



City Council

Approval of Bid Award for the Chambers Creek Village Commercial Septic-to-Sewer Conversion Project (STEP)

Agenda Date: 7/17/2018
Agenda Item Number: 4.G
File Number: 18-0620

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

Title

Approval of Bid Award for the Chambers Creek Village Commercial Septic-to-Sewer Conversion Project (STEP)

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to award the construction contract to JMB Contracting Inc., dba Propel Construction Inc., for \$432,762.88, and authorize the City Manager to execute the contract.

Report

Issue:

Whether to award the construction contract for the Chambers Creek Village Commercial STEP Project to JMB Contracting Inc. dba Propel Construction Inc.

Staff Contact:

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

Presenter(s):

None - Consent Calendar item.

Background and Analysis:

The Chambers Creek Village Condominium Owner Association initiated this project under the City's Septic to Sewer program. Olympia Municipal Code Section 13.08.215 established the program in 2009 and revised it in November, 2017.

The condominiums are currently served by onsite sewage systems (septics) which are aging and possibly failing. The septic systems require frequent pumping and maintenance. The condominiums are adjacent to Chambers Creek, increasing the environmental risk of septic failures.

This project will install a commercial STEP (Septic Tank Effluent Pump) tank, electrical system and

controls. The City will own and maintain the commercial STEP tank. The STEP tank collects wastewater from the neighborhood. Within the tank is a pump that sends the liquid portion of the wastewater to the City's sewer collection system. Periodically, the utility pumps the solids remaining in the tank (similar to pumping out a septic tank). The owner association will construct the gravity sewer lines from the buildings to the commercial STEP tank.

Connecting properties served with septic systems to sewer is a priority of the Wastewater Utility and a regional priority for the LOTT Clean Water Alliance and their partner jurisdictions. This project is benefitting from LOTT's Septic Conversion Incentive Pilot Program as well as the City's Septic to Sewer program.

We anticipate starting construction in August and ending October 2018.

Neighborhood/Community Interests (if known):

The Chambers Creek area will benefit from the removal of an on-site septic system.

The neighborhood will experience some inconvenience, including noise and dust, during construction of the new system.

Options:

1. Award the construction contract to JMB Contracting Inc. dba Propel Construction Inc., in the amount of \$432,762.88, 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 added staff time to rebid the project. A portion of the added cost will be passed along to the homeowners with the utility covering the majority of the cost. There is no guarantee future bids would be lower.

Further, the septic tanks will continue to fail. Any environmental degradation due to the failing septic tanks will continue.

Financial Impact:

The Chambers Creek Village Commercial STEP Project is funded by the Onsite Sewage System Conversions program (# 9813) in the Capital Facilities Plan.

The Septic to Sewer program provides for the benefitting property owners to reimburse the City for a portion of the cost of the capital project. This reimbursement is paid at the time of connection to the new sewer. The Chambers Creek Village Condominium Owner Association has committed to connect to the new sewer within two years of completion of the capital project.

The low bid of \$432,762.88 is approximately 10 percent above the Engineer's estimate. Although the bid is above the Engineer's estimate, staff feels it is reasonable due to rising construction costs. The bid is by a responsive and qualified contractor. There are sufficient funds in the budget to complete this project.

Overall project costs:

Total Low Bid:	\$ 432,762.88
Contingency to Award (10%):	\$ 43,276.28
Engineering: Design, Inspection, Consultants	\$ 119,000.00
Total Estimated Project Cost:	\$ 595,039.16
Overall available project funding:	

CIP Funds	\$ 595,100.00
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Total Funding	\$ 595,100.00
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Attachments:

Summary of Bids
Vicinity Map