



Sponsor: Lee Burger, Mayor
Introduction: September 6, 2022
Vote: 5 Yeas, 0 Nays, 2 Absent

RESOLUTION 22-09-06-02
CITY OF THORNE BAY

A RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF THORNE BAY, ALASKA,
AWARDING THE BAY CHALET BUILDING REMOVAL SERVICES BID TO GINGER HIRATA
TRUCKING

WHEREAS, the City Council is the governing body for the City of Thorne Bay, Alaska;
and

WHEREAS, the City desires to demolish and remove the Thorne Bay Community
Center known as the Bay Chalet, which has been closed and condemned for at least
the last 2 years; and

WHEREAS, the City advertised the Sale of the Bay Chalet in 2021 for \$10,000, thinking
it had a value of equal to or greater than that amount in the salvage value of the
building materials such as lumber, metal roofing and siding and fixtures; and

WHEREAS, the City got no bids on the 2021 RFP and decided to readvertise for
Building Removal Services on August 9, 2022, for the removal of the Bay Chalet
Building but put no minimum sale price on the building, only that it get removed and
the lot cleaned up; and

WHEREAS, the City anticipated that the Bay Chalet Building had enough salvage value
that it may be a zero dollar bid or a small enough bid that it would not need a special
Council approved budget in order to award the bid; and

WHEREAS, the City received one bid in the amount of \$18,000.00, from Ginger Hirata
Trucking on August 29, 2022 but does not have a Council approved budget to be able
to award a contract for this amount; and

WHEREAS, the City did specify in the RFP that the building needed to be removed and
the lot cleaned up in a rather short period of time, providing only roughly 30 days to
complete the work; and

WHEREAS, the City staff understands this time constraint likely caused the bid to be
higher than originally anticipated and would likely cause the need for contractor
employees to complete the work on time and this would increase the costs of labor,
insurance, workman's compensation and the like thus resulting in higher bids; and

WHEREAS, the City administration has determined that the bid is fair given the fact that contractor's generally price bids to cover their costs plus make a reasonable profit for their effort and the City really has no idea how much actual salvage value would remain once all the costs are realized and the actual condition of the building materials could be assessed after removal; and

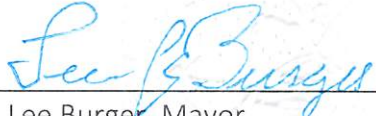
WHEREAS, the City recognizes there is a cost to delaying an award or a rebid situation due to the current environment of extremely high inflation and the staff time to rework the RFP and rebid the building removal services for a third time; and

WHEREAS, the City has the funding to establish a budget for the project in the Community Development Sales Tax fund and could appropriate enough funds to create the project budget to award the project if so desired: and

WHEREAS, the City Administration recommends award of the project to accomplish the work envisioned by the RFP in a timely manner and while the seasonal weather conditions are still favorable and also recommends allowing additional time to complete the work from September 30th to October 15th since some time has already expired in preparing and awaiting Council approval to set the budget and award the contract.

THEREFORE, BE IT RESOLVED, by the Thorne Bay City Council, the City of Thorne Bay hereby establishes a budget for the removal of the Bay Chalet Building, which will be funded from the Community Development Sales Tax Savings Fund, extends the time for completion of the work to October 15th, 2022 and awards the Building Removal Services Contract to Ginger Hirata Trucking in the amount of \$18,000.00.

PASSED AND APPROVED September 6, 2022



Lee Burger, Mayor

ATTEST:


Teri Feibel, CMC