

**CITY OF PALMER  
ACTION MEMORANDUM NO. 14-035**

**Subject:** Authorize the City Manager to Amend the Professional Services Agreement with HDL Engineers in the Amount of \$165,885 to Add Construction Administration Services for the Sherrod Area Water and Street Improvements, Phase 2 Project

**Agenda of: May 13, 2014**

**Council Action:** Authorized

**Approved for presentation by:**

City Manager *J Douglas B. Griff*  
City Attorney \_\_\_\_\_  
City Clerk *JR*

**Certification of Funds:**

Total amount of funds listed in legislation:	\$ <u>165,885</u>
This legislation (✓):	
<input type="checkbox"/> Has no fiscal impact	
Creates:	
<input checked="" type="checkbox"/> A negative fiscal impact in the amount of:	\$ <u>165,885</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) ➤ 24-20-07-6223 (ADEC Grant No. 67117)	\$ <u>86,020</u>
b) ➤ 24-02-07-6223 (City Match for Grant No. 67117)	\$ <u>36,865</u>
c) ➤ 24-01-11-6220 (Grant No. 13-DC-318)	\$ <u>18,000</u>
d) ➤ 24-01-14-6225 (Grant No. 14-DC-126)	<u>25,000</u>
a) Funds originally budgeted in line item :	\$ _____
Difference in budgeted funds:	\$ _____
b) Funds originally budgeted in line item :	\$ _____
Difference in budgeted funds:	\$ _____
c) Funds originally budgeted in line item :	\$ _____
Difference in budgeted funds:	\$ _____
d) 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:	\$ _____
<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):**

- HDL Amendment Proposal dated April 18, 2014

**Summary statement:** This action will approve an amendment to an existing Professional Services Agreement between the City and HDL Engineers for design services related to the Sherrod Area Water and Street Improvements Phase 2.

This phase of the City's water main replacement and street improvement project will replace water mains, construct water main tie-ins and improve streets on E. Auklet, E. Dolphin and E. Eagle Avenues.

Funding for this project and for the construction administration approved by this action memorandum comes from a Department of Environmental Protection grant and loan for the water main improvements; from Department of Commerce and Community Economic Development grants for water main tie-ins (13-DC-318) and street improvements (14-DC-126). The allocation of the cost of HDL Engineers' work in the Certification of Funds section, above, is an estimate of amounts to be charged to these various grants and loans. Actual expenses will be coded to the appropriate funding source in the course of the project.

HDL's scope of work under this amendment will include construction monitoring, coordination, administration, inspection, material testing and production of project closeout documents. HDL proposes to provide these services on a time-and-expenses basis for a cost not to exceed \$165,885.

In reference to PMC 3.21.230, Governmental and Proprietary Procurements, HDL's experience in preparing the engineering and design plans for this construction project, as well as HDL's design and construction administration of Sherrod Area Water Main Replacement Phase 1 give HDL experience and knowledge of this project which reasonably limits the source of these construction phase services to HDL.

Bids for the Sherrod Area Water and Street Improvements Phase 2 project were opened April 24, 2014. Project construction is expected to begin by June 1, 2014.

**Administration recommendation:** Approve action memorandum 14-035.

April 18, 2014

File: 82-051

Tom Healy, Director of Public Works  
City of Palmer  
231 W. Evergreen Avenue  
Palmer, Alaska 99645

Re: Proposal for Construction-Phase Services  
Sherrod Area Water and Street Improvements, Phase 2

Dear Mr. Healy:

As requested, Hattenburg Dilley & Linnell (HDL) has prepared this proposal for construction-phase services for the Sherrod Area Water and Street Improvements, Phase 2 project. This work is a continuation of HDL's planning and design services to assist the City of Palmer (COP) with steel water main replacement.

#### PROJECT DESCRIPTION

The Sherrod Phase 2 project includes the construction of approximately 2,400 linear feet of Class 52 ductile iron pipe water main and associated fittings, valves, hydrants, and services to replace the existing water system. The project also includes approximately 3,000 linear feet of street improvements, including gravel subbase, base, AC pavement, curb and gutter, sidewalks, storm drain collection, and street lighting. Existing paved streets will also be improved with new pavement and ADA-accessible sidewalks. The main project area is generally located near the Sherrod and Swanson elementary schools and includes work on N Gulkana Street, N Chugach Street, E Auklet Avenue, E Dolphin Avenue, and on the school property.

#### SCOPE OF SERVICES

We understand that the scope of work is generally to provide construction administration (CA) and full-time inspection services during the anticipated 23-week construction period (May 26, 2014 to October 31, 2014). HDL will work closely with Public Works staff and will be the contractor's primary point of contact for verbal and written communication. Our scope of work will include construction monitoring, coordination, administration, inspection, material testing, and record drawings.

HDL will coordinate and monitor the day-to-day activities of the project on behalf of the City. David Lundin, PE will be the Project Manager and Steve Reed, PE will be the Project Engineer. Steve will be the primary point of contact and will keep the City informed of progress, field directives, and any changes as they arise and will prepare weekly written status reports. He will also coordinate with ADEC and keep them informed of the progress.

Construction Administration. At project start-up, HDL and our sub-consultant Engineering Design & Consulting (EDC) will review material and equipment submittals, shop drawings,

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TRANSPORTATION  
ENGINEERING  
  
ENVIRONMENTAL  
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SURVEYING  
  
CONSTRUCTION  
ADMINISTRATION  
  
MATERIAL  
TESTING

samples, and quality control submittals. HDL will conduct a pre-construction conference to review the contractor's schedule, establish procedures for submittals and shop drawings, and to establish a working understanding between the contractor, HDL, and the City.

During construction, HDL will review administrative submittals and schedules and will review and respond to Design Clarification/Verification Requests (DCVRs). We will conduct formal weekly construction meetings. We will review the contractor's pay requests, verify pay item quantities, and provide recommendations for payment.

Construction Inspection & Quality Assurance Testing. HDL will provide full-time construction inspection to observe, test, and document the construction on behalf of the City. Documentation will include photographs and daily reports detailing the equipment, labor, inspections, testing, and activities occurring while our Inspector is on-site. Copies of daily reports will be provided to the City on a weekly basis. The actual hours on-site per day will be dependent on the contractor's schedule, the type of work being performed and the level of inspection required. We anticipate our inspector will work up to 50 hours per week. HDL will conduct formal substantial and final completion inspections jointly with the City and EDC and prepare a substantial completion inspection report and list of deficient items.

HDL will provide quality assurance material testing to check the adequacy of the Contractor's quality control program by performing the following independent tests:

- ✓ Approximately 25 field density tests on fill materials
- ✓ Approximately 5 laboratory moisture-density tests (Proctors) including soil gradations
- ✓ Approximately 5 laboratory grain size analysis
- ✓ Approximately 4 sets of concrete field tests and cylinder breaks
- ✓ Approximately 2 asphalt content and gradation tests
- ✓ Approximately 6 asphalt cores with density and thickness tests

Closeout Documents. HDL and EDC will review the contractor's construction markups and will prepare electronic record drawings. We will submit half-size record drawings on bond paper and will provide full- and half-size record drawings in Adobe PDF format on CD for your records. HDL will submit record drawings to ADEC and apply for Approval to Operate the new water pipelines on behalf of the City. For the construction contract closeout, we will request a release of liens and claims statement from the contractor and will distribute a project completion and acceptance certificate for execution.

### **BASIC ASSUMPTIONS**

The following basic assumptions were used to prepare this estimate:

1. HDL will be the primary point of contact for verbal and written communications.
2. HDL will provide one full-time project inspector for 19 weeks during the construction period. We anticipate the inspector will work an average of 50 hours per week. Inspection will not be required on Sundays or holidays.
3. We anticipate the project inspector will work overtime for an average of 10 hours per

week to match the contractor's schedule.

4. Only Substantial Completion and Final Completion electrical inspections will be provided.
5. Our work excludes claims negotiations or protracted disputes with the contractor, repeated retesting due to inadequate contractor performance, or if the contractor's work extends beyond the performance period.

#### FEE

HDL proposes to provide the aforementioned services on a time and expenses basis, not-to-exceed **\$165,885** as shown on the attached fee estimate worksheet.

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

Sincerely,

HATTENBURG DILLEY & LINNELL, LLC



David Lundin, P.E.  
Principal Civil Engineer

Attach: Fee Estimate Worksheet (1 page)

**CITY OF PALMER - FEE PROPOSAL WORKSHEET**  
**Construction Phase Services**  
**Sherrod Area Water and Street Improvements, Phase 2**

<u>TASK</u>	<u>ACTIVITY</u>	<u>QTY</u>	<u>RATE</u>	<u>HDL LABOR &amp; DIRECT EXPENSES</u>	<u>REIMBURSABLE EXPENSES</u>	<u>SUB-CONTRACTS</u>	<u>SUBTOTAL</u>	<u>TOTAL</u>
<b>8.0</b>	<b>Construction Phase Services.....</b>							<b>\$165,885</b>
8.1	<u>Construction Administration - Office (23 weeks)</u>							\$49,750
	Project Manager (4 hrs/wk)	92 hrs	@ \$160	\$14,720				
	Project Engineer (12 hrs/wk straight time)	276 hrs	@ \$110	\$30,360				
	Clerical (1 hr/wk)	23 hrs	@ \$70	\$1,610				
	Vehicle (1/2 day rate)	77 days	@ \$40	\$3,060				
	EDC Inc. (allowance)	1 Lump Sum	@ \$2,500			\$2,500		
8.2	<u>Inspection Services (17 weeks)</u>							\$89,360
	Inspector (40 hrs/wk straight time)	680 hrs	@ \$85	\$57,800				
	Inspector (10 hrs/wk overtime)	170 hrs	@ \$120	\$20,400				
	Vehicle (1 day rate)	102 days	@ \$80	\$8,160				
	EDC Inc. (allowance)	1 Lump Sum	@ \$2,500			\$2,500		
	Miscellaneous Reimbursables	1 Lump Sum	@ \$500		\$500			
8.3	<u>Quality Assurance Material Testing</u>							\$7,105
	Geotechnical Engineer	8 hrs	@ \$140	\$1,120				
	Field Materials Tech.	Included w/ inspection						
	Lab Supervisor	8 hrs	@ \$100	\$800				
	Nuclear Densometer	25 days	@ \$35	\$875				
	Lab. Moisture-Density Test	5 ea	@ \$270	\$1,350				
	Lab. Grain Size Analysis	5 ea	@ \$70	\$350				
	Field Concrete Test	4 ea	@ \$125	\$500				
	Concrete Cylinder Break	12 ea	@ \$20	\$240				
	Asphalt Content with gradation	2 ea	@ \$245	\$490				
	Asphalt Core Density	6 ea	@ \$120	\$720				
	Clerical	8 hrs	@ \$70	\$560				
	Consumables	1 Lump Sum	@ \$100		\$100			
8.4	<u>Record Drawings and Closeout</u>							\$14,960
	Project Manager	16 hrs	@ \$160	\$2,560				
	Project Engineer	40 hrs	@ \$110	\$4,400				
	Drafter	80 hrs	@ \$100	\$8,000				
	EDC Inc. (allowance)	1 Lump Sum	@ \$1,500			\$1,500		
<b>Subtotal Task 8</b>				<b>\$158,075</b>	<b>\$600</b>	<b>\$6,500</b>		<b>\$165,175</b>
Markup*					\$60	\$650		\$710
<b>Total Task 8</b>				<b>\$158,075</b>	<b>\$660</b>	<b>\$7,150</b>		<b>\$165,885</b>
*10% for subcontracts, 10% for reimbursable expenses								