

CITY OF UNALASKA  
UNALASKA, ALASKA

RESOLUTION 2021-78

A RESOLUTION OF THE UNALASKA CITY COUNCIL AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH F & W CONSTRUCTION COMPANY, INC. TO CONSTRUCT THE PUBLIC LIBRARY IMPROVEMENTS PROJECT FOR \$6,514,196

WHEREAS, the Library Expansion Project was proposed and adopted as a component of the Capital & Major Maintenance Plan; and

WHEREAS, Council has appropriated funds into a Capital Budget to create the Project; and

WHEREAS, the City contracted with ECI Hyer, Inc. to perform the Design of the Library Expansion Project; and

WHEREAS, the Library Expansion Project was advertised for more than thirty days and five (5) bids were received; and

WHEREAS, F & W Construction Company, an experienced construction firm, was found to be the lowest responsive bidder; and

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

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council awards the Construction of the Public Library Improvements Project to F & W Construction Company, Inc. for \$6,514,196.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on December 14, 2021.

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Vincent M. Tutiakoff  
Mayor

ATTEST:

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Marjie Veeder, CMC  
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: Erin Reinders, City Manager  
Date: December 14, 2021  
Re: Resolution 2021-78: Authorizing the City Manager to enter into an agreement with F & W Construction Company, Inc., to construct of the Library Improvements Project for \$6,514,196

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**SUMMARY:** Resolution 2021-78 will award the construction of the re-bid Public Library Improvements Project to F & W Construction Company, Inc. (F&W) for \$6,514,196. Funding will come from the Project's budget, MUNIS Project PR601, which totals \$8,019,878.

**PREVIOUS COUNCIL ACTION:** Council provided \$12,500 from the General Fund for a Preliminary Study for this Project via the FY16 CMMP and Budget Ordinance 2015-10. For FY18, \$30,000 from the General Fund was provided for Pre-Development via the CMMP and Capital Budget Ordinance 2017-07. Although the City budgeted for Pre-Development, it was ultimately funded by a grant from the Rasmuson Foundation and Foraker Group. During the Pre-Development process, ECI architects presented design options to City Council on November 28, 2017 and February 27, 2018, and Council directed the project towards the larger expansion option, leading to the current design. Through Ordinance 2018-04, the FY19 CMMP and Capital Budget Ordinance, \$357,500 from the General Fund was placed into the Project's Budget to fund Design Services. Resolution 2018-56, approved September 25, 2018, awarded the Project's design work to ECI Hyer, Inc. The FY20 CMMP and Capital Budget Ordinance 2019-07 transferred \$5M from the General Fund, and Ordinance 2019-17 provided another \$3,273,481 from the 1% Sales Tax Fund to cover construction costs. Further Council action is set out in the Background section of this memo.

**BACKGROUND:** The current project design was developed through an independent Pre-Development process, in addition to numerous public meetings and open houses, two community surveys, and design workshops with community partners, including non-profits and UCSD students. The Public Library Improvements Project was initially bid in 2020 using the Best Value approach, and the construction contract awarded to F&W Construction for \$6,903,481 via Resolution 2020-05, adopted January 14, 2020. Due to the impacts of the COVID-19 Pandemic, the City canceled the contract under the Termination for Convenience clause via Resolution 2020-18, adopted April 2, 2020. In September of 2021, the designer, ECI Hyer, Inc., updated the bid documents to provide a shovel ready design using the Lowest Bid approach. Staff publicly posted the project for bid on October 5, 2021. On November 18, 2021, five bids to perform the work were received ranging from \$6,514,196 to \$7,738,325 (full bid tabulation attached). F&W came in as the low bidder, at an amount less than their bid in 2020. Considering that all 5 bids were relatively close is a very good sign indicating we received fair pricing for this project.

**DISCUSSION:** The Unalaska Public Library is a valuable asset but its current design is outdated and not ideal for meeting the community's needs. Based on community meetings, library use analysis, and public surveys, we have identified the areas on which this project focuses. Unalaska

needs an event space that is appropriate for classes, meetings, children's programs, and other events. Children need an environment that sparks their imagination and encourages them to love reading. Teens need a welcoming environment for socializing and doing homework. This project provides the Unalaska community with these resources and more.

As we have learned during the pandemic, it is crucial to care for our emotional and mental wellbeing, and physical gathering spaces are essential for long-term community vitality. Completion of this project will produce more than simply an upgraded building. It will give the community a safe and uplifting place to pursue lifelong education, study after school, access essential resources, attend story time and programs, and connect with other community members. The Library provides a perfect venue for enriching our lives, and this intangible should not be undervalued nor its benefits overstated.

The project's scope of work includes replacement or upgrades to critical systems within the 27 year old building such as the sprinkler system, the HVAC system, and lighting. Safety and compliance upgrades will cost nearly a million dollars without the architectural changes included in the Project, which will meet the community's needs. The World Wide Web came into general use in 1990, and the Library was designed in 1994. No one could have known that linked computers would become ubiquitous, so the Library was designed and constructed without space or infrastructure for their use. This Project will prepare the facility for fiber optic networking that is currently being installed city-wide. The work includes selective demolition of the existing facility to accommodate the addition; a 3,570 sq. ft. addition including a children's library, teen space, study rooms, large gathering room, entry vestibule, lobby and interior entry with wind screen; new floor and wall finishes in most spaces; new fixtures, accessories and finishes in the public restrooms; painting the entire building exterior; replacement and refurbishment of select mechanical systems; replacement of the building fire alarm system; and lighting upgrades.

The Unalaska Public Library is more than a space for books, it is a cultural hub for residents and visitors, and offers many services beyond providing books and videos to take home and enjoy.

If this expansion goes forward, city staff will pursue outside funding resources. The Rasmuson Foundation has expressed interest in the project, and it may also be eligible for funding via the Coronavirus Capital Projects Fund for Tribal Governments and the USDA Community Facilities Programs. While funding from these sources is not guaranteed, staff will make every effort to pursue these opportunities to reduce the cost to the city.

**ALTERNATIVES:** The choices before City Council include:

1. Accept the bid from F&W and proceed with the Project;
2. Reject all bids, modify scope, redesign, and then re-bid the project;
3. Reject all bids and postpone the Library Improvements Project indefinitely; or
4. Reject all bids, cancel the project entirely, and return funds to the General Fund.

**FINANCIAL IMPLICATIONS:** Funding is available within the Project's current budget, with the old bid included, to award this work. Upon Council approval of this resolution, line item dollar amounts will be adjusted to reflect the current low bid amount. The remaining budget for this project, by line item, is presented below:

<b>PUBLIC LIBRARY IMPROVEMENTS</b>		
<b>G/L ACCOUNT #</b>	<b>ACCOUNT DESCRIPTION</b>	<b>CURRENT BUDGET</b>
31022053-53240 PR601	Engineering and Architectural	221,138.78
31022053-53300 PR601	Other Professional	79,065.94
31022053-54500 PR601	Construction Services	6,903,481.00
31022053-55310 PR601	Telephone / Fax / TV	992.56
31022053-55901 PR601	Advertising	199.84
31022053-55912 PR601	Contingency	570,000.00
31022053-55999 PR601	Other	245,000.00
		<b>8,019,878.12</b>

City staff will pursue outside funding resources. The Rasmuson Foundation has expressed interest in the project, and it may also be eligible for funding via the Coronavirus Capital Projects Fund for Tribal Governments and the USDA Community Facilities Programs. While funding from these sources is not guaranteed, staff will make every effort to pursue these opportunities to reduce the cost to the city.

**LEGAL:** N/A

**STAFF RECOMMENDATION:** Staff recommends awarding the work to F&W Construction for \$6,514,196.

**PROPOSED MOTION:** I move to adopt Resolution 2021-78.

**CITY MANAGER COMMENTS:** This is an approved and funded capital project, and is years in the making, with considerable public input and Council direction. Construction was set to begin just as the COVID-19 pandemic reached Alaska and the contract was canceled. Staff rebid the project and the current bid before you this evening is not only within budget, but less than what City Council approved in 2020. Frankly, this was a surprise to us all. As outlined in this memo, if Council approves this resolution, Staff will continue to look for grant funding opportunities to reduce the cost of the project. For these reasons, I support staff's recommendation. However, given the challenging and uncertain economic times, Council may wish to support one of the alternative actions. As always, staff will implement Council's decision.

**ATTACHMENTS:**

1. Bid Tabulation
2. Standard Form of Agreement

**CITY OF UNALASKA, ALASKA**  
**Department of Public Works**  
**Library Improvements Project**  
**11/18/2021**  
**2:00 p.m.**  
**Council Chambers**

Contractor / Business Name	Addenda Acknowledgement				Bid Bond	Licenses		Initial Bid	Fax Modification	Total Bid
	No. 1	No. 2	No. 3	No. 4		State Contractor	State Business			
F & W Construction	X	X	X	X	X	X	X	\$10,000,000	-\$3,485,804	<b>\$6,514,196</b>
Blazy Construction, Inc.	X	X	X	X	X	X	X	\$15,000,000	-\$7,517,541	<b>\$7,482,459</b>
UIC Construction LLC	X	X	X	X	X	X	X	\$8,100,000	-\$361,675	<b>\$7,738,325</b>
AMES 1	X	X	X		X	X	X	\$10,000,000	-\$2,860,000	<b>\$7,140,000</b>
Wolverine Supply	X	X	X	X	X	X	X	\$6,879,000	\$0	<b>\$6,897,000</b>

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Witness

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Witness

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Witness

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

THIS AGREEMENT is dated as of the \_\_\_\_\_ day of \_\_\_\_\_ in the year 202\_\_, by and between the City of Unalaska (hereinafter called OWNER) and F & W Construction Company, Inc. (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 LIBRARY EXPANSION PROJECT. The Work includes selective demolition of the existing facility to accommodate the addition; a 3,570 sq. ft. addition including children's library, teen space, study rooms, large gathering room, entry vestibule, lobby and interior entry with glass panel wind screen; new floor and wall finishes in most spaces; new fixtures, accessories and finishes in the public restrooms; painting the entire building exterior; replacement and refurbishment of select mechanical systems; replacement of the building fire alarm system; lighting upgrades; civil improvements; and other items as listed in Specification Section 01 1000 Summary and Alternates and as further defined in the Contract Documents.

1.      Unalaska, Alaska 99685
2.      Owner: City of Unalaska, Department of Public Works

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

- Construction Drawings, Unalaska Public Library, Library Expansion Project, 100% Construction Documents, Bid Documents Reprint October 1, 2021
- Technical Specifications, Unalaska Public Library Improvements, Construction Document Specifications, Update and Reprint October 1, 2021
- Standard Form of Agreement
- State of Alaska Title 36 Wage Rate Requirements
- Instructions to Bidders
- Bid Forms
- Performance Bond
- Payment Bond
- General Conditions
- Supplementary Conditions
- Permits
- Addenda numbers **1** to **4**, inclusive

- Change Orders which may be delivered or issued after Effective Date of the Agreement and not attached hereto.

## **Article 2 CONTRACT TIME**

- 2.1 The CONTRACTOR is allowed 310-days following the Notice-to-Proceed for this work until Final Completion.
- 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 losses include 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 One Thousand Dollars (\$1,000.00) for each day that expires after the time specified above for Final 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 sum of the established unit prices for each separately identified item of unit price work multiplied by the measured quantity of actual items installed plus the sum of the lump sum prices for each separately identified and selected bid item (herein referred to as the "Contract Sum"). 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.

## **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. Contractor shall comply with all applicable Federal and State labor regulations, including State of Alaska Title 36, Public Contracts, otherwise known as the Little Davis-Bacon Act, and all labor regulations and minimum rates of pay contained therein.
- 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.
- 7.5 Until Contractor receives notice from the City that project records need not be preserved, Contractor shall preserve, all non-identical copies of all documents, records, or other information (including documents, records, or other information in electronic form) in its

or its subcontractors' or agents' possession or control, or that come into its or its subcontractors' or agents' possession or control that relate to the Work.

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.

CONTRACTOR

CITY OF UNALASKA, ALASKA

By: \_\_\_\_\_  
Robert W. Capps, President

State of Alaska                    )  
  ) ss.  
Third Judicial District         )

The foregoing instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 202\_\_, by Robert W. Capps, President of F & W Construction Company, Inc., an Alaska Corporation, on behalf of the corporation.

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

By: \_\_\_\_\_  
Erin Reinders, City Manager

State of Alaska                    )  
  ) ss.  
Third Judicial District         )

The foregoing instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 202\_\_, 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 \_\_\_\_\_