

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a Contract with **Michels Corporation** for the **construction of Holden Creek Substation**.

Board Meeting Date: March 7, 2017
Project Name/Contract#: Holden Creek Substation Construction / ITB 056-2016
Primary Contact: Mel Damewood Ext. 7437
Purchasing Contact: Sandra Hahn Ext. 7163

Contract Amount:

Original Contract Amount: \$1,490,000
Additional \$ Previously Approved: \$ n/a
Invoices over last approval: \$ n/a
Percentage over last approval: n/a %
Amount this Request: \$1,490,000
Resulting Cumulative Total: \$1,490,000

Contracting Method:

Method of Solicitation: ITB 056-2016
If applicable, basis for exemption: n/a
Term of Agreement: October 31, 2017
Option to Renew? No
Approval for purchases "as needed" for the life of the contract no
Proposals/Bids Received (Range): \$1,489,304 - \$1,903,230
Selection Basis: Lowest Responsive and Responsible Bid

Narrative:

EWEB is designing the new Holden Creek Substation which is planned to be energized in Q4 2017. This project was identified in the draft 2016 Electric Master Plan's upriver re-modifications, as the first project to reducing EWEB's upriver footprint (abandonment of EWEB's A/B transmission lines), and providing better environmental protections by removing a substation off of the river's edge. The project also is a component of EWEB's overall electric system resiliency efforts.

EWEB required a contractor to complete major construction activities at Holden Creek including: civil grading, ground mat construction, foundation construction, fence installation, and installation and mounting of major electrical equipment. These tasks were chosen to be contracted due to the work not being routine work for EWEB crews and to keep internal crews available for other Capital and O&M work. EWEB crews and Engineering will complete all final testing and commissioning.

EWEB issued ITB 056-2017 in January 2017, a mandatory pre-bid meeting was held in which 14 prospective bidders and subcontractors attended. The ITB responses were opened in February and reviewed by staff. Bidders were required to demonstrate relevant experience in substation construction, a safety program that included high-voltage substation hazard aspects, and required identifying experience of key personnel who will manage the project during construction. Six (6) responses were received and evaluated by staff. Responses were received by JH Kelly of Longview, WA, Michels Corporation of Tumwater, WA, Potelco of Sumner, WA, Power Technology of Woodland, WA, Christenson Electric of Portland, OR, and Sturgeon Electric of Troutdale, OR. Michels Corporation was determined to be the lowest responsible and responsive bid.

ACTION REQUESTED:

Management requests the Board approve a Contract with **Michels Corporation** for the **construction of Holden Creek Substation**. Holden Creek Substation is budgeted as a Type 2 project, with a total current budget of \$250,000. Management plans a significant Capital Budget True-up in April that includes carry-over funds from 2016 and additional budget identified in previous correspondence with the Board. Estimated budget will be in the \$5.8 million range.

SIGNATURES:

Project Coordinator: _____

Manager: _____

Purchasing Manager: _____

Executive Officer: _____

Board Approval Date: _____