

## **City Council Minutes – February 12, 2018**

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At 6:00 p.m. Mayor Laurie Gere called to order the regular Anacortes City Council meeting of February 12, 2018. Councilmembers Eric Johnson, Anthony Young, Ryan Walters, Brad Adams and Matt Miller were present. Councilmembers Liz Lovelett and Bruce McDougall were absent. The assembly joined in the Pledge of Allegiance.

Mr. Young moved, seconded by Mr. Johnson, to excuse the absence of Ms. Lovelett who was ill. The motion carried unanimously by voice vote. Mr. McDougall's absence had been excused in advance at the regular City Council meeting on February 5, 2018.

### **Announcements and Committee Reports**

Port/City Liaison Committee: Mr. Johnson reported from the committee meeting held February 6. He urged the public to write to their senators on behalf of Dakota Creek Industries and said that 400 jobs were at risk without Senate action very soon. He said the committee also discussed partnerships regarding the Port transit shed and a replacement event center as part of the Port's north basin plan for which a feasibility plan was due in March. Mr. Johnson also reported that work continued on the maritime strategic plan by the City, the Port and EDASC. Mr. Miller added that a joint City Council/Port Commission meeting was envisioned for April focusing on the north basin plan.

Skagit County Marine Resources Committee: No report.

Planning Committee: Mr. Walters reported from committee meeting earlier in the evening at which the members reviewed a draft impact fee ordinance that would come to Council for consideration soon. He advised that a separate impact fee schedule would follow the ordinance establishing the code text. Mr. Walters also reported that the development regulations update and critical areas ordinance update would likely be released to City Council simultaneously but that action on the two documents would be sequential, likely focusing on the development regulations first.

### **Public Comment**

No one present wished to address the Council on any topic not already on the agenda.

### **Consent Agenda**

Mr. Johnson moved, seconded by Mr. Adams to approve the following Consent Agenda items. Vote: Ayes – Young, Walters, Adams, Miller and Johnson. Motion carried.

- a. Minutes of February 5, 2018
- b. Approval of Claims in the amount of: \$471,725.76
- c. Contract Modification: On-Call Professional Services at WWTP 15-009-SEW-001
- d. Street Fair Application: Shipwreck Day
- e. Extension: Noise Variance for SR20 Spur/Oakes Avenue Paving (WSDOT)
- f. Contract Award: 2018 Sanitary Sewer Line Inspection and Cleaning

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| <p>The following vouchers/checks were approved for payment:<br/>EFT numbers: 88043 through 88076, total \$327,484.77<br/>Check numbers: 88077 and 88117 through 88042, total \$206,515.28<br/>Wire transfer numbers: 227132 through 338106, total \$14,474.30</p> |
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## **OTHER BUSINESS**

### **Contract Award: 2018 Waterline Replacement**

Public Works Director Fred Buckenmeyer requested Council approval to award a contract to C. Johnson Construction, Inc. to provide all materials, equipment, labor and related items necessary to install approximately 2640 LF of 8” ductile iron water main, make tie-ins to the existing water system, install new and reconnect to existing fire hydrants, renew/reconnect existing water services, and excavate and install asphalt on Piper Circle, Sugarloaf Street and a small segment of 25<sup>th</sup> Street. He said that the project formed the 2018 portion of the city’s ongoing project to replace aging water distribution piping before it reaches the point of possible failure. Mr. Buckenmeyer reported that nine bids were received with the low bid from C. Johnson in the amount of \$757,135.46. He recommended awarding the contract to C. Johnson Construction, Inc.

Mr. Buckenmeyer responded to councilmember questions about how the waterline replacement project locations are chosen each year, noting that both the condition of the utilities and the condition of the overlying pavement are considered so as to make maximum use of both utility and street maintenance funds. He confirmed that the lineal feet of pipe included in the project was not as great as in some years because the pipe size for the 2018 project would also be increased to ensure adequate future fire flow volume. He added that conduit would be placed in the utility trench to allow future installation of fiber optic cable.

Mr. Johnson moved, seconded by Mr. Miller, to authorize the Mayor to sign a contract with C. Johnson Construction, Inc. in the amount of \$757,135.46 to perform the 2018 Waterline Replacement Project 18-004-WTR-001. Vote: Ayes – Walters, Adams, Miller, Johnson and Young, Motion carried.

### **Contract Modification: WWTP Outfall Repair - Construction 13-020-SEW-009**

Mr. Buckenmeyer continued the discussion of this item which had been removed from the Consent Agenda at the February 5, 2018 City Council meeting pending additional information. He introduced Assistant Public Works Director Matt Reynolds who managed the Outfall Repair project. Mr. Buckenmeyer noted the revised agenda bill for this item that had been distributed to councilmembers prior to the meeting. The agenda bill and Mr. Buckenmeyer’s slide presentation were added to the packet materials for the meeting.

Mr. Buckenmeyer summarized the location and the function of the outfall, the history of its construction beginning in the 1950s and subsequent rehabilitation beginning in 1998. Mr. Buckenmeyer described the interaction of the Port of Anacortes stormwater detention pond and treatment of the Port’s stormwater through the sanitary sewer system. He noted that the construction of the Port’s pond in 2011 displaced the outfall pipe which precluded slip lining as a rehabilitation method.

Mr. Reynolds then summarized the events surrounding the current outfall repair project beginning in 2016. He recalled Council’s waiver of competitive bidding in favor of engaging local contractor Culbertson Marine to work directly with design engineer Skillings Connolly due to the large number of uncertainties about subsurface conditions. Mr. Reynolds described the permitting and easement delays caused by events outside the city’s control. He then described the actual subsurface conditions encountered and the construction delays caused by large rocks encountered in the path of the required cofferdam and the stop work caused by the Port’s heavylift project to move refinery equipment.

Mr. Buckenmeyer summarized the project cost, including a final contract cost for Culbertson of \$1,984,371.06 compared to the design engineer’s estimate of \$1,946,143. He advised that one last change order for the project would come to Council for approval, on a separate contract for the environmental consultant. He concluded by summarizing the long list of unique conditions affecting the project and noted that the total change order amount was only approximately 2% of the original contract. He added that the project had been nominated for APWA project of the year.

Councilmembers requested that agenda bills for contracts and contract modifications reflect original and any adjusted budget amounts for both the project and the relevant BARS account. Finance Director Steve Hoglund clarified that a budget amendment is not required and is typically not presented for project overruns as long as the capital project BARS has sufficient funds in the project year. He advised that other projects often achieve cost savings or schedule revisions which retain sufficient budget authority in a fund's annual capital budget. Mr. Walters asked that Council be involved in those discussions as it might elect to dedicate additional reserve cash in order to complete all budgeted projects. Mr. Johnson and Mr. Miller suggested including the Capital Facility Plan figure for each project on relevant agenda bills. Mr. Adams requested a line item breakdown of the contract similar to other public works contracts such as the waterline replacement contract awarded earlier in the meeting. Mr. Buckenmeyer explained that the sole source contracting method used for the project did not include that bid line item structure and noted that a traditional fixed price bid would have resulted in far more change orders for unforeseen conditions; in this case it was to the city's benefit to work cooperatively with the contractor on an actual cost basis. Mr. Walters asked that agenda bills for contract modifications indicate the amount that was earmarked for the project, the full BARS amount in the budget, the engineer's estimate, the original contract amount, the amendment number, the proposed resulting new contract amount, and the work changed by the modification, all in a tabular format. He added that the revenue source identified on agenda bills should always be more specific than "city funds".

Mr. Walters moved, seconded by Mr. Johnson, to authorize the mayor to sign Contract Modification 02 to Culbertson Marine Construction Inc., under Contract 13-020-SEW-009, in the amount of \$205,146.62, increasing the total contract price to \$1,984,371.06, but to amend Article 1.1 Work to read as follows:

Insert the following paragraphs under Article 1.1:

"The work as described above is hereby amended per Modification 02.

There were project conditions that were not known at the time of contract execution, resulting in differing site conditions. These include the presence of large rock over the existing pipeline which hindered the construction of the cofferdam, and the presence of holes in the existing HDPE pipe, requiring additional excavation and removal of concrete and HDPE pipe. In addition, requirements of the HPA permit, including a requirement to seine all fish out of the cofferdam, were not fully known at the time of Contract award, as the permit was issued after the Contractor bid the project.

In addition, the amount of diving hours and expenses during the project exceeded the original estimation."

Vote: Ayes – Adams, Miller, Johnson, Young and Walters. Motion carried.

There being no further business, at approximately 7:05 p.m. the Anacortes City Council meeting of February 12, 2018 was adjourned.