



MEMORANDUM

DATE: November 2, 2022
TO: Rorie Watt, City Manager
THROUGH: Katie Koester, Engineering and Public Works Director
FROM: Jeanne Rynne, Chief Architect
SUBJECT: Best Interest Finding – BRH Waterline Interconnection Supplemental Agreement

Request

Allow a supplemental agreement be executed with Admiralty Construction under the BRH Site Improvements Project contract (BE21-164) to replace the existing water line currently routed under the proposed BRH Emergency Department Addition. This work will be accomplished by connecting the two ends of the new waterlines installed by the BRH Site Improvements Project and the BRH Water and Sewer Upgrades project. Pursuant to Municipal Code 53.50.040 (c):

The manager may approve supplemental agreements not greater than \$250,000.00 or 25 percent of the contact amount, whichever is less, per contract. The manager shall notify the assembly, at its next regular meeting, of any supplemental agreement approved.

The BRH Site Improvements original contract award was just over \$1.9 million.

Background

Public Works & Engineering and BRH have worked closely together to repair and update the infrastructure surrounding and within the BRH Campus, including the municipal water distribution system, which feeds the campus, as well as carrying water to Lemon Creek, Mendenhall Valley and out the Road. Three recent road and utility infrastructure projects have reconstructed this critical water distribution system while improving the campus infrastructure:

- Hospital Drive Reconstruction (Twin Lakes Road to Johnson Youth Center(JYC))
- BRH Site Improvements (Hospital Drive - from JYC to the second entrance of Hospital Access Road and Hospital Access Road)
- BRH Water and Sewer Upgrades (Salmon Creek Filter Plant and storage tank, alongside the new Behavioral Health Facility to the parking lot behind BRH, south of the Emergency Department entrance)

The BRH Water and Sewer Upgrades project was a project that originated due to proximity of the existing 40-year old 12" ductile iron (D.I.) waterline that runs closely adjacent to the new Behavioral Health Facility and under some of new site improvements (large retaining walls, paved access drive to the parking level of the new facility, etc.). Upon discovery of the close proximity and unsuccessful negotiations with the Behavioral Health Facility site work contractor, a project was solicited to perform this work.

The BRH Site Improvements project was terminated adjacent to the Administration driveway due to concerns of impeding access to the Behavioral Health Facility construction project – extending the work

further would have created a bottleneck that would have limited traffic and access to the south parking lot and the construction project.

COVID scheduling impacts and delays, material supply chain issues, coordination and access issues and impacts among the multiple, simultaneously occurring projects are the reason the 270 foot segment (extension of Hospital Drive) between the Administration entrance to the Hospital Access Road and the termination of the replacement of the piping to accommodate the Behavioral Health Facility has not been completed. Construction of this segment would have directly impacted the main access to the Behavioral Health facility and placed the separate contractors at odds with each other and caused construction delays.

Second, the alignment of the existing water piping remaining to be replaced runs under the proposed Emergency Department Facility(ED) addition. This piping needs to be relocated away from the new addition footprint to avoid conflict and allow maintenance of the water piping providing municipal water to Lemon Creek and out the road.

BRH is scheduled to begin construction of the ED Addition in the spring of 2022. Authorization to proceed on the ED Addition was given by Assembly Ordinance 2020-09(AU), approved April 26, 2021 and Assembly Ordinance 2021-08(b)(am)(X) approved February 28, 2022.

Project Funding

This work will be funded by a combination of Water Utility CIP funds and BRH Hospital Drive CIP funds.

Justification

Site Constraints and Minimized Disruptions

- Through their other adjacent projects (Water and Sewer Line Upgrades BE22-185 and Site Improvements BE21-164), Admiralty Construction has investigated and are already familiar with many of the unknowns such on the BRH Campus and understand the temporary water connections necessary to keep the hospital operational while working on the water system. They have an intimate understanding of the existing BRH water system operation to minimize unnecessary water shutdowns and disruptions that would affect the health and life safety of BRH.
- Contractor is aware of traffic patterns, emergency access requirements and has a proven, excellent working relationship with BRH and understanding of maintaining access with minimal disruptions.
- Contractor is familiar with the existing waterline configuration due to work on the related contracts and installed a temporary 6" water service connection to maintain BRH, Wildflower Court and Rainforest Recovery in service since these services are on a dead-end. This was done to maintain uninterrupted water service to BRH and Wildflower Court. This will be connected to the new 16" water main to move it out from the ED addition footprint to facilitate the remaining BRH water service line replacement in the future. Contractor is familiar with numerous existing valves that do not work and understands the state of the existing water system.
- The potential of a new contractor performing the work as low bidder of a newly tendered bid would be required to familiarize themselves with the complexities of the operation and workings of the existing BRH water system.

Costs and Scheduling Benefits

- Allowing this work to proceed under a supplemental agreement will provide the best opportunity to order materials sooner and allow construction to occur earlier in the spring to avoid delays to the ED Addition project.
 - o If this supplemental agreement is approved, materials could be ordered by early December 2022 or sooner.
 - o Preparation and advertisement of bid documents would delay material procurement approximately 8-12 weeks – with an optimistic contract notice to proceed in early February 2023. The impact to the material supply times would put the contractor at a disadvantage of ordering materials late in the game for the upcoming construction season, most likely meaning the earlier contractor orders are filled in the order they are received, delaying delivery even longer.

Schedule Impacts

The BRH ED Addition project excavation and foundation installation could not proceed without significant difficulty to work around, protect or temporarily relocate the water main under the proposed building, and then the same work would be dismantled or abandoned in place when the new, permanent waterline is installed.

Cost

Current cost estimates place this work between \$200k and \$240k, however final pricing will not be known until the contractor and engineer finalize the details of work and the supplemental agreement.

Summary

It is in the best interest of the CBJ to perform this work under a supplemental agreement with Admiralty Construction to minimize schedule impacts to the BRH ED Addition project, avoid disruptions in services to BRH and adjacent facilities due to Admiralty's familiarity with the existing water system configuration and history of successfully accommodating the BRH needs while performing the necessary utility work.