

This matter is part of your consent agenda, if discussion is desired the item should be pulled and a motion made.

POSSIBLE MOTION

I MOVE TO authorize the purchase of 1,400 feet of containment boom from Worthington Products in the amount of \$90,320.00, plus shipping estimated at \$6,845.60, and further approve a \$2,500 contingency for the Green Lake Containment Boom utilizing Green Lake FERC Compliance Capital Project No. 63010 funds.



Memorandum

March 27, 2015

To: Mark Gorman, Municipal Administrator
 From: Christopher Brewton, Utility Director
 Subject: **Award of Contract – Green Lake Containment Boom Procurement**

Request:

I request Assembly approval authorizing the Municipal Administrator to issue Worthington Products a Purchase Order in the amount of \$97,165.60 for the supply of 1,400 feet of containment boom for the Green Lake Hydroelectric Project. The cost of the boom is \$90,320.00 plus the estimated cost of shipping of \$6,845.60. I further request a contingency of \$2,500 for any changes to the shipping cost. Total cost of material procurement, including contingency, is \$99,665.60. Installation of the boom will be accomplished through a Request for Proposal utilizing local contractors.

Background:

On June 12-13, 2012, representatives from the Federal Energy Regulatory Commission (FERC) conducted a Dam Safety Inspection of the Green Lake Project. On August 30, 2012, the City and Borough of Sitka (CBS) received a letter from FERC identifying the existing log boom at Green Lake as deficient and directed the CBS to replace the boom. The CBS issued a Request for Quotation on January 16, 2015 and quotes were received from the following vendors:

Vendor	Cost	Service Life	Annual Cost
Good Innovation LLC (LBS)	\$76,300.00	10 Years	\$7,630 (10 yrs)
Worthington Products	\$90,320.00	15-17 Years	\$6,021 (15 yrs)
Good Innovation LLC (WBS)	\$114,416.00	10 Years	\$11,441 (10 yrs)

Analysis:

The lowest annual cost and longest service life is the Worthington Products boom and is identical to the new boom at Blue Lake, which will standardize parts and ensure compatibility for both projects. The CBS elected not to take immediate action to replace the boom at Green Lake until the new Blue Lake boom was installed in the hope we could standardize the boom and keep costs as low as possible. Fortunately, this is the case.

Fiscal Note:

Approximately \$250,669.40 is available in the Green Lake FERC Compliance Capital Project No. 63010 and is sufficient to procure and install the boom.