

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2022-10

A RESOLUTION OF THE UNALASKA CITY COUNCIL AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH UTILITY TECHNOLOGIES INCORPORATED FOR PURPOSES OF JOINT TRENCHING ON CAPTAINS BAY ROAD FROM WESTWARD SEAFOODS TO OFFSHORE SYSTEMS, INC., WITH WORK COMPLETED IN SPRING 2022 AT A COST NOT TO EXCEED \$1,307,197

WHEREAS, the Captains Bay Road Electrical Service Extension Project (the Project) is a component of both the Captains Bay Road and Utilities Improvements (PW19A) and the Makushin Geothermal (EL22B) capital projects; and

WHEREAS, the City of Unalaska has provided funding in FY2022 to construct the Project; and

WHEREAS, the City Council has determined, per Purchasing Policy 14-0803 Paragraph 1.e.i.2, that the use of competitive sealed bidding is neither practicable nor advantageous to the City with respect to the award of the Captains Bay Road Joint Trenching Project; and

WHEREAS, Utility Technologies Incorporated (UTI), an experienced and reputable contractor currently under contract with GCI to perform similar joint trenching activities with the City as adopted under Resolution 2021-33, has submitted a quote to perform this work; and

WHEREAS, the City Council has determined that awarding the Captains Bay Road Joint Trenching Project to UTI meets the criteria of Sole-Source Procurement per Purchasing Policy 14-0803 Paragraphs 1.h.1 through 1.h.3; and

WHEREAS, UTI meets the criteria for contract award as established in UCO 6.24.060 AWARD OF CONTRACT TO LOWEST BIDDER; EXCEPTION.


NOW THEREFOR BE IT RESOLVED that the Unalaska City Council authorizes the City Manger to enter into an agreement with Utility Technology, Inc. to complete the scope of work at a cost not to exceed \$1,307,197.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on March 8, 2022.



Vincent M. Tutiakoff
Mayor

ATTEST:



Marjie Veeder, CMC
City Clerk



MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Steve Tompkins, Acting Director of Public Utilities
Through: JR Pearson, Acting City Manager
Date: March 8, 2022
Re: Resolution 2022-10: Authorizing the City Manager to enter into an agreement with Utility Technologies Incorporated for the purpose of joint trenching on Captains Bay Road from Westward Seafoods to Offshore System, Inc., with work completed in Spring 2022 at a cost not to exceed \$1,307,197

SUMMARY: Through Resolution 2022-10, Staff is requesting that the City take advantage of GCI's fiber optic trenching to OSI to realize significant cost savings over completing the work as a stand-alone project. By having Utility Technologies, Inc. install electrical conduit in the same trench as the GCI fiber optic conduit, the City can save in excess of \$500,000, as well as save space in the road bed for possible future sewer and water lines.

The proposed scope of work is for conduit only, with conductor and vaults installed at a later date by the City Line Crew. Public Utilities has received written interest from OSI to buy power from the City when geothermal comes on-line, and there has been stated interest from LFS / Trident Seafoods in connecting to City services in a couple years as they develop their property. There will never be a better time to get conduit in the ground to allow growth to OSI and beyond as needed.

PREVIOUS COUNCIL ACTION: In June of 2017, Council adopted Resolution 2017-43 authorizing construction of 35 KV electrical service from Agnes Beach to Westward Seafoods.

In April of 2018, Council adopted the FY19-23 CMMP through Resolution 2018-30. The FY19-23 CMMP first detailed the Captains Bay Road & Utility Improvements Project, and identified \$5.3 million for Electrical Distribution Upgrades in FY22. On July 10, 2018, Council passed and adopted Resolution 2018-48 authorizing the City Manager to enter into an agreement with HDL Engineering to begin design work on the road and utility improvements.

On April 9, 2019, Council adopted Resolution 2019-15, declaring the Captains Bay Road Paving and Utility Extension Project as the City of Unalaska's number one State funding priority.

On February 11, 2020, Council adopted Resolutions 2020-09 and 2020-10 identifying the Captain's Bay Road and Utilities Project to be the City of Unalaska's number two State and Federal funding priority, respectively.

On August 25, 2020, City Council adopted Resolution 2020-55, approving a Power Purchase Agreement with OCCP. On July 15, 2021, the City and OCCP signed a Memorandum of Agreement which detailed the cost share arrangement between OCCP and the City, and also identified the 12 projects considered essential for a geothermal intertie, of which extending electrical service to Offshore Systems, Inc. is one.

On April 26, 2021, City Council adopted the FY22-FY31 CMMP, which first identified the Makushin Geothermal Project, and assigned funding of \$2,860,000 for FY22 and \$2,860,000 for FY 2023.

On May 25, 2021, City Council adopted Resolution 2021-33 authorizing the City Manager to sign a Joint Trench Agreement with Unicom Inc. (GCI), recognizing the City could advance their City Intranet Project at significant cost savings.

BACKGROUND: It has become increasingly apparent that we need to aggressively pursue all possible cost savings and grant opportunities in order to install utilities the length of Captains Bay Road. While Staff is wary of extending conduit without a PPA in place, we feel the potential benefits outweigh the risks in this case.

DISCUSSION: If you look at Captains Bay Road in three sections, there is currently roughly a mile of 35 KVA service to Westward Seafoods, roughly 6,000 feet of 14.4 KVA service in old conduit of unknown condition to North Pacific Fuel, then no electrical service for the roughly 2,400 feet from North Pacific Fuel to OSI. The service to North Pacific Fuel is fine for the current loads but will not support the loads from OSI and beyond.

The proposed trench architecture as specified under the UTI Proposal and Staff Cost Analysis is a 36-inch trench with two each six-inch HDPE conduits and two each two-inch HDPE conduits for City use in addition to the GCI fiber conduits. This conduit array will support any load we would ever conceivably need; it is even better than we use for our distribution backbone. It will allow us to run 35 KVA service all the way to OSI, leaving the old 14.4 service to NPF in place for the time being, so there would be no interruption in service. We would have a spare 6-inch conduit if needed, a 2-inch conduit for streetlights if needed, and a spare 2-inch conduit to use for City intranet in the future, if needed. This matches the service that was extended to Westward Seafoods, all the way to OSI.

By having the conduit in the ground, we can easily pull conductor and install vaults when needed using City Line Crew.

Along with securing current quotes for the needed materials, Staff looked at recently completed trenching work which runs between \$90 and \$115 per foot; we considered that it cost over \$1.8 million to run 35 KVA service approximately one mile to Westward Seafood in 2017, and we also looked at a 2021 ROM quote to run just one six-inch conduit the 2,400 feet from North Pacific Fuel to OSI:

Offshore Systems, Inc (OSI) Estimate				Unit Costs			Extended Costs		4/15/2021
TAG	DESCRIPTION	QTY	Unit	Labor	Materials	ith adder	Labor2	Materials3	Total
UM50-H-6	CONDUIT, 6" HDPE - SCHEDULE 40 (FEET)	2400	FT	\$ 18	\$ 7	\$ 8	\$ 43,200	\$ 19,200	\$ 62,400
CAB MARK	FIBERGLASS CABINET MARKER, NORDIC FIBERGLASS FF-1C	16	EA	\$ 113	\$ 150	\$ 180	\$ 1,808	\$ 2,880	\$ 4,688
FBR690SS	CONDUIT SWEEP, 6" FIBERGLASS	6	EA	\$ 900	\$ 250	\$ 300	\$ 5,400	\$ 1,800	\$ 7,200
URC-GX	CONDUIT TRENCHING, GRAVEL/ROADWAY/PATHWAY - WITH COMPACTION	2400	FT	\$ 50	\$ 45	\$ 54	\$ 120,000	\$ 129,600	\$ 249,600
#1/0 AL CONC 35 1/0 CONC 35KV AL, 1/3 NEUTRAL, 133% EPR INSULATION (FEET) - OKONITE 160-23-7072 OR EQUAL		7560	FT	\$ 8	\$ 6	\$ 7	\$ 60,480	\$ 52,920	\$ 113,400
ZUM6-1	35KV LOAD BREAK ELBOW, ELASTIMOLD ONLY (200A)	12	EA	\$ 675	\$ 500	\$ 600	\$ 8,100	\$ 7,200	\$ 15,300
ZUM6-10	35KV INSULATED PROTECTIVE CAP (200A)	6	EA	\$ 56	\$ 80	\$ 96	\$ 336	\$ 576	\$ 912
ZUM33X-4	3 PH 35 KV SECTIONALIZING ENCLOSURE, 4-WAY	2	EA	\$ 5,850	\$ 2,000	\$ 2,400	\$ 11,700	\$ 4,800	\$ 16,500
CONDUIT PLUG	CONDUIT PLUG (6" CONDUIT)	8	EA	\$ 225	\$ 30	\$ 36	\$ 1,800	\$ 288	\$ 2,088
M-BOL	BOLLARD, PROTECTIVE POST ASSEMBLY	12	EA	\$ 4,500	\$ 400	\$ 480	\$ 54,000	\$ 5,760	\$ 59,760
Q35	35KV PRIMARY METERING CABINET	1	EA	\$12,000	\$40,000	\$48,000	\$ 12,000	\$ 48,000	\$ 60,000
Sub-totals							\$ 318,824	\$ 273,024	\$ 591,848
Shipping (15%)							\$ 40,954	\$ 40,954	\$ 81,908
Contingency (30%)							\$ 95,647	\$ 81,907	\$ 177,554
							\$ 414,471	\$ 395,885	\$ 810,356

ALTERNATIVES: There are two alternatives. The City can decide to not extend electrical service to OSI and beyond, or we can elect to install it at a later time by digging a separate trench after UTI completes their work.

FINANCIAL IMPLICATIONS: There is over \$2 million remaining in the Makushin Geothermal Project for FY22, so we have funding currently allocated. Given the cost share specified in the PPA with OCCP, when OCCP receives their construction loan, they will reimburse the City for half of the cost of this project, reducing the cost to the City to approximately \$650,000 for 8,500 feet of electrical service conduit extension.

LEGAL: NA

STAFF RECOMMENDATION: Staff recommends Council adopt Resolution 2020-10.

PROPOSED MOTION: I move to adopt Resolution 2020-10.

CITY MANAGER COMMENTS: I support staff's recommendation.

ATTACHMENTS:

1. Cost Analysis – Captains Bay Road Electrical Service Extension
2. UTI Captains Bay Road Joint Trenching Proposal

Cost Analysis - Captains Bay Road Electrical Service Extension

Installed by GCI/UTI Under Joint Trench Agreement

	Unit Price	Quantity	Price
Joint Trench Addition to GCI (per foot)	\$ 60.36	8,500	\$ 513,060.00
2" Conduit per JTA (per foot)	\$ 8.00	17,000	\$ 136,000.00
6" HDPE Pipe (per foot)	\$ 16.58	17,000	\$ 281,860.00
Bedding Material (per cubic yard)	\$ 74.25	557	\$ 41,357.25
Vault Sweep-out (per location)	\$ 565.00	19	\$ 10,735.00
76 Sweeps, 76 Caps, 160 Duraline Couplers	\$ 22,524.00	1	\$ 22,524.00
Shurlock Couplers - 2 inch	\$ 14.25	0	\$ -
Shurlock Couplers - 6 Inch	\$ 48.35	0	\$ -
Inbound Freight on Conduit, Couplers, Sweeps, & Caps	\$ 25,000.00	0	\$ -
Labor - 2 Linemen to Install Conduit (Per hour regular)	\$ 135.00	0	\$ -
Labor - 2 Linemen to Install Conduit (Per hour OT)	\$ 202.50	0	\$ -
Misc. - Staging Materials, Flagging Crew, etc. (per day)	\$ 500.00	0	\$ -
Contingency (30%)			\$ 301,660.88
			\$ 1,307,197.13

Installed by Other

	Unit Price	Quantity	Price
	\$ 96.00	8,500	\$ 816,000.00
	\$ 1.34	17,000	\$ 22,780.00
	\$ 6.14	17,000	\$ 104,380.00
	\$ 74.25	1,670	\$ 123,997.50
	\$ 565.00	19	\$ 10,735.00
	\$ 22,524.00	1	\$ 22,524.00
	\$ 14.25	825	\$ 11,756.25
	\$ 48.35	825	\$ 39,888.75
	\$ 25,000.00	1	\$ 25,000.00
	\$ 135.00	960	\$ 129,600.00
	\$ 202.50	480	\$ 97,200.00
	\$ 500.00	60	\$ 30,000.00
			\$ 430,158.45
			\$ 1,864,019.95

Cost delta	Cost delta/foot
\$ 556,822.83	\$ 65.51

Assumptions Using UTI

Installation by two UTI supplied Linemen in 55 days (12 hr/day) / NAC & UTI Trenching
 Thermal joined connections on conduit.
 UTI supplied flaggers.
 Conduit pricing is FOB Unalaska, installed in trench.
 Specifics of work scope are detailed under existing Joint Trench Agreement.
 Trench architecture is 2 - 6" conduit and 2 - 2" conduit to accommodate future fiber or streetlights.
 6" conduit will be sufficient for any future development beyond OSI with a ready spare.

Assumptions Using Other

Installation by two Linemen in 60 days / NAC trenching.
 Surlock Couplers on Conduit Sections.
 NAC supplied flaggers.
 Conduit pricing is FOB factory, freight charged separately, installation charged separately.
 Same trench architecture, trenched parallel to UTI/GCI fiber conduit.

UTILITY TECHNOLOGIES

I N C O R P O R A T E D

December 20, 2021

City of Unalaska
 Attn: Bob Cummings
 PO Box 610
 Unalaska, AK 99685

RE: Joint Trench Proposal Updated for Captains Bay Road

Dear Bob:

Please see the finalized proposal for the above project.

Captains Bay Road

Includes fusing and installing two each 6" HDPE conduits, and two each 2" HDPE conduits, supplied by GCI. Includes 2 Power Lineman to install conduit.

Unit	Daily Production Rate	Unit Price	Quantity	Price
Joint Trench Addition to GCI Depth 42" cover	150 feet	\$60.36	8,500 feet	\$ 513,060.00
Vault Sweep-out Does not include vault or placement		\$565 per location	19 each	\$10,735.00
Gravel backfill			TBD	Split between COU and GCI
Traffic control			TBD	Covered by GCI
Materials 6" HDPE Pipe		Lump Sum	76 sweeps 76 caps 160 Duraline Couplers	\$ 22,524.00
Materials 6" HDPE Pipe		\$16.58 per foot	17,000 feet	\$ 281,860.00

Pyramid Creek crossing proposal will be submitted at a later date.

Should you need additional information or have any questions, please contact me at (907) 230-9040.

Sincerely,

Kurt J. Anderson
 Vice President Operations