

MEMORANDUM

Date: March 3, 2025

To: Bill Thornton, Purchasing Manager

From: Kevin Latschaw, Airport Engineering Manager

Re: **Bid No. PW-25-0382SB Airport 2025 Paving**

Purchasing opened bids for the subject project at Snohomish County Airport (the Airport) on February 13, 2025. There were two bid schedules for the project: Schedule A – Airside Improvements, and Schedule B – Landside Improvements. Contractors could bid on either or both bid schedules, and the County can make award to either the low bidder of each individual schedule separately, or one to the lowest combination of both schedules, whichever is determined to be in the best interest of the County.

Responsive and competitive bids were received from two contractors, Lakeside Industries, Inc. and Granite, Inc., which both submitted on both bid schedules as follows (not inc. sales tax):

Schedule	Eng. Est.	Lakeside	Granite
A	\$ 870,300.00	\$ 1,169,272.50	\$ 1,476,930.00
B	\$ 525,000.00	\$ 644,580.00	\$ 627,126.00
Overall	\$ 1,395,300.00	\$ 1,813,852.50	\$ 2,104,056.00
Difference	-	30.00%	50.80%

The Airport is proposing to award to Lakeside Industries, Inc. for both Schedule A and Schedule B. Both companies were found to be responsive and qualified; Lakeside was the low bid for Schedule A, as well as the overall combined low bid for Schedule A+B. Granite was the low bid for Schedule B alone, but at a difference of only ~\$17k from the Lakeside bid for that schedule, the savings is not estimated to exceed the added administrative costs and inefficiencies of managing two contracts.

SCC 3.04.165 requires supporting justification and the approval of Council on written motion to award a public works construction contract when the bid exceeds the engineer's estimate by more than ten percent (10%).

Airport staff recommends awarding both Schedule A + B to Lakeside, after reviewing the bids and based on the following justifications.

1. The project was previously advertised in July of 2024. At that time, only one bid was received, and although responsive, at \$2.04M was approximately 70% over engineers estimate at the time.

2. While the engineers estimate was revised upward and the recommended award is still 30% over the updated estimate, the total bid of \$1.81M is still less than the bid received last year.
3. The work on the Schedule A – Airside is specialized paving work, required to meet FAA provisions and materials specifications. Fewer contractors are generally willing to bid on these airfield projects than a typical roadway project.
4. The airport has no reason to believe that re-advertising the project will result in additional bidders or more competitive bids.
5. Given the current inflationary environment, if the project is re-advertised the costs may increase.
6. The work in Schedule A – Airside is repairing among other things pavement in front of the hangar door of a major aeronautical operation, which if it is allowed to deteriorate may result in the ingestion of rock or other debris into aircraft engines.

For all of these reasons, the Airport is requesting the concurrence of Purchasing to put forth a Motion to Council to allow the award beyond the typical 10% over engineer's estimate.

Thank you,

Kevin Latschaw, P.E.
Airport Engineering Manager