

**CITY OF PALMER  
ACTION MEMORANDUM No. 13-076**

**Subject:** Authorize the City Manager to Negotiate and Execute a Contract to Construct Reservoir 4 & Booster Station to Fawner Corporation in the Amount of \$3,307,420

**Agenda of: October 22, 2013**

**Council Action:** Amended and Authorized

**Please note: it is necessary to adopt resolution no. 13-037 prior to approval of this action memorandum.**

**Approved for presentation by:**

City Manager  
City Attorney  
City Clerk

*J Douglas B. Griff*  
*[Signature]*  
*[Signature]*

**Certification of Funds:**

Total amount of funds listed in legislation:	\$ <u>3,307,420</u>
This legislation (√):	
<input type="checkbox"/> Has no fiscal impact	
Creates:	
<input checked="" type="checkbox"/> A negative fiscal impact in the amount of:	\$ <u>3,307,420</u>
<input type="checkbox"/> A positive fiscal impact in the amount of:	\$ _____
<input checked="" type="checkbox"/> Funds are budgeted.	
Funds are budgeted from this (these) line item(s):	
a) ➤ 24-20-06-6226 DEC Grant #67116	\$ <u>292,402</u>
b) ➤ 24-02-06-6226 DEC Grant #67116	\$ <u>127,376</u>
c) ➤ 24-20-09-6225 DEC Grant #67119	\$ <u>2,772,833</u>
d) ➤ 24-02-09-6225 DEC Loan Grant #67119 (City Match)	\$ <u>1,071,429</u>
a) Funds originally budgeted in line item :	\$ _____
Difference in budgeted funds:	\$ _____
b) Funds originally budgeted in line item :	\$ _____
Difference in budgeted funds:	\$ _____
<input type="checkbox"/> Funds are not budgeted.	
Budget amendment required in the total amount of:	\$ <u>0.00</u>
Affected line item(s):	
➤	\$ _____
➤	\$ _____
➤	\$ _____
<input type="checkbox"/> General fund unassigned balance (after budget modification)	\$ _____
<input type="checkbox"/> Enterprise unrestricted net position (after budget modification)	\$ _____
Director of Finance signature certifying funds:	<u><i>[Signature]</i></u>

**Attachment(s):**

- Bid Tabulations
- Recommendation of Award Letter from HDL Engineering Consultants

**Summary statement:** The Southwest Extension Phase IIa project is located on Trunk Road on the north side of Mat-Su College.

The scope of work for this project includes construction of a one million gallon welded steel water tank, pressure booster station, pumps, underground pipe, valves, fittings, landscaping and a perimeter fence. It also includes application of exterior tank artwork.

An Invitation to Bid was advertised in the Frontiersman newspaper on June 7 and 11, 2013, and was advertised on the City website beginning May 30, 2013.

A total of 4 bids were received which were publicly opened and read aloud on June 27, 2013 at 2:00 PM in the Palmer City Council Chambers. The bids ranged from a high of \$4,055,000 to a low of \$3,307,420. HDL Engineering Consultants tabulated the bids for accuracy and confirmed that Frawner Corporation submitted the lowest bid at \$3,307,420. Final completion date for this portion of the project is September 30, 2014.

Due to project funding issues, the City requested and Frawner Corporation agreed to a 60-day extension to their bid, which will expire October 25, 2013.

**Administration recommendation:** Approve action memorandum 13-076.



Amended  
Language:  
provided the City  
Manager negotiates  
and executes a  
DEC loan document  
satisfactory to the  
City.

**Construct Reservoir 4 and Booster Station  
PALMER ALASKA  
BID TABULATIONS  
Bid Opening: Thursday, June 27, 2013 @ 2:00 PM**

	<b>Frawner Corporation</b>	<b>Alaska Mechanical, Inc.</b>	<b>Rockford Corporation</b>	<b>Wolverine Supply, Inc.</b>	<b>Udelhoven Oilfield System Services, Inc.</b>	<b>Engineer's Estimate</b>
BID PROPOSAL	Bid Amount	Bid Amount	Bid Amount	Bid Amount	Bid Amount	Bid Amount
<b>Construct Reservoir 4 and Booster Station, Complete</b>	\$ 3,089,000.00	\$ 3,115,000.00	\$ 3,279,418.00	\$ 3,797,000.00	\$ 3,883,941.00	\$ 4,261,269.10
SCADA Commissioning (Additive)	\$ 168,420.00	\$ 168,420.00	\$ 168,420.00	\$ 168,420.00	\$ 168,420.00	\$ 168,420.00
<b>Base Bid</b>	<b>\$ 3,257,420.00</b>	<b>\$ 3,283,420.00</b>	<b>\$ 3,447,838.00</b>	<b>\$ 3,965,420.00</b>	<b>\$ 4,052,361.00</b>	<b>\$ 4,429,689.10</b>
Additive Alternate 1- Reservoir Exterior Artwork	\$ 50,000.00	\$ 45,000.00	\$ 83,206.00	\$ 57,000.00	\$ 41,644.00	\$ 85,000.00
<b>Total of Base Bid and 1 Alternate</b>	<b>\$ 3,307,420.00</b>	<b>\$ 3,328,420.00</b>	<b>\$ 3,531,044.00</b>	<b>\$ 4,022,420.00</b>	<b>\$ 4,094,005.00</b>	<b>\$ 4,514,689.10</b>
Acknowledged Addenda 1-4 ( Yes or No)	Yes	Yes	Yes	Yes	Yes	
Signed Proposal (Yes or No)	Yes	Yes	Yes	Yes	Yes	
10% Bid Guaranty (Yes or No)	Yes	Yes	Yes	Yes	Yes	
Bidder Qualification Form (Yes or No)	Yes	Yes	Yes	Yes	Yes	
Affidavit of Non-Collusion (Yes or No)	Yes	Yes	Yes	Yes	Yes	
MBE/WBE Compliance (Yes or No)	Yes	Yes	No	Yes	Yes	
Interested Bidder's List (Yes or No)	Yes	Yes	Yes	Yes	Yes	

June 28, 2013

File No. 08-029

Tom Cohenour  
City of Palmer  
231 West Evergreen Ave.  
Palmer, Alaska 99645

RE: Recommendation of Award – Construct Reservoir 4 and Booster Station  
Southwest Utility System Extension, Phase IIa

Dear Mr. Cohenour:

We have reviewed the bids submitted for the above-referenced project and have noted the following bid irregularities:

- Frawner Corporation left out a zero from their price for “Construct Reservoir 4 and Booster Station, Complete.” Their numerals read “\$3,089,00.00” but their words read “Three Million Eighty-Nine Thousand”. Base and total bid amounts were consistent.
- Rockford Corporation did not provide an MBE/WBE Compliance statement, however, an EEO Compliance statement was provided.

The bids are summarized below:

Rank	Contractor	Base Bid	Add Alt 1	Total Bid
1	Frawner Corporation	\$3,257,420.00	\$50,000.00	\$3,307,420.00
2	Alaska Mechanical, Inc.	\$3,283,420.00	\$45,000.00	\$3,328,420.00
3	Rockford Corporation	\$3,447,838.00	\$83,206.00	\$3,531,044.00
4	Wolverine Supply, Inc.	\$3,965,420.00	\$57,000.00	\$4,022,420.00
5	Udelhoven Oilfield System Services, Inc.	\$4,052,361.00	\$41,644.00	\$4,094,005.00
	Engineer's Estimate	\$4,261,269.10	\$85,000.00	\$4,514,689.10

Based on the above summary, we recommend award of the contract including the additive alternate, dependant on availability of funding, to Frawner Corporation of Anchorage, Alaska.

Please call if you need anything further.

Sincerely,

HATTENBURG DILLEY & LINNELL



David Lundin, P.E.  
Project Manager

cc: Chris Bowman, P.E., HDL

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SURVEYING  
  
CONSTRUCTION  
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MATERIAL  
TESTING