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## City Council

### Final Determination of Bidder Non-Responsibility and Approval of Bid Award for the Ensign Road Lift Station Generator Project

**Agenda Date:** 6/20/2017

**Agenda Item Number:** 4.D

**File Number:** 17-0612

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

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**Title**

Final Determination of Bidder Non-Responsibility and Approval of Bid Award for the Ensign Road Lift Station Generator Project

**Recommended Action**

**Committee Recommendation:**

Not referred to a committee.

**City Manager Recommendation:**

Move to issue final determination, confirming City staff's determination, of non-responsibility of Cherokee Construction Services LLC for failure to meet the criteria required in the bid documents, rejecting their bid for the Ensign Rd. Lift Station Generator Project.

Move to approve awarding the contract for the Ensign Rd. Lift Station Generator Project to the lowest responsive, responsible bidder, Waunch Construction and Trucking Company, Inc., in the amount of \$324,357.06,

Authorize the City Manager to execute all documents necessary to proceed with such determination and award.

**Report**

**Issue:**

Whether to issue final determination of non-responsibility of Cherokee Construction Services, LLC for failure to meet the supplemental bidder responsibility criteria required for award of the Ensign Rd. Lift Station Generator Project, and whether to award the contract to Waunch Construction and Trucking Company, Inc., as the lowest responsible, responsive bidder.

**Staff Contact:**

Jim Rioux, Project Manager, Public Works Technical Services, 360.753.8484

**Presenter(s):**

None - Consent Calendar Item.

## **Background and Analysis:**

### Project Background

This lift station is located on Ensign Road north of the Martin Way intersection. It conveys wastewater from the Providence St. Peters Hospital Campus to the regional collection system.

The project will replace the backup generator and lift station electrical controls. Wastewater lift stations pose risks for spills that can have public and environmental health impacts. They must operate during power outages to prevent sewer overflows.

This lift station's emergency generator is the oldest in the City's system. In the event of a failure, parts needed to repair the generator may not be available.

### Legal authority to require supplemental bidder responsibility criteria

RCW 39.04.350 allows municipalities to adopt supplemental criteria to determine whether a bidder is "responsible." These criteria ensure that the contractor has the skills and experience needed to build the project properly. This project requires the contractor to submit documentation that shows they completed two lift station projects for a municipality with a total value of no less than \$200,000 within the last eight years. Bidders that fail to meet this criteria are "non-responsible" and not eligible for award of the contract.

### Process to find a bidder non-responsible

1. Staff makes a preliminary determination.
2. Contractors deemed to be non-responsible have two business days to appeal and may submit additional information for consideration.
3. Council issues a final determination.
4. The City notifies the bidder of the final determination. The City cannot execute the contract with the successful bidder for two business days to allow the bidder that was deemed non-responsible to seek relief in court.

Bids on this Project. The City received four bids (See Attachment 2 Bid Summary). The bid proposal from the lowest bidder (Cherokee Construction Services, LLC) failed to meet the supplemental bidder responsibility criteria. Staff made a preliminary determination of non-responsibility. The City notified Cherokee Construction Services, LLC in writing (See Attachment 3 Bidder Notification Letter). The City did not receive notification of intent to appeal from the firm.

The bid proposal from the second lowest bidder (Waunch Construction and Trucking, Inc.) meets all bidder responsibility criteria.

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

This lift station serves the St. Peter's Hospital campus. Operation of this lift station is of high importance to the hospital and the surrounding businesses that are primarily involved in the provision of medical services. City staff will communicate with stakeholders about the construction project, schedule, and any impacts to traffic or City service.

### **Options:**

1. Confirm City staff's determination of non-responsibility of Cherokee Construction Services, LLC for failure to meet the criteria required in the bid documents, rejecting their bid and awarding the contract for the Ensign Rd. Lift Station Generator Project to the lowest responsive, responsible bidder, Waunch Construction and Trucking Inc., in the amount of \$324,357.06. In addition, authorize the City Manager to execute all documents necessary to proceed with such determination and award.
2. Reject all bids and request that staff rebid the project with more lenient supplemental bidder responsibility criteria. Re-advertising and re-bidding a project typically results in increased bids and project costs. It would also result in a delay of construction.

**Financial Impact:**

This project is identified in the Capital Facilities Plan. Funding for the project comes from Wastewater Utility.

The low responsible and responsive bid of \$324,357.06 is 13 percent above the Engineer's estimate. There are sufficient funds in the budget to complete this project.

Overall project costs:

Total Low Bid:	\$ 324,357.06
Contingency to Award (10%):	\$ 32,435.71
Engineering: Design, Inspection, Consultants	\$ 177,000.00
Total Estimated Project Cost:	\$ 533,792.77
Available Project Funding:	\$ 576,000.00

**Attachments:**

[Bidder Notification Letter](#)  
[Bid Summary](#)  
[Vicinity Map](#)