

POSSIBLE MOTION

I MOVE TO approve a change order for the Gary Paxton Industrial Park bulk water upgrade to the McMillen Engineering Management Contract - not to exceed \$370,000.

Funding source - Blue Lake 4th bonding proceeds

Memo

Thru : Chris Brewton, Electric Department Director

Colleen Ingman, Acting Municipal Administrator

To: City and Borough of Sitka Assembly

From: Jay Sweeney, Chief Financial and Administrative Officer

Date: March 5, 2015

Re: Assembly Approval of Contract Items as Required By Title 3 of the Sitka General Code

Mayor McConnell and Assembly Members,

Chapter 3.16 of the Sitka General Code requires Assembly approval to award contracts in excess of \$50,000.00. Accordingly, two pending contracts for the Electric Department require Assembly approval as time frames for accomplishing them are pressing.

A contract in the amount of \$85,000 is required in order to accomplish a required inspection of the Jarvis Street diesel fuel storage tank. Funding to pay for the required cost is available in unexpended Blue Lake 4th bonding proceeds. Once the inspection has been completed, the tank will need to be refilled. Again, funding to pay for the cost of the fuel is available in Blue Lake 4th bonding proceeds. Costs associated with this inspection will be tracked/accounted for as a subproject under the Jarvis Street Diesel Project. We request Assembly approval to award the contract and arrange for the inspection.

A change order of \$370,000 to the McMillen engineering management contract is required in order to accomplish modifications to the Gary Paxton Industrial Park bulk water line. Sufficient funds exist within Blue Lake 4th bonding proceeds to pay for the cost. Costs will be accounted for as a subproject under the Blue Lake Hydroelectric Expansion Project. We request Assembly approval to issue a change order not to exceed \$370,000 to McMillen.