

# City of Palmer Regular City Council Meeting

7 pm, Tuesday, August 9, 2016  
Palmer City Council Chambers  
231 W. Evergreen Avenue, Palmer

Clerk's Office: 907-761-1301  
[www.cityofpalmer.org](http://www.cityofpalmer.org)





Mayor DeLena Johnson  
Deputy Mayor Brad Hanson  
Council Member Richard Best  
Council Member Steve Carrington  
Council Member Linda Combs  
Council Member Edna DeVries  
Council Member Pete LaFrance

City Attorney Michael Gatti  
City Clerk Norma I. Alley, MMC  
City Manager Nathan Wallace

**City of Palmer, Alaska**  
**Regular City Council Meeting**  
**7 pm Tuesday, August 9, 2016**  
City Council Chambers  
231 W. Evergreen Avenue, Palmer  
[www.cityofpalmer.org](http://www.cityofpalmer.org)

## Agenda

- A. Call to Order
- B. Roll Call
- C. Pledge of Allegiance
- D. Approval of Agenda
  - 1. Approval of Consent Agenda
  - 2. Minutes of Previous Meetings
    - a. July 26, 2016, Regular Meeting .....Page 7
- E. Communication and Appearance Requests
  - 1. Park, Recreation and Cultural Resources Advisory Board
- F. Reports
  - 1. City Manager's Report.....Page 15
  - 2. City Clerk's Report
  - 3. Mayor's Report
  - 4. City Attorney's Report
- G. Audience Participation
- H. Public Hearings
  - 1. **Resolution No. 16-020:** Submitting the Question of Amending Charter Section 3.2, Terms of Office to Limit Mayor and Councilmember Terms to Three Three-Year Terms, to the City's Qualified Voters at the October 4, 2016, City of Palmer Election (IM 16-033) (2<sup>nd</sup> Public Hearing) .....Page 19
  - 2. **Resolution No. 16-018:** Authorizing the City of Palmer to Issue Utility Revenue Bonds in the Principal Amount Not to Exceed \$5,000,000 to Finance Water and Wastewater Utility and Related Capital Improvements, and to Submit the Question of the Issuance of Such Bonds to the Qualified Voters of the City at the October 4, 2016, City Election (IM 16-031) (3<sup>rd</sup> Public Hearing) .....Page 25
- I. Action Memoranda
  - 1. **Action Memorandum No. 16-059:** Authorizing the City Manager to Amend the Professional Services Agreement with HDL Engineering Consultants in an Amount Not to Exceed \$64,145 for Design and Engineering Services for the Sherrod Area Water & Street Improvements Project Phase Four Additional Extension .....Page 33

2. **Action Memorandum No. 16-060:** Authorizing the City Manager to Negotiate and Execute Change Order No. 1 with Dirtworks, Inc. for the Sherrod Area Water & Street Improvement Project Phase 4, in an Amount Not to Exceed \$490,000 ..... Page 43

- J. Unfinished Business
- K. New Business
- L. Record of Items Placed on the Table
- M. Audience Participation
- N. Council Member Comments
- O. Adjournment

**Tentative 2016 Palmer City Council Meetings:**

Meeting Date	Meeting Type	Time	Notes
<b>August 23</b>	Regular	7 pm	
<b>September 13</b>	Regular	7 pm	
<b>September 27</b>	Special	6 pm	Audit
<b>September 27</b>	Regular	7 pm	
<b>October 10</b>	Special	6 pm	Election Certification
<b>October 11</b>	Regular	7 pm	
<b>October 18</b>	Special	6 pm	2017 Budget
<b>October 25</b>	Special	6 pm	2017 Budget
<b>October 25</b>	Regular	7 pm	
<b>November 1</b>	Special	6 pm	2017 Budget
<b>November 8</b>	Special	6 pm	2017 Budget
<b>November 8</b>	Regular	7 pm	
<b>November 22</b>	Special	6 pm	2017 Budget
<b>November 22</b>	Regular	7 pm	
<b>December 6</b>	Special	6 pm	2017 Budget
<b>December 13</b>	Regular	7 pm	
<b>December 27</b>	Regular	7 pm	

# minutes





**A. CALL TO ORDER**

A regular meeting of the Palmer City Council was held on July 26, 2016, at 7 pm in the council chambers, Palmer, Alaska.

Mayor Johnson called the meeting to order at 7:01 pm.

**B. ROLL CALL**

Comprising a quorum of the Council, the following were present:

Richard Best	Brad Hanson
Steve Carrington	DeLena Johnson
Linda Combs	Peter LaFrance
Edna DeVries	

Also in attendance were the following:

Nathan Wallace, City Manager	Bernadette Packa, Deputy City Clerk
Norma Alley, City Clerk	Michael Gatti, City Attorney

**C. PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Council Member LaFrance.

**D. APPROVAL OF AGENDA**

1. Approval of Consent Agenda
  - a. **Action Memorandum No. 16-051:** Authorizing the City Manager to Enter into a Sole Source Procurement and Execute a Contract with Badger, Meter, Inc. for Badger Water Meters and Supplies in the Amount of \$16,223.50
  - b. **Action Memorandum No. 16-053:** Authorize the City Manager to Negotiate and Execute an Agricultural Lease with Ben Vanderweele for a Parcel of Land Containing Approximately 5 Acres of Airport Land Located on Outer Springer Loop
2. Minutes of Previous Meetings
  - a. June 14, 2016, Regular Meeting
  - b. July 12, 2016, Regular Meeting

**Main Motion: To approve consent agenda and minutes**

Moved by:	Best
Seconded by:	Combs
Action:	Motion carried by unanimous voice vote.
In favor:	Best, Carrington, Combs, DeVries, Hanson, Johnson, LaFrance
Opposed:	None

## **E. COMMUNICATION AND APPEARANCE REQUESTS**

## **F. REPORTS**

### **Item 1 – City Manager’s Report**

City Manager Nathan Wallace:

- Highlighted his written report;
- Provided an update on Borough Dispatch;
- Commented on attendance of first day of Local Foods, Local Places Workshop;
- Spoke to an Open House held for the Wastewater Treatment Master Plan; and
- Commented on the state closure of the Palmer Correction Center.

### **Item 2 – City Clerk’s Report**

City Clerk Norma Alley:

- Highlighted her written report provided at the table.

### **Item 3 – Mayor’s Report**

Mayor Johnson:

- Expressed concern regarding closure of the Correctional Facility;
- Expressed appreciation to Jan Newman and her efforts in acquiring the EPA grant; and
- Reminded everyone of the Mat-Su Miner Baseball game being sponsored by the City of Palmer July 27 at 6:00 pm.

### **Item 4 – City Attorney’s Report**

## **G. AUDIENCE PARTICIPATION**

Kenda Huling:

- Addressed concerns regarding overflowing trash from Friday Fling.

Eugene Carl Haberman:

- Spoke to concerns regarding Open House held on Wastewater Treatment Facilities Plan.

## **H. PUBLIC HEARINGS**

**Item 1 – Resolution No. 16-020:** Submitting the Question of Amending Charter Section 3.2, Terms of Office to Limit Mayor and Councilmember Terms to Two Three Year Terms, to the City’s Qualified Voters at the October 4, 2016, City of Palmer Election (IM 16-033) (1<sup>st</sup> Public Hearing)

Mayor Johnson opened the public hearing.

The City Clerk read written testimony received from Terry Snyder in support of the Resolution.

Eugene Carl Haberman:

- Addressed the public hearing process; and
- Requested additional information to support the Resolution be presented to the public.



Mayor Johnson closed the public hearing.

Discussion ensued. Concerns addressed included:

- The need for more time to evaluate the issue;
- The need to trust the voters to make the decision;
- The possibility of amending the resolution;
- The reasoning behind removal of a council member strictly due to time of service versus allowing the voters to choose;
- The National sentiment toward establishment of term limits; and
- The need to fix something that is not broken.

**Main Motion: To table Resolution No. 16-020 indefinitely**

Moved by:	Combs
Seconded by:	Best
Action:	Motion failed by a 3-4 roll call vote.
In favor:	Best, Combs, Hanson
Opposed:	Carrington, DeVries, Johnson, LaFrance

**Main Motion: To approve Resolution No. 16-020 as amended**

Moved by:	DeVries
Seconded by:	LaFrance
Action:	Motion pending
In favor:	
Opposed:	

**Primary Amendment #1: To amend Resolution No. 16-020 to read Submitting the Question of Amending Charter Section 3.2, Terms of Office to Limit Mayor and Councilmember Terms to ~~Two~~ Three Three Year Terms, to the City's Qualified Voters at the October 4, 2016, City of Palmer Election**

Moved by:	DeVries
Seconded by:	Carrington
Action:	Motion carried by a 4-3 roll call vote.
In favor:	Carrington, DeVries, Johnson, LaFrance
Opposed:	Best, Combs, Hanson

**Item 2 – Ordinance No. 16-016-Z-1:** Amending the Zoning Map to Revise the Designation of Tract A-1 ASLS 96-004 Located in Section 33, Township 18 North, Range 2 East, Seward Meridian, from CG – General Commercial to I – Industrial with Special Limitations (IM 16-028)

Mayor Johnson left the chambers and turned the meeting over to Deputy Mayor Hanson.

Deputy Mayor Hanson requested a staff report. No additional information was available.

Deputy Mayor Hanson opened the public hearing.

Matt Tomter, representative of Matanuska Brewing Company:

- Spoke in favor of the zoning change; and addressed plans for revitalization of the site.

Ben Vanderweele, Board of Agriculture and Conservation Services board member:

- Spoke in favor of the rezone and transfer of the property.

Amy Pettit:

- Spoke in support of the zoning change and revitalization of the area.

Gary Wolf:

- Spoke in support of the zoning change and the chance to save the few remaining agricultural buildings in Palmer.

Arthur Keyes, Director of Agriculture for the State of Alaska:

- Spoke of benefits to be gained by the agricultural community, and the City of Palmer in general, with the development of the project.

Eugene Carl Haberman:

- Addressed concerns regarding the public hearing process and short turnaround times.

Deputy Mayor Hanson closed the public hearing with no objections.

**Main Motion: To adopt Ordinance No. 16-016-Z-1**

Moved by:	Best
Seconded by:	Carrington
Action:	Motion carried with a 5-1 voice vote.
In favor:	Best, Carrington, Combs, Hanson, LaFrance
Opposed:	DeVries

Mayor Johnson returned to the meeting.

**Item 3 – Resolution No. 16-018:** Authorizing the City of Palmer to Issue Utility Revenue Bonds in the Principal Amount Not to Exceed \$5,000,000 to Finance Water and Wastewater Utility and Related Capital Improvements, and to Submit the Question of the Issuance of Such Bonds to the Qualified Voters of the City at the October 4, 2016, City Election (IM 16-031) (2<sup>nd</sup> Public Hearing)

Mayor Johnson opened the public hearing.

Eugene Carl Haberman:

- Noted the need for more information to be provided; and
- Reiterated the need for greater public involvement.

Mayor Johnson closed the public hearing with no objections.

**Main Motion: To approve Resolution No. 16-018**

Moved by:	Hanson
Seconded by:	Combs
Action:	Motion pending
In favor:	
Opposed:	

**Main Motion: To schedule Resolution No. 16-018 for a third public hearing at the August 9 Regular Council Meeting**

Moved by:	Hanson
Seconded by:	Carrington
Action:	Motion carried by unanimous voice vote.
In favor:	Best, Carrington, Combs, DeVries, Hanson, Johnson, LaFrance
Opposed:	None

**Item 4 – Resolution No. 16-001-B:** Amending the Budget for the City of Palmer, Alaska for the Fiscal Year Ending December 31, 2016 (IM 16-030) (2<sup>nd</sup> Public Hearing)

Mayor Johnson opened the public hearing.

Eugene Carl Haberman:

- Requested information be made available to the public concerning the state budget and its impact on the city budget.

Mayor Johnson closed the public hearing with no objections.

**Main Motion: To approve Resolution No. 16-001-B as amended**

Moved by:	Combs
Seconded by:	Carrington
Action:	Motion carried by a 4-3 roll call vote.
In favor:	Carrington, Combs, Johnson, LaFrance
Opposed:	Best, DeVries, Hanson

**Primary Amendment #1: To remove the Grow Palmer appropriation**

Moved by:	Best
Seconded by:	DeVries
Action:	Motion carried by unanimous voice vote.
In favor:	Best, Carrington, Combs, DeVries, Hanson, Johnson, LaFrance
Opposed:	None

**I. ACTION MEMORANDA**

**J. UNFINISHED BUSINESS**

**K. NEW BUSINESS**

**L. RECORD OF ITEMS PLACED ON THE TABLE**

Aerial Map of Airport  
Clerk's Report  
Written testimony provided by Terry Snyder

**M. AUDIENCE PARTICIPATION**

Eugene Carl Haberman:

- Spoke to the public hearing on Resolution 16-020; and

- Addressed the Council’s passage of the budget amendment before noting the effects of the state budget changes on the city budget.

## **N. COUNCIL MEMBER COMMENTS**

Council Member Combs:

- Spoke to the success of last week’s Palmer Pride picnic, and thanked those who stayed to help with clean-up; and
- Spoke positively to the water and wastewater system improvements accomplished by the city.

Council Member DeVries:

- Thanked Council Member Combs for her efforts in organizing the Palmer Pride celebration.

Deputy Mayor Hanson:

- Expressed appreciation to Council Member Combs for her extraordinary efforts with the Palmer Pride event; and
- Echoed Council Member Combs’ sentiments concerning the water and wastewater treatment improvements.

Council Member Best:

- Thanked Council Member Combs and all the community members who helped out with the Palmer Pride event.

Council Member LaFrance:

- Expressed appreciation for the fantastic and well organized Palmer Pride event; and
- Commented on his attendance of the Local Foods, Local Places Workshop.

Council Member Carrington:

- Gave kudos to Council Member Combs for a job well done; and
- Spoke to looking forward to more accountability with the budget.

Mayor Johnson:

- Thanked everyone who helped with the Palmer Pride event;
- Spoke to her pleasure in handing out the Beautification Awards; and
- Thanked everyone who participated.

## **O. ADJOURNMENT**

With no further business before the Council, the meeting adjourned at 9:48 pm.

**Approved this 9th day of August, 2016.**

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Norma I. Alley, MMC, City Clerk

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DeLena Johnson, Mayor

# reports







## **BOARDS and COMMISSIONS**

### **Board of Economic Development (11 July):**

- Continued discussion regarding amendments to the Palmer Municipal Code on Nuisance, Junk, Litter and Unsightly Premises
- Heard a presentation from Don Dyer on Mat-Su Colony Skilled Nursing facility

Next meeting: 1 August

### **Parks, Recreation, and Cultural Resources Advisory Board (7 July):**

- Reviewed an offer to maintain a portion of green space near the Arboretum from Saint Michael's Church.
- Discussed locations for placement of four additional Dog Waste Stations on public property.
- Heard report on status of signs designating park hours.

Next meeting: 4 August

### **Planning and Zoning Commission (21 July):**

- Conducted a public hearing on an application for a Conditional Use Permit to add a Car Wash to the Chevron property located in the CG – General Commercial Zoning District at 439 W. Evergreen Avenue, Palmer. The Commission postponed their decision until their August meeting to give applicant more time to provide drainage information.
- Discussed definition of Commercial Recreational Facilities as listed as a Conditional Use in the Agricultural District.
- Began discussion on standards for placement of Tiny Houses in Palmer.
- Reviewed two preliminary plats inside the city limits for Borough Platting Board

Next meeting: 18 August

### **Airport Advisory Commission (28 July):**

- Discussed directional and services signage for airport (potential public/private venture)
- Discussed airport security/safety controls to prevent unauthorized and/or unintended traffic on runways/taxiways/aprons.
- Discussed FAA recommendations to APL
- Discussed disabled aircraft and airport appearance.

Next meeting: 25 August



**Report to Council**  
 City Manager Nathan Wallace  
 July 27<sup>th</sup>- August 8<sup>th</sup>, 2016

**Council Grant report-** Midsummer Art and Garden Faire from Selena Ortega-Chiolero  
 Executive Director Palmer Museum of History and Art:

Our overall attendance was 2,150. During the event, we set up a Selfie Station where we asked attendees to fill out a demographics form to help us create a statistical analysis of the event and its attendees. Based on 497 forms that were submitted I created a demographics report to help illustrate who attended the event and from where. I have attached a copy for you to share. I hope this will help City Council as they continue to make decisions that affect tourism in our city and I hope it helps illustrate how popular our event is becoming. In addition to this information, the Museum held the first ever Palmer Wine Walk on the Friday before the event. It was successfully attended by over 336 people and each of our six additional stops reported high sales in the evening that they compared to their successful sales during Who Let the Girls Out which took place earlier this past Spring. As for the Museum, the event helped to raise \$6,557 which will go towards the \$65,000 budget the Museum must raise on top of the City of Palmer grants we were awarded this year to help support our basic operations. I would finally like to add, that both of our events were well received by all those that attended, including Governor Walker and his wife on Friday and Senator Murkowski on Saturday. Both of our events also received recognition in the Frontiersman following that weekend which highlighted the City of Palmer as a summer destination.

Attached report:

2016 Palmer Midsummer Garden & Art Faire

Attendance Breakdown

7/9/2016

*Gray cells are calculated for you. You do not need to enter anything in them.*

**Knowledge Management Statistics**

Attendance Based on Age Groupings	1-17 yrs old	18-24 yrs old	25-64 yrs old	65 yrs old and older
Total number of attendees based on age grouping	58	40	321	78
Total number of recorded attendees	497	497	497	497
Grouping Percentage of Overall Attendees	11.67%	8.05%	64.59%	15.69%

Attendance Based on Residential Area	Mat-Su Valley	Anchorage	Fairbanks	Eagle River	Kodiak Island	Out of State
Total number of attendees based on residential area	364	85	3	9	2	32
Total number of recorded attendees	497	497	497	497	497	497
Grouping Percentage of Overall Attendees	73.24%	17.10%	0.60%	1.81%	0.40%	6.44%

Attendee's Event Interest	Music	Workshops	Vendors
Total number of attendees preferring event category	211	143	400
Total number of recorded attendees	497	497	497
Grouping Percentage of Overall Attendees	42.45%	28.77%	80.48%

**\*\*RECORDED OBSERVATIONS**

- Majority of attendees between the ages of 25-64 preferred vendors and music
- Majority of attendees from Anchorage preferred music
- Majority of attendees over the age of 65 preferred vendors
- Majority of the attendees from Anchorage were between the ages of 25-64

- Based on Museum attendance count of 1,156 and Green count of 994 (497 doubled to allow for 2 hour gap and attendees who did not fill out a form) estimated attendance was 2,150 people



# public hearings





**City of Palmer  
Information Memorandum No. 16-033  
Resolution No. 16-020**



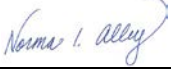
**Subject: Submitting the Question of Amending Charter Section 3.2 Terms of Office to the City's Qualified Voters at the October 4, 2016 City of Palmer Elections.**

**Agenda of:**

- July 26, 2016 – 1<sup>st</sup> Public Hearing
- August 9, 2016 – 2<sup>nd</sup> Public Hearing

**Council Action:** \_\_\_\_\_

**Approved for presentation by:**

	<b>Signature:</b>	<b>Remarks:</b>
City Manager		
City Attorney		
City Clerk		

**Certification of Funds:**

Total amount of funds listed in this legislation: \$ \_\_\_\_\_

This legislation (√):


- Has no fiscal impact       Creates a positive impact in the amount of: \$ \_\_\_\_\_
- Creates a negative impact in the amount of: \$ \_\_\_\_\_

Funds are (√):

- Budgeted      Line item(s): \_\_\_\_\_
- 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):**

- Resolution No. 16-020

**Summary Statement:** Resolution No. 16-020 places a charter amendment on the October 4, 2016, regular city ballot limiting the terms of the mayor and city councilmembers to three three-year terms commencing in October, 2017.



Introduced by: City Manager Wallace  
1<sup>st</sup> Public Hearing: July 26, 2016  
2<sup>nd</sup> Public Hearing: August 9, 2016  
Action:  
Vote:

Yes:	No:

CITY OF PALMER, ALASKA

**RESOLUTION NO. 16-020**

**A Resolution of Palmer City Council Submitting the Question of Amending Charter Section 3.2, Terms of Office to Limit Mayor and Councilmember Terms to Three Three Year Terms, to the City's Qualified Voters at the October 4, 2016, City of Palmer Election**

WHEREAS, Section 14.2 of the Charter of the City of Palmer provides that the Charter may be amended by proceedings commenced by the vote of four members of the Council, and

WHEREAS, Section 14.3 of the Charter of the City of Palmer provides that when an amendment to the Charter is proposed by the Council, it shall be submitted to the qualified voters of the City at any election to be held in the City not less than 60 days after its proposal by the Council; and

WHEREAS, the language of Charter Section 3.2, if approved by the city's qualified voters will limit the terms of Mayor and Councilmembers to three three year terms applicable to the Mayor and Council members first elected in 2017 and elected thereafter; and

WHEREAS, at least four members of the Council for the City of Palmer have determined that it is in the best interests of the City and its residents that the Charter of the City of Palmer amendment should go before the qualified voters as set forth below.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PALMER, ALASKA, that:

Section 1. At the City of Palmer election to be held on October 4, 2016, the following proposition shall be submitted to the qualified City of Palmer voters in substantially the following form:

PROPOSITION NO.

AMENDMENT OF THE PALMER CITY CHARTER, CHAPTER III,  
SECTION 3.2 Terms of Office

Shall Chapter III, Section 3.2 of the Charter of the City of Palmer be amended to read as follows (new language is **underlined** and **bolded** and deleted language is ~~stricken~~ and [bracketed]):

Section 3.2 Terms of office.

The terms of two councilmen shall expire each year, except that in each third year, counting from 1963, the terms of the Mayor and of two Councilmen shall expire. When appointments are made to fill vacancies in the manner provided by Section 2.13(a) of this Charter, appointees shall qualify for and assume the duties of office within ten days after appointment, unless such time be extended for not more than sixty days by the Council. **A person serving as the Mayor or Councilmen may not serve on the council for more than three consecutive, full terms without a break in service for at least one full year. Years of service of an appointee filling a vacated seat does not count toward the six nine year term limit.**

PROPOSITION NO. 2    Yes    ( )  
  No    ( )

Section 2. This Resolution shall take effect immediately upon its adoption. The amendment set forth in Section 1 shall become effective for terms served after the October 3, 2017 regular election upon its approval by a majority of the qualified voters voting on the question at the election of October 4, 2016, and the filing of the amendment as provided in Section 3.2 of the Charter of the City of Palmer, provided that the filing may be made with the Lieutenant Governor in lieu of the Secretary of State of Alaska.

PASSED AND APPROVED by the City Council of the City of Palmer, Alaska this \_\_\_\_\_ day of August, 2016.

CITY OF PALMER

\_\_\_\_\_  
DeLena Johnson, Mayor

ATTEST:

\_\_\_\_\_  
Norma I. Alley, MMC, City Clerk

## Norma Alley

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**From:** Terry Snyder <tisterryak@gmail.com>  
**Sent:** Tuesday, July 26, 2016 3:50 PM  
**To:** Norma Alley  
**Subject:** Comment on term limit legislation

I am hoping you can pass on my personal support for the council taking action tonight to pass resolution 16-020 to amend the city charter to allow term limits for the office of mayor and council. I feel strongly that the voters deserve to cast their ballot on this issue. It's important to keep a good balance of historical knowledge and fresh eyes on the council and I think passage of this change in the charter will allow that to take place.

Respectfully,

Terry Snyder  
208 W Cedar Ave  
Palmer, Alaska





**City of Palmer**  
**Information Memorandum No. 16-031**  
**Resolution No. 16-018**

**Subject:** Resolution No. 16-018 Authorizing the City of Palmer to Issue Utility Revenue Bonds in the Principal Amount Not to Exceed \$5,000,000 to Finance Water and Wastewater Utility and Related Capital Improvements, and to Submit the Question of the Issuance of Such Bonds to the Qualified Voters of the City at the October 4, 2016, City Election

**Agenda of:**

- July 12, 2016 – 1<sup>st</sup> Public Hearing
- July 26, 2016 – 2<sup>nd</sup> Public Hearing
- August 9, 2016 – 3<sup>rd</sup> Public Hearing

**Council Action:** \_\_\_\_\_

**Originator Information:**




**Originator:** Nathan Wallace, City Manager

**Date:** June 20, 2016      **Requested agenda date:** \_\_\_\_\_

**Department Information √:**

Route to:	Department Director:	Signature:	Date:
_____	Community Development	_____	_____
X	Finance		6/21/16
_____	Fire Department	_____	_____
_____	Police Department	_____	_____
_____	Public Works	_____	_____

**Approved for presentation by:**

	Signature:	Remarks:
City Manager		_____
City Attorney		_____
City Clerk		_____

**Certification of Funds:**

Total amount of funds listed in this legislation: \$ \_\_\_\_\_

This legislation (√):


- Has no fiscal impact       Creates a positive impact in the amount of: \$ No effect for 2016
- Creates a negative impact in the amount of: \$ \_\_\_\_\_

Funds are (√):

- Budgeted      Line item(s): \_\_\_\_\_
- 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):**

- Resolution No. 16-018

**Summary statement:** Resolution No. 16-018 will authorize the City to issue utility revenue bonds in an amount not to exceed \$5,000,000 to finance certain improvements to the City's water and wastewater utility and related capital improvements.

Background: The City has identified several water and wastewater utility projects which could be completed over the next several years. Potential projects include upgrades to the Wastewater Treatment Plant.

Resolution No. 16-018 authorizes the City to ask the voters whether it should issue utility revenue bonds in the principal amount not to exceed \$5,000,000 to finance water and wastewater utility and related capital improvements for the benefit of the citizens of Palmer and all those who reside in the City's water and wastewater service area.

Conceivably, proceeds derived from the issuance of utility revenue bonds could be used to match State or federal funding sources.

**Administration recommendation:** Authorize Resolution No. 16-018.

Introduced by: City Manager Wallace  
1<sup>st</sup> Public Hearing: July 12, 2016  
2<sup>nd</sup> Public Hearing: July 26, 2016  
3<sup>rd</sup> Public Hearing: August 9, 2016  
Action:  
Vote:

Yes:	No:

CITY OF PALMER, ALASKA

**RESOLUTION NO. 16-018**

**A Resolution of the City Council of the City of Palmer, Alaska, Authorizing the City of Palmer to Issue Utility Revenue Bonds in the Principal Amount of Not to Exceed \$5,000,000 to Finance Water and Wastewater Utility and Related Capital Improvements, and to Submit the Question of the Issuance of Such Bonds to the Qualified Voters of the City at the October 4, 2016 City Election**

WHEREAS, the City of Palmer, Alaska (the "City") is a home rule city and under Section 11 of Article X of the Alaska Constitution may exercise all legislative power not prohibited by law or the charter of the City, and the City has determined that the matters set forth in this resolution are not prohibited by law or the charter; and

WHEREAS, Section 11.1(a)(2) of the Palmer City Charter authorizes the City to issue revenue bonds which are secured only by the revenue producing public utilities and do not constitute a general obligation or debt of the City, provided that such revenue bonds shall be authorized by the council and ratified by a majority of the qualified voters of the City; and

WHEREAS, it is necessary and in the best interest of the City to authorize the issuance of utility revenue bonds for the purposes described in this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PALMER, ALASKA, that:

Section 1. It is hereby determined to be for a public purpose and in the public interest of the City to incur utility revenue bonded indebtedness in an amount not to exceed Five Million Dollars (\$5,000,000), for the purpose of financing capital improvements to the City's water and wastewater utility facilities and related capital improvements and to pay costs of issuance of such bonds.

Section 2. The City is authorized to borrow the sum of not to exceed Five Million Dollars (\$5,000,000) to finance the capital improvements described in Section 1, and the borrowing shall be evidenced by the issuance of utility revenue bonds of the City. The revenues of the City water and wastewater utility shall be pledged for payment of the principal of and interest

on the bonds. The bonds shall not be a general obligation of the City, and neither the full faith and credit nor the taxing power of the City shall be pledged to the payment of the principal of or interest on the bonds.

Section 3. The City shall submit the following proposition to the qualified voters of the City at the October 4, 2016, regular City election. The proposition must receive an affirmative vote from a majority of the qualified voters voting on the question to be approved.

PROPOSITION NO. \_\_

UTILITY REVENUE BONDS FOR WATER AND WASTEWATER  
UTILITY  
AND RELATED CAPITAL IMPROVEMENTS

Shall the City of Palmer incur utility revenue bonded indebtedness and issue utility revenue bonds in the principal amount of not to exceed Five Million Dollars (\$5,000,000) to finance capital improvements to the City's water and wastewater utility facilities and related capital improvements and pay costs of issuance of such bonds?

The bonds shall be paid from water and wastewater utility revenues. The bonds shall not be a general obligation of the City, and neither the full faith or credit nor the taxing power of the City shall be pledged to the payment of the principal of or interest on the bonds.

PROPOSITION NO. \_\_          Yes ( )  
  No ( )

Section 4. Section 2 of this Resolution shall become effective only if the proposition described in Section 3 is approved by a majority of the qualified voters voting on the proposition at the regular election on October 4, 2016. The remaining sections of this Resolution shall become effective upon passage and approval.

PASSED AND APPROVED by the City Council of the City of Palmer, Alaska this \_\_\_\_ day of August, 2016.

CITY OF PALMER

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DeLena Johnson, Mayor

ATTEST:

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Norma I. Alley, MMC, City Clerk

## **City Manager's Verbal Staff Report at the July 12, 2016, Council Meeting**

### **Bond Proposition:**

This is a request for the council to submit to the voters a revenue bond for water and wastewater improvements, primarily wastewater.

Previous bonds have been for both, but used primarily for water improvements. For wastewater projects, this bond is a little ahead of the Wasterwater treatment facility masterplan, which will be available for public comment later this month and finalized in August. We have been working on updating and upgrading our facility for years and our intent is to get started with construction next season as we line up the plan, engineering, agency approval, financing and finally construction.

Our intent for the bond is to leverage borrowing to match grants from various organizations. We are submitting this week a grant request for \$1 million to ADEC (that's the current maximum), and we intend to request the same the following years. Along with applications for low interest loans. We are working with USDA on another grant with matching loan later this month once we complete some additional environmental assessments.

The plan is to use this borrowing authority in parts. Potentially 2 million in the 12 months following voter approval, then 1 million the following year, and the final 2 million if necessary the year after that if needed.

Rates would experience an increase over a projected 6 year period if the entire amount is borrowed, likely a 19% increase the first year, then

up to 9.5% thru 2022. This would be an increase over the previous rate study, which projected 7.5% for the next 3 years. Our rates are currently the lowest in the region, but our system hasn't been significantly upgraded in a long time. With the projected increase to sewer rates we would still remain the lowest in the region. (anchorage 41, Wasilla 51, Soldotna 43, and Unalaska 98.)

Even with the economic uncertainty, we are in a position where we can and should continue to improve infrastructure, this will also provide a future construction project in our own yard when projects are dwindling.

My recommendation is that this action be authorized and we consider future action to inform and advocate for this proposition as appropriate if approved tonight.

# action memoranda







**City of Palmer  
Action Memorandum No. 16-059**

**Subject:** Authorizing the City Manager to Amend the Professional Services Agreement with HDL Engineering Consultants in an Amount Not to Exceed \$64,145 for Design and Engineering Services for the Sherrod Area Water & Street Improvements Project Phase Four Additional Extension.

**Agenda of: August 9, 2016**

**Council Action:** \_\_\_\_\_



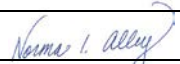
**Originator Information:**

**Originator:** Chris Nall, Director of Public Works  
**Date:** 7/28/2016 **Requested agenda date:** 8/9/2016

**Department Information √:**

Route to:	Department Director:	Signature:	Date:
_____	Community Development	_____	_____
<u>X</u>	Finance		<u>7/28/16</u>
_____	Fire Department	_____	_____
_____	Police Department	_____	_____
<u>X</u>	Public Works		<u>7/28/2016</u>

**Approved for presentation by:**

	Signature:	Remarks:
City Manager		_____
City Attorney		_____
City Clerk		_____

**Certification of Funds:**

Total amount of funds listed in this legislation: \$ 64,145.00

This legislation (√):


- Has no fiscal impact     Creates a positive impact in the amount of: \$ \_\_\_\_\_  
 Creates a negative impact in the amount of: \$ 64,145.00

Funds are (√):

- Budgeted    Line item(s): 24-20-08-6225 ADEC Grant #67118  
24-02-08-6225 City Match 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 Consultant's Amendment Request

**Summary statement:** Sherrod Area Water & Street Improvements Phase 4 was awarded to Dirtworks, Incorporated on June 28<sup>th</sup>, 2016 via A.M. 16-048. Dirtworks' bid was less than the City and Engineer anticipated which allowed for the potential of additional construction in the project area.

This Action Memorandum authorizes Amendment No. 11 to the Professional Services Agreement between the City and HDL Engineering Consultants to provide additional design and engineering services for water main replacement project on N. Bonanza Street between E Beaver and E Caribou Avenue.

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 16-059.

July 27, 2016

Chris Nall, Public Works Director  
City of Palmer  
231 West Evergreen Avenue  
Palmer, AK 99645

RE: Amendment for Additional Engineering Services  
Sherrod Area Water and Street Improvements – Phase 4 Bonanza St. CO

Dear Mr. Nall:

HDL Engineering Consultants (HDL) is pleased to present this amendment proposal for additional engineering services to support a change order to add Bonanza Street water and street improvements to Dirtworks' contract for the Sherrod Area Water and Street Improvements, Phase 4 project.

*Contract Background.* Our original 2012 contract was for a 65% Plan, Specifications, and Estimate (PS&E) package for the Sherrod Area Water and Street Improvements project, to replace steel water main and upgrade both paved and unpaved roads in the northeast portion of the City. The project was broken into several phases and the overall scope of the project was modified several times. Previously authorized amendments to the contract are:

- In June 2013, HDL received Amendment 1 to complete Phase 1 final design of water system improvements for portions of East Auklet Avenue and Dolphin Avenue under Task 5 with the remaining budget from our original fee proposal;
- In August 2013, HDL received Amendment 2 to provide Phase 1 construction administration and inspection services for an amount not-to-exceed \$97,610;
- In April 2014, HDL received Amendment 3 to complete Phase 2 design services for water, storm, and street improvements along portions of East Auklet Avenue, East Dolphin Avenue, North Gulkana Street, North Chugach Street and at the school district administration building for an amount not-to-exceed \$80,835. These services included environmental permitting, final design, public involvement and LID assistance, and bidding assistance;
- In May 2014, HDL received Amendment 4 to provide Phase 2 construction administration and inspection services for an amount not-to-exceed \$165,885;
- In October 2014, HDL received Amendment 5 for out-of-scope services related to Phase 2, in the amount of \$14,840;
- In December 2014, HDL received Amendment 6 to complete Phase 3 design services for water, storm, and street improvements on West Auklet Avenue, East Caribou Avenue, and North Gulkana Street for an amount not-to-exceed \$102,530. These services also included environmental permitting and bidding assistance;

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

- In June 2015, HDL received Amendment 7 to provide Phase 3 construction administration and inspection services for an amount not-to-exceed \$212,878;
- In February 2016, HDL submitted an amendment request and on April 5, 2016 HDL received Amendment 9 for \$14,720 to provide additional Phase 3 construction administration and inspection services incurred due to additional full-time inspection required to match the Contractor's schedule.
- On March 14, 2016, HDL received a direct purchase order of \$15,000 for preliminary work associated with Phase 4 of the project;
- On April 4, 2016 HDL received Amendment 8 to provide complete design services for Phase 4 water and street improvements to East and West Beaver Avenue, and Bailey/Chugach Streets between Beaver and Caribou Avenue for an amount not to exceed \$250,000. These services included additional surveying, 65% and Final design, public involvement, permitting, and bid-phase services;
- On June 2, 2016 HDL received Amendment 10 to provide Phase 4 construction administration and inspection services for an amount not-to-exceed \$192,390;

Scope of Improvements. In late June 2016, bids were opened for construction of the Sherrod Water and Street Improvements, Phase 4 project. An extremely competitive bidding environment resulted in a sizeable surplus in grant funds remaining even after a construction contingency was set aside. The City wishes to spend the remaining grant funds to design improvements on Bonanza Street, between Beaver and Caribou Avenues, and to construct a portion of the additional work through a Change Order to the Phase 4 construction contractor, Dirtworks, Inc.

We anticipate this additional design work will be limited to replacement of existing 6-inch cast iron water pipe with new ductile iron pipe, including removal and replacement of the existing, paved street and curb and gutter. We do not anticipate changing road grades as drainage at current elevations is sufficient. Further, this project will not include sidewalk, handicap accessibility improvements, upgrading street lighting, or modifications to the storm drain system.

Amendment Request. We hereby request an amendment to our existing contract to provide professional services required for a) design of the needed improvements; b) additional construction phase services to negotiate a scope of work and price with the Contractor, and provide inspection of the additional work. Our scope of services will follow the existing contract's task structure and is detailed below.

## SCOPE OF ADDITIONAL SERVICES

### Task 2 – Surveying

We will perform a design survey of the project area. We will utilize our existing survey control network to the greatest extent possible, and add additional control where needed. We will research existing record plats, federal surveys, State of Alaska right-of-way (ROW) mapping, and any recorded easements. With this record data, we will search for existing record monuments to establish the road ROW. Our experience in this area has revealed that some lots have been combined or modified by document (rather than by plat) and lots may not be accurately shown on Mat-Su Borough mapping. Our research will identify these

areas early in the survey and we will do additional research to confirm the property boundaries where they impact design. We do not anticipate establishing or refurbishing any property corners, re-platting existing lots or rights-of-way, or extensive title research, however, our survey department is very familiar with platting requirements and can provide these services if requested.

Topographic data will be gathered by taking cross sections every 50 feet for the width of the ROW plus 20 feet beyond on each side. Planimetric data for all surface improvements and utilities within these limits will be gathered. Large improvements and significant drainage features outside these limits that may impact design will also be located. Because existing drainage patterns are sufficient, and houses are all located above the existing road grade, we do not anticipate needing to gather finished floor elevations of adjacent structures.

We will meet with each utility agency within the project area to coordinate utility locates and gather as-built data. We assume that City staff will locate the buried water, sewer and storm drain utilities and expose any buried manholes and valve boxes, as well as locate street light utilities. We will as-built invert elevations of existing sewer and storm drain pipes at manholes and catch basins and will measure depths to valves on water mains. We will also inventory the existing street signs. With the field survey complete, we will reduce all data, create a Triangulated Irregular Network (TIN) surface model, and deliver the final design survey mapping to our in-house designers.

### **Task 3 – Environmental Review and Permits**

Categorical Exclusion. We will consult with the Alaska Department of Environmental Conservation (ADEC) to determine if the additional scope is covered under the Categorical Exclusion (CE) granted during design of Phase 4 improvements. If a new CE is required, additional effort will be required which may necessitate a contract amendment.

Permits. We will submit plans for the water main to ADEC to keep them informed of the change to the original scope of work. We do not anticipate a need for a separate ADEC Approval to Construct or a separation distance waiver for water/storm/sewer crossings.

### **Task 5 – Final Design**

Final Construction Plans. Due to the immediate need for a completed design package, and the relative straightforwardness of the project, we will forego progress submittals and jump straight to the 100%, construction ready, document phase. We will generate demolition plans, plan and profile drawings for the water and street improvements, develop a typical section for Bonanza Street, and update the summary tables for the project; working closely with Public Works staff throughout the design process.

Construction Cost Estimate. We will perform a detailed material take-off from the plans developed to generate an estimate of probable costs for construction of the Bonanza Street improvements. We will use Dirtworks' bid-prices as the basis of our estimate, however, due to the short time-frame required for construction of this project we anticipate Dirtworks will want to re-negotiate some prices to reflect overtime labor rates required to complete the work.

Deliverables. The final deliverables for this task will be construction plans, stamped and signed by a registered professional engineer in the State of Alaska and an engineer's construction cost estimate. We will provide deliverables in hard copy and on CD in Adobe PDF® format. No additional special provisions are anticipated.

### **Task 8 – Additional Construction Phase Services (Phase 4)**

Change Order Negotiation. We will meet with Dirtworks and the City to determine how much of the designed improvements may be constructed with the remaining grant funds, within the ever shortening 2016 construction season. We will work to negotiate the price to perform the work on behalf of the City, and develop a change order to Dirtworks' contract to add in the negotiated scope.

Construction Administration, Inspection, & Quality Assurance Testing. HDL will provide additional full-time construction administration, inspection, and QA testing for the proposed improvements. We anticipate that Dirtworks will need an additional 2 weeks of construction time to finish the additional scope. HDL will provide these additional services based on the scope of work presented in our fee proposal submitted to the City and approved under Amendment 10 to our contract.

### **BASIC ASSUMPTIONS**

The following basic assumptions were used to prepare this estimate:

1. We do not anticipate updating a design study report, or performing utility coordination for this project. Based on survey performed for the original Phase 4 project, the only utility is natural gas, located on the east side of the existing road.
2. No public involvement will be performed.
3. Our scope of work does not include a geotechnical investigation.
4. There will be no landscaping component to the project, except to topsoil and seed the disturbed areas.
5. The City will pay permit review fees directly.
6. Design and construction of natural gas, power, telephone and cable television utility relocations, if necessary, are not included and will be provided by the utility companies.
7. Traffic Control Plans are not included in our scope of services, but will be required of the construction contractor.
8. Design of a temporary water system is not included in our scope of services, but will be required of the construction contractor.
9. A Storm Water Pollution Prevention Plan is not included in our scope of services, but will be required of the construction contractor.

SCHEDULE

HDL has already begun performing work under this scope with budget from the previously approved Amendment 10 for Phase 4 construction phase services. We understand the importance of completing the design quickly to allow for construction during the summer of 2016 and we will work diligently toward completion of design and change order negotiation. Dirtworks' current construction schedule dictates that they will be done with Bailey Avenue and West Beaver Street by late August. It is our intent to have a scope of work and price negotiated with them prior to that date to allow for a seamless transition to work on the east side of Alaska Street. Therefore, we will work towards completion of design by August 5, and award of the Change Order by August 19.

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 for a fee not to exceed **\$64,145** as detailed on the attached worksheet. Please note that time 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,

HDL Engineering Consultants, LLC



David Lundin, P.E.

Principal/Civil & Environmental Engineer

attach: Fee Worksheet dated July 27, 2016, 2 pages

cc: Chris Bowman, P.E., HDL  
Greg Wickham, City of Palmer





## FEE PROPOSAL WORKSHEET

### *Engineering Services for*

#### Sherrod Area Water and Street Improvements - Phase 4, Bonanza St. Amendment

<u>TASK</u>	<u>ACTIVITY</u>	<u>QTY</u>	<u>RATE</u>	<u>HDL LABOR*</u>	<u>REIMBURSABLE EXPENSES</u>	<u>SUB- CONTRACTS</u>	<u>SUBTOTAL</u>	<u>TOTAL</u>
<b>2.0</b>	<b><i>Surveying</i></b>							<b>\$17,290</b>
2.1	<u>Research</u>						\$980	
	Surveying Manager (PLS)	4 hrs	@ \$145	\$580				
	Surveying Technician	4 hrs	@ \$100	\$400				
2.2	<u>Survey Field Work</u>						\$11,730	
	Surveying Manager (PLS)	6 hrs	@ \$145	\$870				
	1-person Survey Crew	40 hrs	@ \$150	\$6,000				
	2-person Survey Crew	16 hrs	@ \$210	\$3,360				
	Surveying Technician	8 hrs	@ \$125	\$1,000				
	Reimbursable Expense	1 budget	@ \$500		\$500			
2.3	<u>Topographic Drawing</u>						\$4,580	
	Surveying Manager (PLS)	4 hrs	@ \$145	\$580				
	Surveying Technician	32 hrs	@ \$125	\$4,000				
<b>3.0</b>	<b><i>Environmental Review &amp; Permits</i></b>							<b>\$1,270</b>
3.1	<u>Categorical Exclusion Review</u>						\$650	
	Environmental Manager	2 hrs	@ \$155	\$310				
	Environmental Specialist	4 hrs	@ \$85	\$340				
3.2	<u>ADEC Coordination</u>						\$620	
	Civil Engineer	2 hrs	@ \$130	\$260				
	Engineering Assistant	4 hrs	@ \$90	\$360				

## FEE PROPOSAL WORKSHEET

### Engineering Services for

#### Sherrod Area Water and Street Improvements - Phase 4, Bonanza St. Amendment

TASK	ACTIVITY	QTY	RATE	HDL LABOR*	REIMBURSABLE EXPENSES	SUB- CONTRACTS	SUBTOTAL	TOTAL
<b>5.0</b>	<b><i>Final Design</i></b>							<b>\$24,000</b>
5.1	<u>Management/Coordination/Quality Assurance</u>						\$2,720	
	Principal Civil Engineer	16 hrs	@ \$170	\$2,720				
5.2	<u>Final Construction Plans</u>						\$15,560	
	Civil Engineer	32 hrs	@ \$130	\$4,160				
	Engineering Assistant	80 hrs	@ \$90	\$7,200				
	Designer/Drafter	40 hrs	@ \$105	\$4,200				
5.3	<u>Construction Cost Estimate</u>						\$5,720	
	Civil Engineer	8 hrs	@ \$130	\$1,040				
	Engineering Assistant	24 hrs	@ \$90	\$2,160				
	Designer/Drafter	24 hrs	@ \$105	\$2,520				
<b>8.0</b>	<b><i>Additional Construction Phase Services</i></b>							<b>\$21,560</b>
8.1	<u>Change Order Negotiation</u>						\$2,440	
	Principal Civil Engineer	4 hrs	@ \$170	\$680				
	Civil Engineer	8 hrs	@ \$130	\$1,040				
	Engineering Assistant	8 hrs	@ \$90	\$720				
8.2	<u>Construction Administration - Office (2 weeks)</u>						\$6,160	
	Principal Civil Engineer (4 hrs/wk)	8 hrs	@ \$170	\$1,360				
	Project Manager/Engineer (16 hrs/wk)	32 hrs	@ \$130	\$4,160				
	Clerical (2 hr/wk)	4 hrs	@ \$70	\$280				
	Vehicle (1/2 day rate)	9 days	@ \$40	\$360				
8.3	<u>Inspection Services (2 weeks)</u>						\$12,960	
	Inspector (40 hrs/wk straight time)	80 hrs	@ \$90	\$7,200				
	Inspector (20 hrs/wk overtime)	40 hrs	@ \$120	\$4,800				
	Vehicle (1 day rate)	12 days	@ \$80	\$960				
<b>Subtotal</b>				<b>\$63,620</b>	<b>\$500</b>	<b>\$0</b>		<b>\$64,120</b>
Markup**					\$25	\$0		\$25
<b>Total Fee</b>				<b>\$63,620</b>	<b>\$525</b>	<b>\$0</b>		<b>\$64,145</b>
*also includes those expenses charged without a markup								
**5% for subcontracts, 5% for reimbursable expenses								

**City of Palmer  
Action Memorandum No. 16-060**

**Subject:** Authorizing the City Manager to Negotiate and Execute Change Order No. 1 with Dirtworks, Inc. for the Sherrod Area Water & Street Improvement Project Phase 4, in an Amount Not to Exceed \$490,000

**Agenda of: August 9, 2016**

**Council Action:** \_\_\_\_\_




**Originator Information:**

**Originator:** Chris Nall, Director of Public Works  
**Date:** 7/28/2016 **Requested agenda date:** 8/9/2016

**Department Information √:**

Route to:	Department Director:	Signature:	Date:
_____	Community Development	_____	_____
<u>X</u>	Finance		<u>7/28/16</u>
_____	Fire Department	_____	_____
_____	Police Department	_____	_____
<u>X</u>	Public Works		<u>7/28/2016</u>

**Approved for presentation by:**

	Signature:	Remarks:
City Manager		_____
City Attorney		_____
City Clerk		_____

**Certification of Funds:**

Total amount of funds listed in this legislation: \$ 490,000.00

This legislation (√):


- Has no fiscal impact     Creates a positive impact in the amount of: \$ \_\_\_\_\_  
 Creates a negative impact in the amount of: \$ 490,000.00

Funds are (√):

- Budgeted    Line item(s): 24-20-08-6225 ADEC Grant #67118  
24-02-08-6225 City Match 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):** None

**Summary statement:** Sherrod Area Water & Street Improvements Phase 4 was awarded to Dirtworks, Incorporated on June 28<sup>th</sup>, 2016 via A.M. 16-048. Dirtworks' bid was less than the City and Engineer anticipated which allowed for the potential of additional construction in the project area.

This change order increases the amount of the contract with Dirtworks in a Not to Exceed amount of \$490,000 to allow for additional steel water main replacement as part of the Sherrod Area Water & Street Improvements Project on N Bonanza Street between E Beaver and E Caribou Avenue.

**Administration recommendation:** Authorize Action Memorandum 16-060.