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## City Council

### Approval of Bid Award for the McAllister Wellfield Project

**Agenda Date:** 10/1/2013  
**Agenda Item Number:** 4.D  
**File Number:** 13-0655

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**Type:** decision **Version:** 1 **Status:** Passed

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**Agenda Item:**

Approval of Bid Award for the McAllister Wellfield Project

**Issue:**

Whether to award to the lowest responsible, responsive bidder?

**Committee Recommendation:**

Not referred to a committee.

**City Manager's Recommendation:**

Move to award the bid for the McAllister Wellfield Project to Rotschy, Inc., in the amount of \$4,628,268, and authorize the City Manager to execute the contract and associated documents.

**Staff Contact:**

Tim Richardson, P.E., Public Works Engineering, 360.753.8749

**Presenter(s):**

None - Consent Calendar item.

**Background and Analysis:**

Project History - In 1995, concerns over the vulnerability of McAllister Springs and costly requirements for water quality treatment led the City to request a transfer of its water rights from McAllister Springs (and nearby Abbott Springs) to the McAllister Wellfield. Nearly 17 years later, in January 2012, the Department of Ecology issued water rights for the McAllister Wellfield. As a result, the McAllister Wellfield will replace McAllister Springs as Olympia's main supply of drinking water. This will provide a more protected and productive supply of drinking water for City water customers. See attached map for project background.

The McAllister Wellfield Project - This portion of the project is to build the drinking water facilities which include: three well houses, pumping equipment; a chlorination disinfection system; a pipeline to interconnect the wells; an emergency generator; a security system; and site improvements such as upgrading the access road.

Project Bids - The City received eight (8) bids to conduct the work on this project. See attached bid summary. The lowest bid is 8.4 percent below the Engineer's estimate.

**Construction Schedule** - Construction of the drinking water facilities will start in November 2013 and be completed in the summer of 2014.

**Neighborhood/Community Interests (if known):**

This project is one of several that will provide for the transition of the City's main supply of drinking water from surface water (McAllister Springs) to groundwater (McAllister Wellfield). City staff will continue to communicate with citizens and other stakeholders about the construction project, schedule, and any impacts to traffic or City services.

**Options:**

1. Award and authorize the City Manager to sign the Construction Contract with Rotschy, Inc., in the amount of \$4,628,268.  
Project proceeds as planned.
2. Reject all bids and direct staff to rebid the project.

Re-advertising and re-bidding a project typically results in increased bids and project costs. It would also result in a delay, potentially jeopardizing the low-interest loan funding from the Drinking Water State Revolving Fund. A delay could also impact the City's ability to meet new regulations of the Federal Safe Drinking Water Act.

**Financial Impact:**

The overall cost of this project is \$8.3 million dollars as detailed below. The project is funded through the Drinking Water Utility, largely through a low-interest loan from the Washington Drinking Water State Revolving Fund (DWSRF). There are sufficient funds in the budget to complete this project.

**Wellfield Project Costs:**

Lowest responsive, responsible bidder:	\$ 4,628,268
Contingency to Award (10%):	\$ 462,827
Well Drilling and Testing - Construction 2012:	\$ 500,000
Engineering - Design, Construction, Inspection, Survey:	\$ 775,000
Permits/Right of Way/Consultants/Other Fees and Miscellaneous:	\$ 1,512,000
Historic Costs - 1992 to July 1, 2010, <i>(Engineering, Consultants, Permits, Geotech, Right of Way, Cultural Assessment):</i>	\$ 439,208
<b>TOTAL PROJECT COSTS:</b>	<b>\$ 8,317,303</b>