

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2021-46

A RESOLUTION OF THE UNALASKA CITY COUNCIL AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH NORTHERN ALASKA CONTRACTORS, LLC TO CONSTRUCT BID ITEM (1) OF THE GENERAL HILL WATER PRESSURE BOOSTER PUMP STATION PROJECT FOR \$777,537, AND APPROVING ADDENDUM NO. 1 TO THE CONTRACT TO ADD BID ITEMS (2) AND (3) TO THE SCOPE OF WORK ON OR AFTER JULY 1, 2021, FOR \$139,000

WHEREAS, the General Hill Water Pressure Booster Pump Station Project is a component of the approved Capital and Major Maintenance Program; and

WHEREAS, the City of Unalaska has purchased land upon which to construct the Project via Resolution 2020-42; and

WHEREAS, after soliciting for sealed bids as prescribed by UCO §6.24.020 and §6.24.030 and the City of Unalaska Purchasing Policy 14-0803, Northern Alaska Contractors, LLC, a local and experienced contractor, has been deemed by Staff to be the lowest responsive, responsible bidder to perform the Work; and


WHEREAS, funding is available to award Bid Item (1) at this time; and

WHEREAS, funding to award Bid Items (2) and (3) for \$139,000 has been approved by Budget Ordinance 2021-07 and will be available on July 1, 2021.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council authorizes the City Manager to enter into an Agreement with Northern Alaska Contractors, LLC to construct Bid Item (1) of the General Hill Water Pressure Booster Pump Station Project for \$777,537; and


BE IT FURTHER RESOLVED that the Unalaska City Council authorizes the City Manager to approve Addendum No. 1 to the Agreement with Northern Alaska Contractors, LLC to add Bid Items (2) and (3) to the Scope of Work on or after July 1, 2021 for \$139,000.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on June 8, 2021.



Vincent M. Tutiakoff
Mayor

ATTEST:



Marjie Veeder, CMC
City Clerk



MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Tom Cohenour, Director, Department of Public Works
Through: Erin Reinders, City Manager
Date: June 8, 2021
Re: Resolution 2021-46 Authorizing the City Manager to Enter into an Agreement with Northern Alaska Contractors, LLC to Construct Bid Item (1) of the General Hill Water Pressure Booster Pump Station Project for \$777,537 and Approving Addendum No. 1 to the Contract to add Bid Items (2) and (3) to the Scope of Work on or after July 1, 2021, for \$139,000

SUMMARY: Resolution 2021-46 will authorize the City Manager to enter into an Agreement with Northern Alaska Contractors, LLC (NAC) to construct Bid Item (1) of the General Hill Water Pressure Booster Pump Station Project for \$777,537. There is adequate funding in the Project's Budget to award Bid Item (1). Funding to construct Bid Item (2), Electrical Utility Work, and Bid Item (3), Communications Lines, has been approved via the FY22 Budget Ordinance 2021-07. A Contract Addendum for \$139,000 will be executed on or after July 1, 2021, to incorporate the remaining Bid Items into the Scope of Work. Resolution 2021-46 also approves that Addendum, a copy of which is included with this memo along with the construction agreement for Bid Item (1).

PREVIOUS COUNCIL ACTION: Council originally funded a General Hill Booster Pump Project via the FY2009 Budget Ordinance #2008-08, adopted May 27, 2008, providing \$187,600 for the Project (MUNIS Project WA901). Due to issues with land acquisition, the Project was closed out via Resolution 2015-57, adopted July 15, 2015. The current Project (MUNIS Project WA18A) was initially funded with \$21,600 from the Water Proprietary Fund via the FY18 Capital and Operating Budget Ordinance 2017-07, adopted on May 23, 2017. An additional \$200,000 from the Water Proprietary Fund was included in the FY19 Capital and Operating Budget Ordinance 2018-04, adopted on May 22, 2018. The FY20 Capital and Operating Budget Ordinance 2019-07, adopted May 28, 2019, included an additional \$844,400 from the Water Proprietary Fund. On July 14, 2020, Council approved Resolution 2020-44, which approved the purchase of land upon which to construct the Project. On May 25, 2021, Council adopted Ordinance 2021-07, the FY22 Operating and Capital Budgets Ordinance, providing \$175,000 in additional funding for Bid Items (2) and (3) of this project.

BACKGROUND: Per UCO §6.24.020 and §6.24.030 and the City of Unalaska Purchasing Policy 14-0803, Staff advertised for bids for 30 days via the City Website and the Seattle Daily Journal of Commerce. Two sealed bids were received, from Wolverine Supply and Northern Alaska Contractors, LLC. Staff has analyzed the bids and determined NAC, a local and experienced contractor, is the lowest responsive, responsible bidder and should be awarded all Bid Items that make up the Work.

DISCUSSION: The Work awarded via this Resolution is Bid Item (1), the construction of a concrete vault with piping, pumps, valves, electrical, controls, and appurtenances necessary to boost domestic water pressures to serve General Hill, a high elevation zone in the City's municipal water distribution system. Staff requests Bid Item (1) be awarded at this time with the

understanding that Bid Items (2) and (3) will be added to the Scope of Work once the FY22 Budget Ordinance goes into effect on July 1, 2021. The approval to award Bid Items (2) and (3) via contract Addendum No. 1 is also included in this Resolution.

ALTERNATIVES: The construction of this Project will cure the life/safety issues created by low water pressure on General Hill. Council may elect to advertise for bids again, however, Staff feels this would only increase the final cost of the Project.

FINANCIAL IMPLICATIONS: Construction services funding will come from the Project's budget, MUNIS code 5112-5553-57400 WA18A. There is \$827,722 available in the Project's budget at this time. Staff has requested \$175,000 for FY22 to fund the remaining Bid Items via Addendum No. 1, once those funds are available, at a cost of \$139,000, per the Bid Tabulation, attached.

LEGAL: N/A.

STAFF RECOMMENDATION: Staff recommends Council award the work to Northern Alaska Contractors, LLC, via approval of Resolution 2021-46.

PROPOSED MOTION: I move to approve Resolution 2021-46.

CITY MANAGER COMMENTS: I support Staff's recommendation. This project has long been on the CMMP and addresses life and safety issues.

ATTACHMENTS:

1. Bid Tabulation
2. Construction Agreement
3. FY22 CMMP Nomination
4. Addendum No. 1 to Construction Agreement

09403-303

CITY OF UNALASKA, ALASKA
 Department of Public Works
 GENERALS HILL WATER PRESSURE BOOSTER STATION, DPW #09403
 3/9/2021
 2:00 P.M. - COUNCIL CHAMBERS

Contractor / Business Name	Bid Form Used?	Addenda Acknowledgment		Bid Bond	Licenses		(1) Construct Water Pressure Booster Pump Station	(2) Construct Electrical Utility to Site	BASE BID (1)+(2)	(3) Add Alt 1 Construct Telephone / CATV to Site
		No. 1	No. 2		State Contractor	State Business				
NORTHERN ALASKA	✓	✓	✓	✓	✓	✓	770,500	115,000	\$ 892,570	24,000
WONERINE SUPPLY	✓	✓	✓	✓	✓	✓	2,000,000	53,000	\$ 1,227,000	8,000
							(826,000)		\$ -	
							1,174,000		\$ -	
									\$ -	
									\$ -	

Lori Gregory
 Witness

[Signature]
 Witness

 Witness

FILE



**CONSTRUCTION AGREEMENT FOR THE
GENERAL HILL WATER PRESSURE BOOSTER PUMP STATION
PROJECT**

**City of Unalaska
Department of Public Works
PO Box 610
Unalaska AK 99685
907-581-1260**

Table of Contents

Article 1. WORK..... 1
Article 2. CONTRACT TIME 2
Article 3. CONTRACT PRICE 2
Article 4. PAYMENT PROCEDURES 2
Article 5. INTEREST ON RETAINAGE 3
Article 6. CONTRACTOR'S REPRESENTATIONS..... 3
Article 7. MISCELLANEOUS..... 4

DRAFT

STANDARD FORM OF AGREEMENT BETWEEN THE OWNER AND CONTRACTOR

THIS AGREEMENT is dated as of the _____ day of _____ in the year 2021, 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 Bid Item (1) as follows:

The work will include, but not be limited to, furnishing all plant, labor, tools, equipment, and materials and performing all operations in connection with **Bid Item (1)** of the **General Hill Water Pressure Booster Pump Station Project**. The Work includes construction of a concrete vault with piping, pumps, valves, electrical, controls, and appurtenances necessary to boost domestic water pressures to serve a high elevation zone in the City's municipal water distribution system as detailed in the plan sheets issued for bid.

1. Project Location: Eagle Drive, 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
- Contractor's Bid dated March 9, 2021
- Performance Bond
- Payment Bond
- General Conditions
- Supplementary Conditions
- Addenda 1 through 2, 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 **180 calendar days** for this Work. Once field construction starts, all work shall be completed within **120-days** from the start date.
- 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, inconvenience to the City, administration and inspection costs, loss of efficiency, 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 Five Hundred Dollars (\$500.00) 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 Seven Hundred Seventy Seven, Five Hundred Thirty Seven dollars (\$777,537).

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; Receipt of Consent of Surety Company to Final Payment, and Notice of Completion received and approved by the Alaska Department of Labor, if applicable, 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 _____, 2021.

CONTRACTOR

CITY OF UNALASKA, ALASKA

By: _____

Glenn Olson, Member & General Partner

State of Alaska)

) ss.

Third Judicial District)

The foregoing instrument was acknowledged before me on the ____ day of _____, 2021, by Glenn Olson, Member and General Partner of Northern Alaska Contractors LLC, an Alaska Corporation, on behalf of the Corporation.

By: _____

Erin Reinders, City Manager

State of Alaska)

) ss.

Third Judicial District)

The foregoing instrument was acknowledged before me on the ____ day of _____, 2021, by Erin Reinders, 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: _____

Notary Public, State of Alaska

My Commission Expires: _____

DRAFT

FY22-31 CMMP

Generals Hill Water Booster Pump Water

Estimated Project & Purchase Timeline

Pre Design: FY18

Engineering/Design: FY19

Purchase/Construction: FY22

Project Description: Install a water booster station on Generals Hill, including underground plumbing, a small building, two pumps with controls, and plumbing to connect a fire engine.

Project Need: This project will increase water service pressure in the upper elevations of the hill. It will greatly reduce the risk of contamination of the water system due to backflow for all utility customers, and decrease the potential for customers to lose water service due to low pressure. Water pressure at the top of Generals Hill does not currently meet the minimum industry standard and in the event of a fire is insufficient to supply a fire engine.

Development Plan & Status : The City has already acquired the land. A contractor will be needed for construction.



Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Water Proprietary Fund	1,066,000	175,000	0	0	0	0	0	0	0	0	0	1,241,000
Total	1,066,000	175,000	0	0	0	0	0	0	0	0	0	1,241,000

**ADDENDUM NO. 1 TO STANDARD FORM OF AGREEMENT
BETWEEN THE OWNER AND CONTRACTOR
FOR THE
GENERAL HILL WATER PRESSURE BOOSTER PUMP STATION PROJECT**

THIS ADDENDUM NO. 1 is dated as of the _____ day of _____, in the year 2021, 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 to amend that certain Standard Form of Agreement between the Owner and CONTRACTOR as follows:

Article 1. WORK

The scope of the construction work shall be amended to include Bid Items (2) Construct Electrical Utility to Site, and (3), Construct Telephone/CATV to Site, per the CONTRACTOR's Bid dated March 9, 2021.

The list of Contract Documents shall be amended to include:

- Addendum No. 1 to the Standard Form of Agreement

Article 2. CONTRACT PRICE

A new paragraph 3.3 is added to read as follows:

3.3 The Lump Sum Price for Bid Item (2) Construct Electrical Utility to Site shall be \$115,000. The Lump Sum Price for Bid Item (3) Construct Telephone / CATV to Site shall be \$24,000. The total Price for all Bid Items awarded is agreed to be \$916,537.

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 _____, 2021.

NORTHERN ALASKA CONTRACTORS, LLC

CITY OF UNALASKA, ALASKA

By: _____
Glenn Olson, Member & General Partner

By: _____
Erin Reinders, City Manager

State of Alaska)
) ss.
Third Judicial District)

State of Alaska)
) ss.
Third Judicial District)

The foregoing instrument was acknowledged before me on the ____ day of _____, 2021, by Glenn Olson, Member & General Partner of Northern Alaska Contractors, LLC, an Alaska Corporation, on behalf of the corporation.

The foregoing instrument was acknowledged before me on the ____ day of _____, 2021, by Erin Reinders, 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: _____

Notary Public, State of Alaska
My Commission Expires: _____