

**City of Palmer
Action Memorandum No. 16-030**

Subject: Authorize the City Manager to Amend the Professional Services Agreement with HDL Engineers in an Amount Not to Exceed \$250,000 for Design and Engineering Services for the Sherrod Area Water Utility Improvement Project, Phase Four

Agenda of: March 22, 2016

Council Action: Authorized

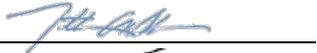
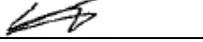
Originator Information:

Originator: Tom Healy, Public Works Director
Date: March 10, 2016 **Requested agenda date:** March 22, 2016

Department Information √:

Route to:	Department Director:	Signature:	Date:
	Community Development		
X	Finance		3/11/16
	Fire Department		
	Police Department		
X	Public Works		3/10/16

Approved for presentation by:

	Signature:	Remarks:
City Manager		
City Attorney		
City Clerk		

Certification of Funds:

Total amount of funds listed in this legislation: \$ 250,000

This legislation (√):

- Has no fiscal impact Creates a positive impact in the amount of: \$ _____
 Creates a negative impact in the amount of: \$ 250,000

Funds are (√):

- Budgeted Line item(s): 24-20-08-6225 (ADEC Grant No. 67118)
 Not budgeted Affected line item(s): 24-02-08-6225 (City Match – ADEC Loan 671251)

General fund unassigned balance (after requested budget modification): \$ _____

Enterprise unrestricted net position (after requested budget modification): \$ _____

Director of Finance Signature: 

Attachment(s):

- Manager Wallace March 3, 2016, letter to Department of Environmental Conservation
- Fee Proposal from HDL Engineers

Summary statement: City Manager Nathan Wallace's March 3, 2016, letter asked the Alaska Department of Environmental Conservation (ADEC) to extend ADEC Grant No. 67118 for one year to continue the Sherrod Area water main replacement project. On March 10, 2016, ADEC notified the City that Palmer's request was approved. In order to design and construct a project before June 30, 2017, the City must move quickly to begin surveying and design. We anticipate a bid opening on June 20, 2016, and bid award at the June 28, 2016, Council meeting.

This next phase of water main replacement involves portions of the area east of the Glenn Highway, south of Eagle Ave., west of the Alaska Railroad right-of-way and north of Arctic Ave. Water mains in this area were installed in the 1960s and 1970s and are beyond their useful life. The water main on E. and W. Beaver Ave. has experienced several major leaks in recent years.

This Action Memorandum authorizes Amendment No. 8 to the Professional Services Agreement between the City and HDL Engineers to provide design and engineering services for a water main replacement project in the area described above. Scoping of the actual project will occur this week.

In reference to PMC 3.21.230, Governmental and Proprietary Procurements, HDL's experience in preparing the engineering and design plans for the multi-year water main replacement project, as well as their experience in construction administration, give HDL experience and knowledge of this project which reasonably limits the source of these design and engineering phase services to HDL.

Administration recommendation: Authorize action memorandum 16-030.



Nathan Wallace
City Manager

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March 3, 2016

Ms. Susan Start
Matching Grant and Loan Project Engineer
State of Alaska Department of Environmental Conservation
Division of Water/Municipal Grants & Loans
555 Cordova Street
Anchorage, Alaska 99501
Via email

Dear Ms. Start:

The City of Palmer requests an extension of the expiration date of Municipal Matching Grant No. 67118 from June 30, 2016, to June 30, 2017.

The City proposes to use these funds to continue the program to replace old, deteriorating drinking water distribution mains. For several years, with financial assistance from the Alaska Department of Environmental Conservation, Palmer has constructed several phases of water main replacement involving thousands of feet of new distribution main construction.

The City proposes to use the balance of MMG No. 67118 in combination with the balance of funds available under Alaska Drinking Water Fund Loan No. 671251 to design and construct a project to replace deteriorating cast iron water pipe in the north section of Palmer bordered by the Glenn Highway, N. Eagle Ave., the Alaska Railroad right-of-way and N. Beaver Ave.

This 6-inch diameter cast iron distribution pipe was installed in the late 1960s and 1970s. As the pipe ages it becomes more brittle and breaks, often as a clean break around the entire pipe circumference. There have been nine such breaks in recent years. These breaks occur during the winter and spring when frost affects the silty backfill surrounding the pipes. On a couple of occasions, main breaks in the winter have resulted in flooding nearby residential basements because the leaking water finds a path of least resistance in the soil along a house's sewer service connection.

The title of MMG No. 67118 is "Palmer – Steel Water Main Replacement." The City believes the additional work described above fits this grant description and scope of work exactly. The only difference is that projects to date replaced thin-walled steel pipe and the proposed project will replace cast iron pipe. Both types of pipe were beyond a useful life and deteriorated so that leaks and pipe breaks were common.

Thank you for your consideration. Please let me know if you require additional information for this request.

Sincerely,

Nathan Wallace
City Manager

City of Palmer