

**SUBJECT:** APPROVAL OF UTILITY RELOCATION COSTS IN THE AMOUNT OF \$130,923 TO ENSTAR NATURAL GAS CO. FOR THE JOLLY CREEK DRAINAGE IMPROVEMENTS PROJECT IN RSA 21.

**AGENDA OF: June 2, 2026**

**ASSEMBLY ACTION:**

**AGENDA ACTION REQUESTED:** Present to the Assembly for consideration.

Route To:	Signature
Originator	<input checked="" type="checkbox"/> _____ Austin Larson _____ <small>Signed by: Austin Larson</small>
Project Management Division Manager	<input checked="" type="checkbox"/> Tom Adams, P E for Cole Bran ... <small>Signed by: Tom Adams</small>
Public Works Director	<input checked="" type="checkbox"/> Tom Adams, P E <small>Signed by: Tom Adams</small>
Purchasing Director	<input checked="" type="checkbox"/> R Krafft <small>Signed by: R Krafft</small>
Finance Director	<input checked="" type="checkbox"/> Cheyenne Heindel <small>Signed by: Cheyenne Heindel</small>
Borough Attorney	<input checked="" type="checkbox"/> Nicholas Spiropoulos <small>Signed by: Nicholas Spiropoulos</small>
Borough Manager	<input checked="" type="checkbox"/> Michael Brown <small>Signed by: Mike Brown</small>
Borough Clerk	<input checked="" type="checkbox"/> Brenda J. Henry for <small>Signed by: Brenda Henry</small>

**ATTACHMENT (S):** Cost Estimate (1 pp)  
Drawing (11 pp)

**SUMMARY STATEMENT:** The Jolly Creek Drainage Improvements Phases I and II, Project Number 30043-2100-2133 in RSA 21- Big Lake, will improve drainage along Hollywood Drive to include grading and drainage structures.

As part of the design process, utilities reviewed the project plans to identify potential conflicts. Each utility in the project area was issued a \$5,000 reimbursable purchase order (PO) for

preliminary engineering. If conflicts cannot be avoided, relocation must occur before construction, which is planned for late summer 2026 through 2027.

ENSTAR Natural Gas Company (ENSTAR) provided a reimbursable time and materials cost estimate of \$127,993.00 for relocating natural gas utilities. MSB 3.08.161 requires Assembly approval for contract awards over \$100,000.

The Administration is requesting approval of additional cost to ENSTAR in the amount of \$130,923. This includes \$2,930.00 for additional engineering and \$127,993.00 for utility relocation, bringing the total authorized amount to \$135,923.00, which includes the initial \$5,000 for preliminary engineering.

Additionally, the Administration requests approval to extend the completion date to December 31, 2026, and authority to extend the contract by up to 90 days if unforeseen circumstances arise.

**RECOMMENDATION OF ADMINISTRATION:** Approve utility relocation costs of \$130,923.00 to ENSTAR Natural Gas for the Jolly Creek Drainage Improvements Phases I and II, Project Number 30043-2100-2133 in RSA 21, extend the completion date to December 31, 2026, and authority to extend the time of performance up to 90 days.

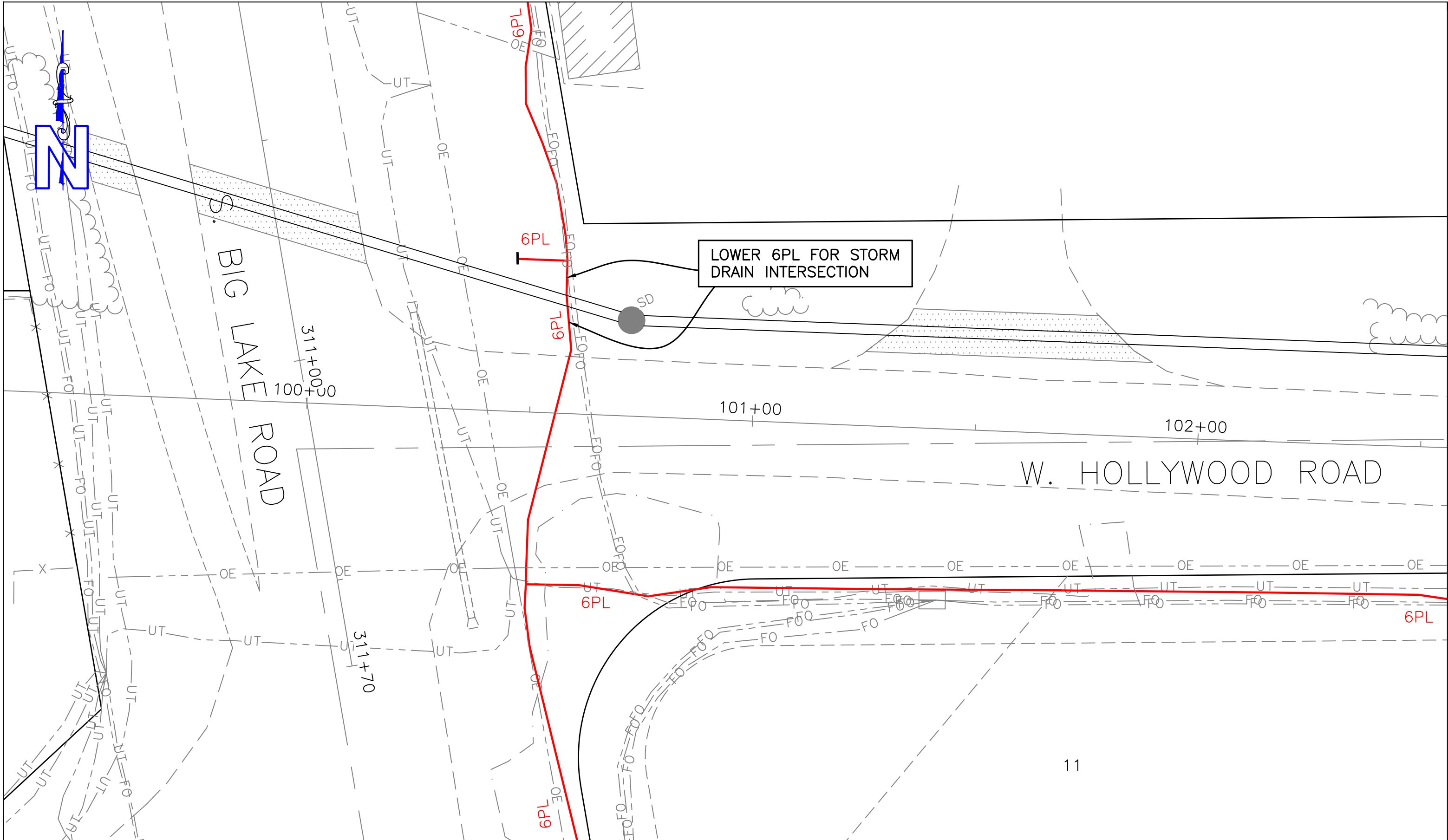


**Reimbursable Project Cost Estimate**

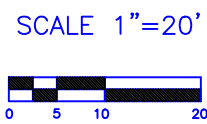
**Project: Jolly Creek Drainage Phase 1 and 2**  
**ENSTAR Proposal #: 8797 RC #: 0**

**Date: 4/22/2026**

<b>A. Preliminary Engineering</b>				
16 man hours @	\$80.00 /Hr		\$1,280.00	
Construction Overhead =	64.81% of Labor Cost		\$830.00	
Transportation & Equipment =	17.28% of Labor Cost		\$221.00	
Payroll Tax =	25.00% of Labor Cost		\$320.00	
Admin & General Overhead =	138.95% of Labor Cost		\$1,779.00	
				<b>A. \$4,430.00</b>
<b>B. Construction Engineering</b>				
Regular Time:	56 man hours @	\$50.00 /Hr	\$2,800.00	
Overtime:	0 man hours @	\$75.00 /Hr	\$0.00	
Payroll Tax =	25.00% of Labor Cost		\$700.00	
				<b>B. \$3,500.00</b>
<b>C. Construction Labor</b>				
Regular Time:	280 man hours @	\$50.00 /Hr	\$14,000.00	
Overtime:	60 man hours @	\$75.00 /Hr	\$4,500.00	
Payroll Tax =	25.00% of Labor Cost		\$4,625.00	
				<b>C. \$23,125.00</b>
<b>D. Construction Overhead</b>				
	64.81% of Labor Costs (in sections B + C)			<b>D. \$13,805.00</b>
<b>E. Materials &amp; Supplies</b>				<b>E. \$500.00</b>
<b>F. Materials Handling Charge</b>				<b>F. \$97.00</b>
	19.42% of Materials (section E)			
<b>G. Transportation &amp; Equipment</b>				<b>G. \$3,681.00</b>
	17.28% of Construction Eng. & Labor (in sections B + C)			
<b>H. Contract Construction</b>				
Contract Excavator [hrs]	100 /Hr @	\$325.33 /Hr	\$32,533.00	
Contract Backhoe [hrs]	50 /Hr @	\$238.22 /Hr	\$11,911.00	
Contract Dozer [hrs]	0 /Hr @	\$238.22 /Hr	\$0.00	
Contract Roller [half days]	10 /Half Day @	\$521.25 /Half Day	\$5,213.00	
Contract Compressor [days]	0 /Day @	\$271.65 /Day	\$0.00	
Contract Service Truck [hrs]	40 /Hr @	\$188.31 /Hr	\$7,532.00	
Boring (2") [ft]	0 /Ft @	\$64.00 /Ft	\$0.00	
Boring (4") [ft]	0 /EA @	\$74.00 /EA	\$0.00	
Boring (6") [ft]	0 /Ft @	\$92.00 /Ft	\$0.00	
				<b>H. \$57,189.00</b>
<b>I. Administrative &amp; General Overhead</b>				
	138.95% of Labor Costs (excluding payroll tax)			<b>I. \$29,596.00</b>
				<b>Project Sub-total: \$135,923.00</b>
<b>J. Department of Labor Notice of Work Fee</b>				
	1.0% of contract construction costs <i>if contract construction costs over \$25,000</i>			<b>J.</b>
				<b>Total before any betterments: \$135,923.00</b>
<b>K. Betterments</b>				
				<b>Reimbursable Project Cost Estimate: \$135,923.00</b>



PROPOSED GAS LINES  
**JOLLY CREEK PH 1 & 2**  
 SHEET 1 OF 11

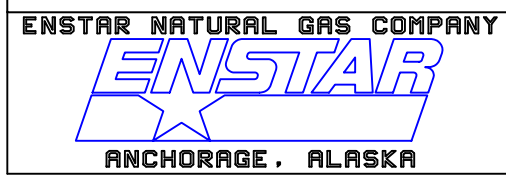
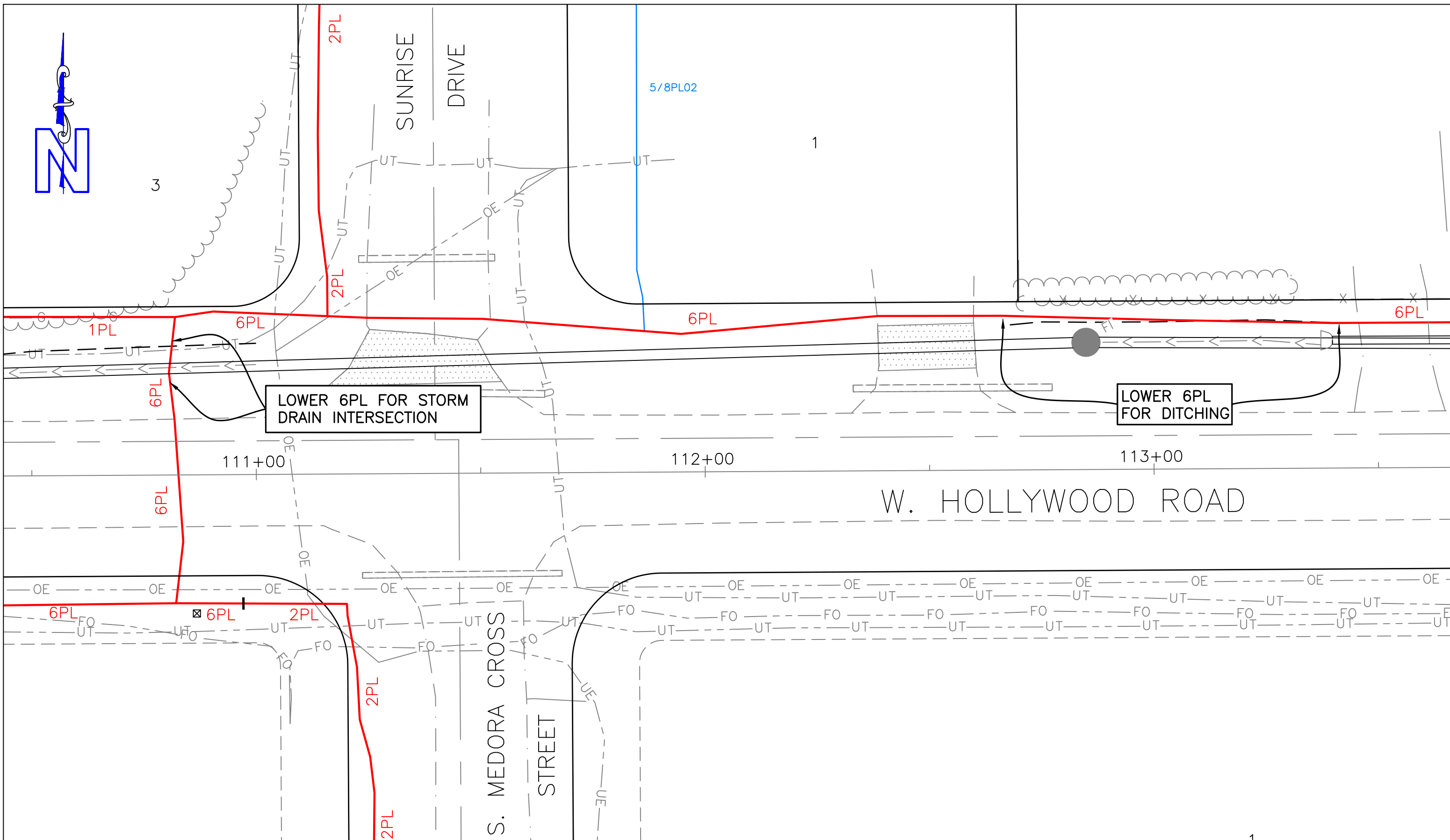


ER #:  
 PROP #: 8797  
 GRID(S): NW3236

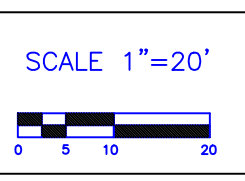
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 A. PIPE DIAMETER: 2"  
 B. WALL THICKNESS OR SDR:SDR11  
 C. MATERIAL GRADE: PE 3408/4710  
 D. COATING TYPE: N/A  
 E. MAOP: 60 PSIG

	BY	DATE	CHKD
REVISION	JA	3-18-26	CL
ORIGINAL	JA	3-11-26	CL

AM 26-067



PROPOSED GAS LINES  
**JOLLY CREEK PH 1 & 2**  
 SHEET 2 OF 11

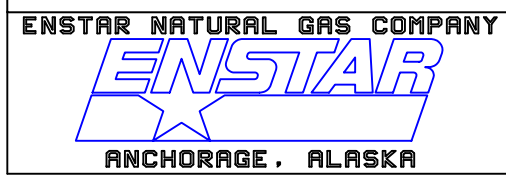
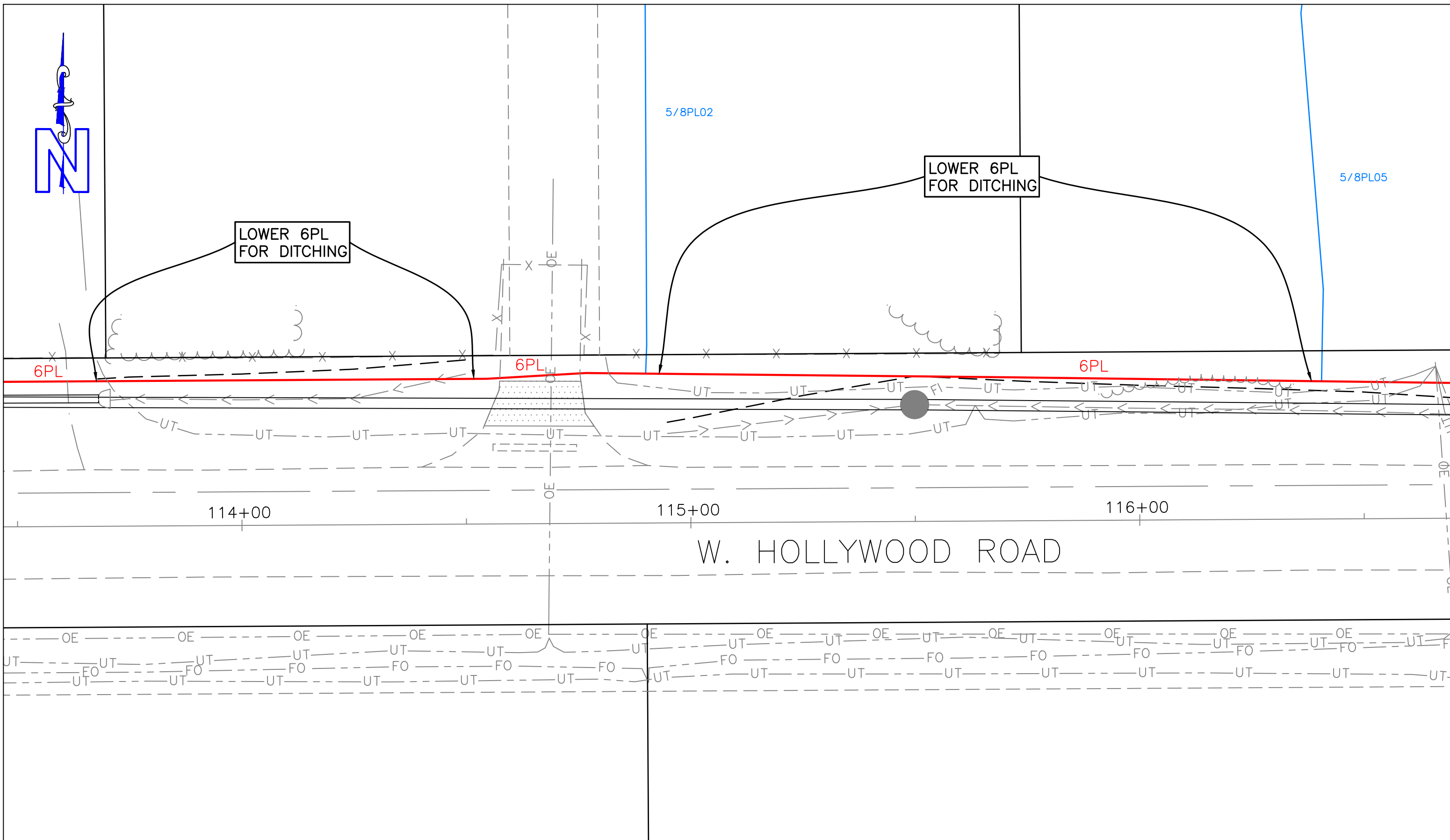


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 PROP #: 8797  
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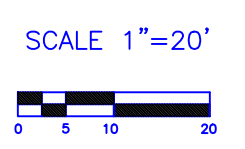
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 A. PIPE DIAMETER: 2"  
 B. WALL THICKNESS OR SDR:SDR11  
 C. MATERIAL GRADE: PE 3408/4710  
 D. COATING TYPE: N/A  
 E. MAOP: 60 PSIG

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PROPOSED GAS LINES  
**JOLLY CREEK PH 1 & 2**  
 SHEET 3 OF 11

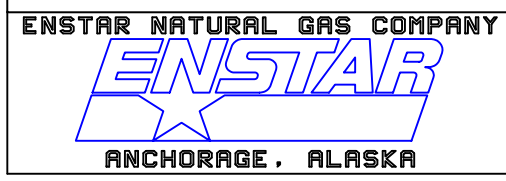
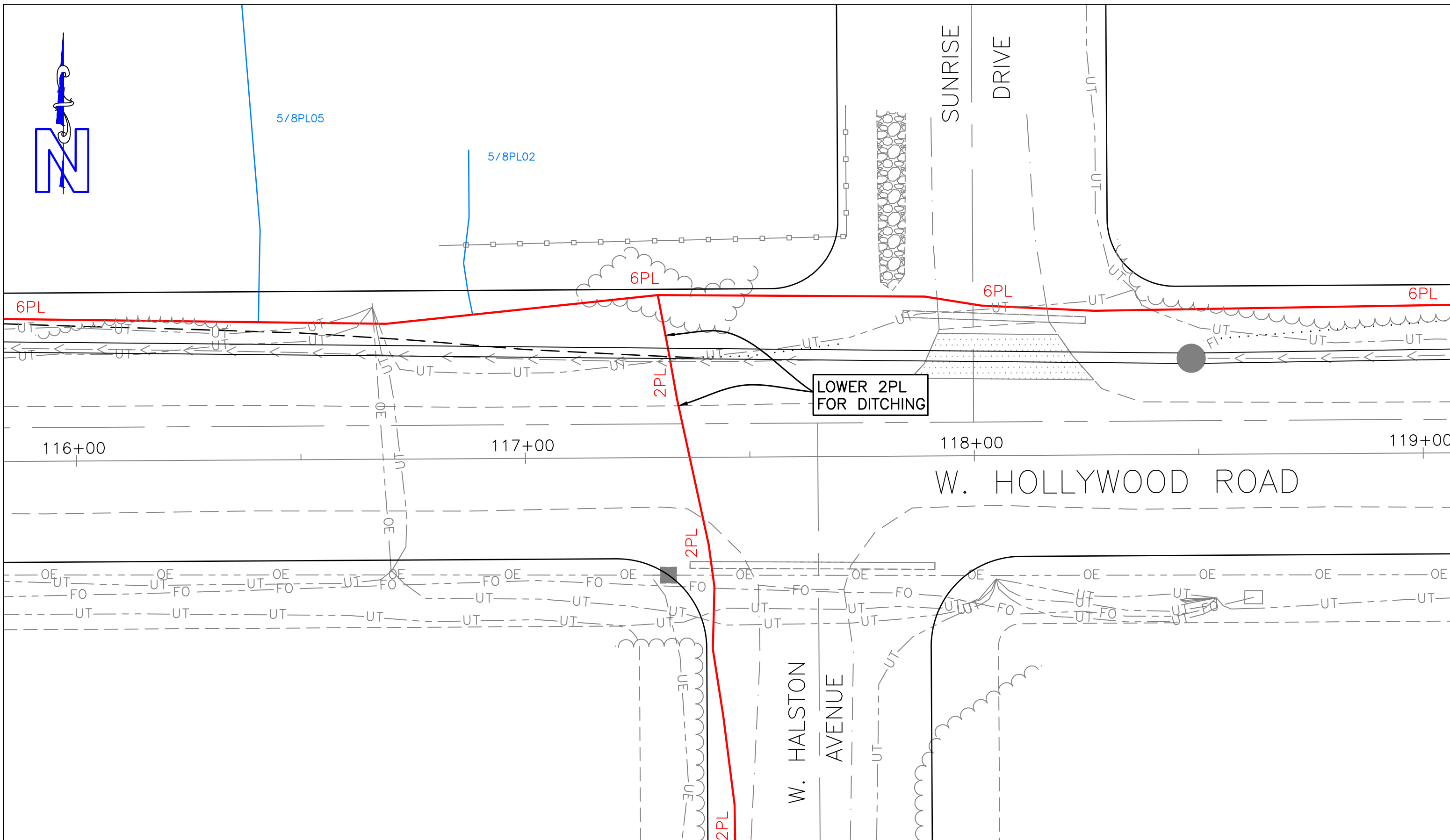


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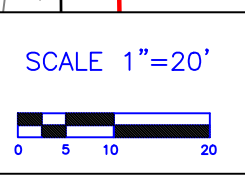
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 B. WALL THICKNESS OR SDR: SDR11  
 C. MATERIAL GRADE: PE 3408/4710  
 D. COATING TYPE: N/A  
 E. MAOP: 60 PSIG

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ORIGINAL	JA	3-11-26	CL

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PROPOSED GAS LINES  
**JOLLY CREEK PH 1 & 2**  
 SHEET 4 OF 11

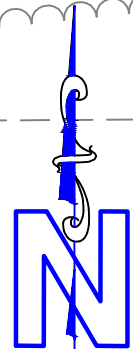
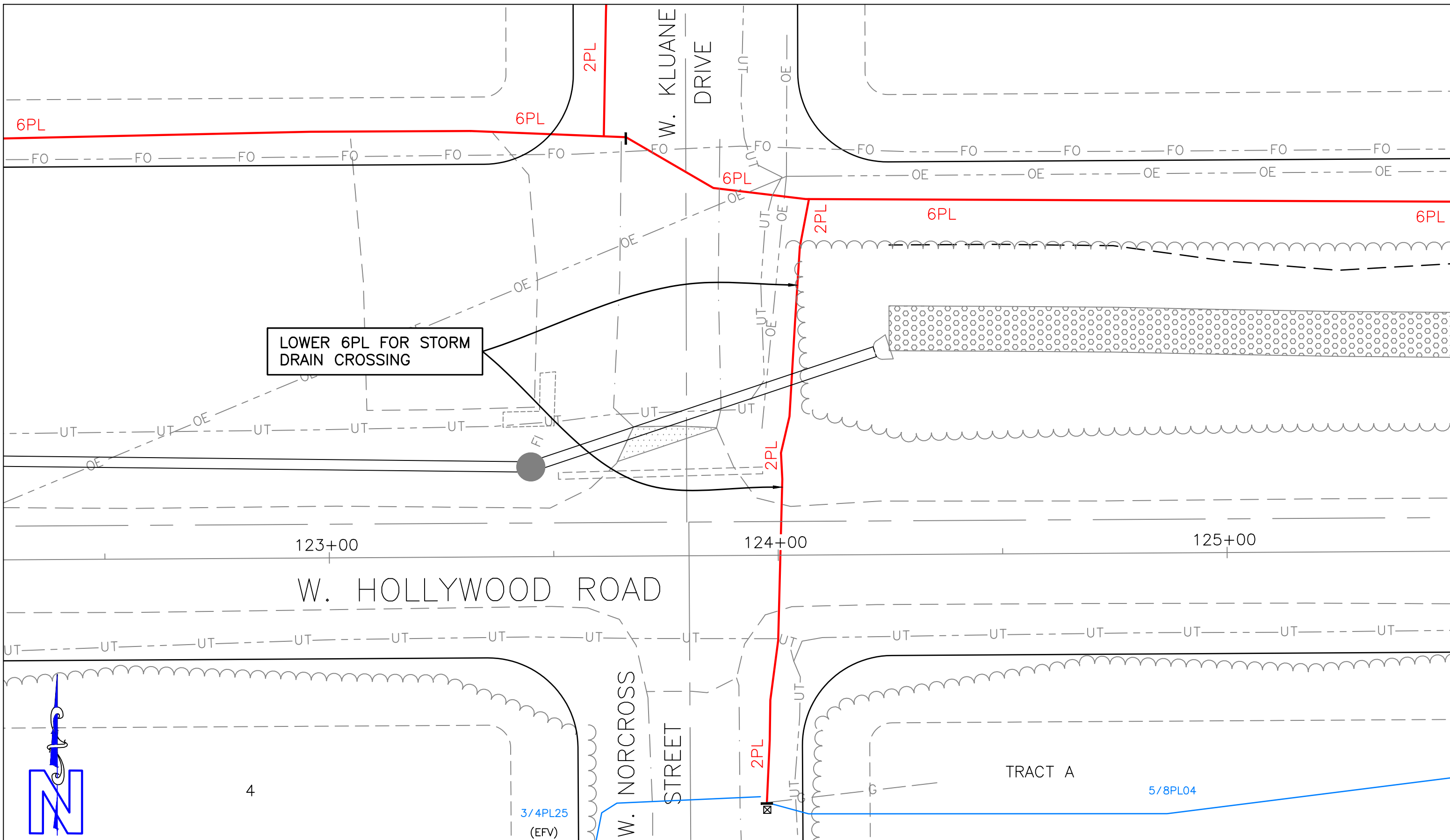


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 PROP #: 8797  
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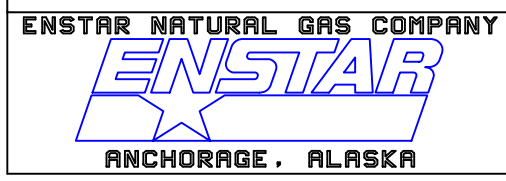
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 D. COATING TYPE: N/A  
 E. MAOP: 60 PSIG

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REVISION	JA	3-18-26	CL
ORIGINAL	JA	3-11-26	CL

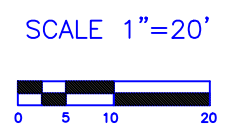
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PROPOSED GAS LINES  
**JOLLY CREEK PH 1 & 2**  
 SHEET 5 OF 11

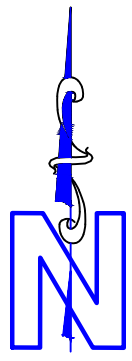


ER #:  
 PROP #: 8797  
 GRID(S): NW3236

DESIGN SPECIFICATIONS:  
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 B. WALL THICKNESS OR SDR:SDR11  
 C. MATERIAL GRADE: PE 3408/4710  
 D. COATING TYPE: N/A  
 E. MAOP: 60 PSIG

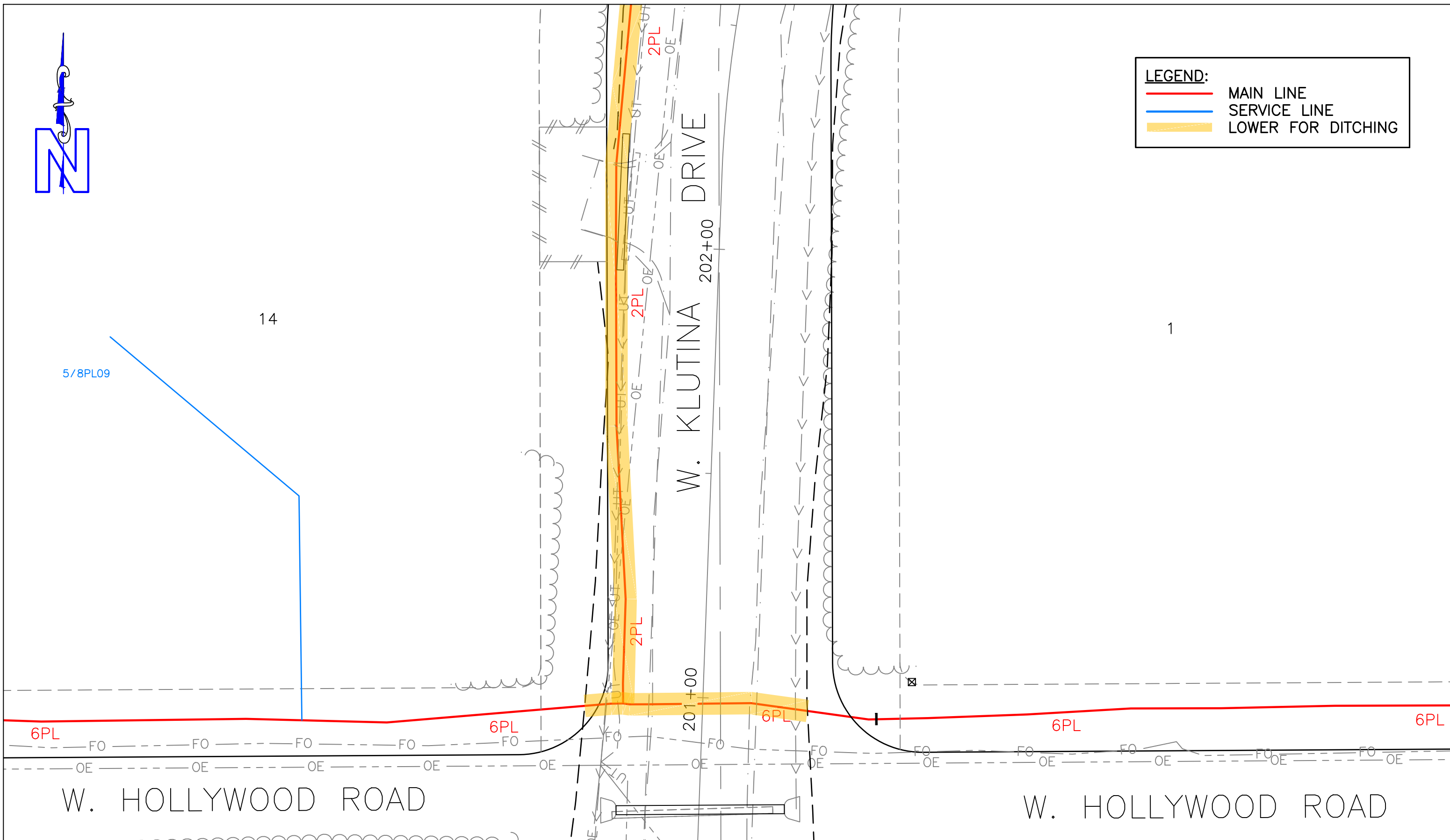
	BY	DATE	CHKD
REVISION	JA	3-18-26	CL
ORIGINAL	JA	3-11-26	CL


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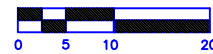
**LEGEND:**

- MAIN LINE
- SERVICE LINE
- LOWER FOR DITCHING



ENSTAR NATURAL GAS COMPANY  
  
 ANCHORAGE, ALASKA

PROPOSED GAS LINES  
**JOLLY CREEK PH 1 & 2**  
 SHEET 6 OF 11

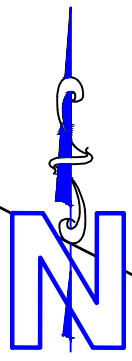
SCALE 1"=20'  


ER #:  
 PROP #: 8797  
 GRID(S): NW3236

DESIGN SPECIFICATIONS:  
 A. PIPE DIAMETER: 2"  
 B. WALL THICKNESS OR SDR:SDR11  
 C. MATERIAL GRADE: PE 3408/4710  
 D. COATING TYPE: N/A  
 E. MAOP: 60 PSIG

	BY	DATE	CHKD
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ORIGINAL	JA	3-11-26	CL

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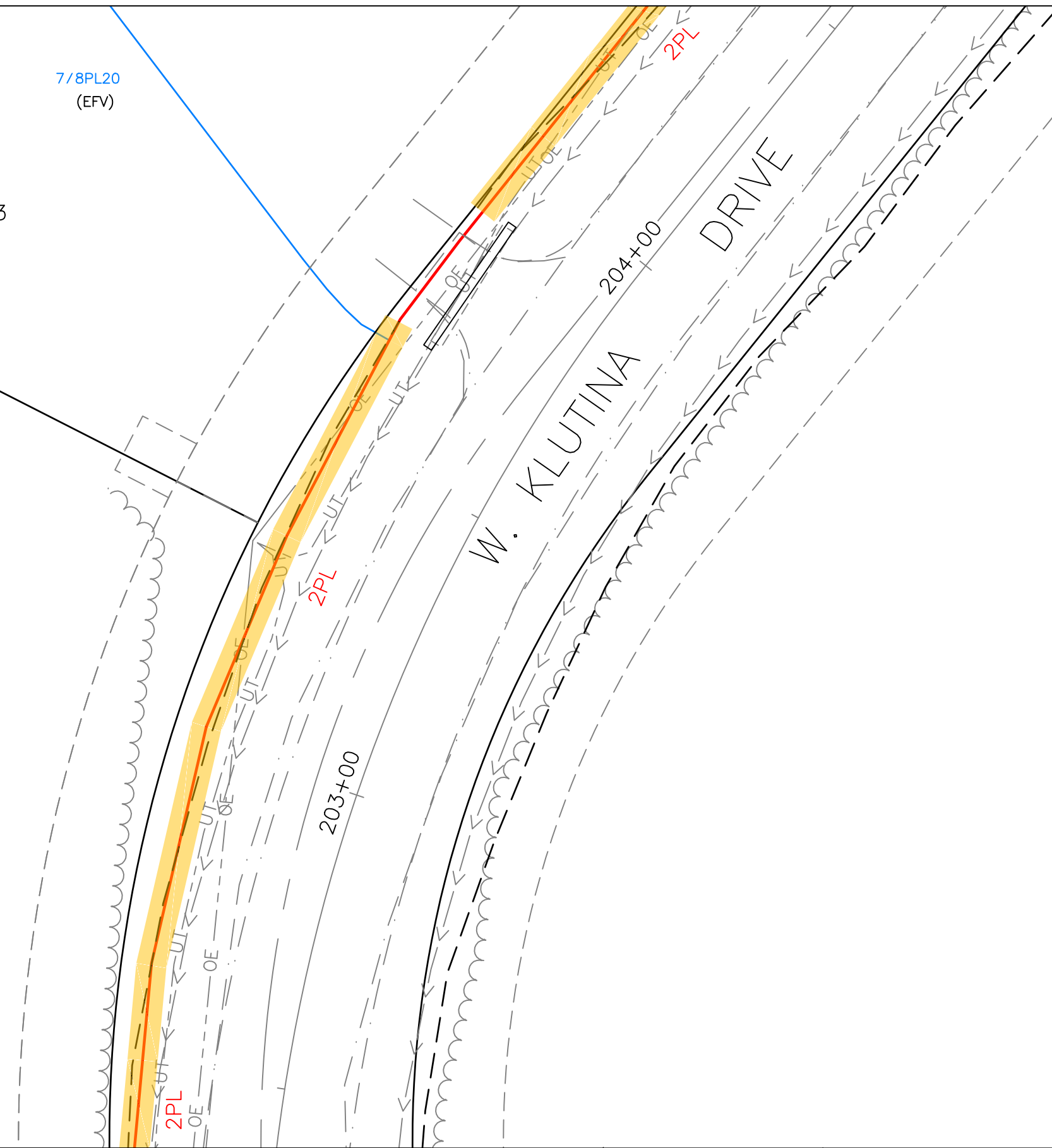
7/8PL20  
(EFV)

13


14

**LEGEND:**

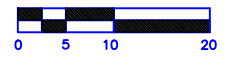
- MAIN LINE
- SERVICE LINE
- LOWER FOR DITCHING



1

ENSTAR NATURAL GAS COMPANY  
  
 ANCHORAGE, ALASKA

PROPOSED GAS LINES  
**JOLLY CREEK PH 1 & 2**  
 SHEET 7 OF 11

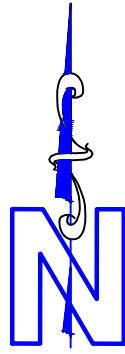
SCALE 1"=20'  


ER #:  
 PROP #: 8797  
 GRID(S): NW3236

**DESIGN SPECIFICATIONS:**  
 A. PIPE DIAMETER: 2"  
 B. WALL THICKNESS OR SDR: SDR11  
 C. MATERIAL GRADE: PE 3408/4710  
 D. COATING TYPE: N/A  
 E. MAOP: 60 PSIG

	BY	DATE	CHKD
REVISION	JA	3-18-26	CL
ORIGINAL	JA	3-11-26	CL

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LEGEND:	
	MAIN LINE
	SERVICE LINE
	LOWER FOR DITCHING

12

3/4PL24  
(EFV)

205+00

206+00

W. KLUTINA DRIVE

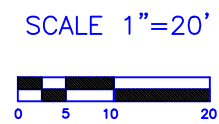
W. KLONDIKE DR

5/8PL09

1



PROPOSED GAS LINES  
**JOLLY CREEK PH 1 & 2**  
 SHEET 8 OF 11

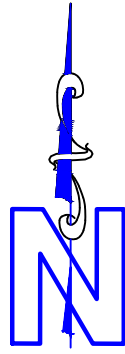


ER #:  
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 GRID(S): NW3236

DESIGN SPECIFICATIONS:	
A.	PIPE DIAMETER: 2"
B.	WALL THICKNESS OR SDR:SDR11
C.	MATERIAL GRADE: PE 3408/4710
D.	COATING TYPE: N/A
E.	MAOP: 60 PSIG

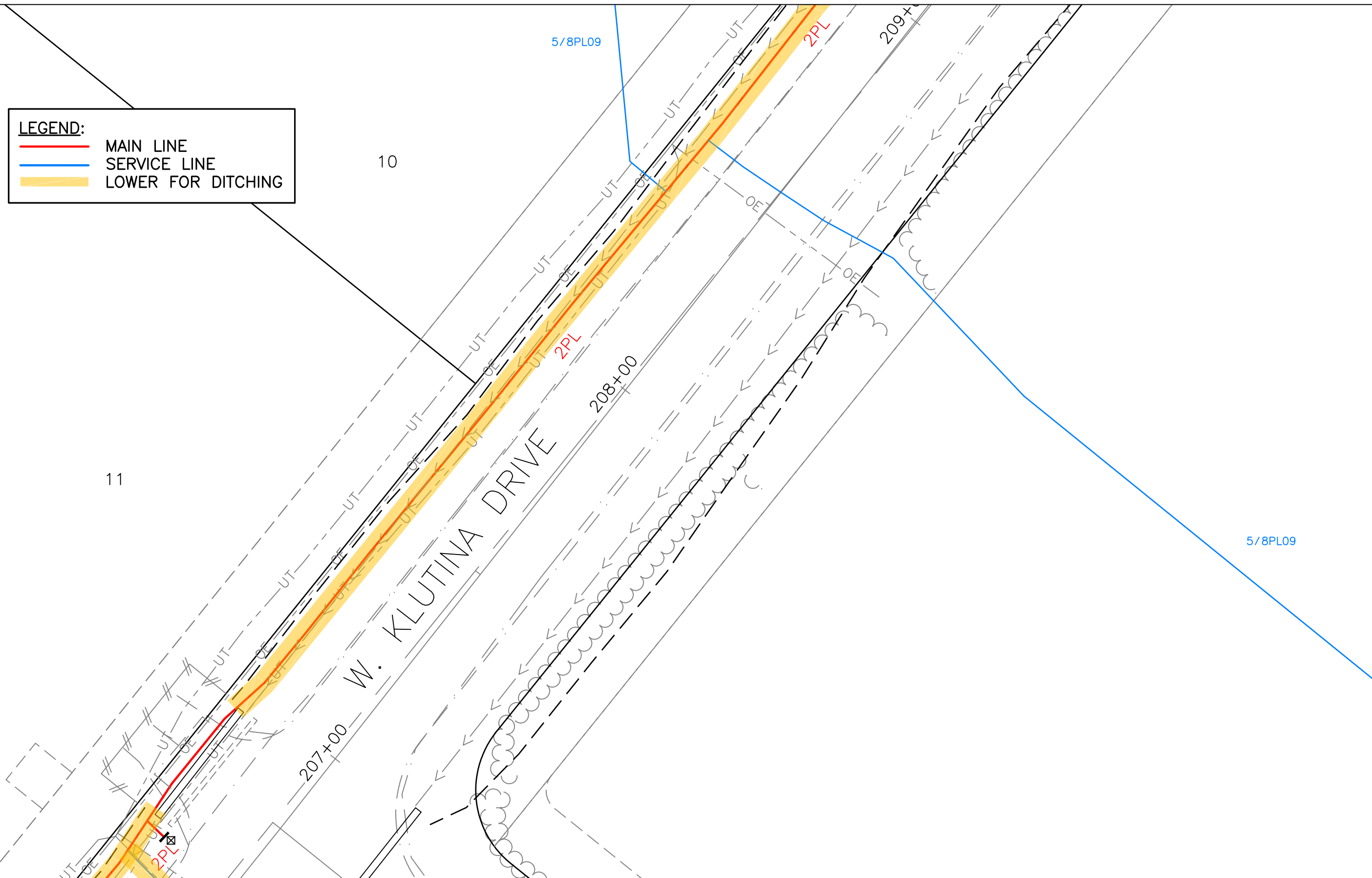
	BY	DATE	CHKD
REVISION	JA	3-18-26	CL
ORIGINAL	JA	3-11-26	CL

AM 26-067



**LEGEND:**

- MAIN LINE
- SERVICE LINE
- LOWER FOR DITCHING



ENSTAR NATURAL GAS COMPANY

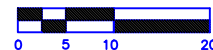


PROPOSED GAS LINES

# JOLLY CREEK PH 1 & 2

SHEET 9 OF 11

SCALE 1"=20'



ER #:

PROP #: 8797

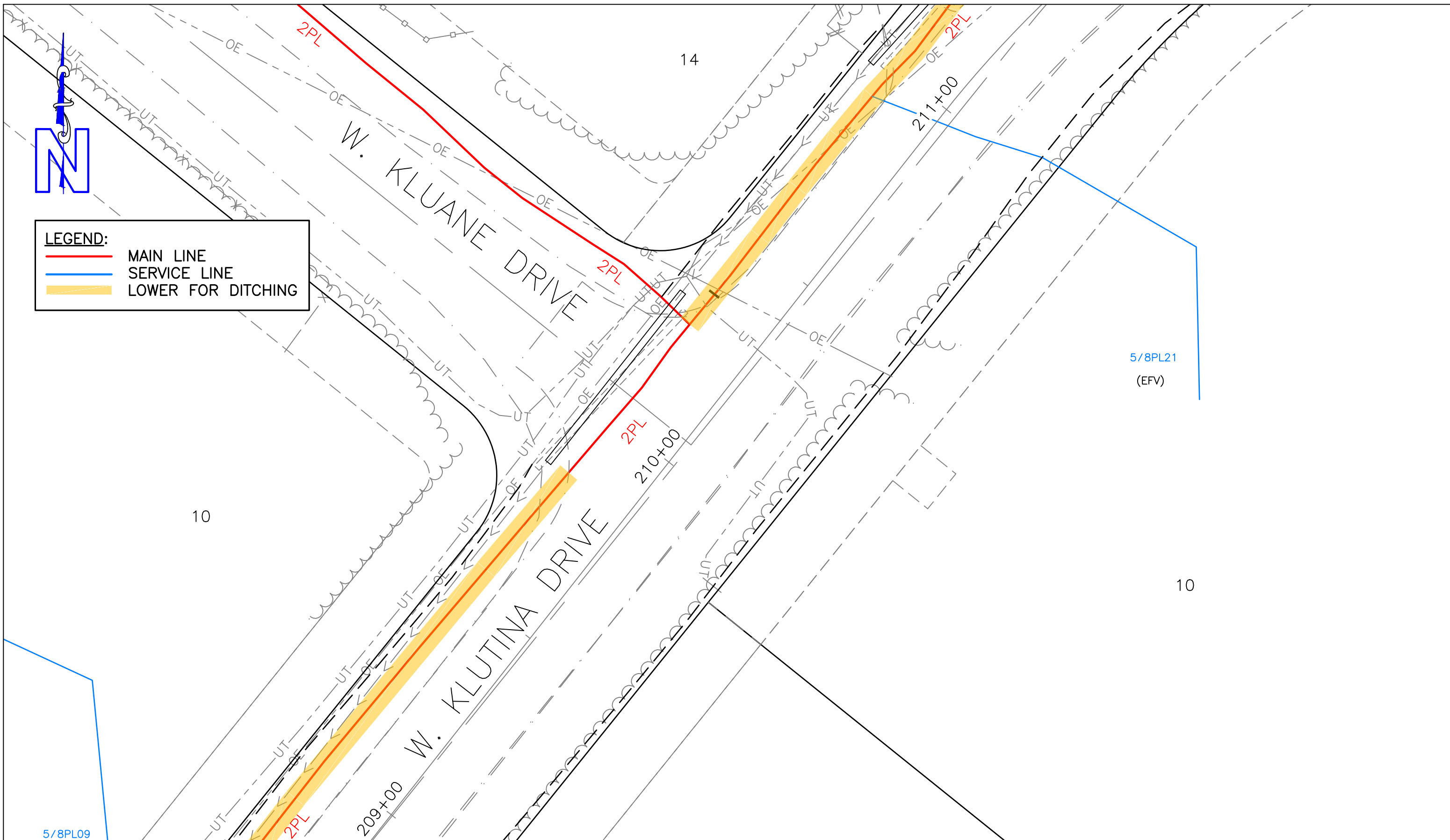
GRID(S): NW3236

**DESIGN SPECIFICATIONS:**

- A. PIPE DIAMETER: 2"
- B. WALL THICKNESS OR SDR: SDR11
- C. MATERIAL GRADE: PE 3408/4710
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- E. MAOP: 60 PSIG

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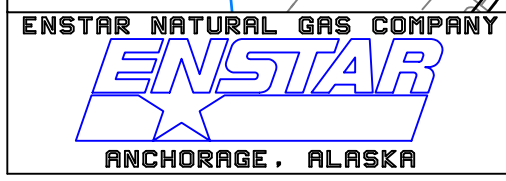
AM 26-067



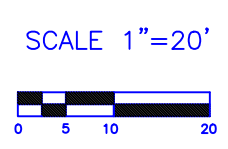
**LEGEND:**  
 ——— MAIN LINE  
 ——— SERVICE LINE  
 LOWER FOR DITCHING

5/8PL09

5/8PL21  
(EFV)



PROPOSED GAS LINES  
**JOLLY CREEK PH 1 & 2**  
 SHEET 10 OF 11

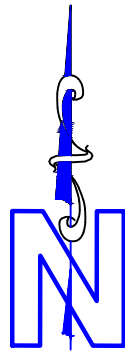


ER #:  
 PROP #: 8797  
 GRID(S): NW3236-7

**DESIGN SPECIFICATIONS:**  
 A. PIPE DIAMETER: 2"  
 B. WALL THICKNESS OR SDR: SDR11  
 C. MATERIAL GRADE: PE 3408/4710  
 D. COATING TYPE: N/A  
 E. MAOP: 60 PSIG

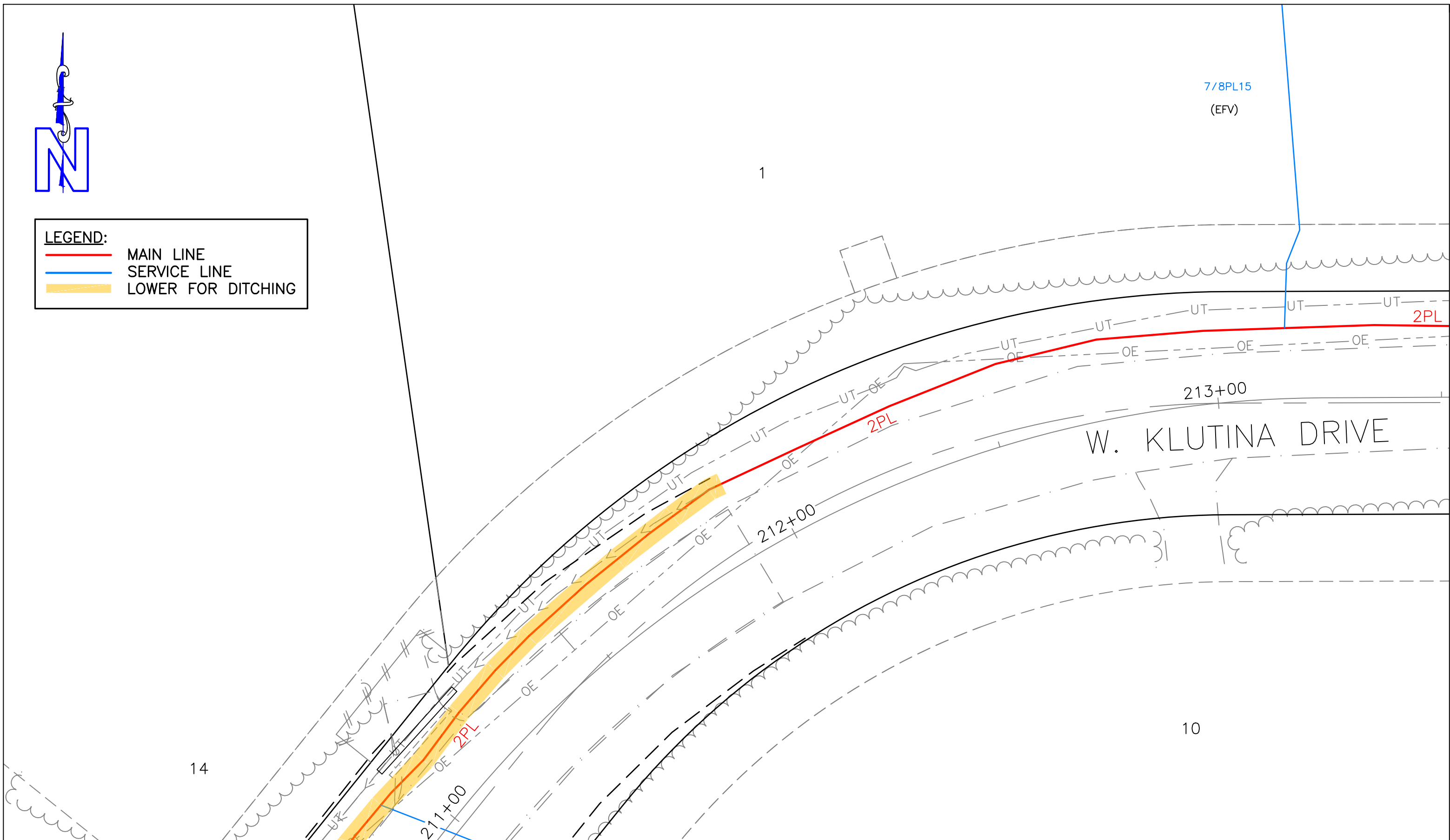
	BY	DATE	CHKD
REVISION	JA	3-18-26	CL
ORIGINAL	JA	3-11-26	CL

AM 26-067




**LEGEND:**

- MAIN LINE
- SERVICE LINE
- LOWER FOR DITCHING



ENSTAR NATURAL GAS COMPANY



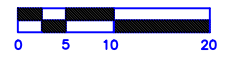
ANCHORAGE, ALASKA

PROPOSED GAS LINES

# JOLLY CREEK PH 1 & 2

SHEET 11 OF 11

SCALE 1"=20'



ER #:  
 PROP #: 8797  
 GRID(S): NW3237

**DESIGN SPECIFICATIONS:**

A. PIPE DIAMETER: 2"
B. WALL THICKNESS OR SDR: SDR11
C. MATERIAL GRADE: PE 3408/4710
D. COATING TYPE: N/A
E. MAOP: 60 PSIG

	BY	DATE	CHKD
REVISION	JA	3-18-26	CL
ORIGINAL	JA	3-11-26	CL

**AM 26-067**