


MEMORANDUM

To: Mayor McAdams and Assembly Members
Jim Dinley, Administrator

Through: Michael Harmon, P.E. Public Works Director 

From: Daniel Jones, P.E., Engineering Manager (Operations) 

cc: Dave Wolff, Finance Director
Mark Buggins, Environmental Superintendent

Date: 16 December 2009

Subject: Gavan Water Tank Recoating and Cathodic Protection, CIP # 90667
Recommendation for Award of Construction Contract

The Public Works Department opened bids for this work on Tuesday, 15 December 2009. The Invitation to Bid was published in Sitka, Juneau, and Anchorage, in accordance with City and Borough procurement procedures. Three bids were received, as indicated in the following table.

Bidder	Base Bid	Add Alt 1	Add Alt 2	Total Bid
Swalling Construction, Inc.	\$442,595	\$13,000	\$35,000	\$490,595
Western Industrial, Inc.	\$456,000	\$17,000	\$35,000	\$508,000
T. Bailey, Inc.	\$667,970	\$9,500	\$35,000	\$712,470

The Department proposes to award this contract to Swalling Construction, Inc., in the amount of \$442,595, for the base bid scope of work only.

Fiscal Note:

Current funding for the project is \$400,000. The total estimated cost of the work is \$531,000.

The Alaska Department of Environmental Conservation (ADEC) has indicated that it is likely that the existing \$350,000 Alaska Drinking Water Fund loan agreement for this project will be increased to \$481,000 to fully fund the project. We will be in the best position to obtain this loan increase, if we have a signed contract for construction. If the loan increase is not made available, we request that the additional funds of \$131,000 required to complete the project be transferred from Capital Improvement Project 90528, HPR Water Main Design and

Rehabilitation. That project has \$500,000 of excess Water Fund funding due to an Alaska Department of Environmental Conservation Alaska Drinking Water Fund loan for the full \$605,500 estimated cost of that project.

Recommendations:

- 1. Award a construction contract to Swalling Construction, Inc. for completion of the base bid scope of the Gavan Water Tank Recoating and Cathodic Protection project, in the amount of \$442,595.**
- 2. Approve the transfer of \$131,000 from Capital Improvement Project 90528, HPR Water Main Design and Rehabilitation, to this project, if the existing Alaska Department of Environmental Conservation Alaska Drinking Water Fund loan for this project is not increased by that amount.**