



CITY OF HOMER
PUBLIC WORKS
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MEMORANDUM 09-139

TO: Walt Wrede, City Manager

FROM: Carey Meyer, Public Works Director *CSM*

DATE: October 16, 2009

RE: **Recommend Award of Bid Preparation/Construction Assistance Contract
Economic Stimulus - Alaska Drinking Water Fund (ADWF)
Homer Pressure Reducing Vault Replacement Project**

At the October 26th City Council meeting, the Council is expected to authorized the City Manager to apply for, execute, and accept loan monies (90% forgiven when complete) to replace four existing pressure reduction vaults on the water distribution system in the amount of \$500,000. These funds are part of the water and sewer project economic stimulus program, funded through the ADEC and the ADWF. Under the stimulus program, the City is eligible for up to \$2.0 M in Drinking Water and \$2.0 M in Clean Water forgivable loan monies. With the \$190,000 MidHill PRV stairway loan and this loan totaling \$500,000; the City will have secured \$690,000 of the Drinking Water economic stimulus funds it is eligible for.

Public Works will need assistance to meet the funding deadlines established under the program. A

signed construction contract is needed prior to January 16, 2010. The City has entered into a term contract with Bristol Environmental and Engineering Services Corporation (BEESC) to complete water and sewer design/construction assistance projects under a task order by task order basis. They are the most qualified, can be under contract quickly, and the use of this firm will assure that funding deadlines are met.

The project consists of the replacement of four underground pressure reducing vaults (PRV's); Effler, Switchback, Barnett and Mattox (see attached vicinity map). The stations generally consist of a 10' x 14' concrete vault containing piping and pressure reducing valves. The existing PRV stations that are located in these neighborhoods are 35 years old and are in need of replacement due to corrosion and groundwater infiltration. Effler, Switchback and Barnett PRV's are located on the main transmission line delivering water to most all of our water system customers. The installation of the Mattox station will eliminate the extremely high pressures that currently exist at the south end of Mattox.

Homer Water and Sewer Economic Stimulus Projects	Alaska Drinking Water Fund	Alaska Clean Water Fund
Midhill PRV Stairway Construction	\$190,000	
Purchase New Vacuum Street Sweeper		\$100,000
Sanitary Sewer Rehabilitation		\$1,800,000
PRV Replacement	\$500,000	
Total Amount =	\$690,000	\$1,900,000

In addition, the replacement of the PRV stations on the transmission mains will allow for the installation of power generating turbines to proceed in a cost effective manner. By combining the Homer Water System Hydro project with this PRV Replacement project, a more competitive cost/benefit ratio can be presented to the Alaska Energy Authority. In November, when the third round of funding becomes available, the City will have a better chance of securing construction funding for the turbine/ hydro project.

Recommendations:

- 1) The City Council pass a resolution authorizing the City Manager to apply for, accept and execute an ACWF loan agreement for the Pressure Reducing Vault Replacement project.
- 2) The City Council award the bid document preparation/construction assistance contract for the Pressure Reducing Vault Replacement project to Bristol Environmental and Engineering Services Corporation (BEESC) of Anchorage, AK in the amount of \$35,000 and authorize the City Manager to execute all appropriate documents.
- 3) The City Council authorize by ordinance the expenditure of the loan monies (\$500,000).

(Fiscal Note: 215-833 ACWF Loan - \$500,000)

