

**City of Palmer
Action Memorandum No. 16-046**

Subject: Authorize the City Manager to Negotiate and Execute Amendment No. 9 to the Professional Service Agreement with HDL Engineering Consultants for Construction Phase Services for Phase 4 of the Sherrod Area Water and Street Improvement Project in a Not-to-Exceed Amount of \$192,390.

Agenda of: June 14, 2016

Council Action: APPROVED

Originator Information:

Originator: Tom Healy, Public Works Director
Date: May 26, 2016 **Requested agenda date:** June 14, 2016

Department Information √:

Route to:	Department Director:	Signature:	Date:
	Community Development		
X	Finance		5/26/16
	Fire Department		
	Police Department		
X	Public Works		5/26/16

Approved for presentation by:

	Signature:	Remarks:
City Manager		
City Attorney		
City Clerk		

Certification of Funds:

Total amount of funds listed in this legislation: \$ 192,390

This legislation (√):

Has no fiscal impact Creates a positive impact in the amount of: \$ _____
 Creates a negative impact in the amount of: \$ 192,390

Funds are (√):

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

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

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

Director of Finance Signature: 

Attachment(s):

- HDL Engineering Consultants' May 23, 2016, letter fee proposal

Summary Statement: HDL Engineering Consultants have prepared the design and specifications for the Sherrod Area Water and Street Improvements, Phase 4 project. This project will replace old cast iron water mains in the Beaver Avenue and N. Chugach and N. Bailey Sts. Area. The bid opening for the project construction is planned for June 20, 2016, with the bid award at the June 28, 2016, Council meeting. It is necessary to amend the City's agreement with HDL to provide for construction phase services prior to awarding the construction contract.

This Action Memorandum authorizes Amendment No. 10 to the Professional Services Agreement between the City and HDL Engineers to provide construction phase services for a water main replacement project in the area described above. In reference to HDL's attached May 23, 2016, letter, HDL will perform these services on a time and materials basis for a not-to-exceed amount of \$192,390.

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 16-046.

May 23, 2016

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

Re: Amendment for Construction Phase Services
Sherrod Area Water and Street Improvements, Phase 4

Dear Mr. Healy:

As requested, HDL Engineering Consultants (HDL) hereby requests an amendment to add construction-phase services for Phase 4 of the Sherrod Area Water and Street Improvements project to our current contract with the City of Palmer (City).

BACKGROUND

Amendment 8 to our contract included survey, permitting, public involvement, and design services for water system and drainage improvements on Beaver Avenue, Chugach Street and Bailey Avenue. Work on services related to this amendment began in late-March 2016. HDL submitted a 65% design package the first week of May 2016 with a 95% design submittal on-track for delivery on May 24 and bid-ready plans on June 1. Based on this schedule, bids will open on June 23 for a council award on June 28. Construction is expected to begin in early-July 2016.

PROJECT DESCRIPTION

The Sherrod Phase 4 project includes the construction of up to 2,600 linear feet (depending on award of the additive alternate) 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 2,600 linear feet of minor street improvements, including gravel surfacing and replacement of AC pavement, curb and gutter, sidewalks, and drainage improvements. The project base bid includes work on Beaver Avenue and Chugach Street with an additive alternate for work on Bailey Street between Beaver and Caribou Avenues.

CONSTRUCTION PHASE SERVICES

Task 8 – Construction Phase Services (Phase 4)

Similar to previous phases, we understand that the scope of work for Phase 4 construction is generally to provide construction administration (CA) and full-time inspection services during the anticipated 20-week construction period (July 5, 2016 to October 21, 2016 plus four weeks in spring 2017). HDL will work closely with the 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.

CIVIL
ENGINEERING
GEOTECHNICAL
ENGINEERING
TRANSPORTATION
ENGINEERING
ENVIRONMENTAL
SERVICES
PLANNING
SURVEYING
& MAPPING
CONSTRUCTION
ADMINISTRATION
MATERIAL
TESTING
RIGHT-OF-WAY
SERVICES

HDL will coordinate and monitor the day-to-day activities of the project on behalf of the City. Chris Bowman, PE will be the Project Manager/Engineer and David Lundin, PE will be the Principal-in-Charge. Chris 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. David will provide quality control and oversight of HDL activities.

Construction Administration. At project start-up, HDL will review material and equipment submittals, shop drawings, 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 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 60 hours per week. HDL will conduct formal substantial and final completion inspections jointly with the City 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 2 sets of concrete field tests and cylinder breaks
- ✓ Approximately 1 asphalt content and gradation test
- ✓ Approximately 2 asphalt cores with density and thickness tests

Closeout Documents. HDL 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 including signing the ADEC required statement that construction was completed under the direction of an engineer. 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 16 weeks during the construction period. We anticipate the Inspector will work an average of 60 hours per week. Inspection will not be required on Sundays, holidays, or double shifts.
3. We anticipate the project Inspector will work overtime for an average of up to 20 hours per week to match the Contractor's schedule.
4. 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 Estimate. HDL proposes to provide the aforementioned services on a time and expenses basis, not-to-exceed **\$192,390** as shown on the attached fee estimate worksheet.

We appreciate the opportunity to provide this proposal and to continue working with you. If you have any questions, please contact me at 746-5230.

Sincerely,

HDL Engineering Consultants, LLC



David Lundin, P.E.

Principal / Civil & Environmental Engineer

Attach: Fee Estimate Worksheet (2 pages)

CITY OF PALMER - FEE WORKSHEET
Construction Phase Services for
Sherrord Area Water and Street Improvements, Phase 4

TASK	ACTIVITY	QTY	RATE	HDL LABOR & DIRECT EXPENSES		REIMBURSABLE EXPENSES	SUB-CONTRACTS	SUBTOTAL	TOTAL
				EXPENSES	EXPENSES				
8.0	Construction Phase Services.....								\$192,390
8.1	Submittal/Shop Drawing Review								
	Principal Civil Engineer	8 hrs	@ \$170	\$1,360				\$7,040	
	Project Manager/Engineer	16 hrs	@ \$130	\$2,080					
	Engineering Assistant	40 hrs	@ \$90	\$3,600					
8.2	Construction Administration - Office (20 weeks)							\$60,880	
	Principal Civil Engineer (4 hrs/wk)	80 hrs	@ \$170	\$13,600					
	Project Manager/Engineer (16 hrs/wk)	320 hrs	@ \$130	\$41,600					
	Clerical (2 hr/wk)	40 hrs	@ \$70	\$2,800					
	Vehicle (1/2 day rate)	72 days	@ \$40	\$2,880					
8.3	Inspection Services (16 weeks)							\$104,180	
	Inspector (40 hrs/wk straight time)	640 hrs	@ \$90	\$57,600					
	Inspector (20 hrs/wk overtime)	320 hrs	@ \$120	\$38,400					
	Vehicle (1 day rate)	96 days	@ \$80	\$7,680					
	Miscellaneous Reimbursables	1 Lump Sum	@ \$500	\$500					

