



MEMORANDUM

Resolution 24-122, A Resolution of the City Council of Homer, Alaska Awarding a Construction Contract for the Beluga Lift Station Improvement Project to East Road Services, Inc. of Homer, Alaska, in an Amount Not to Exceed \$765,194 and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/City Engineer.

Item Type: Backup Memorandum
Prepared For: Mayor Lord and City Council
Date: November 19, 2024
From: Leon Galbraith, P.E., City Engineer
Through: Melissa Jacobsen, City Manager

Background:

The Beluga Sewage Lift Station is a major piece of the City's sewer system, transporting all sewage from the Spit as well as the Lakeshore Drive/Ocean Drive neighborhoods. The mechanical/electrical components as well as the concrete structure comprising this lift station, have seriously corroded and are continuing to do so. Rehabilitation is necessary to extend the useful life of this lift station and protect the neighborhoods it serves. RESPEC Engineering was hired to perform the final design, which they completed in May 2024.

Resolution 24-004 approved Public Works to apply for a loan from the Alaska Department of Environmental Conservation through their State Revolving Fund Program. This loan comes with \$500,000 in principal forgiveness subsidy, which is a portion of the loan that the City won't have to pay back, and, for all practical purposes, functions as a grant.

The budgeted amount for construction of the lift station improvements including the loan subsidy is \$708,000, and Ordinance 24-59 will add another \$100,000 to the construction budget for a total of \$808,000.

East Road Services, Inc., of Homer, Alaska was the single project bidder and put forward an amount of \$765,194.

Recommendation:

That the City Council award the construction of the Beluga Lift Station Improvements Project to East Road Services, Inc.