



Agenda Statement

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Title: Approval of Contract Award to Harris Sand and Gravel, Inc. for the Valdez Glacier Stream Training Dike and Riprap Revetment Project in the Amount of \$1,311,303. Reconsideration Requested By Council Member Smith.

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Attachments: 1. Valdez Glacier Stream EWP, 2. Valdez Glacier Stream Training Dike and Riprap Revetment - Bid Summary.pdf, 3. Valdez Glacier Stream Training Dike and Riprap Revetment - Bid Package

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ITEM TITLE:

Approval of Contract Award to Harris Sand and Gravel, Inc. for the Valdez Glacier Stream Training Dike and Riprap Revetment Project in the Amount of \$1,311,303. Reconsideration Requested By Council Member Smith.

SUBMITTED BY: Dean Day, Capital Facilities Director

FISCAL NOTES:

Expenditure Required: \$1,311,303

Unencumbered Balance: 310-8060-49542 Emergency Watershed Protect.-\$1,340,250
(Grant Funds)
310-8065-58000 Watershed Match- \$535,185.20
(City Funds)

Funding Source: 310-8060-49542 - \$916,697.25 (Grant Funds)
310-8065-58000 - \$394,605.75 (City Funds)

RECOMMENDATION:

Award contract to Harris Sand and Gravel, Inc. for the Valdez Glacier Stream Training Dike and Riprap Revetment in the amount of \$1,311,303.

SUMMARY STATEMENT:

This project is partially funded and designed by federal Natural Resources Conservation Service (NRCS). The purpose of this funding and project design is to save the public radio transmitter that is on the west side of the Valdez Glacier Stream near the ocean. The project consists of building a large dike on the west side of the Glacier Stream from where the Glacier Stream intersects the ocean, to upstream about 2,000 feet.

There were two bidders, and the bids were very close. During the bid opening it was noted Harris Sand and Gravel did not total their bid items, and left the total bid amount blank. Harris Sand and Gravel's total bid was identified by City staff adding the bid item totals. Jim Psenak Construction LLC, the other bidder, sent a letter of protest to the City claiming that Harris's bid was incomplete, and stating Harris's bid should be rejected. We submitted the information to our attorney. The attorney has stated that the City can award the bid to the low bidder Harris Sand and Gravel since omitting the total did not change the bid. The omission of the total could be considered an irregularity that the City can waive. Per the attorney's advice, we recommend award of the project to the low bidder.

BACKGROUND:

John Anderson, general manager of KCHU, contacted City Manager Dennis Ragsdale and Community Development staff to discuss the threat of the shifting Valdez Glacier Stream to the KCHU radio tower in August 2016. KCHU staff had contacted the executive director of Alaska Public Broadcasting Commission to pursue emergency response funding to no avail. Community Development staff and Public Works ground crew were alarmed at the proximity of the river to the guide wires supporting the tower.

As a result, Fire Chief George Keeney contacted the State EOC (emergency operations center) to inform them of the threat. The State EOC informed staff that KCHU is the primary and in many cases the only EAS (emergency action service) provider for Valdez and several surrounding communities including: Chenega, Tatitlek, Whittier, Cordova, McCarthy, Ellamar, and maritime operations in the Prince William Sound. The State Emergency Operations Center recommended the City of Valdez to contact the NRCS (National Resource Conservation Service) to determine if protection of the KCHU Radio tower would qualify for emergency protection funding through the EWP. The Emergency Watershed Protection Program is designed to help communities address watershed impairments that pose imminent threats to lives and property.

On August 25, 2016 the City sent a letter formally requesting assistance to the Natural Resource Conservation Society (NRCS) to help restore the undermined and unstable stream banks of the Valdez Glacier Stream along Copper Avenue.

On September 6, 2016 NRCS sent a surveying crew to Valdez to complete a Damage Survey Report to provide case-by-case investigation of the work necessary to protect the site. The Damage Survey Report was of no cost to the City, and there was no obligation for the city to commit to the project until a project proposal and cost estimate were provided.

At the end of September 2016, NRCS submitted a draft Emergency Watershed Protection Plan for the construction of a 1,975ft long training dike and riprap revetment along Copper Avenue.

The design for the dike was stable with a 14ft top width. At the request of the City and Mayor Ruth Knight's Flood Task Force, the NRCS increased the top width to 24ft to accommodate vehicle traffic. The volume of earth fill necessary to create the extra width and the ingress/egress ramps must be

paid solely by the City and is not cost-shared with EWP funding. The NRCS is specifically prohibited from using EWP funds to replace roadways.

Several issues with the design were discussed during Mayor Knights flood task force meetings. One was the land rights issue and the other was the location of one or two power poles that may need to be relocated during construction.

On October 19, 2016, staff provided City Council with a flood mitigation update report on the NRCS project. The report outlined a few issues with the NRCS design including the legal access to secure land rights and the need to relocate power poles. The report states that neither of these costs could be paid for with grant funding.

On March 9, 2017 the City of Valdez was approved for \$1,340,250 in funding under the Emergency Watershed Protection program.

On May 16, 2017 City Council passed Resolution #17-16 amending the 2017 City Budget by Approving the Notice and Grant Award Acceptance of \$1,340,250 to the City of Valdez from the Emergency Watershed Protection Program for the Protection of the KCHU Radio Tower and adjacent infrastructure.

On May 16, 2017 City Council approved the purchase of blocks 58, 66, 87, and 68 Valdez Townsite from Valdez Land, Inc in the amount of \$160,000. The purpose of this land sale was to secure the needed land rights to build the NRCS dike.

On August 1, 2017 City Council approved the Operations and Maintenance Agreement with NRCS which included the operation and maintenance plan for the Valdez Glacier Stream Emergency Watershed Protection Project.

Once the operation and maintenance plan for the Valdez Glacier Stream Emergency Watershed Protection Project was approved, staff met with Copper Valley Electric Association (CVEA) to discuss relocating two power poles. CVEA estimated the cost to move the poles to be approximately \$39,311 and requested the city to provide a portion of the cost. The City Manager agreed to pay for half of the relocation costs out of unencumbered 2017 budget funds. The total cost share to the City for relocating the power poles is \$19,655.

On August 15, 2017 City Council declined to approve the contract award to Harris Sand and Gravel, Inc for the Valdez Glacier Stream Training Dike and Riprap Revetment Project by a 3-3 vote. This agenda item is being brought back for reconsideration at the request of Council Members Smith, Moulton, and Shirrell.