



CITY & BOROUGH OF WRANGELL SPECIAL ASSEMBLY MEETING AGENDA

Monday, September 17, 2018

Time: 5:30 p.m.

Location: Assembly Chambers

City Hall

1. Call to Order
2. Roll Call
3. Conflict of Interest:
4. Persons to be Heard:
5. Item(s) of Business:
 - a. Approval of a Sole Source Contract with SECON, in the amount of \$29,827.00, for Paving Repairs to Church Street
 - b. RESOLUTION NO. 09-18-1425 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY 2019 BUDGET IN THE WRANGELL MUNICIPAL LIGHT & POWER'S BUDGET BY TRANSFERRING FUNDS FROM THE GENERAL EXPENDITURES' FIXED ASSETS FUND TO THE DISTRIBUTION EXPENDITURES' CAPITAL PURCHASES & CONSTRUCTION FUND, IN THE AMOUNT OF \$36,000 FOR THE DIESEL GENERATION PLANT CONTROLS UPGRADES PROJECT
 - c. Approval of a Contract with Electric Power Systems, Inc., in the Amount of \$85,697.45, for the Diesel Generation Plant Controls Upgrades Project
6. Adjournment

CITY & BOROUGH OF WRANGELL, ALASKA

BOROUGH ASSEMBLY AGENDA STATEMENT – SPECIAL MEETING

AGENDA ITEM TITLE:

NO.

5a

Date

September 17, 2018

Approval of a Sole Source Contract with SECON, in the amount of \$29,827.00, for Paving Repairs to Church Street

SUBMITTED BY:

FISCAL NOTE:

Expenditure Required: \$29,827.00

Amber Al-Haddad
Director Capital Facilities

Amount Budgeted: See fiscal note in the summary statement

Account Number(s): 22010-000-7901 (Sales Tax Fund, Streets expenditures, Streets Paving Improvements)

n/a

Attorney

n/a

Insurance

ATTACHMENTS: SECON's quote dated September 10, 2018 for City of Wrangell Street Repairs (specific to the Church Street item).

RECOMMENDATION:

Move to approve a sole source contract with SECON, in the amount of \$29,827, for paving repairs to Church Street.

SUMMARY STATEMENT:

In an effort to take advantage of SECON's current asphalt paving operations for the DOT-managed Evergreen Avenue road improvements project, Public Works asked SECON to consider other CBW road repairs for paving projects this year.

The lower section of McKinnon Street and a portion of Church Street are at the top of the list for repairs needed to major corridors.

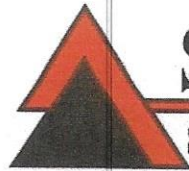
- Church Street – A portion of Church Street was considered for paving repairs this year. SECON's quoted price for the scope of work is reasonable and within the unit price estimated, albeit we have requested a slightly larger scope than originally projected based on the need and funding availability. An outline of the scope of work associated with this street paving project is included in the attached quote from SECON.
- McKinnon Street – Because this project was not originally considered under this fiscal years' budget, and due to the level of planning required for this project and its higher estimated

cost, the CBW will forgo pursuit of this paving project this year. Staff will use SECON's estimate as a budgetary figure for a future lower McKinnon Street paving project. An outline of the scope of work associated with this street paving project is included in the attached quote from SECON.

Staff requests that the Borough Assembly approve a sole source construction contract with SECON for the Church Street paving repairs, in the amount of \$29,827, based on the Wrangell Municipal Code, Section 5.10.050 - When competitive bidding or quotations are not required, Subsection F. which addresses the use of sole source contracts for public improvements which must be procured from a specific source. There are no local asphalt paving contractors in Wrangell, and it would be impractical to solicit competitive bids from other asphalt contractors for the Church Street paving project due to mobilization cost.

Fiscal Note: Under the Sales Tax Fund, Street Improvements, there was \$100,000 budgeted for street repairs. Church Street paving repairs was estimated at approximately \$25,000. For the subject project, we increased the scope of the paving project to include a small section in the adjacent driving lane. There will be a slight reprioritizing of the work to be completed under this funding in order to complete as much work possible within the available funding limit.

This items is being submitted at a special meeting in order to confirm the work with SECON as they have asked for a Notice to Proceed with the work as soon as possible to ensure they can include it in their paving crews' schedule.



SECON

SOUTHEAST ALASKA

P.O.BOX 32159
JUNEAU, ALASKA 99803
907-780-5145 FAX 907-780-5896

QUOTATION FOR :
City of Wrangell Street Repairs
10-Sep-18

ADDENDUM ACKNOWLEDGED: None

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	AMOUNT
Mckinnon Street	Remove & Dispose of 6" Depth Concrete, Asphalt, Unclassified Excavation. Haul, Place, & Compact 3" D-1 Base Course. Haul Place and Compact 3" Hot Mix Asphalt.	1.0	LS	\$65,506.00	\$65,506.00
Church Street	Mill (2" Depth) & Haul Existing Road Surface (Approx 540 SY) . Prep for, Haul, Place , & Compact 2" of Hot Mix Asphalt.	1.0	LS	\$29,827.00	\$29,827.00
TOTAL AMOUNT OF QUOTATION					\$95,333.00

NOTES:

This bid includes **ONE** mobilization only, each additional mobilization will be charged out at \$ 2500.00 per.
Secon is not responsible for drainage or standing water on grades designed at less than 2% slope.
Work to be performed Prior to October 15th, 2018.

EXCLUSION:

Bonds, Permits, Testing, Utility Adjustments, Survey, Striping (Painting), Signs, Supply of, Warranty, Sales Tax, Fees, SWPPP, Engineering.
Individual mining plan for the blend sand used in asphalt production, Builders Risk Insurance, Insurances in excess of two million per occurrence.

CONTRACTOR'S LICENSE NO.: 27498
BUSINESS LICENSE NO.: 280673



Ralph Vigilante
907-747-8514





14'

CITY & BOROUGH OF WRANGELL, ALASKA
BOROUGH ASSEMBLY AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>NO.</u>	5b	<u>DATE:</u>	September 17, 2018
RESOLUTION NO. 09-18-1425 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY 2019 BUDGET IN THE WRANGELL MUNICIPAL LIGHT & POWER'S BUDGET BY TRANSFERRING FUNDS FROM THE GENERAL EXPENDITURES' FIXED ASSETS FUND TO THE DISTRIBUTION EXPENDITURES' CAPITAL PURCHASES & CONSTRUCTION FUND, IN THE AMOUNT OF \$36,000 FOR THE DIESEL GENERATION PLANT CONTROLS UPGRADES PROJECT				
<u>SUBMITTED BY:</u>		<u>FISCAL NOTE:</u>		
		Expenditure Required: \$36,000 (from Account No. 70000-203-7900)		
Amber Al-Haddad Capital Facilities Director		Amount Budgeted: \$50,000 (Account No. 70000-202-7900)		
n/a	Attorney			
n/a	Insurance			
<u>ATTACHMENTS:</u>				
1. Resolution 09-18-1425				

RECOMMENDED ACTION:

Move to adopt Resolution 09-18-1425 of the Assembly of the City and Borough of Wrangell, Alaska amending the FY 2019 Budget in the Wrangell Municipal Light and Power's budget by transferring funds from the General Expenditures' Fixed Assets Fund to the Distribution Expenditures' Capital Purchases & Construction Fund, in the amount of \$36,000 for the Diesel Generation Plant Controls Upgrades project.

SUMMARY STATEMENT:

Wrangell Municipal Light & Power planned for an upgrade to their Diesel Generation Plant's frequency controls during the fiscal year 2018-2019. The project was budgeted at \$50,000.

As the project advanced for procurement, an Invitation to Bid solicitation was issued. Two bids were received, both well over the \$50,000 budgeted amount, with the lowest of the two bids coming in at \$85,697.45.

With a shortfall in funds budgeted for this project, Jim Nelson, Interim Superintendent for the WML&P, has identified the Church Street Pole Replacement project, also approved under the FY2018-2019 budget, and anticipated to have a surplus when complete as the project from which funds may be transferred. The surplus will be realized because the work has been performed in-house, with the labor absorbed by department staff's annual wages, resulting in significant project savings. Following the installation of the last three poles and the purchase of stock replacement poles, the Church Street Pole Replacement capital project is projected to have an approximate \$40,000 balance of unused funds.

Staff recommend transferring \$36,000 of the anticipated balance from the Church Street Pole Replacement project to the Diesel Plant Controls Upgrade project.

By adopting Resolution 09-18-1425, the City and Borough of Wrangell will amend the FY 2019 budget in the Electric Utility Enterprise Fund by transferring \$36,000 from the General Expenditures' Fixed Assets Fund, Account 70000-203-7900 Church Street Pole Replacement (2nd Half) project, to the Distribution Expenditures' Capital Purchases & Construction Fund, Account 70000-202-7900 Diesel Generation Plant (Frequency) Controls Upgrades project, and authorize its expenditure.

CITY AND BOROUGH OF WRANGELL, ALASKA

RESOLUTION NO. 09-18-1425

RESOLUTION NO. 09-18-1425 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY 2019 BUDGET IN THE WRANGELL MUNICIPAL LIGHT & POWER'S BUDGET BY TRANSFERRING FUNDS FROM THE GENERAL EXPENDITURES' FIXED ASSETS FUND TO THE DISTRIBUTION EXPENDITURES' CAPITAL PURCHASES & CONSTRUCTION FUND, IN THE AMOUNT OF \$36,000 FOR THE DIESEL GENERATION PLANT CONTROLS UPGRADES PROJECT

WHEREAS, the City and Borough of Wrangell, Alaska's Resolution No. 06-18-1415 adopted the budget for all funds of the City and Borough of Wrangell, Alaska for the fiscal year 2018-2019; and

WHEREAS, as adopted in the FY 2018-2019 budget of the City and Borough of Wrangell, Alaska, reserves and transfers for the Electric Utility Enterprise Fund's budget was adopted in the amount of \$7,638,811; and

WHEREAS, the Diesel Generation Plant Controls Upgrades Project has a shortfall, based on bids received, of approximately \$36,000; and

WHEREAS, the Church Street Pole Replacement (2nd Half) Project is projected to have a \$40,000 surplus due to in-house labor efficiencies; and

WHEREAS, the City and Borough of Wrangell will amend the FY 2018-2019 budget in the Wrangell Municipal Light & Power's budget by transferring funds in the amount of \$36,000 from the General Expenditures' Fixed Assets Fund, Account 70000-203-7900 Church Street Pole Replacement (2nd Half) project, to the Distribution Expenditures' Capital Purchases & Construction Fund, Account 70000-202-7900 Diesel Generation Plant (Frequency) Controls Upgrades project.

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, that:

Section 1: The FY 2019 Budget in the Electric Utility Enterprise Fund is amended by funds from the General Expenditures' Fixed Assets Fund to the Distribution Expenditures' Capital Purchases & Construction Fund in the amount of \$36,000 for the Diesel Generation Plant Controls Upgrades project.

PASSED AND APPROVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA this 17th Day of September, 2018.

CITY & BOROUGH OF WRANGELL, ALASKA

David L. Jack, Mayor

ATTEST: _____
Kim Lane, Borough Clerk

CITY & BOROUGH OF WRANGELL, ALASKA
BOROUGH ASSEMBLY AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>NO.</u>	5c	<u>DATE:</u>	September 17, 2018
Approval of a Contract with Electric Power Systems, Inc., in the Amount of \$85,697.45, for the Diesel Generation Plant Controls Upgrades Project				
<u>SUBMITTED BY:</u> Amber Al-Haddad Director of Public Works and Capital Projects			<u>FISCAL NOTE:</u>	
			Expenditure Required: \$85,697.45	
			Amount Budgeted: \$86,000.00	
			Following Approval of Res. 09-18-1425	
			Account Number(s): 70000-202-7900	
n/a	Attorney			
n/a	Insurance			
<u>ATTACHMENTS:</u>				
1. Bid Opening Checklist and Tabulations Sheet – Diesel Generation Plant Controls Upgrades Project				

RECOMMENDATION:

Move to approve a contract award to Electric Power Systems, Inc. in the amount of \$85,697.45 for the Diesel Generation Plant Controls Upgrades Project.

SUMMARY STATEMENT:

The City and Borough of Wrangell issued an Invitation to Bid for the construction of the Diesel Generation Plant Controls Upgrades project, under which bids were due on August 31, 2018. The City and Borough of Wrangell received two responsive bids.

Following a review of the final bid tabulations and the project budget, it is the intent of the City and Borough of Wrangell to enter into a contract with Electric Power Systems, Inc. (EPS), who was the lowest, responsive bidder.

The existing diesel generation electrical system for the City and Borough of Wrangell includes four 400-kW emergency generators. The generator switchgear controllers operate the community's generators, automatic paralleling system, and automatic transfer switches. The original generator switchgear controllers were installed when the diesel generation plant was constructed in 1998. The existing generator switchgear utilizes older relay-based logic technology to operate and control the generator system and requires substantial human intervention due to the lack of automated

start/stop/load/unload and several other key functions. Using programmable logic controllers (PLC) is the standard technology today. This project will replace the relay-based technology with PLC technology in the generator switchgear. The generator switchgear shall be upgraded and/or replaced with this project.

Following approval by the Borough Assembly, staff will issue a Notice of Intent to Award to EPS, Inc. allowing the Contractor to begin project implementation immediately.

The original budget for this project was \$50,000. The Assembly is also taking action at this meeting to move money from the Church Street Pole Replacement Project (2nd Half) into this project to address the budget shortfall.

The reason this contract award is being brought to the Assembly at a special meeting is due to engine frequency failures that occurred yesterday morning, September 13th, during Wrangell's diesel run associated with Tyee's shutdown.

During the Tyee shutdown, when Wrangell was generating power through our diesel power generation plant, two engines began to lose frequency. This frequency problem was identified to be associated with the governors (controls). Luckily, our Diesel Mechanic, Royce Cowan, was able to run the throttles in manual to maintain frequency within the critical acceptable range without either over-loading them or under-loading them, as either of these scenarios would have caused the two engines to fail. The other two engines would not have been able to absorb the additional load from the loss of the two failed engines, thus causing a total power failure, i.e. blackout.

Although the scheduled diesel run is now complete, in an emergency situation where diesel power generation is required, this control issue could render us without the ability to provide adequate power to the community.

This action item was scheduled for review during the Borough Assembly's September 25th regular meeting. At Jim Nelson's request, it is imperative that we move forward with the controls upgrade as soon as possible.

City and Borough of Wrangell, Alaska

Diesel Generation Plant Controls Upgrades

Bid Opening Checklist and Tabulations

Bid Opening Date: August 31, 2018 @ 10:00 a.m. - Assembly Chambers
2:00

preliminary

Bidder's Name	Signed Bid Form	Bid Schedule	Bid Security	Addenda Acknowledged		Total Project
				#1	#2	
Governor Control Systems	✓	✓	✓	✓		98,770.00
Electric Power Systems Inc	✓	✓	✓	✓	✓	85,697.45

Verified By:

Kim Lane

Witnessed By:

Amber Al. Gaddam