



City of Homer

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Port and Harbor

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Memorandum 21-135

TO: HOMER CITY COUNCIL

THRU: ROB DUMOUCHEL, CITY MANAGER

FROM: BRYAN HAWKINS, PORT DIRECTOR/HARBORMASTER

DATE: JULY 28, 2021

SUBJECT: ORDINANCE 21-48 HEATING UNIT RETROFIT FOR OLD FERRY TERMINAL/ CITY WATER TANK STORAGE BUILDING

The old ferry terminal building located at 4667 STE #1 and STE #2 Homer Spit Rd. was built in 1999 and is currently fitted with now outdated and inefficient electric heaters in need of replacement.

The second floor of this building and adjacent office is currently leased to resident tenants, while the first floor is used to house city equipment including a large storage tank pump system. As the building is part of the city's water storage reserve system, it has mandatory operation and repair costs, and Public Works and the Port are partnering on these needed heating upgrades and the conversion to natural gas. The proposed natural gas replacements would not only upgrade the building's heat to more reliable units with modern efficiency and safety standards, but would provide significant anticipated cost savings over the current electrical usage costs.

We have received a quote from Eayrs Plumbing for the parts, equipment and labor to install the natural gas heating appliances in the building in the amount of \$14,723.00 (Port portion \$11,162/ Public Works portion \$3,561). I'm requesting that this installation be approved for a sole source contract through Eayrs for the following justification reasons:

- ✓ Eayrs has worked with Public Works on other past city projects, including similar natural gas installation and retrofits of City buildings, most recently the old Police Department building conversion to NG heating. Their service has been excellent.
- ✓ As responsive landlords to our current tenants and to maximize cost savings I would like to have the natural gas retrofit completed by the fall so that winter heating will be uninterrupted. The soonest Enstar will be able to install the main service line to the lot is the second week of August. Eayrs is

intimately familiar with our city processes and what is needed to successfully complete this project before the fall.

- ✓ The quote includes the purchase of and installation of the appliances by a certified plumbing and heating contractor. Based on Public Works Buildings and Grounds department experience these costs are within known expectations.

Due to current market conditions and unstable price fluctuations in materials and shipping, a contingency has been added to the \$14,723 bid to bring the total requested allocation to the \$16,000 listed in Ordinance 21-48. This insures that the project will be completed within the timeline and with the greatest efficiency.

RECOMMENDATION

Approval of a sole source contract with Eayrs Plumbing & Heating for the retrofit of the Port pump house and attached apartment to natural gas and the installation of modern efficient heating devices, and additionally, City Council approval of Ordinance 21-48

Attached Eayrs Plumbing quote for Natural Gas installation at 4667 Ste #1 and Ste #2 Homer Spit Rd