

CITY OF PALMER ACTION MEMORANDUM No. 10-050

SUBJECT: Authorize the City Manager to Execute Amendment No. 1 to Larsen Consulting Group, Inc. (LCG) for the Sewage Lift Station No. 3 in the Amount of \$54,316 for Construction Management Services

AGENDA OF: July 13, 2010

Council action:

| |
|------------|
| Authorized |
|------------|

Approved for presentation by B. B. Allen, City Manager *B. B. Allen*

| Route To: | Department/Individual: | Initials/Date: | Remarks: |
|-----------|-----------------------------------|---------------------------|----------|
| X | Originator – Public Works | <i>CKL</i> | |
| X | City Clerk | <i>JH</i> 7/7/10 | |
| X | City Attorney | <i>[Signature]</i> 7/7/10 | |
| X | Director of Administration | <i>[Signature]</i> | |
| | Director of Community Development | | |
| | Director of Community Services | | |
| | Director of Public Safety | | |
| | Director of Public Works | | |

Attachment(s): Amendment No. 1 with Larsen Consulting Group, Inc.

Certification of Funds:

| | | |
|---|---|----------|
| | No fiscal impact. | |
| X | Funds are budgeted from this account number: Subject to approval of Reso 10-044 DCCED Grant 11-DC-328 | \$54,316 |
| | Funds are not budgeted. Budget modification is required. Affected account number: | |

Director of Administration Signature: *[Signature]*

Summary statement: Attached is Amendment no. 1 with Larsen Consulting Group, Inc. (LCG) for construction management services for the Sewage Lift Station no. 3 project in the amount of \$54,316.

Currently only one of the two pumps are operating at Lift Station no. 3 which serves the downtown area. The State of Alaska Department of Commerce, Community, and Economic Development (DCCED) awarded grant no. 11-DC-328 to the City of Palmer in the amount of \$750,000 to upgrade Lift Station no. 3. This was presented to the Council with Information

Memorandum (IM) 10-060 and Resolution 10-044 to accept and appropriate the funds on July 13, 2010. This grant will fund the construction management services for this project and will pay 100 percent of the costs.

Background: In 2009, the Council passed AM-09-013 which authorized payment of \$70,000 to the Larsen Consulting Group, Inc. to provide bid ready drawings and specifications for this same project. The design work was funded by Alaska Department of Environmental Conservation grant no. 67105. The project is ready for bidding at this time.

Lift Station #3 was the third priority on the 2010 Legislative Fast Track Priority Capital Improvements Project list which was adopted on October 13, 2009, with IM 09-063 and Resolution 09-047. The city received a legislative grant of \$750,000 for this project which will be administered by DCCED.

Three weeks ago one of the two pumps failed at Lift Station no.3 and is not operational. This project is critical to maintain the proper sewage flows in the downtown area.

Administration recommendation: Approve action memorandum 10-050.

AMENDMENT NUMBER 1

PROFESSIONAL SERVICES AGREEMENT

Between the City of Palmer and Larsen Consulting Group, Inc.

For Sewage Lift Station No. 3

This amendment is made and entered into this ____ day of _____, 2010, by and between the City of Palmer (City) and Larsen Consulting Group, Inc. (Consultant) as authorized by the Council on July 13, 2010. This document amends the Professional Services Agreement dated February 27, 2009, (the Agreement) between the City and Consultant for the provision of professional services for the Sewage Lift Station No. 3 as follows:

1. Add construction management services as discussed in the attached proposal dated May 4, 2010, consisting of 5 pages hereinafter referred to as "Exhibit A" are made a part of the professional services agreement.
2. Provides additional payment to the consultant on a time and material basis for the services included in this amendment, in an amount not to exceed \$54,316.
3. These additional services increase the not to exceed total compensation amount in section 6.D. of the agreement as follows:

| | |
|---|---------------------|
| Professional Services Agreement- Design | \$70,000.00 |
| Previous Amendments | \$-0- |
| <i>Sub-Total</i> | <u>\$70,000.00</u> |
| Amendment No. 1 | <u>\$54,316.00</u> |
| Total | \$124,316.00 |

4. Section 5 Time and Performance is amended by changing the termination date from December 1, 2009, to December 1, 2010.

All other provisions of this Agreement remain unchanged.

CITY OF PALMER

CONSULTANT

B.B. Allen, Date
City Manager

Wallace H. Swanson, Date
Vice President



May 4, 2010

Mr. Carter R. Cole, Director
Department of Public Works
City of Palmer
231 W. Evergreen Ave.
Palmer, AK 99645-6952

Re: Lift Station #3 Replacement
Proposal for Engineering Services during Bid Phase & Construction

Dear Mr. Cole:

Larsen Consulting Group appreciates the opportunity to serve as your design engineer for the replacement of Lift Station #3 and we are eager to continue our service to the City of Palmer.

Please consider this letter as our proposal for engineering services during both the bid and construction phases of this project.

Bid phase services will include the following:

- Preparation of bid packages
- Answering bidder questions during bid period
- Pre-bid meeting
- Review of bids
- Bid evaluation & recommendation

Construction services commence immediately after a contract is awarded and end with the delivery of final as-built drawings, O&M manuals, and the final payment to the contractor. Our job is to smooth the forward progress of the project by encouraging a high quality of work by the contractor, troubleshooting any problems, and providing administrative support.

For this proposal we are not planning for full-time construction observation. With the support of on-site representatives from your Department, we feel that periodic inspection by our engineering staff will adequately meet the needs of this project. The scope of our services includes but are not limited to the activities listed below:



Mr. Carter Cole
May 4, 2010
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- Project kickoff meeting
- Review of Contractor submittals
- Processing of design clarification/verification requests
- Site visits to include the following critical construction events:
 - Kickoff meeting
 - Inspection of main excavation
 - Building foundation inspection
 - Building structural inspection - roof, walls, floor, hoist
 - pump/instrumentation startup
 - Pre-final inspection and punchlist
 - Final inspection
- As-built drawings
- Project close out

We propose to complete this work on a **Time and Materials basis with an NTE estimate of \$54,316.00**. As during the design phase, we are working together with our subcontractor EDC for electrical and instrumentation engineering. LCG staff are ready and able to handle all other aspects of the job.

For this cost proposal we are assuming that construction will occur over a 9 month period. If the construction work goes on for a duration longer than 9 months from the time of contract award to contract completion, we may need to revisit our T&M NTE estimate.

I hope this helps with planning and budgeting for this project. We stand ready to assist you and the City of Palmer. Please do not hesitate to contact me with any questions or concerns.

Sincerely,



Andrea Stancliff, PE
Civil Engineering and Surveying Manager

Attachments: Work Plan & Fee Proposal

cc: Wallace Swanson, Holly Kelty



WORK PLAN AND FEE PROPOSAL

Exhibit A

| CITY OF PALMER LIFT STATION #3 May 4, 2010 Revision 1 | | | | | | | | | | | |
|--|---------------------|-----------------------|----------------------|-------------------|--------------|---------------|---------------|---------------|----------------|--|-----------|
| | Principal II (Arch) | Principal II (Struct) | Civil Engineer Mngr. | Staff Engineer II | Technician I | Technician II | Technician IV | Office Tech I | Office Tech II | | Amount |
| HOURLY LABOR RATES | 170.00 | 160.00 | 154.50 | 98.00 | 103.00 | 87.50 | 60.00 | 98.00 | 54.00 | | |
| I. BID PHASE | | | | | | | | | | | |
| 1 Project Management & Coordination | 1 | | 4 | | | | | 2 | 1 | | 1,038.00 |
| 2 Answer bidder questions during bid period | 4 | 2 | 6 | | | | | 1 | 1 | | 2,079.00 |
| 3 Pre-bid meeting & notes | 2 | 1 | 6 | | | | | | | | 1,427.00 |
| 4 Review bids to determine if bids are responsive to bid documents | | | 4 | | | | | | | | 618.00 |
| 5 Bid evaluation & Recommendation of Award | 2 | | 6 | | | | | 1 | 2 | | 1,473.00 |
| 6 Prepare Final Bid Documents | | | 8 | 8 | | | | 4 | 12 | | 3,060.00 |
| Labor: | 9 | 3 | 34 | 8 | | | | 8 | 16 | | 9,695.00 |
| Expenses | | | | | | | | | | | 575.00 |
| Consultants: EDC | | | | | | | | | | | 1,716.00 |
| SUBTOTAL | | | | | | | | | | | 11,986.00 |
| II. CONSTRUCTION PHASE | | | | | | | | | | | |
| 1 Project Kickoff | | | 8 | 4 | | | | 4 | | | 2,020.00 |
| 2 Site Visits (8) | | 16 | 20 | | | | | 4 | | | 6,042.00 |
| 3 Submittal Reviews | 10 | 16 | 20 | | | | | 4 | | | 7,742.00 |
| 4 DCVRs/Changes | 16 | | 30 | | | | | 8 | | | 8,139.00 |
| 5 Meetings/coordination | | | 16 | | | | | 4 | | | 2,864.00 |
| 6 As-builts | | | 4 | 12 | 35 | | | 4 | | | 5,791.00 |
| Labor: | 26 | 32 | 98 | 16 | 35 | | | 28 | | | 32,598.00 |



WORK PLAN AND FEE PROPOSAL

Exhibit A

| CITY OF PALMER LIFT STATION #3 May 4, 2010 Revision 1 | | | | | | | | | | | |
|--|---------------------|-----------------------|----------------------|-------------------|--------------|---------------|---------------|---------------|----------------|--|------------------|
| | Principal II (Arch) | Principal II (Struct) | Civil Engineer Mngr. | Staff Engineer II | Technician I | Technician II | Technician IV | Office Tech I | Office Tech II | | Amount |
| HOURLY LABOR RATES | 170.00 | 160.00 | 154.50 | 98.00 | 103.00 | 87.50 | 60.00 | 98.00 | 54.00 | | |
| Expenses | | | | | | | | | | | 690.00 |
| Consultants: EDC | | | | | | | | | | | 9,042.00 |
| SUBTOTAL | | | | | | | | | | | 42,330.00 |
| | | | | | | | | | | | |
| TOTAL FEE | | | | | | | | | | | 54,316.00 |
| TOTAL LABOR HOURS | 35 | 35 | 132 | 24 | 35 | | | 36 | 16 | | |
| ASSUMPTIONS: | | | | | | | | | | | |
| 1. Bid Phase Services do not include the cost for advertisement to bid. | | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |

**WORK PLAN AND FEE PROPOSAL
Larsen Consulting Group, Inc.**

| CITY OF PALMER LIFT STATION #3 May 4, 2010 Revision 1 | | | | | |
|--|-------|----------|-----------|-----------------|--|
| EXPENSE ITEM | UNITS | QUANTITY | UNIT COST | AMOUNT | |
| I. BID PHASE | | | | | |
| Copying & Mailing & Expediting | job | 1 | 500 | 500.00 | |
| Mark-up at Cost + 15% | | | | 75.00 | |
| SUBTOTAL | | | | 575.00 | |
| II. CONSTRUCTION PHASE | | | | | |
| Travel to jobsite | RT | 8 | 50 | 400.00 | |
| Copying & Mailing & Expediting | job | 1 | 200 | 200.00 | |
| Mark-up at Cost + 15% | | | | 90.00 | |
| SUBTOTAL | | | | 690.00 | |
| TOTAL EXPENSES | | | | 1,265.00 | |

Exhibit A