MATANUSKA-SUSITNA BOROUGH ACTION MEMORANDUM **AM No. 26-106**

SUBJECT: APPROVAL OF ADDITIONAL UTILITY RELOCATION COSTS OF $220,624.38 TO ENSTAR NATURAL GAS CO. FOR CRIMSONVIEW AND HEAVENLY MEADOWS STREET IMPROVEMENTS IN RSA 16 SOUTH COLONY.

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	Recoverable Signature X Cole Branham Signed by: Cole Branham
Public Works Director	8/3/2026 X Tom Adams, PE Signed by: Tom Adams
Purchasing Director	8/3/2026 X Dustin Silva Signed by: Dustin Silva
Finance Director	Recoverable Signature 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: Mike Brown
Borough Clerk	X

ATTACHMENT(S): Fiscal Note (1 pp)
Enstar Updated Estimate (2 pp)

SUMMARY STATEMENT: The Crimsonview and Heavenly Meadows Street Improvements Project is in RSA 16 South Colony. Reconstruction of approximately 0.9 miles of roadway, including S. Vermillon Dr., S. Thalo Dr., S. Ochre Dr., E. Crimsonview Dr., and S. Crimsonview Ct. The roads will be raised and widened to a 20-foot paved surface with 2-foot gravel shoulders, improved drainage, and upgraded structural sections, with a modified section for S. Vermillon Dr.

The scope of work includes pavement removal, excavation, embankment import, grading, drainage enhancements, paving, and signage installation.

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 $164,797.70 for relocating natural gas utilities. This was encumbered in addition to the $3,650 already expensed for preliminary engineering on the purchase order.

Near the completion of gas line relocations, ENSTAR discovered an internal engineering estimating error in addition to longer than anticipated construction working days. Due to this error and increased timeline, ENSTAR provided a proposed change order estimate with final expenses for an additional $220,624.38 which brings the total cost of the relocation work to $389,072.08. MSB 3.08.161 requires Assembly approval for change orders in excess of 125 percent for contracts between $100,000 and $500,000.

The Administration requests Assembly approval for additional costs of $220,624.38 to ENSTAR for actual utility relocation expenses, bringing the amended contract amount to $389,072.08.

RECOMMENDATION OF ADMINISTRATION: Approve additional utility relocation costs of $220,624.38 to Enstar Natural Gas for the Crimsonview and Heavenly Meadows Street Improvements, Project No. 30039-6600-6730 in RSA 16, South Colony.

MATANUSKA-SUSITNA BOROUGH
FISCAL NOTE

Agenda Date: August 18, 2026

SUBJECT: APPROVAL OF ADDITIONAL UTILITY RELOCATION COSTS OF $220,624.38 TO ENSTAR NATURAL GAS CO. FOR CRIMSONVIEW AND HEAVENLY MEADOWS STREET IMPROVEMENTS IN RSA 16 SOUTH COLONY.

FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT **YES** NO
AMOUNT REQUESTED $220,624.38	FUNDING SOURCE RSA Capital Projects
FROM ACCOUNT #	PROJECT
TO ACCOUNT: 410.000.000 4xx.xxx	PROJECT # 30039-6600-6730
VERIFIED BY: 8/4/2026 X Liesel Zanto Signed by: Liesel Zanto	

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		220.6				

REVENUE						

FUNDING: **(Thousands of Dollars)**

General Fund						
State/Federal Funds						
Other		220.6				
TOTAL		220.6				

POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

APPROVED BY:	Recoverable Signature X Cheyenne Heindel Signed by: Cheyenne Heindel

Reimbursable Project Cost Estimate

Project: Crimsonview, Heavenly Meadows Street **Date: 7/30/2026**

ENSTAR Proposal #: 8998 **RC #: 42507**

A.	**Preliminary Engineering**						
	32 man hours @	$41.00	/Hr			$1,312.00	
	Construction Overhead =	64.81%	of Labor Cost			$850.00	
	Transportation & Equipment =	17.28%	of Labor Cost			$227.00	
	Payroll Tax =	25.00%	of Labor Cost			$328.00	
	Admin & General Overhead =	138.95%	of Labor Cost			$1,823.00	
						A.	**$4,540.00**
B.	**Construction Engineering**						
	Regular Time:	16	man hours @	$41.00	/Hr	$656.00	
	Overtime:	0	man hours @	$61.50	/Hr	$0.00	
	Payroll Tax =	25.00%	of Labor Cost			$164.00	
						B.	**$820.00**
C.	**Construction Labor**						
	Regular Time:	110.5	man hours @	$57.55	/Hr	$6,359.28	
	Overtime:	0	man hours @	$86.33	/Hr	$0.00	
	Payroll Tax =	25.00%	of Labor Cost			$1,590.00	
						C.	**$7,949.28**
D.	**Construction Overhead**						
		64.81%	of Labor Costs (in sections B + C)			**D.**	**$4,547.00**
E.	**Materials & Supplies**					**E.**	**$1,026.26**
F.	**Materials Handling Charge**	19.42%	of Materials (section E)			**F.**	**$199.00**
G.	**Transportation & Equipment**	17.28%	of Construction Eng. & Labor (in section			**G.**	**$1,212.00**
H.	**Contract Construction - 2025**						
	Laborer/Welder/Flagman (Davis Bacon) - ST	19	Hr @	$ 151.33	/Hr	$2,875.27	
	Laborer/Welder/Flagman (Davis Bacon) - OT	1	Hr @	$ 194.58	/Hr	$194.58	
	Kenworth Truck/Trailer (w/Operator) Davis Bacon - ST	4	Hr @	$ 259.44	/Hr	$1,037.76	
	Kenworth Truck/Trailer (w/Operator) Davis Bacon - OT	4	Hr @	$ 302.66	/Hr	$1,210.64	
	135 Hitachi Excavator (w/Operator) Davis Bacon - ST	8	Hr @	$ 335.09	/Hr	$2,680.72	
	CS 323 C Cat Compactor (Roller) Day Rental (Dry)	1	Day @	$ 782.66	/Day	$782.66	
	315 CAT Excavator (w/Operator) Davis Bacon - ST	0	Hr @	$ 335.09	/Hr	$0.00	
	315 CAT Excavator (w/Operator) Davis Bacon - OT	0	Hr @	$ 378.34	/Hr	$0.00	
	420 CAT Backhoe/Loader (w/Operator) Davis Bacon - ST	8	Hr @	$ 245.37	/Hr	$1,962.96	
	420 CAT Backhoe/Loader (w/Operator) Davis Bacon - OT	0	Hr @	$ 288.62	/Hr	$0.00	
	Service Truck w/Tools (Dry Hourly	26	Hr @	$ 97.37	/Hr	$2,531.62	
	D-3 CAT Dozer (w/Operator) Davis Bacon - ST	8	Hr @	$ 245.37	/Hr	$1,962.96	
	D-3 CAT Dozer (w/Operator) Davis Bacon - OT	0	Hr @	$ 288.62	/Hr	$0.00	
	375 CFM Compressor Rental (Dry)	1	Day @	$ 296.59	/Day	$296.59	
	D-1 Davis Bacon Price/Cubic Yard	0	Cu. Yd. @	$ 68.96	/Cu. Yd.	$0.00	
	10% Upcharge Winter Rate	0.10	Ea @	$15,535.76	/Ea	$1,553.58	

Contract Construction - 2026

Laborer/Welder/Flagman (Davis Bacon) - ST	471 Hr @	$155.87 /Hr	$73,414.77
Laborer/Welder/Flagman (Davis Bacon) - OT	90.5 Hr @	$200.42 /Hr	$18,138.01
Kenworth Truck/Trailer (w/Operator) Davis Bacon - ST	19 Hr @	$267.22 /Hr	$5,077.18
Kenworth Truck/Trailer (w/Operator) Davis Bacon - OT	19 Hr @	$311.74 /Hr	$5,923.06
135 Hitachi Excavator (w/Operator) Davis Bacon - ST	0 Hr @	$345.14 /Hr	$0.00
CS 323 C Cat Compactor (Roller) Day Rental (Dry)	19 Day @	$806.14 /Day	$15,316.66
315 CAT Excavator (w/Operator) Davis Bacon - ST	156 Hr @	$345.14 /Hr	$53,841.84
315 CAT Excavator (w/Operator) Davis Bacon - OT	25 Hr @	$389.69 /Hr	$9,742.25
420 CAT Backhoe/Loader (w/Operator) Davis Bacon - ST	156 Hr @	$252.73 /Hr	$39,425.88
420 CAT Backhoe/Loader (w/Operator) Davis Bacon - OT	24 Hr @	$297.28 /Hr	$7,134.72
Service Truck w/Tools (Dry Hourly	542 Hr @	$100.29 /Hr	$54,357.18
D-3 CAT Dozer (w/Operator) Davis Bacon - ST	156 Hr @	$252.73 /Hr	$39,425.88
D-3 CAT Dozer (w/Operator) Davis Bacon - OT	24 Hr @	$297.28 /Hr	$7,134.72
375 CFM Compressor Rental (Dry)	21 Day @	$305.49 /Day	$6,415.29
D-1 Davis Bacon Price/Cubic Yard	12 Cu. Yd. @	$71.03 /Cu. Yd.	$852.36

H. **$353,289.14**

I. Administrative & General Overhead

138.95% of Labor Cost (excluding payroll tax)	**I.**	**$9,748.00**
Multi-year A&G Adjustment (2026 overhead rates not available)		**$3,192.00**
ENSTAR Davis Bacon Fringe Benefit Adjustment		**$2,549.41**

Project Sub-total: **$389,072.08**

J. Department of Labor Notice of Work Fee

1.0% of contract construction costs ***if contract construction costs over $25,000*** **J.**

Total before any betterments: **$389,072.08**

K. Betterments **K.** **$0.00**

	Revised Reimbursable Project Cost Estimate:	**$389,072.08**
	Original PO (incl. Preliminary Engineering):	**$168,447.70**
	Original Reimbursable Project Estimate:	**$164,797.70**
231%	**Final Change Order Amount:**	**$220,624.38**

12 days vs. 21 days

ENSTAR labor vs. Rappe Davis Bacon