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TRANSMITTAL MEMORANDUM

TO: The Honorable Mayor and City Council

FROM: Lacey G. Simpson, Acting City Manager

DATE: July 26, 2022

RE: **Change Order No. 1 (Final) to Contract No. 21-12 – Ketchikan General Hospital Southeast Window Wall Replacement, Marble Island, LLC**

At its August 5, 2021 meeting, the City Council approved the award of Contract No. 21-12 – Ketchikan General Hospital Southeast Window Wall Replacement to Marble Island, LLC in the amount of \$370,000, and established a 10% project contingency in the amount of \$37,000. As the City Council will recall, PeaceHealth has generously funded the costs of this project, including the established project contingency.

As indicated in the attached memorandum from Project Manager Amanda Robinson, unforeseeable issues revolving around rusted framing, damaged materials, long-term leaks, as well as ongoing supply chain issues have necessitated Change Order No. 1 to Contract No. 21-12 in the amount of \$7,682, bringing the contract total to \$377,682. The above mentioned issues also adds 197 days to the contract completion. I concur with the Project Manager's recommendation.

Public Works Director Mark Hilson will be attending the City Council meeting of August 4, 2022, in order to address any questions that Councilmembers may have.

Motion have been prepared for City Council consideration.

RECOMMENDATION

It is recommended the City Council adopt the motion approving Change Order No. 1 (final) to Contract No. 21-12 – Ketchikan General Hospital Southeast Window Wall Replacement with Marble Island, LLC in the amount of \$7,682, bringing the total project cost to \$377,682; authorizing funding from the Public Health Department's 2021 Long-Term Care Unit Window Replacement capital account; approving the addition of 197 days to the contract completion date; and directing the Acting City Manager to execute the contract documents on behalf of the City Council.

Recommended Motion: I move the City Council approve Change Order No. 1 (final) to Contract No. 21-12 – Ketchikan General Hospital Southeast Window Wall Replacement with Marble Island, LLC in the amount of \$7,682, bringing the total project cost to \$377,682; authorize funding from the Public Health Department’s 2021 Long-Term Care Unit Window Replacement capital account; approve the addition of 197 days to the contract completion date; and direct the Acting City Manager to execute the contract documents on behalf of the City Council.

MEMORANDUM

TO: Lacey Simpson, Acting City Manager
CC: Mark Hilson, P.E., Public Works Director
FROM: Amanda Robinson, AIA, Project Manager
DATE: July 25, 2022
SUBJECT: **Change Order No. 1 (Final) to Contract No. 21-12, Ketchikan General Hospital Southeast Window Wall Replacement**

At the meeting on August 5, 2021 City Council awarded contract 21-12 to Marble Island, LLC in the amount of \$370,000 and established a contract contingency in the amount of \$37,000 to fund replacement of leaking windows with a different window and metal siding system for the Southeast façade of the Long Term Care wing of Ketchikan General Hospital. The City of Ketchikan and PeaceHealth shared responsibility for the project with the City of Ketchikan funding the design and providing in-house project management of the project and PeaceHealth funding construction (\$407,000). The project is now complete as shown on the attached photographs.

If approved by City Council the attached Change Order No. 1 (Final) would increase the contract value by \$7,682.00 for a final contract amount of \$377,682.00. Change Order No. 1 (Final) is necessitated by the unforeseeable discovery of rusted out framing and damaged materials under the existing windows caused by ongoing, long-term leaks. Change Order No. 1 (Final) also adds 197 days to contract time to accommodate delays in materials acquisition due to ongoing supply chain issues outside of the Contractor's control. Change Order No. 1 (Final) is attached and details these changes. Change Order No. 1 (Final) will be funded by PeaceHealth through the project contingency.

RECOMMENDATION

It is recommended that the City Council approve Change Order No. 1 (Final) to Contract No. 21-12, Ketchikan General Hospital Southeast Window Wall Replacement in the amount of \$7,682.00 for a revised project cost of \$377,682.00; authorizing funding of \$7,682.00 from the contract contingency; and authorizing the City Manager to execute the change order on its behalf.

Recommended Motion: I move the City Council approve Change Order No. 1 (Final) in the amount of \$7,682.00 to Contract 21-12, Ketchikan General Hospital Southeast Window Wall Replacement, bringing the contract amount to \$377,682.00; authorize funding of \$7,682.00 from the contract contingency; and direct the City Manager to execute the change order on behalf of the City Council.

Attachments: 21-12 Change Order No. 1 (Final)





City of Ketchikan
Public Works Department / Engineering Division
2930 Tongass Avenue / Ketchikan, AK 99901

7/22/2022

MARBLE ISLAND, LLC
 7180 Revilla Road Ste. 200
 Ketchikan, AK 99901

RE: CHANGE ORDER NO. 1 (Final) / CONTRACT NO. 21-12 / Ketchikan General Hospital Southeast Window Wall Replacement

This Change Order modifies your original contract with the City of Ketchikan to reflect a change in contract amount and contract time:

ITEM	DESCRIPTION	QTY	TYPE	PRICE	AMOUNT	# DAYS
1	Added Contract Time	1				197
2	Replace Rotten Framing	1	LS	\$7,682.00	\$7,682.00	

TOTAL CHANGE ORDER NO. 1 (Final)		AMOUNT	
Original Contract:	\$370,000.00	Previous Total:	
Previous Addition:		This Change Order:	\$7,682.00
Previous Deduction:		New Total:	\$377,682.00
Original Contract Time:	November 30, 2021	New Contract Time:	June 14, 2022

The above amount covers all work in connection with this change. Your acceptance and the Owner's acceptance shall constitute and become a part of your contract with the City of Ketchikan dated 08/06/2021. The above changes shall be subject to the same term and conditions contained in said contract and shall be made in accordance with the drawings and specifications of the Engineer.

APPROVALS

 (CONTRACTOR SIGNATURE)

 (PRINTED NAME)

 DATE

 (PROJECT ENGINEER SIGNATURE)

Amanda Robinson

 (PRINTED NAME)

07/22/2022

 DATE

NOTE: All changes in work done on this contract must be reported to and accepted by the Owner before extras will be authorized.

 ACCEPTED BY OWNER: CITY OF KETCHIKAN

 DATE

August 5, 2021

Award of Contract No. 21-12 – Ketchikan General Hospital Southeast Window Wall Replacement - Marble Island LLC

Moved by Flora, seconded by Kiffer the City Council accept the bid of Marble Island, LLC in the amount of \$370,000 for Contract No. 21-12, Ketchikan General Hospital Southeast Window Wall Replacement; establishing a contingency of \$37,000, bringing the total project cost to \$407,000; and directing the City Manager to execute the contract documents on behalf of the City Council.

Motion passed with Gass, Kiffer, Gage, Zenge, Bradberry, Flora and Bergeron voting yea.

Exempting the Procurement of Transport Services from Skagway, Alaska from the Competitive Bidding/Written Quotation Requirements of the Ketchikan Municipal Code – AP&T Wireless

Moved by Flora, seconded by Kiffer pursuant to Sections 3.12.050(a)(2) and 3.12.030 of the Ketchikan Municipal Code, the City Council exempt the procurement of transport services from Skagway, Alaska from the competitive bidding requirements of the Ketchikan Municipal Code; authorize the General Manager to procure such transport services from AP&T Wireless at a cost of \$313,024 over a three-year period; approve funding from the Telecommunications Division's 2021 Rents and Leases Infrastructure Account No. 645.04; and direct the General Manager to execute the contract documents on behalf of the City Council.

Motion passed with Gass, Kiffer, Gage, Zenge, Bradberry, Flora and Bergeron voting yea.

Amendment No. 3 to Contract No. 18-26 – FERC Relicensing Services for the Beaver Falls Hydroelectric Project, Kleinschmidt Associates

Moved by Flora, seconded by Kiffer the City Council approve Amendment No. 3 to Contract No. 18-26, FERC Relicensing Services for the Beaver Falls Hydroelectric Project, between the City of Ketchikan d/b/a Ketchikan Public Utilities and Kleinschmidt Associates, in an amount not to exceed \$172,000; authorize a budget transfer in the amount of \$52,000 from the Electric Division's 2021 Bailey Unit No. 1 Rehabilitation Capital Account to the Electric Divisions' 2021 Beaver Falls Relicensing Capital Account; authorize funding from the Electric Division's Beaver Falls Project Relicensing Capital Account; and direct the General Manager to execute the amendment on behalf of the City Council.

Motion passed with Gass, Kiffer, Gage, Zenge, Bradberry, Flora and Bergeron voting yea.

Budget Transfer – Sr. Systems Administrator Moving Expenses

Moved by Gage, seconded by Kiffer the City Council authorize a budget transfer in the amount of \$15,000 from the Information Technology Department's 2021 Regular Salaries and Wages Account No. 500.01 to the Information Technology's 2021 Moving Expenses Taxed Account No. 509.07 for the purpose of reimbursing the Sr. Systems Administrator for moving expenses associated with his relocation to Ketchikan from Keizer, Oregon.

Councilmember Gass felt there were many qualified local people for the position and he would not vote in favor of this motion.