



City Hall  
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## City Council

### Approval of Bid Award for the 2018 Pavement Preservation (Chip Seal) Project

**Agenda Date:** 6/26/2018  
**Agenda Item Number:** 4.H  
**File Number:** 18-0516

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**Type:** contract **Version:** 1 **Status:** Passed

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**Title**

Approval of Bid Award for the 2018 Pavement Preservation (Chip Seal) Project

**Recommended Action**

**Committee Recommendation:**

Not referred to a committee.

**City Manager Recommendation:**

Move to award the construction contract to PaKaPa, Inc., in the amount of \$1,877,238.62, and authorize the City Manager to execute the contract.

**Report**

**Issue:**

Whether to award the construction contract for the 2018 Pavement Preservation (Chip Seal) project to PaKaPa, Inc.

**Staff Contact:**

Jeff Johnstone, P.E., Senior Engineer, Public Works Engineering, 360.753.8290

**Presenter(s):**

None - Consent Calendar item.

**Background and Analysis:**

This year marks the 19th year of the Least Cost Pavement Preservation Program for the City. The program purpose is to extend the overall life of streets. Pavement preservation methods include: crack seal, microsurfacing, and chip seal. This approach reduces the overall cost of maintaining City streets and keeps them in fair or better condition.

This project will use chip seal to improve approximately five miles of roadway throughout the City at the following locations:

- Division Street - Giles Avenue to 26<sup>th</sup> Avenue
- Martin Way - Steele Street to College Street, excluding the intersections at Lilly Road, Sleater-Kinney Road, and College Street which were paved in 2017

- Lilly Road - Pacific Avenue to 10<sup>th</sup> Avenue
- Boulevard Road - Karen Frazier Road to Pacific Avenue
- 9<sup>th</sup> Avenue - Frederick Street to Boulevard Road

The second low bidder issued a bid protest on this project. The protest questioned the experience of the low bidder. Staff reviewed the protest, did not find any valid experience-related issues, and responded that the City intends to award the contract to the low bidder, PaKaPa, Inc. Attached is the protest letter and the City's response.

We anticipate starting construction in late July and ending by September, 2018.

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

The community should expect delays for people driving, biking, and walking throughout the time construction is happening. The City will communicate with citizens, emergency responders, schools, Intercity Transit, and other stakeholders about the schedule and traffic impacts through Twitter, media releases, and postcards.

**Options:**

1. Award the construction contract to PaKaPa, Inc., in the amount of \$1,877,238.62, and authorize the City Manager to execute the contract.  
The project proceeds as planned.
2. Reject all bids and direct staff to rebid the project. The time needed to rebid will delay construction until 2019. The cost may increase due to increased staff time to rebid the project. Further, additional pavement deterioration and preparation work may be required because of the delay.

**Financial Impact:**

The 2018 Pavement Preservation (Chip Seal) Project is funded by the Street Repair/Reconstruction program.

The low bid of \$1,877,238.62 is approximately 10% above the Engineer's estimate. Although the bid is above the Engineer's estimate, staff feels it is reasonable due to rising construction costs. There are sufficient funds in the budget to complete this project.

Overall project costs:

Total Low Bid:	\$ 1,877,238.62
Contingency to Award (10%):	\$ 187,725.00
Engineering: Design, Inspection, Consultants	\$ 223,500.00
Total Estimated Project Cost:	\$ 2,288,463.62

Overall available project funding:

TBD Funds	\$ 1,595,000.00
Gas Tax Funds	\$ 239,825.00
CIP Funds	\$ 12,908.00

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CIP/REET	\$ 452,267.00
<b>Total Funding</b>	<b>\$ 2,300.000.00</b>

**Attachments:**

Vicinity Map  
Summary of Bids  
Bid Protest and City Response