



**MEMO TO:** Members of the City Council

**FROM:** Mayor Angela Birney

**DATE:** July 21, 2020

**SUBJECT:** Award of Bid to T-Bailey, Inc., of Anacortes, Washington, in the Amount of \$4,250,645.30, for the SE Redmond Tank Painting and Seismic Upgrade

**I. RECOMMENDED ACTION**

Award bid to T-Bailey, Inc., of Anacortes, Washington, for the amount of \$4,250,645.30, tax included, for the rehabilitation of the SE Redmond Tank Painting and Seismic Upgrade, Project No. 20021801, and authorize the Mayor to sign the contract.

**II. DEPARTMENT CONTACTS**

Dave Juarez, Public Works Director	425-556-2733
Gary Schimek, Environmental & Utilities Services Manager	425-556-2742
Lisa Rigg, Environmental & Utilities Services Senior Engineer	425-556-2295
Joseph O'Leary, Project Manager	425-556-2738

**III. DESCRIPTION/BACKGROUND**

The City owns and operates a four and half million-gallon (4.5 MG) water storage tank in SE Redmond. The tank is located at 18609 NE 65th St., near Fire Station 16. The steel tank was constructed in 1996 and is scheduled for exterior and interior paint recoating. The contract consultant, Gray & Osborne Engineers, has completed the final design for the tank re-coatings, and the seismic upgrade. This project also includes other improvements, new safety railings, storm gutters, support piping will be replaced, and the telemetry system updated. Maintenance & Operations, Water Operations will not shut down and drain the tank until the summer peak water demand ends on September 30, 2020. The temporary shutdown of the SE Redmond Tank will have no impact to City water service. The built-in redundancy of the City tank water system can provide continuous water supply. All project work, including sand blasting, re-coating of the interior and exterior surfaces, seismic upgrades and final painting is expected to take approximately eleven months. The telecommunications carriers, Verizon, T-Mobile, and Sprint have had equipment leases on the SE Tank roof top for many years. As part of their lease agreements the carriers will temporarily remove their equipment from the roof by August 31, 2020. The carriers have a City permit to erect a temporary cellular tower adjacent to the tank site. The temporary tower work will not interfere with SE Tank project.

## **Bid Results**

The project was advertised in the Daily Journal of Commerce on June 3<sup>rd</sup> and June 10th, 2020. The City Clerk received the electronic bids until 2:00 pm on June 25, 2020. Four bid proposals were submitted, one of the four bids were found unresponsive:

<b><u>Contractor</u></b>	<b><u>Bid Amount (incl. sales tax)</u></b>
T-Bailey, Inc.	\$ 4,250,645.30
Abhe & Svoboda, Inc.	6,592,850.00
Southern Road & Bridge LLC	6,815,631.90
<b><i>Engineer's Estimate</i></b>	<b><i>\$ 4,394,864.10</i></b>

The lowest apparent bidder T-Bailey, Inc. bid unit prices, extensions, and additions have been checked for accuracy and for unbalanced bid items.

No errors were found. T-Bailey is the lowest responsible bidder. Their bid price is less than 5% below the engineer's estimate. T-Bailey has performed satisfactory work on steel tanks for local public municipalities over the past several years. Staff recommends bid award to T-Bailey, Inc., of Anacortes, Washington.

## **IV. PREVIOUS DISCUSSIONS HELD**

### **Council Actions / Communication**

<b><u>Date (MM/DD/YYYY)</u></b>	<b><u>Action / Committee Presentation</u></b>
04/12/2019	Committee of the Whole
05/07/2019	Committee of the Whole, Preliminary Engineering Services for Gray & Osborne
10/04/2019	Committee of the Whole
10/15/2019	Council Meeting, Final Design Engineering Services for Gray & Osborne
07/21/2020	Council Meeting, Award of Bid to T-Bailey, Inc.

## **V. IMPACT**

### **A. Service/Delivery:**

When the SE Redmond Tank Painting and Seismic Upgrade project is complete, the application of new paint coatings will extend the life cycle to approximately 20 years. The steel tank seismic upgrade will have an increased structural strength in withstanding damage from a future earthquake and will meet seismic code.

**B. Fiscal Note:**

Project was fully funded with Council approval of 2019-2020 budget.

Design Phase	\$ 548,253
Construction Phase	\$ 5,238,479
Total Estimated Project Cost	\$ 5,786,732
<b>Project Funding</b>	<b>\$5,887,698</b>
<b>Budget Surplus</b>	<b>\$100,966</b>

**VI. ALTERNATIVES TO STAFF RECOMMENDATION**

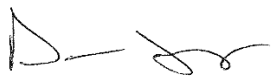
The Council may reject the bid award for the SE Redmond Tank. However, not approving bid award for the needed upgrades could reduce the operational performance of the water tank.

**VII. TIME CONSTRAINTS**

Delaying the painting protective coating and seismic upgrade could reduce the operational performance of the water tank could result in higher costs to rebid the project.

**VIII. LIST OF ATTACHMENTS**

Attachment A. Vicinity Map



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**Dave Juarez, Public Works Director**



Approved for Agenda \_\_\_\_\_  
**Angela Birney, Mayor**