



# MUNICIPALITY OF ANCHORAGE

## Assembly Information Memorandum

AIM No. 207 - 2024

Municipal Clerk's Office

Meeting Date: December 17, 2024

**Accepted**

Date: **December 17, 2024**

1 **FROM: MAYOR**

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3 **SUBJECT: WAIVER OF PROCUREMENT REQUIREMENTS FOR CHUGIAK-**  
4 **EAGLE RIVER SENIOR CENTER WATER DAMAGE REPAIR.**

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6 This Assembly Information Memorandum transmits the information required by  
7 Anchorage Municipal Code (AMC) Title 7 under 7.20.090 B.

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9 On December 11, 2024, Mayor LaFrance authorized waiving formal procurement  
10 requirements to allow for expedited final repair to apartments damaged by flooding  
11 at the Chugiak-Eagle River Senior Center in three separate events.

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13 On July 4, 2024, two apartments at the Chugiak-Eagle River Senior Center  
14 sustained water damage caused by flooding in an upstairs apartment. The flooding  
15 was not related to the mechanical systems in the building.

16  
17 On October 21, 2024, a valve failed in the fire suppression system at the Chugiak-  
18 Eagle River Senior Center, resulting in extensive flooding and water damage to five  
19 occupied apartments.

20  
21 On November 25, 2024, a valve failed in the fire suppression system at the Chugiak-  
22 Eagle River Senior Center, resulting in extensive flooding and water damage to two  
23 occupied apartments.

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25 Initial mitigation of water damage to all rooms has been completed. Chugiak-Eagle  
26 River Senior Center contracted for the initial mitigation work on the two rooms  
27 damaged on July 4, 2024. MOA Maintenance & Operations contracted for the initial  
28 mitigation work on the rooms damaged in October and November. The M&O  
29 contracts were issued under separate waivers authorized by Mayor LaFrance to  
30 expedite mitigation and protect the building from further damage.

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32 All damaged rooms now require final repairs to make them habitable. Required  
33 work includes replacing drywall, carpet, vinyl flooring, trim, cabinets, and  
34 countertops in some rooms. Mayor LaFrance has authorized waiving the formal  
35 procurement procedures to expedite this final work. This authorization was issued  
36 under the provisions of AMC 7.20.090 A.2.

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39 A. The municipality may award a contract for supplies, services, professional

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services or construction without competition, formal advertising or other formal procedures if:

- 2. The mayor waives, in writing, the formal procedures of this title when time is of the essence and there is not sufficient time to bring the request to a regular meeting of the assembly, and the best interests of the municipality will be served by such action.

Eleven residents continue to be displaced from their homes. Several residents are medically fragile, and some are now living in a repurposed kitchen area in the Senior Center. It is in the best interests of the Municipality, and the residents, to return residents to their homes as quickly as possible, which justifies the application of AMC 7.20.090 A.2.

Goertz Construction, Inc. was contacted to discuss performing the work. Goertz has extensive experience in this type of work, and they have done work for the Municipality in the past. Goertz was able to provide a quote for the work on short notice and have indicated they are able to begin work immediately upon issuance of a Notice to Proceed.

AMC 7.20.090 C.2 states that a contract issued under the waiver provisions of AMC 7.20.090 A.2 may not be executed until 48 hours after the Assembly is notified of a waiver. Mayor LaFrance authorized the waiver on December 11. The intent is to execute a contract on Friday, December 13.

The cause of the failure of the fire suppression system is under investigation. M&O is bringing in a fire suppression system contractor, currently under a term contract, to look into the matter.

The waiver signed by Mayor LaFrance and a memo from Public Works Director Kent Kohlhase transmitting the mayor's waiver to assembly members on December 11, 2024, as required by AMC 7.20.090 C.2, are attached to this AIM.

Prepared by:	Public Works Department
Approved by:	Kent Kohlhase, P.E., Director, Public Works Department
Concur:	William D. Falsey, Acting Chief Administrative Officer
Concur:	Rebecca A. Windt Pearson, Municipal Manager
Respectfully submitted:	Suzanne LaFrance, Mayor



To: Suzanne M. LaFrance  
Mayor

From: Kent Kohlhase, P.E.  
Director of Public Works

Date: December 11, 2024

Subject: Assessment and Repair of the Chugiak-Eagle River Senior Center

The Maintenance and Operations (M&O) department respectfully requests waiver of Anchorage Municipal Code Title 7 in order to non-competitively procure construction services for final repair of damages due to flooding at the Chugiak-Eagle River Senior Center in accordance with Anchorage Municipal Code. The waiver is requested under the authority provided in AMC 7.20.090 A.2:

**7.20.090 Emergency procurements and waiver of formal procurement procedures.**

- A. The municipality may award a contract for supplies, services, professional services or construction without competition, formal advertising or other formal procedure if:
1. The mayor determines in writing that an emergency threatening the public health, safety or welfare requires that the contract be awarded without delay; or
  2. **The mayor waives, in writing, the formal procedures of this title when time is of the essence and there is not sufficient time to bring the request to a regular meeting of the assembly, and the best interests of the municipality will be served by such action.**

The Chugiak-Eagle River Senior Center has had three separate events resulting in flooding of nine resident apartments.

- On July 4, 2024, two apartments at the Senior Center sustained water damage caused by flooding in an upstairs apartment. The flooding was not related to mechanical or plumbing systems in the building.
- On October 21, 2024, a valve failed in the fire suppression system, resulting in extensive flooding and water damage to five occupied apartments. This event also caused damage to an adjacent hallway and an arctic entry.



- On November 25, 2024, a valve failed in the fire suppression system, resulting in extensive flooding and water damage to two occupied apartments. This event also caused damage to an adjacent office, hallway, and bathroom.

The affected portion of the building is not habitable. Eleven residents remain displaced as a result of these events. Several of the residents are considered medically fragile. Because of lack of available assisted care space, some displaced residents are currently housed in a converted kitchen area in the Senior Center.

M&O has obtained a quote from Goertz Construction, Inc. to repair all damage from the three events. The total quote for this work is \$135,411. Goertz is a reputable and trusted company that has done work for MOA in the past.

Before issuing a Notice to Proceed, the Mayor's approval of a waiver to Title 7 is required. A waiver of the competitive procurement process is appropriate because time is of the essence and the best interests of the municipality will be served by waiving formal procurement procedures for a Professional Services Contract.

This waiver is requested under the provisions of AMC 7.20.090 A.2. The waiver authorizes award of a contract without competition. AMC 7.20.090 C.2 states that a contract authorized under such a waiver shall not be awarded less than 48 hours after assembly notification. Upon approval of the waiver, the Assembly will be immediately informed. We anticipate awarding a contract Friday, December 13.



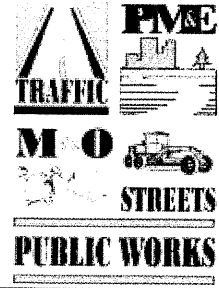
Approved by: Mayor Suzanne M. LaFrance

Date: 12/11/2024




**Municipality of Anchorage  
Public Works Department**

**MEMORANDUM**



**DATE:** November 26, 2024

**TO:** Assembly Members

**FROM:** Kent Kohlhase, P.E.   
Public Works Director

**SUBJECT: Waiver of Procurement Requirements  
Chugiak-Eagle River Senior Center Water Damage Mitigation**

This memorandum transmits a Mayoral waiver of the formal procurement procedures in accordance with AMC 7.20.090.

On Monday, November 25, a valve failed in the fire suppression system in the Chugiak-Eagle River Senior Center, resulting in extensive flooding and water damage to two occupied apartments and adjacent areas. A portion of the building is uninhabitable.

In order to respond as quickly as possible to mitigate damage to the building, Mayor LaFrance signed a waiver of formal procurement procedures. The authorization was issued under the provisions of AMC 7.20.090 A.1:

**7.20.090 Emergency procurements and waiver of formal procurement procedures.**

- A. The municipality may award a contract for supplies, services, professional services or construction without competition, formal advertising or other formal procedure if:
1. The mayor determines in writing that an emergency threatening the public health, safety or welfare requires that the contract be awarded without delay; or

AMC 7.20.090 paragraph B requires reporting to the assembly. Paragraph C.1 requires reporting to the assembly within 24 hours and provides that a contract may not exceed 21 days without assembly approval. This memorandum provides the required report.

- B. Except as required by subsection C., contracts awarded under this section shall be reported in writing to the assembly as soon as practicable, and also by attachment of the written notice to an information memorandum submitted for inclusion as an agenda item no later than the second regular meeting following award of the contract. The report shall include

justification for the contract including under which subsection justification is claimed, stating with particularity the facts and circumstances relied upon for the justification, all costs of the contract, and identification of the persons or entity awarded the contract.

C. Waivers granted under subsections A.1. and A.2. shall be reported in writing to the assembly within 24 hours of issuance including all the information that is required in subsection B. The assembly may revoke a waiver by resolution.

1. The term of any contract awarded pursuant to waiver under subsection A.1. may not exceed 21 days without assembly approval by resolution.

**Justification:**

Justification is claimed under subsection A.1. Flooding in the building was damaging insulation, drywall, carpeting, personal belongings, and structural elements of the building. Residents have been displaced, and it is imperative to remove wet and damaged items to stop further damage and to prevent the occurrence of mold and other health hazards.

**All costs of the contract.**

We intend to enter into a Not-to-Exceed contract with Taylored Restoration for a maximum of \$55,000. This is a real-time response to an emergent situation. Costs for the immediate response and cleanup of water damage will be tracked by M&O staff on a time and materials basis.

**Entity awarded the contract.**

Taylored Restoration was selected to perform this response. They have extensive experience in this type of work. We are finalizing the specific terms of the contract with Taylored Restoration and expect to have an executed contract this afternoon.

We will provide additional information as work progresses.