



City Council

Approval of Resolution to Reject All Bids for the Percival Landing F Float Replacement Project

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Title

Approval of Resolution to Reject All Bids for the Percival Landing F Float Replacement Project

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to adopt the resolution to reject all bids.

Report

Issue:

Whether to adopt a resolution to reject all bids for the Percival Landing F Float Replacement project since bids were 106% over the Engineer's estimate.

Staff Contact:

Kip Summers, P.E., Parks, Arts and Recreation, 360.570.5834

Presenter(s):

None - Consent Calendar item.

Background and Analysis:

The Percival Landing F Float Replacement project replaces the floats, pilings, gangway and pump out. The new F Float will include concrete floats with steel grating to meet permitting requirements. The floats will include power and water pedestals for transient moorage users and a new sewage pump out facility. Except for the sewage pump out facility, F float is closed due to safety concerns.

On December 5, 2013, the City received four bids for this project. All four bids were more than double the engineer's estimate of \$406,600. There are not sufficient project funds to award the project, based on bids submitted. Olympia Municipal Code 3.16.100 (D) states that the City cannot award a construction project, "unless funds in the amount of at least 110 percent of the bid are available." That amount of funding is not available for this project.

Staff's understanding of the reason for the higher than expected bids is twofold. The first issue is the tight time frame. The permits require the Contractor to be out of the water during the salmonid migration period which is March 3 to July 1. This requires expedited float manufacturing and/or permit modifications. Secondly, only one of the many float manufacturers was willing to provide bids to the various contractors, which eliminated the competitive bidding for the float portion of the work. The expectation by one bidder was that floats would cost less than \$100,000 (similar to the engineers estimate) yet the bid from the only float manufacturer willing to bid this project was more than \$350,000.

Staff recommends rejecting all bids and rebidding in the spring. The in-water work would then occur in August or September, with completion in the fall. Staff will further research the reason for the high bids and revise specifications to meet project funding. Council has authority to reject all bids by resolution pursuant to RCW 35.23.352. Staff will develop and implement a communication outreach strategy to inform the boating community and public of this change in the project schedule.

Neighborhood/Community Interests (if known):

The boating community would like to see power and water services added to the Percival Landing floats. The floats have been without power and water since 2006 and F Float was closed in January of 2013 due to safety concerns.

Options:

1. Reject all bids. Staff will re-evaluate the specifications and timing of this project with the intent to rebid the project in the spring.
2. Delay award of contract until January to allow additional funds from other scheduled maintenance projects to be moved into this project. This eliminates the ability to adjust specifications and timeline to reduce project costs.

Financial Impact:

There are insufficient funds in the F Float Replacement project. The low bid was \$837,629.44 and the Engineer's estimate was \$406,600.00.