

CITY OF UNALASKA  
UNALASKA, ALASKA

RESOLUTION 2018-62

A RESOLUTION OF THE UNALASKA CITY COUNCIL AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH NORTHERN ALASKA CONTRACTORS, LLC TO CONSTRUCT THE UNALASKA MARINE CENTER (UMC) LAYDOWN PROJECT FOR \$3,837,342.

WHEREAS, the UMC Laydown Project is an approved component of the FY19-23CMMP; and

WHEREAS, the Project will create 1.9 acres of flat, leasable land for the City of Unalaska; and

WHEREAS, it has been determined that the Project will provide a return on investment of ten years or less; and

WHEREAS, Staff prepared bid ready documents and issued an Invitation to Bid advertised for at least 30 days; and

WHEREAS, three sealed bids were received in response to the Invitation to Bid; and

WHEREAS, Northern Alaska Contractors, LLC, an local construction firm with vast experience working with the City of Unalaska, has been deemed the lowest responsive, responsible bidder for the proposed Work; and

WHEREAS, funding exists in the Capital Project budget to award the work.

NOW THEREFORE BE IT RESOLVED that the City Council of the City of Unalaska authorizes the City Manager to enter into an Agreement with Northern Alaska Contractors, LLC to perform the Construction of the UMC Laydown Project for \$3,837,342.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on October 23, 2018.

  
\_\_\_\_\_  
Dennis Robinson  
Vice Mayor

ATTEST:

  
\_\_\_\_\_  
Roxanna Winters  
Acting City Clerk



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## MEMORANDUM TO COUNCIL

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To: Mayor and City Council Members  
From: Tom Cohenour, Director of Public Works  
Through: Thomas Thomas, City Manager  
Date: October 23, 2018  
Re: Resolution 2018-62 – A Resolution of the City Council of the City of Unalaska to Authorize the City Manager to enter into an Agreement with Northern Alaska Contractors, LLC to Construct the Unalaska Marine Center (UMC) Laydown Project for \$3,837,342.

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**SUMMARY:** Resolution 2018-62 will authorize the City Manager to enter into an agreement with Northern Alaska Contractors, LLC to construct the UMC Laydown Project for \$3,837,342. Funding for this project will come from the Ports Proprietary Fund via MUNIS Project PH19B.

**PREVIOUS COUNCIL ACTION:** Council funded this project via the FY2019 Capital & Operating Budget Ordinance No. 2018-04, adopted May 22, 2018. The project was previously included as an additive alternate to the bidding documents for the construction of the UMC Positions 3 & 4 Expansion Project but Council chose not to award both projects simultaneously.

**BACKGROUND:** This project will provide a much needed addition to the existing operational uplands at the UMC on Ballyhoo Road. Constructing this Project was identified as an economic benefit to the City during the UMC Expansion Project Design. The project is located on the south end of Position 7 and will extend the uplands by providing fill to create an additional 1.9 acres of leasable flat land. The extension of the uplands has already been permitted through the USACE and has been through the appropriate NEPA reviews.

**DISCUSSION:** Staff worked with PND Engineers, Inc. to prepare bid-ready documents for this project. The project scope includes filling in a 90' x 1000' section of shoreline to create more usable land, storm water drainage, sediment and erosion control, construction survey, and traffic control, and a D1 gravel surface. Three sealed bids were received in response to our Invitation to Bid, which was advertised for over 30 days on the City Website and in the Anchorage Daily News as well as directly emailed to the entities on the Department of Public Works' list of interested parties. The three bids, along with the Engineer's Estimate, are as follows:

<b>Ridge Contracting .....</b>	<b>\$4,652,000</b>
<b>Brice Incorporated.....</b>	<b>\$4,499,995</b>
<b>Northern Alaska Contractors.....</b>	<b>\$3,837,342</b>
<b>Engineer's Estimate.....</b>	<b>\$3,685,550</b>

The bid submitted by Northern Alaska Contractors, LLC is well under the available budget for the work and very close to the Engineer's Estimate.

**ALTERNATIVES:** Council could choose not to award this work. However, it is unlikely to be less costly in the future. Staff is willing to take direction as to what other alternatives to consider beyond awarding the work.

**FINANCIAL IMPLICATIONS:** The Project's budget, shown below, is able to support this contract award to Northern Alaska Contractors, LLC and still have adequate funding to cover construction engineering, inspection services, and contingency. The estimated return on investment (payback) is approximately 9 years based on present lease rates.

<b>MUNIS PROJECT PH19B - UMC LAYDOWN AREA</b>						
<b>DESC</b>	<b>FY19 BUDGET</b>	<b>EXPENSED</b>	<b>ENCUMBERED</b>	<b>MUNIS AVAILABLE</b>	<b>PENDING ENCUMBRANCES</b>	<b>ACTUAL AVAILABLE</b>
Engineering and Architectural	\$ 45,000.00	\$ 9,100.00	\$ 27,875.00	\$ 8,025.00	\$ -	\$ 8,025.00
Other Professional Services	\$ 5,000.00	\$ -	\$ 791.82	\$ 4,208.18	\$ -	\$ 4,208.18
Construction Services	\$ 4,265,000.00	\$ -	\$ -	\$ 4,265,000.00	\$ -	\$ 4,265,000.00
Contingency	\$ 1,085,000.00	\$ -	\$ -	\$ 1,085,000.00	\$ -	\$ 1,085,000.00
	\$ 5,400,000.00	\$ 9,100.00	\$ 28,666.82	\$ 5,362,233.18	\$ -	\$ 5,362,233.18

**LEGAL:** N/A.

**STAFF RECOMMENDATION:** Staff recommends the award of the work to Northern Alaska Contractors, LLC. They have performed well for us in the past, have their own rock source to pull from which kept their bid low relative to the two others received and are familiar with the workings of the City of Unalaska.

**PROPOSED MOTION:** "I recommend approval of Resolution 2018-62."

**CITY MANAGER COMMENTS:** I recommend approval of Resolution 2018-62.

**ATTACHMENTS:**

1. Bid Results Summary
2. Form of Agreement
3. Proposed Project Sketch

PND Project #: 111135.17

Project Name: City of Unalaska UMC Laydown Area

By: SBA  
 Checked: PK  
 Date: 10/16/18

**BID SUMMARY**

Item No.	Spec No.	Name of Item	Unit	Quantity	Engr's Estimate	Northern Alaska Contractors, LLC.	Brice Inc.	Ridge Contracting Inc.
1	203(20)	SALVAGE EXISTING ARMOR ROCK	LS	All Req'd	\$ 76,000	\$ 43,000	\$ 75,000	\$ 80,000
2	203(21)	6" MINUS SHOT ROCK FILL	LS	All Req'd	\$ 1,892,000	\$ 1,803,217	\$ 1,500,000	\$ 1,470,000
3	301(5)	AGGREGATE BASE COURSE, GRADING D-1	LS	All Req'd	\$ 140,000	\$ 100,000	\$ 150,000	\$ 155,000
4	301(6)	AGGREGATE BASE COURSE PRICE ADJ.	CS	All Req'd	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
5	603(22)	STORMWATER SYSTEM	LS	All Req'd	\$ 121,050	\$ 161,125	\$ 90,000	\$ 85,000
6	607(8)	BOLLARD	LS	All Req'd	\$ 24,000	\$ 15,000	\$ 35,000	\$ 40,000
7	611(3)	RIPRAP, CLASS I	LS	All Req'd	\$ 306,000	\$ 295,000	\$ 350,000	\$ 450,000
8	611(4)	RIPRAP, CLASS IV	LS	All Req'd	\$ 648,000	\$ 831,000	\$ 1,610,000	\$ 980,000
9	611(5)	RIPRAP PRICE ADJ.	CS	All Req'd	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
10	640(1)	MOBILIZATION AND DEMOBILIZATION	LS	All Req'd	\$ 100,000	\$ 178,000	\$ 324,995	\$ 865,000
11	640(5)	EARLY COMPLETION PRICE ADJ.	CS	All Req'd	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
12	641(1)	EROSION CONTROL ADMIN.	LS	All Req'd	\$ 2,500	\$ 5,000	\$ 7,500	\$ 30,000
13	641(3)	TEMPORARY EROSION CONTROL	LS	All Req'd	\$ 40,000	\$ 62,000	\$ 10,000	\$ 85,000
14	641(5)	TEMPORARY EROSION CONTROL (DIRECTIVE)	CS	All Req'd	\$ 10,000	\$ 5,000	\$ 5,000	\$ 5,000
15	642(1)	CONSTRUCTION SURVEYING	LS	All Req'd	\$ 50,000	\$ 51,000	\$ 75,000	\$ 100,000
16	643(2)	TRAFFIC MAINTENANCE	LS	All Req'd	\$ 100,000	\$ 70,000	\$ 90,000	\$ 80,000
17	645(1)	PROTECTED SPECIES OBSERVERS	LS	All Req'd	\$ 50,000	\$ 82,000	\$ 50,000	\$ 67,500
18	646(1)	CPM SCHEDULING	LS	All Req'd	\$ 1,000	\$ 12,000	\$ 3,000	\$ 30,000
19	647(1)	DOZER, 65 HP MIN	HOUR	10	\$ 2,500	\$ 2,000	\$ 2,000	\$ 4,750
20	647(2)	HYDRAULIC EXCAVATOR, 1 CY, 100 HP MIN	HOUR	10	\$ 2,500	\$ 2,000	\$ 2,500	\$ 4,750
<b>Total Base Bid</b>					<b>\$ 3,685,550</b>	<b>\$ 3,837,342</b>	<b>\$ 4,499,995</b>	<b>\$ 4,652,000</b>

## **STANDARD FORM OF AGREEMENT BETWEEN THE OWNER AND CONTRACTOR**

THIS AGREEMENT is dated as of the \_\_\_\_\_ day of October in the year 2018, by and between the **CITY OF UNALASKA** (hereinafter called "OWNER") and **NORTHERN ALASKA CONTRACTORS, LLC** (hereinafter called "CONTRACTOR").

OWNER and CONTRACTOR, in consideration of the mutual covenants hereinafter set forth, agree as follows:

### **Article 1. WORK**

**CONTRACTOR** shall complete all work as specified or indicated in the Contract Documents. The work is generally described as follows:

The work will include, but not be limited to, furnishing all labor, tools, equipment, and materials and performing all operations in connection with the CITY OF UNALASKA UMC LAYDOWN AREA Project. The project includes placement of in-water fill, armor stone, culverts, and bollards as detailed in the plan sheets issued for bid.

1. Project Location: Unalaska Marine Center, Unalaska, Alaska
2. Owner: City of Unalaska, Department of Public Works

The Contract Documents, which comprise the entire agreement between OWNER and CONTRACTOR concerning the WORK, consist of the following:

- Construction Drawings (Plan Sheets)
- Technical Specifications
- Agreement
- Invitation to Bid
- Instructions to Bidders
- Bid Forms
- Performance Bond
- Payment Bond
- General Conditions
- Supplementary Conditions
- Addenda 1 through 3, inclusive.
- Change Orders which may be delivered or issued after the Effective Date of the Agreement and not attached hereto.

### **Article 2. CONTRACT TIME**

- 2.1 The CONTRACTOR is allowed \_\_\_\_\_ **calendar days** from the date indicated in the Notice to Proceed for final completion of this project.
- 2.2 Liquidated Damages. The OWNER and CONTRACTOR recognize that time is of the essence of this Agreement and that the OWNER will suffer financial loss if the work is not completed within the times specified above, plus any extensions thereof allowed in accordance with Article 11 of the General Conditions. These

types of losses are difficult to quantify. They include, but are not limited to increased expenses associated with management, maintaining utility service, lost efficiency in the movement of City employees and materials and general inconvenience to the public. They also recognize the delays, expense, and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by the OWNER if the work is not completed on time. Accordingly, instead of requiring any such proof, the OWNER and CONTRACTOR agree that as liquidated damages for delay (but not as a penalty) CONTRACTOR shall pay the OWNER \_\_\_\_\_ Dollars (\$\_\_\_\_.00) for each day that expires after the time specified above for completion and readiness for final payment.

### **Article 3. CONTRACT PRICE**

- 3.1 The OWNER shall pay CONTRACTOR for completion of the work in accordance with the Contract Documents an amount equal to the sum of the Lump Sum prices for each separately identified and selected bid item (herein referred to as the "Contract Sum").
- 3.2 The Contract sum is based upon the Bid Items which are set forth in the Contract Documents and which are hereby accepted by the OWNER. The Contract Sum is agreed to be \$4,387,340 (Four Million, Three Hundred Eighty Seven Thousand, Three Hundred Forty Dollars).

### **Article 4. PAYMENT PROCEDURES**

CONTRACTOR shall submit Applications for Payment in accordance with Article 13 of the General Conditions. Applications for Payment will be processed by the OWNER as provided in the General Conditions.

- 4.1 Progress Payments. The OWNER shall make progress payments on account of the Contract Price on the basis of CONTRACTOR's Applications for Payment on or about a day of the month mutually agreeable to the OWNER and CONTRACTOR as agreed to at the preconstruction conference. All progress payments will be on the basis of the progress of the work measured by the actual installed quantity of items, plus allowances for stockpiled materials.
  - 4.1.1 Prior to Substantial Completion, progress payments will be made in an amount equal to the percentage indicated below, but, in each case, less the aggregate of payments previously made and less such amounts as the OWNER shall determine, or the OWNER may withhold, in accordance with Article 13 (paragraph 13.8) of the General Conditions and the Supplemental Conditions.
    - a. Ninety percent of work completed.
    - b. Once 50 percent of the work is complete as determined by the OWNER, and if the character and progress of the work have been satisfactory to the OWNER, the OWNER, may determine that, as long as the character and progress of the work remain satisfactory to them, there will be no additional retainage on account of work completed; in which case, the remaining progress payments prior

to Substantial Completion will be in an amount equal to 100 percent of the work completed.

- 4.1.2 Upon Substantial Completion, in an amount sufficient to increase total payments to CONTRACTOR to 95 percent of the Contract Price, less such amounts as the OWNER shall determine, or the OWNER may withhold, in accordance with Article 13 of the General Conditions.
- 4.2 Final Payment. Upon final completion and acceptance of the work in accordance with the General Conditions; Affidavit of Payment of Debts and Claims; Affidavit of Release of Liens; and Receipt of Consent of Surety Company to Final Payment, the OWNER shall pay the remainder of the Contract Price as provided in said Article 13.
  - 4.2.1 Deductions. The City may deduct from the amount of any payment made to Contractor any sums owed to City by Contractor including, but not limited to, past due sales tax, port and harbor fees, property tax, or rent. Before making any such deduction the City shall have provided Contractor written notice of the amount claimed by City to be due and owing from Contractor.

**Article 5. INTEREST ON RETAINAGE**

All retainage shall bear interest at the rate required by AS 36.90.250, if applicable.

**Article 6. CONTRACTOR'S REPRESENTATIONS**

In order to induce the OWNER to enter into this agreement, CONTRACTOR makes the following representations:

- 6.1 CONTRACTOR has familiarized itself with the nature and extent of the Contract Documents, work, site, locality, and all local conditions and Laws and Regulations that in any manner may affect cost, progress, performance, or furnishing of the work.
- 6.2 CONTRACTOR has obtained and carefully studied (or assumes responsibility for obtaining and carefully studying) all such examinations, investigations, explorations, tests, reports, and studies which pertain to the subsurface or physical conditions at or contiguous to the site or which otherwise may affect the cost, progress, performance, or furnishing of the work as CONTRACTOR considers necessary for the performance or furnishing of the work at the Contract Price, within the Contract Time, and in accordance with the other terms and conditions of the Contract Documents, including specifically the provisions of paragraph 4.2 of the General Conditions; and no additional examinations, investigations, explorations, tests, reports, studies, or similar information or data are or will be required by CONTRACTOR for such purposes.
- 6.3 CONTRACTOR has reviewed and checked all information and data shown or indicated on the Contract Documents with respect to existing Underground Facilities at or contiguous to the site and assumes responsibility for the accurate location of said Underground Facilities. No additional examinations, investigations, explorations, tests, reports, studies, or similar information or data

in respect of said Underground Facilities are or will be required by CONTRACTOR in order to perform and furnish the work at the Contract Price, within the Contract Time, and in accordance with the other terms and conditions of the Contract Documents, including specifically the provisions of paragraph 4.4 of the General Conditions.

- 6.4 CONTRACTOR has correlated the results of all such observations, examinations, investigations, explorations, tests, reports, and studies with the terms and conditions of the Contract Documents.
- 6.5 CONTRACTOR has given the OWNER written notice of all conflicts, errors, or discrepancies that it has discovered in the Contract Documents and the written resolution thereof by the OWNER is acceptable to CONTRACTOR.

**Article 7. MISCELLANEOUS**

- 7.1 Terms used in this Agreement which are defined in Article 1 of the General Conditions will have the meanings indicated in the General Conditions.
- 7.2 The CONTRACTOR shall submit the Performance Bond, Labor and Material Payment Bonds, and Certification of Insurance and City of Unalaska business licenses and all Subcontractor City of Unalaska business licenses as required by the Contract Documents, prior to commencement of the Work. The Performance and Material Payment Bonds shall be in the amount of 100% of the contract bid price. **All Work shall be performed in accordance with the Laborers' and Mechanics' Minimum Rates of Pay as required by Title 36 AS 36.05 & AS 36.10 published by the Alaska Department of Labor.**
- 7.3 No assignment by a party hereto of any rights under or interests in the Contract Documents will be binding on another party hereto without the written consent of the party sought to be bound; and specifically but without limitation monies that may become due and monies that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.
- 7.4 OWNER and CONTRACTOR each binds itself, its partners, successors, assigns, and legal representatives to the other party hereto, its partners, successors, assigns, and legal representatives in respect of all covenants, agreements, and obligations contained in the Contract Documents.

**IN WITNESS WHEREOF**, The OWNER and CONTRACTOR have signed all counterparts of this Agreement. All portions of the Contract Documents have been signed or identified by the OWNER and CONTRACTOR.

This Agreement will be effective on \_\_\_\_\_, 2018.



NORTHERN ALASKA CONTRACTORS,  
LLC

CITY OF UNALASKA, ALASKA

By: \_\_\_\_\_  
Glenn Olson, Member

State of Alaska )  
) ss.

Third Judicial District )

The foregoing instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 2018, by Glenn Olson, the Member and General Partner of Northern Alaska Contractors, LLC, an Alaska Company, on behalf of the company.

\_\_\_\_\_  
Notary Public, State of Alaska  
My Commission Expires \_\_\_\_\_

By: \_\_\_\_\_  
Thomas Thomas, City Manager

State of Alaska )  
) ss.

Third Judicial District )

The foregoing instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 2018, by Thomas Thomas, City Manager for the City of Unalaska, a First Class Alaska Municipal Corporation, on behalf of the City of Unalaska.

\_\_\_\_\_  
Notary Public, State of Alaska  
My Commission Expires \_\_\_\_\_

# UMC Laydown Area (PH19B)

