 2008, the Cities of Kirkland and Redmond split a total of \$89,000 in payments received; Kirkland's share was nearly \$59,000 with Redmond receiving \$30,000 based on the same 66% - 34% share of ownership; all money received by Kirkland goes to the City's Water Utility, as the owner of the tank.

With an award of the contract in July, construction will start in August and be substantially complete in Spring 2010.

Vicinity Aerial
North Reservoir Rehabilitation / Repainting
CWA 0094



NORTH RESERVOIR REHABILITATION / REPAINTING PROJECT BUDGET REPORT



BID OPENING

BIDDERS LIST

NORTH ROSE HILL RESERVOIR
6/23/2009

2:00 p.m.

	Schedule A	Schedule B - Option 2	Schedule C	TOTAL A + B2 + C	Schedule B - Option 1	TOTAL A + B1 + C
Bidder	\$ 1,726,541.25	\$ 689,850.00	\$ 49,275.00	\$ 2,465,666.25	\$ 383,250.00	\$ 2,159,066.25
Ebenal General Inc.	\$ 1,827,555.00	\$ 650,977.50	\$ 39,858.00	\$ 2,518,390.50	\$ 542,463.00	\$ 2,409,876.00
Hisey Construction, Inc.	\$ 1,890,517.50	\$ 618,675.00	\$ 39,420.00	\$ 2,548,612.50	\$ 496,035.00	\$ 2,425,972.50
T Bailey, Inc	\$ 1,871,108.63	\$ 670,123.58	\$ 51,131.03	\$ 2,592,363.23	\$ 558,482.85	\$ 2,480,722.50
ACI (Award Construction, Inc)	\$ 1,999,798.50	\$ 755,550.00	\$ 43,800.00	\$ 2,799,148.50	\$ 646,050.00	\$ 2,689,648.50
S & K Painting	\$ 2,375,096.06	\$ 659,190.00	\$ 50,370.00	\$ 3,084,656.06	\$ 549,690.00	\$ 2,975,156.06
McClure & Sons, Inc., 15714	\$ 2,375,096.06	\$ 659,190.00	\$ 50,370.00	\$ 3,084,656.06	\$ 549,690.00	\$ 2,975,156.06
<i>Engineer's Estimate</i>	\$ 2,910,345.75	\$ 744,600.00	\$ 87,600.00	\$ 3,742,545.75	\$ 635,100.00	\$ 3,633,045.75