



**BUSINESS OF THE CITY COUNCIL  
YAKIMA, WASHINGTON  
AGENDA STATEMENT**

Item No. 9.B.  
For Meeting of: October 1, 2024

**ITEM TITLE:** Resolution authorizing a Contract Agreement with Interwest Construction, Inc. for the Nelson Ph. 2 Conveyance Improvements Project IC2010

**SUBMITTED BY:** Scott Schafer, Director of Public Works  
\*Mike Shane, Water/Irrigation Engineer

**SUMMARY EXPLANATION:**

In 2023, the City of Yakima (City) Water/Irrigation Division completed the Nelson Dam Removal Project: Water Supply, Fish Passage, and Riverine Process Phase 1 Improvements Project IC2010. The project removed Nelson Dam, installed a roughened river channel in the Naches River and a new irrigation diversion and fish screening structure. The new diversion provides irrigation water to City customers, as well as Naches Cowiche Canal Association customers.

Phase 2 (2A, 2B and 2C) of the project will install new irrigation pipelines (conveyance improvements) from the Nelson Diversion east to the Hwy 12/North 40th Avenue interchange to allow delivery of irrigation water to the City of Yakima and Old Union Canal irrigation distribution systems. Installation of the pipelines will allow two existing irrigation diversions for the Fruitvale Canal and Old Union Canal to be decommissioned, and irrigation water be provided from the Nelson Diversion.

City staff used the State bidding process to advertise for competitive bids. On September 5, 2024, competitive bids were received and opened. Interwest Construction, Inc. has been selected as the lowest responsive, responsible bidder, with a total bid for all phases of construction of \$13,721,613.25. A recommendation of award was signed by the City Manager on September 18, 2024. The Agreement has been attached for City Council consideration.

Phase 2A of the project is currently funded by Irrigation Capital (479), as well as a State of Washington Department of Ecology Grant of \$7,600,000, which was accepted by City Council on September 3, 2024. Additional funding for Phases 2B and 2C is anticipated in 2025 from Irrigation Capital (479) revenue bonds; \$3,000,000 in Congressionally Directed Spending funds, as well as a 2025-2027 State of Washington biennial budget request of \$3,250,000 through the Department of Ecology.

Phase 2A is anticipated to be constructed during the irrigation off-season from October 2024 through June 2026.

**ITEM BUDGETED:** Yes

**STRATEGIC PRIORITY 24-25:** A Resilient Yakima

**RECOMMENDATION:** Adopt Resolution.

**ATTACHMENTS:**

[Nelson Ph. 2 Construction Resolution.docx](#)

[Nelson Dam Removal - Phase 2 Bid Approval.pdf](#)

[Nelson\\_Ph.\\_2\\_Contract\\_Package\\_-\\_Interwest\\_Construction\\_\\_Inc..pdf](#)