

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve Construction Task Order #7 with **Wildish Building Company** for the **procurement of Construction Services to install a new cooling water system.**

Board Meeting Date: March 7, 2017

Project Name/Contract#: Carmen Cooling Water System Improvements Construction Services –
Construction Task Order No. 7 for Contract #002-2011

Primary Contact: Mel Damewood Ext.7145

Purchasing Contact: Sandra Hahn Ext.7163

Contract Amount:

Original Contract Amount: \$210,000

Additional \$ Previously Approved: \$ n/a

Invoices over last approval: \$ n/a

Percentage over last approval: n/a

Amount this Request: \$210,000

Resulting Cumulative Total: \$210,000

Contracting Method:

Method of Solicitation: CM/GC - Guaranteed Maximum Price

If applicable, basis for exemption: 5-0680 (5) Construction Manager/General Contractor
Alternative Procurement

Term of Agreement: Through December 1, 2017

Option to Renew? No

Approval for purchases "as needed" for the life of the contract No

Proposals/Bids Received (Range): n/a

Selection Basis: Guaranteed Maximum Price

Narrative:

Construction Manager/General Contractor Task Order

In 2011, EWEB entered into a Construction Manager/General Contractor (CM/GC) contract with Wildish Building Company to oversee construction of improvements at EWEB's Carmen hydroelectric project. Under the contract, Wildish provides the following services:

- Review and comment on preliminary designs
- Recommend design changes to improve value
- Prepare construction cost estimates
- Competitively solicit bids for construction work, in accordance with EWEB procurement rules
- Prepare a Guaranteed Maximum Price for construction work
- Oversee and coordinate construction work

The CM/GC contract allows Wildish to submit bids on a task order basis, Wildish may self-perform or sub-contract for the work. For the Cooling Water System Improvements, Wildish has elected to self-perform the work.

The Guaranteed Maximum Price (GMP), once agreed to by EWEB, is the contract amount for any given

construction project. The following are components of the GMP:

- The base cost of the construction work, established through a competitive bidding process
- The CM/GC construction fee, which is a negotiated percentage of the base construction cost
- Bonds and insurance, which is a negotiated percentage of the base construction cost
- General conditions costs, which is a negotiated cost for project management and items such as job trailers, fencing, and traffic control

The latter three items vary based on the size of project, generally decreasing as a percentage of the total cost as the job increases in size.

Cooling Water System Improvements

The cooling water system conveys river water to the turbines and generators, maintaining critical components within acceptable operating temperature ranges. The cooling water system consists of two sub-systems: primary and emergency. The primary cooling water system consists of two 600-gallon-per-minute (gpm) pumps. The emergency cooling water system uses pressurized penstock water as its source. With the emergency cooling water system, pressure reducing valves decrease water pressure to appropriate levels prior to distributing to the turbine and generator components.

EWEB Generation Engineering staff prepared construction contract documents for GMP development. The work includes demolition of the existing cooling water pumps and emergency cooling water system; replacement of both cooling water pumps; and installation of new pressure reducing valves, piping, valves, and pipe supports.

Wildish, through the CM/GC contract, submitted a GMP on February 17, 2017. EWEB and Wildish staff completed negotiations on February 23, 2017.

ACTION REQUESTED:

Management requests the Board approve Construction Task Order No. 7 of Contract #002-2011 with Wildish Building Company for Carmen Cooling Water System Improvements Construction Services. Funds for this work are included in the \$12.96 million budgeted in the Carmen Relicensing CIP for 2017.

SIGNATURES:

Project Coordinator: _____
Manager: _____
Purchasing Manager: _____
Executive Officer: _____
Board Approval Date: _____