

SUBJECT: APPROVAL OF ADDITIONAL UTILITY RELOCATION COSTS OF \$57,914.10 TO ENSTAR NATURAL GAS CO FOR FERN STREET UPGRADE AND PATHWAY - PHASE I, PROJECT IN RSA 14, FAIRVIEW.

AGENDA OF: August 18, 2026

ASSEMBLY ACTION:

AGENDA ACTION REQUESTED: Present to the Assembly for consideration.

Route To:	Signature
Originator	8/3/2026 X Austin Larson Signed by: Austin Larson
Project Management Division Manager	8/3/2026 X Cole Branham Signed by: Cole Branham
Public Works Director	8/3/2026 X Tom Adams, P.E. Signed by: Tom Adams
Purchasing Director	8/3/2026 X Dustin Silva Signed by: Dustin Silva
Finance Director	8/3/2026 X Cheyenne Heindel Signed by: Cheyenne Heindel
Borough Attorney	8/4/2026 X Nicholas Spiropoulos Signed by: Nicholas Spiropoulos
Borough Manager	8/4/2026 X Michael Brown Signed by: Michael Brown
Borough Clerk	8/6/2026 X L M c K e c h n i e Signed by: L M c K e c h n i e

ATTACHMENT (S): Fiscal Note (1 pp)
Cost Estimate (1 pp)
Drawing (1 pp)

SUMMARY STATEMENT: The Fern Street Upgrade and Pathway - Phase I is Project Number 35472-1817 in RSA 14. The project will improve Fern Street to MSB standards, add a pathway, and replace a fish passage culvert including grading, stream diversions, road closures, guardrail, paving, signing, and striping.

As part of the design process, Enstar Natural Gas Company (ENSTAR)

was issued a \$5,000 reimbursable purchase order (PO) for preliminary engineering and reviewed the project plans finding unavoidable conflicts.

ENSTAR provided a reimbursable time and materials cost estimate of \$82,439.00 for relocating natural gas utilities. This was encumbered in addition to the \$5,000 on the purchase order.

During construction, ENSTAR discovered an engineering oversight in their relocation plans involving clearance between the fish passage culvert and the finished asphalt surface. Due to this oversight, ENSTAR provided a proposed change order estimate for boring the gas line underneath Cottonwood creek, for an additional \$57,914.10 which brings the total cost of the relocation work to \$140,353.10. MSB 3.08.161 requires Assembly approval for contract awards over \$100,000.

The Administration is requesting approval of \$57,914.10 for ENSTAR's redesign to bore, bringing the total ENSTAR PO to \$145,353.10, which includes the initial \$5,000 for preliminary engineering and \$82,439.00 for original estimated gas line relocations.

RECOMMENDATION OF ADMINISTRATION: Approve utility redesign to relocate the gas line by bore method with additional costs of \$57,914.00 to ENSTAR Natural Gas Co. for the Fern Street Upgrade and Pathway - Phase I, Project Number 35472-1800-1817 in RSA 14.

MATANUSKA-SUSITNA BOROUGH

FISCAL NOTE

Agenda Date: August 18, 2026

SUBJECT: APPROVAL OF ADDITIONAL UTILITY RELOCATION COSTS OF \$57,914.10 TO ENSTAR NATURAL GAS CO FOR THE FERN STREET UPGRADE AND PATHWAY – PHASE I, PROJECT IN RSA 14. FAIRVIEW.

FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT YES NO
AMOUNT REQUESTED \$57,914.10	FUNDING SOURCE Roads and Bridges Capital Projects
FROM ACCOUNT # 430.000.000 4xx.xxx	PROJECT# 35472-1800-1817
TO ACCOUNT:	PROJECT #
VERIFIED BY: X <u>L i e s e l Z a n t o</u> Signed by: L i e s e l Z a n t o	

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031
Personnel Services						
Travel						
Contractual						
Supplies						
Equipment						
Land/Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING						

CAPITAL		57.9				
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REVENUE						
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FUNDING:

(Thousands of Dollars)

General Fund						
State/Federal Funds						
Other		57.9				
TOTAL		57.9				

POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

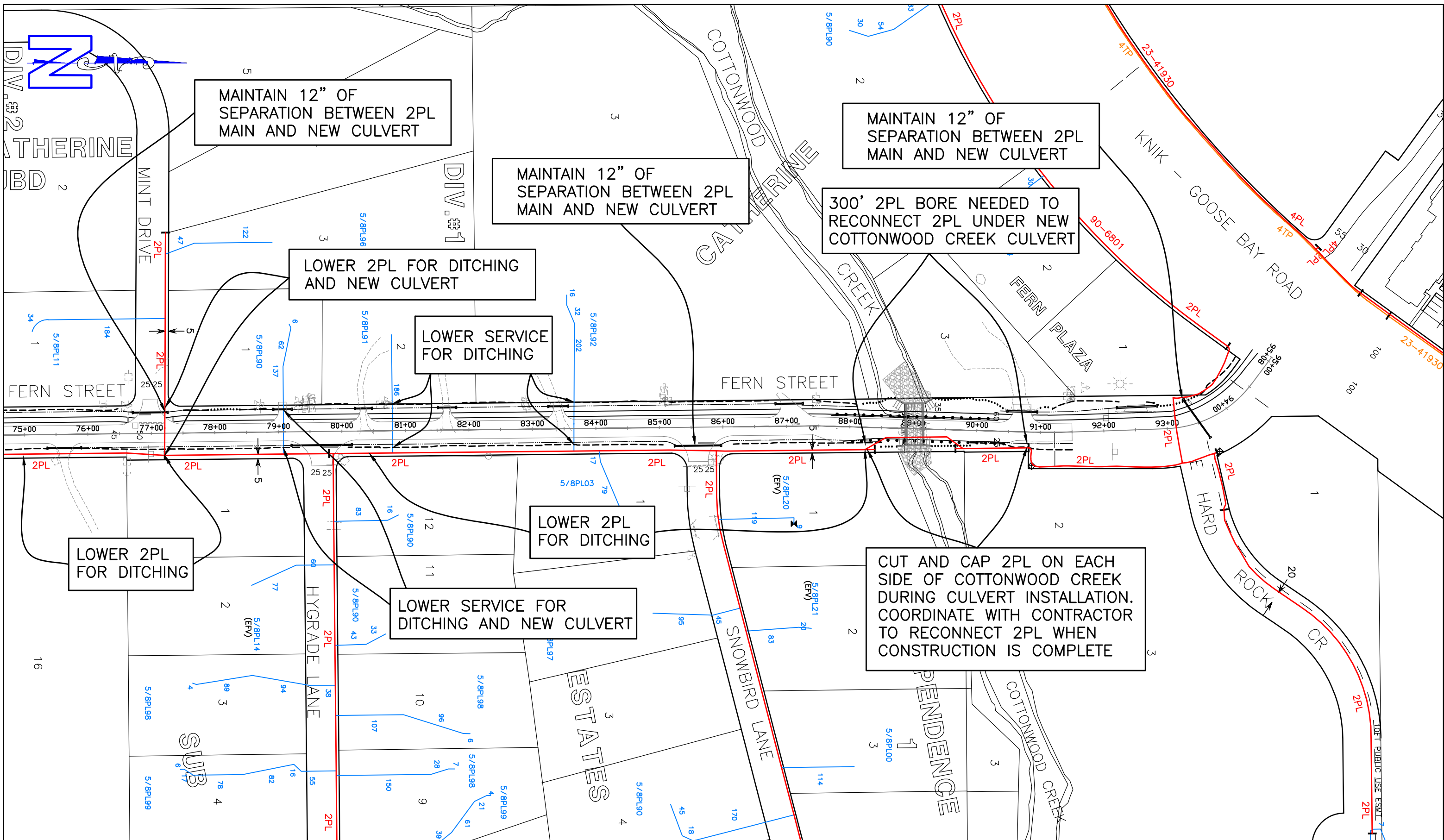
APPROVED BY:	 Recoverable Signature X <u>C h e y e n n e H e i n d e l</u> Signed by: C h e y e n n e H e i n d e l
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Change Order Cost Estimate

Project: 35472-1817 Fern St Upgrades and Pathway Pha
ENSTAR Proposal #: 8781 RC #: 42324

Date: 7/16/2026

A. Preliminary Engineering			
2 man hours @	\$80.00 /Hr		\$160.00
Construction Overhead =	64.81% of Labor Cost		\$104.00
Transportation & Equipment =	17.28% of Labor Cost		\$28.00
Payroll Tax =	25.00% of Labor Cost		\$40.00
Admin & General Overhead =	138.95% of Labor Cost		\$222.00
		A.	\$554.00
B. Construction Engineering			
Regular Time:	4 man hours @	\$60.00 /Hr	\$240.00
Overtime:	0 man hours @	\$90.00 /Hr	\$0.00
Payroll Tax =	25.00% of Labor Cost		\$60.00
		B.	\$300.00
C. Construction Labor			
Regular Time:	34 man hours @	\$155.87 /Hr	\$5,299.58
Overtime:	6 man hours @	\$200.42 /Hr	\$1,202.52
Payroll Tax =	25.00% of Labor Cost		\$1,626.00
		C.	\$8,128.10
D. Construction Overhead			
	64.81% of Labor Costs (in sections B + C)	D.	\$4,370.00
E. Materials & Supplies			
		E.	\$1,846.00
F. Materials Handling Charge			
	19.42% of Materials (section E)	F.	\$358.00
G. Transportation & Equipment			
	17.28% of Construction Eng. & Labor (in sections B + C)	G.	\$1,165.00
H. Contract Construction			
Contract Excavator [hrs]	10 /Hr @	\$345.14 /Hr	\$3,451.00
Contract Backhoe [hrs]	10 /Hr @	\$252.73 /Hr	\$2,527.00
Contract Dozer [hrs]	10 /Hr @	\$252.73 /Hr	\$2,527.00
Contract Roller [days]	1 /Day @	\$806.14 /Day	\$806.00
Contract Compressor [days]	1 /Day @	\$305.49 /Day	\$305.00
Contract Service Truck [hrs]	30 /Hr @	\$100.29 /Hr	\$3,009.00
Boring (2") [ft]	300 /Ft @	\$64.00 /Ft	\$19,200.00
Boring (4") [ft]	0 /EA @	\$74.00 /EA	\$0.00
Boring (6") [ft]	0 /Ft @	\$92.00 /Ft	\$0.00
		H.	\$31,825.00
I. Administrative & General Overhead			
	138.95% of Labor Costs (excluding payroll tax)	I.	\$9,368.00
Project Sub-total:			\$57,914.10
J. Department of Labor Notice of Work Fee			
1.0% of contract construction costs <i>if contract construction costs over \$25,000</i> J.			
Total before any betterments:			\$57,914.10
K. Betterments			
Reimbursable Project Cost Estimate:			\$57,914.10



ENSTAR NATURAL GAS COMPANY  ANCHORAGE, ALASKA	PROPOSED GAS MAINS		SCALE 1"=140' 	ER #: 42324	DESIGN SPECIFICATIONS: A. PIPE DIAMETER: 2" B. WALL THICKNESS OR SDR: <u>SDR11</u> C. MATERIAL GRADE: <u>PE 3408/4710</u> D. COATING TYPE: <u>N/A</u> E. MAOP: <u>60 PSIG</u>		BY	DATE	CHKD	
	FERN STREET UPGRADES AND PATHWAY					PROP #: 8781	REVISION	JA	7-15-26	CL
						GRID(S): NW3459, NW3460 NW3559, NW3560	ORIGINAL	JDE	10-10-24	CL