CITY OF UNALASKA UNALASKA, ALASKA

RESOLUTION 2017-50

A RESOLUTION OF THE UNALASKA CITY COUNCIL AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH REGAN ENGINEERING, P.C. TO PERFORM CONSTRUCTION INSPECTION SERVICES FOR THE WESTWARD CAPTAIN'S BAY 35 KV LINE EXTENSION PROJECT IN THE AMOUNT OF \$78,091.

WHEREAS, the City of Unalaska has determined that it is in the best interests of the residents of the City of Unalaska to extend electrical service to Westward Seafoods; and

WHEREAS, the Westward Captain's Bay 35 KV Line Extension Project is a part of the Fiscal Year 2017 CMMP; and

WHEREAS, the City solicited bids for thirty days, received two bids, and Northern Alaska Contractors LLC was awarded the work via Resolution 2016-62; and

WHEREAS, the City solicited for and received two construction inspection proposals; and

WHEREAS, Regan Engineering, P.C., submitted the proposal of best value and lowest cost to perform Construction Inspection Services, and

WHEREAS, funding for Construction Inspection Services for the Project is included in the budget.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Unalaska authorizes the City Manager to enter into an agreement with Regan Engineering, P.C. to perform Construction Inspection services for the construction of the Westward Captain's Bay 35 KV Line Extension Project in the amount of \$78,091.

PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE UNALASKA CITY COUNCIL THIS 11^{TH} DAY OF JULY, 2017.

MAYOR

ATTEST:

CITY CLERK

MEMORANDUM TO COUNCIL

TO: MAYOR AND CITY COUNCIL MEMBERS

FROM: THOMAS E. COHENOUR, DIRECTOR OF PUBLIC WORKS

THRU: DAVE MARTINSON, CITY MANAGER

DATE: JULY 11, 2017

RE: RESOLUTION 2017-50: AUTHORIZING THE CITY MANAGER TO ENTER

INTO AN AGREEMENT WITH REGAN ENGINEERING, P.C. TO PERFORM CONSTRUCTION INSPECTION FOR THE WESTWARD CAPTAIN'S BAY 35

KV LINE EXTENSION PROJECT IN THE AMOUNT OF \$78,091

<u>SUMMARY:</u> The City solicited for and received proposals to provide Construction Inspection Services for the Westward Captain's Bay 35 KV Line Extension Project from Regan Engineering, P.C. and from Electric Power Systems, Inc., the project designer. Resolution 2017-50 will authorize the City Manager to enter into an agreement with Regan Engineering, P.C. to perform the necessary Construction Inspection Services on a Time and Materials basis for the not-to-exceed amount of \$78,091. The form of Agreement is attached to this Memorandum along with both proposals received.

PREVIOUS COUNCIL ACTION:

- 1. Ordinance 2016-12 on May 24, 2016, adopted the FY17 Capital and Operating Budget Ordinance, allocating \$2,650,836 for this project from the General Fund.
- 2. Resolution 2016-52 on June 28, 2016, awarded the design of the project to Electric Power Systems, Inc. for \$196,270.
- 3. Resolution 2017-43 on June 13, 2017, awarded the construction of the project to Northern Alaska Contractors, LLC, for \$1,399,060.52.

BACKGROUND: This project provides the installation of a new 35 KV electric line along Captain's Bay Road from its intersection with Airport Beach Road out to Westward Seafoods, Inc., allowing Westward's connection to the City of Unalaska's power grid. Design engineer Electric Power Systems, Inc. will provide Construction Administration support as part of their design agreement.

<u>DISCUSSION:</u> Electric Power Systems, Inc.'s proposal for the inspection work was \$169,050. Regan's proposal came in much lower at \$78,091 because they will have an inspector in town providing support for the Misc Storm Drainage Project so there would be no duplication for hotel, per diem, and vehicle. Regan Engineering, P.C. has provided outstanding Engineering, Construction Administration, and Inspection services to the City of Unalaska for over twenty five years.

<u>ALTERNATIVES:</u> Council could choose to work with the design engineer for Inspection Services; however, Staff believes that approving this Resolution is the most cost effective way to achieve the necessary inspection services.

FINANCIAL IMPLICATIONS: The project was funded by a loan from the General Fund which the Electric Utility estimates will be repaid in less than two years from revenues generated by the project. Funding is available in the budget for the proposed construction inspection services.

LEGAL: The City Manager will determine whether a legal opinion is required.

STAFF RECOMMENDATION: Staff recommends approval of Resolution 2017-50.

PROPOSED MOTION: "I move to approve Resolution 2017-50."

<u>CITY MANAGER'S COMMENTS:</u> Recommend Council Approve this resolution. Once approved, we will provide notice to proceed and have oversight on the Captain's Bay electrical project.