



City of Homer

www.cityofhomer-ak.gov

Office of the City Clerk

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Memorandum Supplemental Packet

TO: PORT & HARBOR ADVISORY COMMISSION
FROM: RACHEL TUSSEY, CMC, DEPUTY CITY CLERK
DATE: AUGUST 25, 2021
SUBJECT: SUPPLEMENTAL PACKET

NEW BUSINESS

- C. Float Repairs For “K” thru “Q” Endcaps
 - i. Bellingham Marine Unifloat Supply Proposal **Page 2**
 - ii. Draft Ordinance to Appropriate Funds for Float Repairs **Page 5**
- Page 12**



City of Homer

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Port and Harbor

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Memorandum

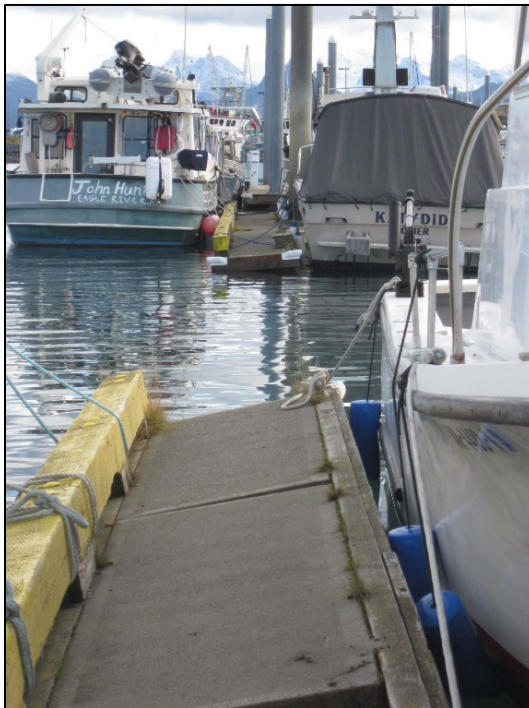
TO: PORT AND HARBOR ADVISORY COMMISSION

FROM: BRYAN HAWKINS, PORT DIRECTOR/HARBORMASTER

DATE: AUGUST 23, 2021

SUBJECT: FLOAT REPAIRS FOR "K" THRU "Q" ENDCAPS

The end caps of finger floats "K" through "Q" were built in 1986 and are currently 5 years past their engineered life expectancy. Remarkably, most of the length of the floats are still in usable shape even at this age. But the end caps, over time, have racked to a level of permanent twist and damage that will shortly take it beyond safe limits and will force the harbor to close access to those sections and condemn them. Causes for the twisting damage of the end caps down the middle fairway come from several factors, the age of the floats themselves, the strain caused by rafting multiple vessels out on the transient bullrail, and the high wake events caused by fast incoming vessels traveling to the Load and Launch Ramp have all added greater force loads to the floats than they were engineered for. Those forces over time add up.



End Caps on Floats

The end caps of these finger floats are designated as transient moorage that provided mooring space for 3,276 vessel night stays in the year of 2020. The number of vessel nights is broken out by finger float and listed below:

“K” – 542 nights	“L” – 462 nights	“M” – 572 nights
“N” – 539 nights	“P” – 602 nights	“Q” – 559 nights

You may notice that the number of vessel night stays for 2020 on these endcaps, in all cases, is above the 365 nights in a given year, this is because this is highly utilized space and boats are often rafted 2 or more abreast in the summertime. If these endcaps aren’t repaired, the Port has to condemn the space and we will lose the ability to accommodate the transient vessel fleet in those areas. Those 3,276 vessel night stays will either have to be shifted to other areas as far as possible, putting even more strain on the remaining usable floats, or boats will have to be turned away. We will also lose the 12 reserved stalls currently leased to tenants that are part of those end caps. Lost revenue for the reserved stalls will average \$24,000 annually for each year we are unable to repair the floats. Transient moorage, due to its flexible nature and rate structure is a bit harder to pin down, but a conservative estimate, looking at use statistics, would be around \$40,016 annually. It holds the physical and rate structure potential to be triple that.

Bellingham Marine is the provider and builder of the Homer Harbor’s “K”-“Q” floats from 1986. Luckily, they are still in business, and they have our original plans, so a seamless repair and rebuild of the endcaps is possible without having to replace the whole finger floats. A quote from the company for this proposed job was received on August 4th. The quote is broken down into two main portions:

- \$123,250.00 (material supplies) + Supervisor for 2 weeks (10 days)
- \$176,500.00 (installation) includes 4 man crew from Bellingham Marine for 6 weeks
- TOTAL: \$299,750.00

Per the Bid, the Port would be responsible for providing all equipment for offloading and handling of materials, a small work barge and or boat for material storage and handling, a crane to lift the triangle frame with pile hoop over any pile, and other lay down yard/restroom facilities as needed. The Port has its own team of knowledgeable maintenance personnel that have the capability to assist in the rehabilitation effort. It would mean dedicating staff time to this large project until completion, and shifting other tasks, but the cost savings of using our own personnel would be significant. We are proposing to accept ONLY the \$123,250.00 portion of the quote for materials, supplies, and the fabrication/shipping of the replacement float end caps. Further, on a project like this we would usually add a contingency of 20% to plan for fluctuations in build material costs, shipping changes, and other yet unknown factors. A 20% contingency would make the total amount allocated for this project \$147,900.

Sole source justifications

Bellingham Marine is the company responsible for the original design and construction of the floats. They have detailed and extensive knowledge of how they’re engineered and how best to tie the repairs into the existing structure. They are uniquely qualified to have the materials milled and treated to exact specifications. Additionally, they have developed special techniques and tools over the years to do this kind of rehab.

It’s important to keep in mind that the bulk of the cost in the quote portion that the Port went with is in materials. I know of no other contractor that could perform this kind of repair without themselves going to

Bellingham Marine for the materials and assistance with the construction portion of the float replacements. This means that the only portion of the quote that holds the possibility of being put out to bid would be the labor and installation, but this is also the area that, as mentioned above, the Port can achieve significant savings by calling on the knowledge and experience of our own skilled maintenance staff which would be our preferred cost saving option.

Condemning vs. Repair

Condemning the floats would lose revenue continually for every future year after 2022. The choice to repair the floats, even using the lowest revenue numbers that can be generated from this space at \$64,000 per annum, would mean that it would take about 2 and a half years to reimburse the repair. Given that the last float endcaps lasted for 30+ years before needed replacement, we anticipate being able to continue to use and collect revenue from the repaired endcaps for well past the next 2 and a half years. Repairing, instead of condemning and thereby losing these endcap floats seems to be the economic choice.

RECOMMENDATION

Make a motion in support of repairing Floats “K” thru “Q” and recommend City Council approve the appropriation of funds from the Port Reserves for the materials and construction of the replacement float portions through Bellingham Marine.

Attached: Bellingham Marine Unifloat Supply Proposal
 Ordinance to Appropriate Funds for Float Repairs



Bellingham Marine Industries, Inc.

5500 Nordic Way
Ferndale, WA 98248

(360) 380-2142
FAX (360) 384-8134
www.bellingham-marine.com

Unifloat® Supply Proposal

August 4, 2021

Attention: Aaron Glidden
Port Maintenance Supervisor
City of Homer

Re: T head repairs

Thank you for the opportunity to present our quotation for the T Head repairs for docks P,Q,M,N,K, and L. The purpose of this written proposal is to present our offer to perform the work identified in this proposal.

Summary of work includes supply of materials with optional installation. Materials consist of wood walers, triangle frames, connection rods, cleats, and bull rail bolts. Owner support for offloading and handling of materials, staging areas, facilities, work barge and boat required. Technical representative included for two weeks for supply only option.

FOB Homer Alaska – Freight is good Homer Alaska for owner offloading.

Leadtime – Current lead time for materials is up to 16 weeks. BMI to coordinate with owner on delivery and installation dates.

Prices quoted herein are contingent upon BMI's receipt and review of all published plans, specifications, addenda, and/or other reports issued in reference to the Project.

Our quoted price for material supply is One Hundred Twenty-Three Thousand Two Hundred Fifty Dollars **(\$123,250.00) exclusive** of **sales/use** tax.

Our quoted price for material installation is One Hundred Seventy-Six Thousand Five Hundred Dollars **(\$176,500.00) exclusive** of **sales/use** tax.

EXTENDED TOTAL FOR SUPPLY AND INSTALLATION = \$299,750.00

Prices quoted herein are contingent upon Seller's receipt and review of all published plans, specifications and addenda issued in reference to the project.

1. The following items are included in our supply proposal:

- 1.1 2 each 4" x 12" walers on the outside of each 70' T head dock fabricated prior to treatment
- 1.2 1 each 3.125" x 7.5" glu lam waler on the inside of each 30' T head finger fabricated prior to treatment
- 1.3 3 each 12" heavy duty cleats and attachment hardware per 30' finger
- 1.4 2 each galvanized steel triangle frames per T head

Initials _____ / _____
Buyer BMI

- 1.5 Rub board on outside and inside walers
 - 1.6 New galvanized thru rods to match existing quantities and locations on each 30' T head finger as well as through the walkway at the triangle frame locations
 - 1.7 New galvanized economy bolts for bull rail to match existing quantities and locations
 - 1.8 New end boards on each 30' T head finger
 - 1.9 Additional AC clips at the end of the main walk and finger connection to help strengthen the connection.
 - 1.10 Reuse of inserts/embedded bolts at the end of the walkway
 - 1.11 All material to be fabricated according to original BMI shop drawings, owner to verify all fabrication and quantities prior to procurement.
 - 1.12 2 weeks (10 days) onsite technical support to aid owners' installation crew
 - 1.13 Shop Drawings
 - 1.14 **LOADING AND SECURING ON OUR TRUCKS WITH FREIGHT ALLOWANCE TO Homer Alaska. ALL PARTS SHIPPED LOOSE; CONTRACTOR MUST COMPLETE ASSEMBLY.** In the event actual shipping destination exceed this allowance, such additional costs will be charged to the Buyer. All materials will be inspected by the Buyer's representative upon delivery and representative will be required to certify that materials are complete and free of defects. Claims for material defects, loss or shortages discovered after inspection shall be for the Buyer's account. Buyer's failure to inspect materials upon delivery shall constitute a waiver of claims for material defects, loss or shortages.
2. All items and quantities not specifically included in Section 1 above are specifically excluded from this proposal. Excluded items include, but are not limited to, the following:
- 2.1 **ELECTRICAL** – BMI will coordinate and provide any required chase ways through float system, all electrical equipment, transformers, pedestals, wiring, fasteners etc. to be supplied by others
 - 2.2 **MECHANICAL** –no provisions for mechanical system, all J hangers, sewer hydrant, pipe, pump out system, pedestals, all material supplied by others
 - 2.3 **UTILITY VERIFICATION** – Owner to verify all utility chase way and install locations
 - 2.4 **ANY UPLAND WORK**
 - 2.5 **OFFLOADING, HANDLING, INSTALLATION, OR ANY OTHER ONSITE LABOR.** Owner will be responsible for all float-to-float connections, finger to walkway connections, utilities, etc.
 - 2.6 **PEDESTRIAN GANGWAY RAMPS OR PIERS.**
 - 2.7 **BULL RAILS.**
 - 2.8 **LIGHT POLES OR FIXTURES**
 - 2.9 **LOCKER BOXES.**
 - 2.10 **SALES TAX.**
 - 2.11 **PERMITS AND LICENSES.**
 - 2.12 **UTILITY HANGERS AND RISERS**
 - 2.13 **SOILS TESTING OR ENGINEERING.**
 - 2.14 **PILE DESIGN AND PILE SUPPLY**
 - 2.15 **PROJECT ENGINEERING**
 - 2.16 **ALL TIMBER** to be west coast Douglas fir #1 and better fabricated prior to treatment and treated to .6ACZA
 - 2.17 **ALL HARDWARE** to be A307 hot dip galvanized

2.18 ANY AND ALL OUTSIDE TESTING (BMI is a Precast/Prestressed Concrete Institute (PCI) Certified Supplier and performs all Quality Control Testing In-House)

3. OPTIONAL INSTALLATION CLARIFICATIONS

- 3.1 BMI will provide a 4-man crew and a supervisor to perform the installation of the supplied materials. BMI believes the installation crew will be onsite for 6 weeks.
- 3.2 Owner to provide all equipment for offloading and handling of materials, small work barge and or boat for material storage and handling. Crane or device to lift triangle frame wit pile hoop over pile. Lay down yard and restroom facilities. Boats must be out of slips.
- 3.3 Owner to provide all material disposal
- 3.4 BMI to level the docks as much as possible prior to final tightening
- 3.5 Owner to provide any replacement bull rail
- 3.6 BMI will include builders' risk and USL&H insurance
- 3.7 BMI to pay local prevailing wage rates as applicable

4. Other provisions:

- 4.1 DESIGN CRITERIA: Bellingham Marine ("BMI" or "Seller") has based its proposal upon design criteria furnished by Buyer, which includes site conditions relative to wind and wave exposure. If this design criteria is incorrect, BMI will be entitled to an adjustment in the contract amount, time for completion, or both. Unless otherwise provided herein, the Unifloat® system described above will be for a maximum one-foot wave environment.
- 4.2 CONCEALED OR UNKNOWN CONDITIONS: In preparing this proposal, BMI has assumed there are no concealed conditions (subsurface or otherwise) or unknown physical conditions which will adversely impact BMI's performance of the work. If such conditions are encountered, BMI will be entitled to an adjustment in the contract amount, time for completion, or both.
- 4.3 SHIPMENT: Will occur at a mutually agreed upon schedule after receipt of approved shop drawings, based on our current production schedule. Production cannot commence prior to receipt of approved shop drawings. In the event of any project delay caused by Buyer which is greater than thirty (30) days, Buyer shall pay BMI for all work completed and stored. Storage fees will accrue at the rate of 1.5% of the price quoted above, per month, commencing on the 31st day of delay.
- 4.4 PRICE VALIDITY: Prices are valid for firm orders placed within a period of thirty (30) days after quotation and are subject to reconfirmation thereafter.
- 4.5 PAYMENT TERMS: 20% Deposit. Net cash ten (10) days from receipt of invoice. Method of payment to be approved by BMI's credit department prior to start of production. Interest will be charged on past due accounts at 18% per annum, or at the highest non-usurious commercial rate allowable by state law or provided by state statute, whichever is less. If BMI is required to employ an attorney to collect any amount due as a result of the default of Buyer, the Buyer shall pay all costs of collection, including reasonable attorney's fees and court costs.

Payment is not subject to retention.

Prior to commencement of project, Buyer shall provide evidence of financing satisfactory to BMI. It is BMI's standard credit policy to send our customers notices compliant with state or federal laws about rights to lien property or bonds in the event of non-payment. This is a routine notice and is not a reflection on your credit worthiness.

Initials _____ / _____
Buyer BMI

- 4.6 **ASSESSMENTS & ADJUSTMENTS.** Any present or future taxes or any other government charges now or hereafter imposed by existing or future laws in connection with the transfer, use, ownership, or possession of any of the facility which BMI is required to collect and/or pay are in addition to the Contract Sum and will be charged to the Client accordingly.
- 4.7 **ENGINEERING/CODES/RESPONSIBILITY:** BMI does not warrant any components to meet specific local building ordinances or codes. It is the responsibility of the Buyer to secure necessary governmental approvals. Buyer hereby indemnifies BMI against any and all loss, damage, liability, claims, demands or causes of action arising out of or connected in any way with any act or omission on the part of the Buyer, or with inadequate, improper or erroneous design, plans, specifications, engineering, or information furnished BMI by Buyer including, without limitation, liability for patent or trade secret infringement claims.
- 4.8 **BACK CHARGES:** Back charges for corrective work performed by Buyer or its representative will not be honored without BMI's prior written acceptance. BMI at all times retains the right to perform corrective work on its own behalf.
- 4.9 **WARRANTY:** Contractor warrants that the individual aluminum modules will be free of defects in materials and workmanship for a period of five (5) years from date of shipment, and that all other dock components (including, but not limited to, walers, weldments, filler slabs, hardware, and fiberglass components) will be free of defects in materials and workmanship for a period of one (1) year from the date of shipment. If within the warranty period the materials are found to be defective, the Owner must provide written notice of such defects within ten (10) days from the date the defects are discovered. Owner's sole and exclusive remedy for defective materials and workmanship is limited to the repair or replacement of the defective item by Contractor. Contractor is not liable for consequential or incidental damages resulting from such defects. Contractor hereby disclaims any and all implied warranties, including but not limited to warranties of merchantability or fitness for a particular purpose.

The Unifloat® system is intended to be free-floating and located in protected installations such as those that exist behind a permanent fixed breakwater or floating concrete wave attenuator furnished by BMI. Specifically excluded from this warranty is disrepair, loss, liability, deterioration, or other damage to the Unifloat® system or its component parts and equipment as a result of any of the following: (i) conditions exceeding the Design Criteria; (ii) an anchoring system which fails to meet the minimum design working load capacity requirements identified in BMI's shop drawings; (iii) piles that are out of plumb; (iv) the expansion and contraction of surrounding ice; (v) contact with moving ice and other floating debris; (vi) abuse, misuse, accident, neglect, grounding, or improper or insufficient maintenance (including failure to keep pile free of ice); (vii) damage to the Unifloat® system or its component parts during installation when not installed by BMI; or (viii) repair or alteration by any person not authorized by BMI.

In the event any bonds are provided for this project, the bonded duration of this warranty shall be one (1) year.

- 4.10 **INDEMNIFICATION:** The Buyer shall assume all liability, including but not limited to liability for injury to person or property, economic loss, and business interruption, for claims arising from the actual use of any equipment, products, or materials furnished by BMI, and agrees to indemnify and hold harmless BMI from any and all claims, demands, actions, or suits arising from the use of such products, materials, or equipment, including reasonable attorney's fees and costs.

Notwithstanding anything herein to the contrary, BMI's cumulative liability to Buyer will under no circumstances exceed the total amount paid to BMI. In any case BMI WILL NOT BE RESPONSIBLE FOR ANY SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES OF ANY KIND INCLUDING, BUT NOT LIMITED TO, LOSS OF USE, LOST RENTS, AND RENTAL OF REPLACEMENT OR TEMPORARY FACILITIES, OR FOR LOSS, DAMAGES, OR EXPENSE DIRECTLY, OR INDIRECTLY, ARISING FROM THE USE OF ANY PRODUCTS OR ANY INABILITY TO USE THEM, EITHER SEPARATELY OR IN COMBINATION WITH ANY OTHER EQUIPMENT OR MATERIAL OR FROM ANY OTHER CAUSE.

- 4.11 CAUTION: Float systems are unstable when placed in water prior to assembly in their final intended configuration. Modules or subassemblies should be handled with care during installation and should never be stood or walked upon prior to finished assembly.
- 4.12 POWER CENTERS: Power centers and pedestals included in this proposal contain twist lock and/or pin and sleeve outlets designed for shore power only and are only to be used in conjunction with a "UL-Marine" listed shore power cord.
- 4.13 WARNING: BMI has been notified by its wood preservers that the chemicals used in the wood treatment process are known to cause cancer.
- 4.14 CLAIMS Definition: A claim is a demand or assertion by one of the parties seeking, as a matter of right, adjustment or interpretation of contract terms, payment or money, extension of time or other relief with respect to the terms of the contract. The term "Claim" also includes other disputes and matters in question between the Buyer and Seller arising out of or relating to the contract including, but not limited to, Claims against officers, directors, employees or consultants of a party for matters arising out of or relating to the Work under the contract. Claims must be made by written notice. The responsibility to substantiate a Claim shall rest with the party making the Claim.

Time Limits on Claims. Claims by either party must be made within twenty-one (21) days after occurrence of the event giving rise to such Claim or within twenty-one (21) days after the claimant first recognizes the condition giving rise to the Claim, whichever is later. Claims must be made by written notice. An additional Claim made after the initial Claim has been resolved by Change Order will not be considered unless submitted in a timely manner.

4.15 DISPUTES

Arbitration. Controversies, disputes or claims in an amount up to and including \$250,000 arising out of, in connection with, or in relation to the interpretation, performance or breach of this Proposal, including any claim based on contract, tort, or statute shall be referred to final and binding arbitration administered by and in accordance with the then existing Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon any arbitration award may be entered by any state or federal court having jurisdiction thereof. The prevailing party in any such arbitration shall be entitled to an award of reasonable attorney's fees and costs. Arbitration shall be heard and determined by a single arbitrator, the location of the arbitration hearings shall be San Francisco, California, USA.

In the event a dispute between the parties is referred to arbitration, as soon as practical after selection of the arbitrator, the arbitrator or his/her designated representative shall determine a reasonable estimate of anticipated fees and costs of the arbitrator and render a statement to each party setting forth that party's pro rata share of said fees and costs. Thereafter, each shall, within ten (10) days of receipt of said statement, deposit said sum with the arbitrator. Failure of any party to make such a deposit shall result in the forfeiture by the non-depositing party of the right to prosecute or defend the claim which is the subject of the arbitration, which shall not otherwise serve to abate, stay or suspend the arbitration proceedings.

Unless otherwise agreed in writing or otherwise provided herein, the Seller shall carry on the Work and maintain its progress during any dispute resolution proceedings, and the Buyer shall continue to make payments to the Seller in accordance with the contract documents.

Litigation. Controversies, disputes, or claims in excess of \$250,000 arising out of, in connection with, or in relation to the interpretation, performance or breach of this Proposal, including any claim based on contract, tort, or statute shall be resolved in a court of competent jurisdiction in the venue agreed to herein. The presiding judge shall determine which is the prevailing party and shall include in the award that party's reasonable attorneys' fees and costs. The laws and venue of proceedings shall be the place of the Project.

Mediation. In the case of either arbitration or litigation, the parties agree that mediation shall be a condition precedent to any arbitration hearings or trial. The parties hereby stipulate that the arbitrator or judge shall include in any scheduling order deadlines for: (a) the appointment of a mediator; and (b) the mediation. In the event the parties are unable to agree on a mediator by the required deadline, the arbitrator or judge shall appoint a mediator. The arbitrator or judge may, at their discretion, ask for input from the parties with respect to the appointment of a mediator. The location of the mediation shall be established by the mediator.

4.16 Notwithstanding any other provision of this Proposal, the Seller and the Buyer waive consequential damages for claims, disputes or other matters in question arising out of or relating to this Proposal. This mutual waiver is applicable, without limitation, to all consequential damages due to either party's termination in accordance with this Proposal and/or to any claims or disputes arising out of or related to this Proposal.

4.17 ENTIRE CONTRACT: When accepted by Buyer, this Proposal shall constitute the entire agreement between the parties. Its terms shall be controlling in the event same are inconsistent with any plans, specifications, bid invitation, purchase order, subcontract, or other instrument furnished by Buyer.

Acceptance of any offer made by BMI is expressly limited to the exact terms contained in this proposal and any attempt to alter or omit any of such terms shall be deemed an acceptance of the offer, except that any altered or omitted terms shall not be binding on BMI unless BMI has specifically agreed to such altered terms in writing.

We hope this proposal contains sufficient detail to permit your fullest evaluation. Please feel free to contact us at any time for further information.

Sincerely,

Bellingham Marine Industries, Inc.

____:____

Approved: _____

Project Address:

Project Owner Information:

Initials _____ / _____
Buyer BMI

Address

Legal Name of Owner

Address

Address

City, State, Zip

City, State, Zip

Delay in BMI's receipt of the above information may delay the product delivery schedule.

A signed copy of this quotation will serve as acceptance and agreement by the Buyer to purchase the materials and/or services described herein.

Dated: _____ By: _____

(printed name and title)

Initials _____ / _____
Buyer BMI

**CITY OF HOMER
HOMER, ALASKA**

City Manager/Port

ORDINANCE 21-xx

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
AMENDING THE 2021 OPERATING BUDGET BY APPROPRIATING
FUNDS IN THE AMOUNT OF \$ 147,900 FROM THE PORT RESERVES
FUND FOR THE PURPOSE OF FLOAT REPAIR.

WHEREAS, The “K” thru “Q” floats located in the Homer Harbor, built in 1986, are now currently 5 years past their engineered life expectancy; and

WHEREAS, While most of the length of the finger floats are still in usable shape, the endcaps have racked and twisted over time to a point that they are no longer safe for use and will need to be condemned if not repaired; and

WHEREAS, Condemning and removing the unsafe float portions would lead to a revenue loss of \$64,000 per annum for each year beyond 2022; and

WHEREAS, The last float end caps lasted for 30+ years and generated revenue from these areas will outweigh the cost of repair in approximately 2 and a half years, making repair the economic decision; and

WHEREAS, The City reached out to Bellingham Marine, who is responsible for the design and construction of the floats in 1986 and who still hold our original engineering plans. They have detailed and extensive knowledge of how they’re engineered and how best to tie the repairs into the existing structure. They are uniquely qualified to have the materials milled and treated to exact specifications; and

WHEREAS, The City has received a quote for the repair from Bellingham Marine in the amount of \$123,250 for materials and construction of the floats, and \$176,500 for labor and installation of the repairs; and

WHEREAS, The City choses to accept the \$123,250 portion of the bid for the materials and construction of floats needed with an added 20% contingency for a total cost of \$147,900 and to reject the bid portion for the installation cost of \$176,500 and instead use Port maintenance staff for in house installation; and

NOW, THEREFORE, The City of Homer Ordains:

