



## CITY OF WASILLA

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COUNCIL MEMORANDUM NO. 91-96

FROM: Deputy Administrator

DATE: November 27, 1991

RE: Engineer Consultant

Since the resignation of Gilfilian Engineering from performing as City Engineer, the administration and the Council have been without ready access to engineering advice or assistance. All projects with estimated engineering fees in excess of \$5,000 have required a time-consuming RFP process to select a consultant. Each new engineering consultant requires time (money) to get familiar with City background information.

The City can continue to solicit and evaluate proposals for virtually every engineering question or task that arises or, alternatively, can choose one of several options to obtain efficiency and continuity of these professional services. Options include:

A. Full time staff engineer.

(1) Advantages

- (a) Readily available engineering advice for Council and administration.
- (b) Must be responsive to priorities established by supervisor.
- (c) Can perform minor engineering tasks "in house".
- (d) Can, with legal advice, prepare technical RFP's and design contracts.
- (e) Can usually provide construction inspection services.
- (f) Cost per hour of engineer design services generally less than other options.

(2) Disadvantages

- (a) Past experience of Wasilla and present Borough experience is that a large amount of staff engineer's time is performing other than technical engineering design work (i.e., responding to public/Council/staff inquiries on non-technical engineering matters).
- (b) Medium and large-scale engineering design and construction management activities will require additional staff or outside professional services contracts.
- (c) There is a natural tendency to want to "do more" which requires acquisition of more equipment, i.e., surveying, drafting, testing, vehicles, equipment and employees.

*Approved Option C*  
*12/9/91*

- (d) Based on low and high scale engineering salaries at the Borough (\$3,420/month to \$5,268/month) a reasonably experienced and competent engineer would expect to be paid \$4,000/month plus benefits or about \$60,000 per year. Probably less than 20% of the time will be on engineering design or on grant-funded projects.
- (e) The City would continually be paying engineering wages even if no engineering services were required for that day/week/month.
- (f) The majority of the engineer's salary would come from general revenue (taxes) rather than capital improvement grant funds.
- (g) City would provide office space, engineering equipment, automobile, travel expenses and all other attendant costs for operation of engineering office.

B. Engineer on Retainer

(1) Advantages

- (a) Provides reasonably available engineering services and becomes familiar with City facilities, utilities, plans, legal requirements for contracting practices.
- (b) Generally provides a determined number of hours of services by principal engineer, engineer technician, secretarial work, etc., for a predetermined price (retainer).
- (c) The "retained" engineer is available for technical assistance on RFP's and contracts.
- (d) Most of the engineering fees will be paid by capital improvement grant funds whenever the total tasked number of hours meets or exceeds the number of retained fee hours that is agreed upon.

(2) Disadvantages

- (a) The engineer on retainer is generally not eligible to propose on City engineering projects because he would be perceived as having advantageous information.
- (b) Most medium and large-size engineer projects would exceed the amount in the retainage contract and would have to be negotiated at a higher per hour cost or contracted to another agency.
- (c) The total monthly retainer fee would be paid to the engineer even if less than the agreed upon number of engineering hours are needed. The "non-used" hours will be charged to the general fund.
- (d) May not be as available as staff employee.

C. Selecting a "Regular" Engineer

(1) Advantages

- (a) Provides for reasonably available engineering services with consultant who becomes familiar with City facilities, utilities, plans, legal requirements for contracting practices.
- (b) Engineering fees are pre-negotiated and generally less than a consulting firm's regular fee schedule.
- (c) The regular consultant is available to perform engineering services on City projects up to a certain pre-determined size (dollar amount) without going through the RFP process.
- (d) For projects that exceed the pre-set dollar limit, or are otherwise beyond the capability of the consultant, the firm is available to assist on RFP's, design criteria and project inspections at the pre-negotiated price.
- (e) The consultant will only get paid by the City when specifically tasked and the majority of the funds will be from capital improvement grants rather than general revenue (taxes).
- (f) Since there is no wages, contract, or retainage fee pre-paid, staff and Council may more freely opt to use other consultants who may be considered to have more expertise in a given field.

(2) Disadvantages

- (a) Regular engineer is generally not permitted to propose on major projects (over the pre-set limit) because of real or perceived advantages.
- (b) The negotiated hourly fee for a regular engineer may be higher than a "retained" engineer.
- (c) May not be as immediately available as staff employee.

Recommendation: Administration be authorized to publish a request for proposals for local engineers who wish to act as the "regular" City Engineer. The Mayor would make a selection and request Council confirmation of a designated regular City Engineer.



Robert E. Harris  
Deputy Administrator