

**CITY OF PALMER
ACTION MEMORANDUM NO. 14-025**

Subject: Authorize the City Manager to Approve Amendment No. 3 with Hattenburg, Dilley and Linnell Engineers for Design and Engineering Services for the Sherrod Area Water and Street Improvements Project

Agenda of: March 25, 2014

Council Action: Authorized

Approved for presentation by:

City Manager _____
City Attorney _____
City Clerk _____

J. B. Griff

Certification of Funds:

Total amount of funds listed in legislation:	\$ <u>80,835</u>
This legislation (✓):	
<input type="checkbox"/> Has no fiscal impact	
Creates:	
<input checked="" type="checkbox"/> A negative fiscal impact in the amount of:	\$ <u>80,835</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) ➤ 24-40-02-6221 (ADWF ARRA 677221)	\$ <u>40,418</u>
b) ➤ 24-01-14-6221 (DCCED Grant 14-DC-126)	\$ <u>40,417</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:	\$ _____
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:	_____

Attachment(s):

- HDL proposal letter dated March 4, 2014

Summary statement: This action memorandum authorizes the city manager to approve Amendment No. 3 for design and engineering services for Hattenburg, Dilley and Linnell Engineers (HDL) for Phase 2 of the Sherrod Area Water and Street Improvements project for a not to exceed amount of \$80,835.

This cost is divided between water system improvements, which are eligible for Department of Environmental Conservation (ADEC) grant and loan funding, and street improvements, which are not eligible for ADEC funding but are eligible for funding under a Department of Commerce and Community Economic Development (DCCED) grant.

As explained in the attached HDL proposal, under previous terms of this contract HDL has produced 65% plans for the entire Sherrod Area project, including construction design for Phase 1, as well as construction administration for Phase 1, which replaced the water main on E. Auklet Ave in 2013.

The work proposed under Amendment No. 3 involves professional services for Phase 2 of the project, including permits, final design, public involvement, local improvement district assistance and bidding assistance. Phase 2 will build street improvements on E. Auklet Ave., water and street improvements on Gulkana Street from Arctic Avenue to Beaver Avenue and Dolphin Avenue from Valley Way to Gulkana Street, as well as water improvements and storm drain repair on Chugach at Eagle Avenue and at the School District Administration Building.

Administration recommendation: Approve action memorandum 14-025.

March 4, 2014

File: 12-010

Tom Healy, Public Works Director
City of Palmer
231 West Evergreen Avenue
Palmer, AK 99645

RE: Fee Proposal for Phase 2 Engineering Services
Sherrod Area Water and Street Improvements – City of Palmer

CIVIL
ENGINEERING

Dear Mr. Healy:

GEOTECHNICAL
ENGINEERING

Hattensburg Dilley & Linnell (HDL) is pleased to present this fee proposal for design phase engineering services for Phase 2 of the Sherrod Area Water and Street Improvements project. To date, HDL has provided the City with a complete 65% Plans, Specifications & Estimate (PS&E) for the entire Sherrod Area Water and Street Improvements project. In June 2013, HDL received Amendment #1 to complete Phase I Final Design under Task 5 with the remaining budget from our original fee proposal. Finally, in August 2013 HDL received Amendment #2 to provide Phase 1 Construction Administration & Inspection services under Task 8 for an amount not-to-exceed \$97,610.

TRANSPORTATION
ENGINEERING

ENVIRONMENTAL
SERVICES

PLANNING

SURVEYING

CONSTRUCTION
ADMINISTRATION

In February 2014, the City requested HDL prepare a fee to provide professional services for the Phase 2 project, including permits, final design, public involvement & local improvement district assistance, and bidding assistance. Phase 2 includes street improvements on Auklet Avenue between Valley Way and Gulkana Street, water and street improvements on Gulkana Street from Arctic Avenue to Beaver Avenue and Dolphin Avenue from Valley Way to Gulkana Street, and water improvements and storm drain repair on Chugach at Eagle Avenue and at the School District Administration Building. This amendment request summarizes the additional scope of work required to complete this phase of the project.

MATERIAL
TESTING

SCOPE OF SERVICES

Task 3 – Environmental Review and Permits

DEC Permit. We anticipate that the only permits required for this phase of the project will be Approvals to Construct from DEC for water, sewer and storm drain improvements. We will complete the permit applications and coordinate with DEC for plan review using the remainder of the original budget for this task.

Task 5 – Final Design (Phase 2)

HDL will provide final design services for Phase 2 and has asked EDC, Inc. to provide design of the street lighting system. HDL will provide a final Design Study Report (DSR) with the 95% plans, specifications & estimate. The final DSR will include a list of utility conflicts and resolution from our coordination with affected utility companies. We will obtain utility designs on behalf of the City for inclusion in the bid package. We will update the construction cost estimate at 95% and at final design to reflect change in quantities and pay items determined in the final detailing of the work. We will also re-examine and update unit prices to provide an accurate final estimate. The final deliverables for this task will include bid-ready plans, stamped and signed by a registered professional engineer in the State of Alaska, a bid-ready Project Manual with bidding and contract documents and special provisions, and the engineer's construction cost estimate.

HDL will also provide assistance preparing a separate pipe procurement bid document package. We will edit the sample package provided by the City and will prepare a bid schedule. A fee proposal worksheet for Task 5 is included in this amendment request.

Task 6 – Public Involvement and Local Improvement District (LID) Assistance

HDL will work with Anne Brooks to provide public involvement and LID assistance. On this project, HDL will provide one public meeting to provide the public with updates on the project and provide the Auklet Avenue and Dolphin Avenue residents with information on the proposed LID. HDL will identify the preliminary cost of improvements that may to be included in the LID assessment amount, prepare drawings of the proposed LID boundaries and provide a mailing list of property-owners within the boundary. HDL will send a notification flyer for the public meeting and will assist the City to prepare a letter to residents along Auklet Avenue and Dolphin Avenue that explains the proposed LID process and procedures. We will attend the public meeting and the LID public hearing and will be available to help City staff present the project to the City Council and the public. We will complete the additional public involvement and LID assistance using the remainder of the original budget for this task.

Task 7 - Bidding Assistance (Phase 2)

HDL will assist the City with bidding the project. We will attend a pre-bid conference, respond to bidders' questions, prepare addenda as necessary, and review the City's bid tabulation. A fee proposal worksheet for Task 7 is included in this amendment request.

BASIC ASSUMPTIONS

The following basic assumptions were used to prepare this estimate:

1. Dolphin Avenue construction documents will be presented as an additive alternate.

SCHEDULE

The completion for design of the water system and street improvements will require aggressive action and is significantly less time than is generally allowed for a project such as this. Our milestone schedule is as follows:

Item	Deadline
95% PS&E and DSR for Phase II	3/14/14
DEC Permit Application	3/19/14
100% PS&E	4/1/14
Advertise bid documents	4/8/14
Bid opening	4/29/14

FEE

We propose to provide the aforementioned services on a time and expenses basis at our published hourly labor rates and a discounted 5% mark-up of subcontracts and reimbursable expenses. Portions of the work will be completed using the remaining budget for those tasks, however an additional budget not-to-exceed **\$80,835** is requested, as detailed on the attached worksheet. Please note that our fees for non-professionals include a portion of their hours at overtime rates to account for our additional payroll costs due to the fast-track schedule.

We appreciate the opportunity to provide this proposal and look forward to assisting the City with this important project. If you have any questions, please contact me at 746-5230.

Sincerely,

HATTENBURG DILLEY & LINNELL



David Lundin, P.E./Principal
Project Manager

Attach: Fee Worksheet (1 page, dated March 4, 2014)

FEE PROPOSAL WORKSHEET
Engineering Services
Sherrord Area Water and Street Improvements - Phase 2

TASK	ACTIVITY	QTY	RATE	HDL LABOR*	REIMBURSABLE EXPENSES	SUB-CONTRACTS	SUBTOTAL	TOTAL
5.0	Final Design - Phase 2							\$71,680
5.1	<u>Management/Coordination/Quality Assurance</u>						\$8,960	
	Principal Civil Engineer	40 hrs	@ \$160	\$6,400				
	Civil Engineer - Road	8 hrs	@ \$130	\$1,040				
	Civil Engineer - Water	8 hrs	@ \$110	\$880				
	Clerical	8 hrs	@ \$80	\$640				
5.2	<u>Civil Plans (40 sheets)</u>						\$36,200	
	Civil Engineer - Road	40 hrs	@ \$130	\$5,200				
	Civil Engineer - Water	40 hrs	@ \$110	\$4,400				
	Engineering Assistant	120 hrs	@ \$80	\$9,600				
	Designer/Drafter	160 hrs	@ \$100	\$16,000				
	Reimbursable Expense	1 budget	@ \$1,000		\$1,000			
5.3	<u>Street Lighting Plans (11 sheets)</u>						\$10,040	
	Civil Engineer - Road	8 hrs	@ \$130	\$1,040				
	EDC, Inc.	1 budget	@ \$9,000			\$9,000		
5.4	<u>Specifications & Bidding Documents</u>						\$2,280	
	Civil Engineer - Road	8 hrs	@ \$130	\$1,040				
	Civil Engineer - Water	4 hrs	@ \$110	\$440				
	Engineering Assistant	4 hrs	@ \$80	\$320				
	Clerical	8 hrs	@ \$60	\$480				
5.5	<u>Construction Cost Estimate</u>						\$5,360	
	Civil Engineer - Road	16 hrs	@ \$130	\$2,080				
	Civil Engineer - Water	8 hrs	@ \$110	\$880				
	Designer/Drafter	24 hrs	@ \$100	\$2,400				
5.6	<u>Final Design Study Report</u>						\$6,200	
	Civil Engineer - Road	4 hrs	@ \$130	\$520				
	Engineering Assistant	4 hrs	@ \$80	\$320				
	Utility Coordination	48 hrs	@ \$100	\$4,800				
	Right-of-Way	4 hrs	@ \$140	\$560				
5.7	Pipe Procurement	24 hrs	@ \$110	\$2,640			\$2,640	
7.0	Bidding Assistance - Phase 2							\$7,080
7.1	<u>Pre-Bid Conference (1 each)</u>						\$1,440	
	Principal Civil Engineer	2 hrs	@ \$160	\$320				
	Civil Engineer - Road	2 hrs	@ \$130	\$260				
	Civil Engineer - Water	2 hrs	@ \$110	\$220				
	Engineering Assistant	8 hrs	@ \$80	\$640				
7.2	<u>Assistance During Bidding</u>						\$5,640	
	Principal Civil Engineer	4 hrs	@ \$160	\$640				
	Civil Engineer - Road	8 hrs	@ \$130	\$1,040				
	Civil Engineer - Water	4 hrs	@ \$110	\$440				
	Engineering Assistant	24 hrs	@ \$80	\$1,920				
	Designer/Drafter	16 hrs	@ \$100	\$1,600				
	EDC, Inc.	1 budget	@ \$1,500			\$1,500		
Subtotal				\$68,760	\$1,000	\$10,500		\$78,760
Markup**					\$50	\$525		\$575
Total Fee				\$68,760	\$1,050	\$11,025		\$80,835
*also includes those expenses charged without a markup								
**5% for subcontracts, 5% for reimbursable expenses								