

MEMORANDUM

TO: NWABSD Board of Education
Members

DATE: April 30, 2024

NUMBER: 24-149

FM: Office of the Superintendent

SUBJECT: Approval Contract
increase; DD Strait, LLC

ABSTRACT

Contracts over \$50,000 require the approval of the Board.

ISSUE

The time and materials contract for DD Strait Consulting, LLC, needs to be increased from \$49,800 not to exceed the amount of \$79,800 to cover the cost of project management services for FY 2024.

BACKGROUND AND/OR PERTINENT INFORMATION:

Starting in May 2022 Dena Strait, through DD Strait Consulting, LLC, (DDSC) has supported the District's capital projects under the mentorship of long-time Capital Projects Manager Kathy Christy as she phased into retirement.

In June 2023 Dena Strait was given a contract for \$49,800 to take the lead in completing DEED grant applications and provide project management support while the District advertised for a replacement for Ms. Christy. That funding was only intended to go through the end of September 2023, but DD Strait Consulting, LLC is just now nearing the end of that funding. For reference, Kathy Christy typically requested \$95,000/year.

In early 2024 DD Strait Consulting, LLC was selected as the replacement capital projects manager following a competitive request for proposal process. DD Strait took on increased project management responsibilities as Kathy stepped back and she also prepared additional grant applications. Grant applications submitted since January 2024 include CAPSIS, Congressional Direct Spending (earmarks) to Representative Peltola's and Senator Murkowski's offices, and Denali Commission funding. Multiple projects were submitted for each of these funding sources. In addition, DD Strait Consulting is managing design and construction for Buckland, and the design and procurement for the replacement of the fire alarm systems at Selawik and Noorvik. DDSC has also supported the district in efforts related to AHFC funding that went to the City of Kotzebue. Additional pending duties are listed on the following page.

No additional funding has been added to the DDSC contract beyond the \$49,800 intended to fund the position through the end of September 2023. The DD Strait contract needs to be amended to reflect the increased responsibilities, extended length of contract, and corresponding compensation.

Funding for capital project management comes from the capital projects fund balance. Project Management efforts expended prior to a project being funded, such as grant writing, are charged to the capital budget. When a specific project is subsequently funded, the project budget pays for those project management services, thus reimbursing the district's capital budget.

The total contract is not to exceed \$79,800 and will cover all services in FY24. The amount includes both direct costs and reimbursable costs, such as travel and printing of grant applications. As a contractor instead of a district employee, DDSC does not receive District benefits. The capital project management contract is a Time and Materials contract and only direct time spent on District work is charged. Below is a chart showing budgetary numbers for the activities yet to occur in FY24, which was used to determine the requested amount for this contract increase.

Estimated Fee needed for April, May and June to complete FY24 work		Reimbursed by Grant if awarded?	
Selawik & Noorvik Fire Alarm bidding and contract award	\$3,000	yes	
Buckland Phase II (Summer '24) construction management	\$4,000	yes	
Buckland Phase III Grant application to Denali Commission (submitted in April)	\$2,000	yes	
Districtwide DDC application- Denali Commission April grant application and DEED FY26 application	\$3,500	yes	
Districtwide Fire Alarm application- Denali Commission April grant application, managing engineering and design to advance project, & DEED FY26 application	\$4,500	yes	
Deering – Managing design team and DEED FY26 grant application	\$8,000	yes	
General Assistance as requested by the District, attendance at Board meetings, etc.	\$5,000	No, but from capital budget	
	\$30,000		

ALTERNATIVES:

1. Approve increasing the DD Strait Consulting, LLC contract for capital project management services not to exceed \$79,800, as presented.
2. Do not approve increasing the DD Strait Consulting, LLC contract for capital project management services not to exceed \$79,800, as presented.
3. Take no final action.

ADMINISTRATION'S RECOMMENDATION:

The administration recommends the Board approve increasing the DD Strait Consulting, LLC contract for capital project management services not to exceed \$79,800, as presented.

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT

**ADDENDUM TO
MEMORANDUM OF AGREEMENT**

MOA # 22401

Between

Contractor Name: DD Strait Consulting LLC

Address: 3705 ARCTIC BLVD # 1348

ANCHORAGE AK 99503

and

Northwest Arctic Borough School District

The above referenced Memorandum of Agreement is hereby amended as follows:

MOA Addendum:

	<u>Amount</u>
Account #: <u>555.099.884.224.410 Original</u>	<u>\$ 49,800.00</u>
Account #: <u>555.099.884.224.410 Increase</u>	<u>\$ 30,000.00</u>
Account #: _____	<u>\$ _____</u>
Account #: _____	<u>\$ _____</u>
Account #: _____	<u>\$ _____</u>
NEW MOA Total:	<u>\$ 79,800.00</u>

Budget Authority Approval: _____

Contractor Additionally Agrees:

Additional Funds needed for capital projects FY24

District Additionally Agrees:

Date of Board Approval (if applicable): _____

Agreed to by:

Contractor, (Sign and Return to Program Contact Person) Date

Superintendent- Authorized Signature, NWABSD Date

Director of Administrative Services, NWABSD Date