



TRANSMITTAL MEMORANDUM

TO: The Honorable Mayor and City Council

FROM: Lacey G. Simpson, Acting City Manager

DATE: July 26, 2022

RE: Exempting the Procurement and Budget Transfer – Harbors Department BHN Maintenance Dredging, Pool Engineering

In adopting the 2022 General Government Operating & Capital Budget, \$20,000 was appropriated to the Harbors Department's BHN Maintenance Dredging capital account. At its meeting of July 7, 2022 the City Council approved a budget transfer in the amount of \$26,000 from the Harbors Department's 2022 Piling Replacements capital account to the Harbors Department's 2022 BHN Maintenance Dredging capital account to provide for needed dredging of 300 cubic yards of material from the area in Bar Harbor North nearest Hoadley Creek. Pool Engineering completed the dredging of the initial 300 cubic yards of sediment on July 20, 2022.

Historically this area of Bar Harbor is dredged every three to four years. The project was last scheduled for 2020 but was canceled, and dredging has not occurred since 2017. Upon initial completion, some vessels and areas of harbor infrastructure were still grounded at low tide and it became apparent that removal of additional material was necessary.

Pool Engineering is the only local contractor available and capable of performing the work. The cost to dredge an additional 100 cubic yards of material from Bar Harbor North is \$12,000. It should be noted that as Pool Engineering was already mobilized on-site, a savings of \$16,000 was realized. The budget transfer of \$12,000 necessary to fund the remaining dredging has put the project expense over the \$50,000 threshold pursuant to Section 3.12.050(a)(2) of the Ketchikan Municipal Code and now requires City Council approval to exempt the project from competitive bidding.

The rationale for the budget transfer and exempted procurement are detailed in Mr. Verfaillie's attached transmittal memorandum and need no further elaboration on the part of the Manager's Office. I concur with the Port and Harbor Director's recommendation.

The Port & Harbors Director will be attending the City Council meeting of August 4, 2022, in order to address any questions and/or concerns that Councilmembers may have.

A motion has been prepared for City Council consideration.

RECOMMENDATION

Pursuant to subparagraph 2 of Section 3.12.050(a) of the Ketchikan Municipal Code, it is recommended the City Council adopt the motion exempting the procurement of the Bar Harbor North Dredging Project from the competitive bidding/written quotation requirements of the Ketchikan Municipal Code; authorizing the Acting City Manager to approve such services from Pool Engineering at a total project cost not to exceed \$58,000; and authorizing a budget transfer in the amount of \$12,000 from the Harbors Department's 2022 Piling Replacements capital account to the Harbors Department's 2022 BHN Maintenance Dredging capital account.

Recommended Motion: Pursuant to subparagraph 2 of Section 3.12.050(a) of the Ketchikan Municipal Code, I move the City Council exempt the procurement of the Bar Harbor North Dredging Project from the competitive bidding/written quotation requirements of the Ketchikan Municipal Code; authorize the Acting City Manager to approve such services from Pool Engineering at a total project cost not to exceed \$58,000; and authorize a budget transfer in the amount of \$12,000 from the Harbors Department's 2022 Piling Replacements capital account to the Harbors Department's 2022 BHN Maintenance Dredging capital account.



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MEMORANDUM

TO: Lacey Simpson, Acting City Manager

CC: Diane Bixby, Executive Assistant

FROM: Darryl Verfaillie, Port and Harbors Director

DATE: July 25, 2022

SUBJECT: BAR HARBOR NORTH DREDGING PROJECT

On July 7th, 2022, the City Council approved a budget transfer of \$26,000.00 from the Harbors Capital Improvement Budget Project 1710 2022 001 Piling Replacement to Project 1710 2022 003 BHN Maintenance Dredging Project to fund the dredging of Bar Harbor North, in the vicinity of Hoadley Creek. In addition to the cost of removing approximately 300 cubic yards of material, a charge of \$16,000.00 was included for the mobilization and demobilization of equipment. The original project was completed on July 20th. Upon final review, it was noted that historical dredging information/removal amounts were incorrect – due to the cancellation of scheduled dredging in 2020 – combined with the redirection of sediment from Hoadley Creek due to natural causes. As a result, it was determined that the removal of an additional 100 cubic yards of material was warranted. In an effort to save \$16,000.00 in future mobilization charges, an additional budget transfer of \$12,000.00 was requested.

As Pool Engineering continues to be the only local contractor available to perform this type of work – combined with the fact that their equipment is already mobilized onsite - and the additional budget transfer will place the project in excess of \$50,000.00, I recommend exempting this project from the requirement to solicit competitive bids or quotes in accordance with Section 3.12.050(a)(2) of the Ketchikan Municipal Code.

The cost of \$12,000.00 for additional dredging exceeds what was previously budgeted for this project, therefore, an additional budget transfer in the amount of \$12,000.00 from the Harbors Department's 2022 Piling Replacements capital account to the Harbors Department's 2022 BHN Maintenance Dredging capital account will also be required.

Recommended Motion: I move that the City Council exempt the Bar Harbor North Dredging Project in the vicinity of Hoadley Creek, from the competitive bidding/written quotation requirements of the Ketchikan Municipal Code; authorize the City Manager to approve such services from Poole Engineering at a project cost not to exceed a total of \$58,000.00; and approve an additional budget transfer in the amount of \$12,000.00 from the Harbors Department's 2022 Piling Replacements capital account to the Harbors Department's 2022 BHN Maintenance Dredging capital account to provide for additional maintenance dredging of Bar Harbor North.

Department: Port & Harbors - Harbors	Project Priority: 3	Project Number:
Project Title: Bar Harbor North Maintenance Dredging	Start Date: 01/22 End Date: 12/22	Estimated Project Cost:
Description: The Harbors need periodic dredging in order to remain functional and not have boats sitting on the bottom during low tides. This budget item provides for approximately 200 cubic yards of dredging.		Design Land/Right-of-Way Construction Management Construction 20,000 Equipment Other Project Total 20,000

Source of Funds	Fund No.	Prior Years	2022			Projected Requirements				Total Project
			Reappropriated	New Funding	Total	2023	2024	2025	2026	
Harbor Construction Fund	320			20,000	20,000					20,000
Total				20,000	20,000					20,000

July 7, 2022

Thirty-Second State of Alaska Legislative Citation – Ketchikan Public Library

Representative Dan Ortiz read and presented the citation to Library Director Tully under communications.

Change Order No. 2 (FINAL) to Contract No. 21-09 – Interim Bituminous Road Repairs, SECON, Inc.

Moved by Bradberry, seconded by Gass the City Council approve Change Order No. 2 (final) in the amount of \$6,677.05 to Contract No. 21-09, Interim Bituminous Road Repairs, between the City of Ketchikan and SECON, Inc.; authorize funding in the amount of \$6,677.05 from the contract contingency, bringing the project total to \$148,079.05; and direct the Acting City Manager to execute the amendment on behalf of the City Council.

Motion passed with Mahtani, Kistler, Gass, Gage, Bradberry and Flora voting yea; Zenge absent.

Exempting the Procurement of Wastewater Treatment Rotary Screen Micro Sieve Parts from the Competitive Bidding/Written Quotation Requirements of the Ketchikan Municipal Code – Parkson Corporation

Moved by Bradberry, seconded by Gass pursuant to subparagraph 6 of Section 3.12.050(a) of the Ketchikan Municipal Code, the City Council exempt the procurement of wastewater treatment rotary screen micro sieve parts for the Wastewater Division from the competitive bidding/written quotation requirements of the Ketchikan Municipal Code; authorize the Acting City Manager to purchase parts from Parkson Corporation at a cost not to exceed \$41,370; and approve funding from the Wastewater Division's 2022 Minor Capital Outlay Machinery & Equipment Account No. 790.25.

Motion passed with Mahtani, Kistler, Gass, Gage, Bradberry and Flora voting yea; Zenge absent.

Change Order No. 1 (FINAL) to Contract No. 22-06 – Fire Station 2 Lot Improvements Phase 1 - Three Dog Construction

Moved by Bradberry, seconded by Gass the City Council approve Change Order No. 1 (final) in the amount of \$469.57 to Contract No. 22-06, Fire Station 2 Lot Improvements Phase 1, between the City of Ketchikan and Three Dog Construction, bringing the contract total to \$102,126.43; and direct the Acting City Manager to execute the change order on behalf of the City Council.

Motion passed with Mahtani, Kistler, Gass, Gage, Bradberry and Flora voting yea; Zenge absent.

Budget Transfer – Harbors Department BHN Maintenance Dredging

Moved by Bradberry, seconded by Gass the City Council authorize the Acting City Manager to transfer \$26,000 from the Harbors Department's 2022 Piling Replacements Capital Accounts to the Harbors Department's 2022 BHN Maintenance Dredging Capital Account to provide for maintenance dredging of Bar Harbor North.

Motion passed with Mahtani, Kistler, Gass, Gage, Bradberry and Flora voting yea; Zenge absent.