

CITY OF UNALASKA  
UNALASKA, ALASKA

RESOLUTION 2018-16

A RESOLUTION OF THE UNALASKA CITY COUNCIL AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH TURNAGAIN MARINE CONSTRUCTION COMPANY TO CONSTRUCT THE UMC SECURITY FENCING PROJECT FOR \$367,360.

WHEREAS, the UMC Security Fencing Project has been identified as necessary for the safety and security of our Port and Citizens, and

WHEREAS, the City of Unalaska has accepted a State Homeland Security Grant for the construction of this Project; and

WHEREAS, Council contracted with PND Engineers, Inc. to design the Project; and

WHEREAS, Staff advertised the construction of the Project for 30 days and received two bids; and

WHEREAS, Turnagain Marine Construction Company was found to be the lowest responsive and responsible bidder; and

WHEREAS, funding is available in the Project's budget to award the work.

NOW THEREFORE BE IT RESOLVED that the City Manager of the City of Unalaska, Alaska enter into an Agreement with Turnagain Marine Construction Company to perform the UMC Security Fencing Project in the amount of \$367,360.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on March 13, 2018.

  
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Frank Kelty  
Mayor

ATTEST:

  
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Marjie Veeder  
City Clerk



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## MEMORANDUM TO COUNCIL

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To: Mayor and City Council Members  
From: Tom Cohenour, Director, Department of Public Works  
Through: Erin Reinders, Interim City Manager  
Date: March 13, 2018  
Re: Resolution 2018-16 Award UMC Security Fence Project to Turnagain  
Marine Construction Company for \$367,630

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**SUMMARY:** Resolution 2018-16 will award the construction of the UMC Security Fence Project to Turnagain Marine Construction Company (TMC) for \$367,630. Funding will come from the Project's Alaska State Homeland Security Grant and from the Contingency line item of the UMC Positions 3 & 4 Replacement Project, associated with the Budget Amendment via Ordinance 2018-03. Staff recommends approval.

**PREVIOUS COUNCIL ACTION:** Council has taken the following action specific to the UMC Security Fencing Project:

- On December 27, 2016, via Ordinance 2016-18, Council approved the reallocation of \$325,000 from the Department of Public Safety's State Homeland Security Grant to the UMC Security Fencing Project.
- On December 28, 2017, via Resolution 2017-68, Council authorized the City Manager to amend Turnagain Marine Construction Company's contract for the UMC Positions 3 & 4 Replacement Project to include post holes for the UMC Security Fencing Project in an amount not to exceed \$194,660.
- On February 27, 2018, via Ordinance 2018-03, Council heard the first reading of a Budget Amendment Request to move \$110,360 of Contingency funding from the UMC Positions 3 & 4 Replacement Project into the UMC Security Fence Project budget.
- On March 13, 2018, via Ordinance 2018-03, Council heard the second reading of a Budget Amendment Request and approved the transfer of \$110,360 from the UMC Positions 3 & 4 Replacement Project into the UMC Security Fence Project budget.

**BACKGROUND:** The lack of security fencing has been identified during annual port security drills as an area that was vulnerable and needed upgrading. The UMC facility is used to tie up both foreign and domestic cargo vessels, cruise ships, bulk fuel carriers, United States Coast Guard, and State of Alaska enforcement vessels. Physical security of the facility is required to create a controlled access point allowing law enforcement to better screen personnel for potential terrorists, acts of vandalism, and theft. The scope of this project is to install commercial grade security fencing around the UMC facility which constitutes a series of 7 dock positions spanning 2200+ feet.

The Department of Public Safety applied for and received a \$325,000 State Homeland Security Grant.

Staff contracted with PND Engineers in the amount of \$17,500 to prepare bid ready documents for the construction of this project. Funding came from the UMC Position 3&4 Replacement Project. The project was advertised for over 30 days and bids were due February 20, 2018. We received two bids for the work and TMC was found to be the lowest responsive and responsible bidder.

We received a very fair bid from Turnagain as shown by comparing it to the Engineer's Estimate and the other bid received on February 20, 2018:

1. Northern Alaska Contractors .....\$575,060.
2. Engineer's Estimate.....\$533,777.
3. Turnagain Marine .....\$367,360.

In efforts to budget conservatively but realistically and being mindful of the fact that Council has already voiced some concern regarding the cost of this particular project, Staff has outlined a budgeted contingency at 15% of the contractors bid amount for construction services. Earlier on in the planning stages of projects, using 20% or more is common. Staff is hopeful given the scope and lower level of complexity with this project that this lower contingency will be adequate. It is promising that we are able to fund this budget amendment from the remaining contingency line item of the UMC Positions 3&4 Replacement Project, a project headed up by the same contractor.

**DISCUSSION:** The grant has a deadline of 9-30-18 to expend funds. With the UMC Security Fence project being impacted by the UMC Positions 3&4 project, Turnagain Marine, as contractor on both projects, will stage construction of both projects in order to complete the fence work by the grant deadline.

Turnagain has already been contracted to perform the security fence post hole work as a separate contract via Resolution 2017-68. Therefore, as the single contractor on the work site, they will be able to seamlessly coordinate the work.

**ALTERNATIVES:** If Council does not approve the resolution as drafted, Council could choose another contractor, rebid the project, or choose not to proceed with this project. Council should note that the low bid from Turnagain Marine was very fair since they are already on site. Future bids will almost certainly be much higher. Further delay to the completion of the security fence will likely lead to forfeiture of the \$325,000 grant because the work will not be able to be completed by the grant deadline. Alternatively, not funding the completion of the security fence leaves all 7 dock positions unsecured and vulnerable to potential terrorists, acts of vandalism, and theft.

**FINANCIAL IMPLICATIONS:** With the adoption of Ordinance 2018-03, this project is fully funded and able to support the award of the UMC Security Fence Project to TMC.

**LEGAL:** Grant conditions have been met regarding advertising and procurement.

**STAFF RECOMMENDATION:** Staff recommends awarding the work to TMC. They performed very well as the contractor on the Bobby Storrs Harbor C Float project, the Light Cargo Dock Project, and on the UMC Positions 3 & 4 Replacement Project. We fully expect the same satisfactory result with the UMC Security Fence work.

**PROPOSED MOTION:** I move to approve Resolution 2018-16 and awarding the work to Turnagain Marine Construction Company for \$367,630.

**CITY MANAGER COMMENTS:** The fencing significantly improves security at the International Port of Dutch Harbor. The UMC Security Fence Project is a time sensitive project due to the grant agreement. Postponing or not proceeding with the project would result in returning the grant funding, which would likely make it more challenging to be awarded these grants in the future.

**ATTACHMENTS:** Bid Tabulation

CITY OF UNALASKA, ALASKA  
 Department of Public Works  
 UMC Security Fence  
 February 20, 2018  
 2:00 p.m.

Contractor / Business Name	Bid Form Used?	Addenda	Bid Bond	Licenses		MBE/WBE Forms	Byrd Anti Lobby Form	Item 1	Item 2	Item 3	Item 4	Item 5	Item 6 Mobilization/ Demobilization	Total Bid
		No. 1		State Contractor	State Business			Chain Link Fence with Barbed Wire	Single Frame Gate (40')	Box Frame Gate (50')	Double Opening Single Frame Gate w/ Removeable Latch Post	Man Gate (3')		
Engineers Estimate								\$97,290.00	\$30,000.00	\$175,000.00	\$60,000.00	\$3,000.00	\$30,000.00	--
Bid Modification														\$395,290.00
Turnagain	X	X	X	X	X	--	--	\$82,560.00	\$28,000.00	\$155,000.00	\$64,000.00	\$800.00	\$37,000.00	--
Bid Modification														\$367,360.00
Northern Alaska	X	X	X	X	X	X	X	\$172,000.00	\$60,000.00	\$225,000.00	\$90,000.00	\$2,000.00	\$26,060.00	--
Bid Modification														\$575,060.00
														--
Bid Modification														\$0.00
														--
Bid Modification														\$0.00
														--
Bid Modification														\$0.00
														--
Bid Modification														\$0.00

J.L.  
 Witness  
 Jennifer L. Shockley

*[Signature]*  
 Witness

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 Witness