



MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 785-2023

Meeting Date: October 10, 2023

1 **From:** MAYOR

2
3 **Subject:** RECOMMENDATION OF AWARD OF A NON-ENCUMBERING CONTRACT
4 WITH HIGHMARK SERVICES (HIGHMARK) TO PROVIDE SNOWPLOWING
5 AND REMOVAL SERVICES TO THE MUNICIPALITY OF ANCHORAGE
6 (MOA), ANCHORAGE WATER AND WASTEWATER UTILITY (AWWU) (NOT
7 TO EXCEED \$351,607.50).
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9 AWWU requested that the Purchasing Department issue an Invitation to Bid (ITB) for
10 snowplowing and snow removal services for all AWWU facilities. As a result, ITB 2023B072
11 was issued on August 9, 2023. Bids were opened on September 6, 2023. The solicitation was
12 divided into three different bid schedules, and a total of 10 contractors submitted bids.
13 Highmark provided the lowest responsive and responsible bid for schedules two and three.
14 AWWU is requesting approval of a Non-Encumbering Contract to Highmark with a Not to
15 Exceed (NTE) amount of \$351,607.50 for the period of performance beginning upon
16 execution through a period of 12 months, with two additional one-year options to renew at the
17 same unit prices, upon mutual consent of both parties and lawful appropriation of funds.
18

19 These services have historically been performed by AWWU staff. Due to multiple factors,
20 including staffing issues, equipment maintenance concerns, productivity considerations, and
21 other reasons, AWWU has determined that contracting these services out is more cost-
22 effective and efficient. This Contract will support snowplowing and removal at 64 primarily
23 remote AWWU locations. A subsequent Contract for AWWU headquarters and other main
24 sites is expected to be awarded through another solicitation, prior to the first snowfall.
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26 Based upon the above information it is recommended that the Assembly approve this Non-
27 Encumbering Contract with Highmark in the NTE amount of \$351,607.50, with two one-year
28 options to renew at the same unit price, upon mutual consent of both parties and lawful
29 appropriation of funds. If all options are exercised, the total NTE amount will be
30 \$1,054,822.50. The contractor is offering a 20% prompt payment discount, which has the
31 potential of reducing the estimated spend to \$281,286.00 per year. As this Contract is non-
32 encumbering, funding sources will be identified prior to the issuance of purchase orders
33 authorizing the individual requests for this service.
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35 Prepared by: Ryan Marquis, Principal Commodity Buyer, Purchasing
36 Reviewed by: David Robl, Foreman, AWWU
37 Recommended by: Mark A. Corsentino, P.E., General Manager, AWWU
38 Concurrence: Rachelle A. Alger, Purchasing Director
39 Fund Concurrence: Alden Thern, CFO
40 (Non-Encumbering – Various Accounts)
41 Concur: Kent Kohlhase, Municipal Manager
42 Respectfully submitted: Dave Bronson, Mayor
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