



SOUTHEAST ALASKA POWER AGENCY

Special Board Meeting AGENDA

SEAPA Offices | Ketchikan, Alaska

Tuesday, March 15, 2016 | 10:00 a.m. AKDT

For Telephonic Participation: Dial 1-800-315-6338 (Access Code: 73272#)

1. Call to Order
 - A. Roll call
2. Approval of the Agenda
3. New Business
 - A. Consideration and approval of award of contract re SEAPA's Swan Lake Reservoir Expansion Construction Project
 - B. Consideration and approval of additional funding for SEAPA's Swan-Tyee Intertie Helipad Project
4. Adjourn



SOUTHEAST ALASKA POWER AGENCY
SWAN LAKE RESERVOIR EXPANSION
CONSTRUCTION PROJECT

Date: March 8, 2016
To: Trey Acteson, Chief Executive Officer
From: Eric Wolfe, P.E., Director of Special Projects
Subject: Swan Lake Reservoir Expansion Construction Project

On February 1, 2016, bids were solicited from qualified firms for SEAPA's Swan Lake Reservoir Expansion Construction Project.

Bids were due on March 3, 2016. Five (5) bids were timely received as follows:

BIDDER		BID AMOUNT
1.	IMCO General Construction, Inc.	\$4,338,888.88
2.	Pacific Pile & Marine L.P.	\$6,229,000.00
3.	BAM, LLC	\$6,620,000.00
4.	Orion Marine Contractors, Inc.	\$7,450,000.00
5.	Triton Marine Construction Corp.	\$8,810,600.00

The following factors, in no particular order, were considered in the evaluation of bids:

- Schedule
- experience in managing multi-faceted construction projects where placement of large complex components is integrated with concrete work
- demonstration of ongoing Safety Program focused on targeted measures specific to site risks
- quality of bid document preparation and attentiveness to specification details
- total lump sum cost and prices consistent with bid item format
- history of quality work and work performance, and experience with completing hydraulic structures or works in remote areas
- combined value of the bid form costs and the price-related factors such as a balanced payment schedule, efficient project management history, track record that reflects an appropriate level of change orders relative to the project complexity, and a lack of claims or claim disputes consistent with industry norms

SEAPA staff selected the three lowest bids to carefully review. Bam, LLC did not identify subcontractors but acknowledged subcontractors would be needed to complete the work. This bid was the least organized of the three and failed to meet our criteria for experience, quality of bid preparation (explanation of construction plan) and cost.

The two remaining Bidders, IMCO and Pacific Pile were sent a set of eight questions to further clarify construction plans and the relationship of the plan to the bid form values (see table

below). The purpose of these questions was to determine if there were major items missed, understand as much as possible about the detail of the component lifting and concrete placing methods (verification of schedule), and to more clearly identify crew type to task to ferret out indication of quality of work and approach.

SWL Reservoir Raise Construction SCHEDULE OF Bid VALUES	Engineers Estimate	IMCO	Pacific Pile & Marine
1. Mobilization (not to exceed 20% of the total contract price)	\$729,588	\$900,000	\$1,245,800
2. The total value of concrete demolition WORK at the dam	\$246,965	\$255,000	\$700,000
3. The total value of demolition WORK at the intake structure.- Lump sum paid on inspection	\$95,156	\$60,000	\$25,000
4. The total value of first stage or primary reinforced concrete WORK inclusive of concrete forming, steel reinforcement, placement, and finishing. Additionally, this total value shall be broken down into separate values for each structure constructed as part of the WORK. Miscellaneous and minor concrete WORK may be listed as one item in this breakdown. Paid as a % of complete as determined from CPM schedule	\$497,647	\$905,000	\$1,414,600
4.5 The total value of second stage reinforced concrete WORK, grouting of embedded parts, sealing efforts inclusive of concrete forming, steel reinforcement, placement, and finishing. Additionally, this total value shall be broken down into separate values for each structure constructed as part of the WORK. Miscellaneous and minor concrete WORK may be listed as one item in this breakdown. Paid as a percentage of complete based on CPM schedule	\$249,502	\$200,000	\$400,000
5. The total value of DAM related mechanical WORK inclusive of materials, labor, equipment, and testing.	\$117,927	\$200,000	\$213,000
6. The total value of INTAKE related mechanical WORK inclusive of materials, labor, equipment, and testing.	\$48,403	\$75,000	\$275,000
7. The total value of Civil WORK including clearing, grubbing, excavation, site grading, and backfill.	\$314,547	\$75,000	\$30,000
8. The total value of electrical WORK.	\$437,573	\$300,000	\$588,700
10. The total value of miscellaneous metals WORK including fabrication, coatings, and installation.	\$296,918	\$275,000	\$274,000
11. The total value of the OWNER furnished vertical lift gate installation.	\$223,611	\$435,000	\$40,000
12. The total value of the OWNER furnished flashboard gate system installation.	\$498,193	\$190,000	\$185,000
13. The total value of startup and commissioning.	\$82,516	\$20,000	\$25,000
14. The total value of demobilization.	\$214,091	\$15,000	\$190,000
15. Final Project Close-out payment (10% retainage of all previous payments)	\$450,293	\$433,889	\$622,900
Project total (total of total column)	\$4,502,930	\$4,338,889	\$6,229,000

Bidders IMCO and Pacific Pile did not change their estimates for scope, schedule, or cost after review of our eight questions, and no obvious omissions to the IMCO bid were found during the second review. Additionally, the IMCO bid includes two qualitative benefits:

1. Local Contractor, Seaborne Marine Services (Steve Seley), has a logistical support role (mobilization of cranes, construction of the man-camp, and delivery of materials) and Hotwire Electric of Anchorage is identified as their subcontractor for electrical work.
2. IMCO's bid listed no exceptions to our terms where the Pacific Pile bid listed eight items.

Based on the above, staff recommends award of the contract to IMCO General Construction, Inc.

During the construction bid process, we have an ongoing design process underway. This process has added the following items, which if left off the scope of the construction project, would require another RFP process. Since these items are integral to the project, it makes sense to complete them now, and only adds an additional 3% increase in the overall contract:

Additional Items		Cost
1.	Added access to the left abutment for flashboard Inspection	\$35,000
2.	Add permanent fencing as part of the FERC-driven Public Safety Plan	\$8,000
3.	Add higher-strength column embeds to bridge the centerline expansion joint	\$2,000
4.	Add contingency for storm recovery based on contractor crane plan	\$15,000
5.	Add concrete removal contingency based on Kuenz' final design (10% of demolition)	\$6,000
6.	Drill and place new log boom anchors (missed with specifications)	\$40,000
7.	Add emergency power supply containment building and anchors	\$28,000
Total Contract Adjustment for Known Scope Additions		\$134,000
8.	2.5% Project Delivery Bonus for completing schedule as bid ¹	\$107,500
Total Known Scope Additions (\$134,000) and Project Delivery Bonus (\$107,500)		\$241,500
9.	10% Contingency based on bid	\$433,889
Total Additional Items		\$675,389

Please consider the following suggested motion:

SUGGESTED MOTION
<p>I move to authorize staff to enter into a Contract with IMCO General Construction, Inc. for SEAPA's Swan Lake Reservoir Expansion Construction Project for the value of \$4,338,889, plus \$241,500 for scope additions and a project delivery bonus, and a 10% contingency of \$433,889, for the total not-to-exceed value of \$5,014,278.</p>

¹ During the February 2016 board meeting, staff discussed an incentive for the successful contractor for timely completion of the project in lieu of no liquidated damages for schedule slippage.



SOUTHEAST ALASKA POWER AGENCY

SWAN-TYEE INTERTIE HELIPAD PROJECT

Date: March 8, 2016
To: Trey Acteson, Chief Executive Officer
From: Steve Henson, Operations Manager
Subject: Swan-Tyee Intertie Helipad Project

During the February board meeting in Wrangell, staff explained that we would approach the board for an increase to the FY2016 budget for completion of the helipad project this fiscal year. The Swan-Tyee Intertie (STI) Helicopter Pad Project (R&R 231-13) was initially estimated at \$3,350,000 and approved by the Board in the FY2013 budget. By the fall of 2015, all of the helicopter pads had been procured and received in Ketchikan. The selected contractor (BAM LLC) began work in September 2015 and installed 50 of the 105 pads received. With the mild winter we have experienced, BAM is confident the remaining pads can be installed by the end of this fiscal year. This accelerated schedule will require that the funds remaining from the initial \$3,350,000 and an additional \$53,165¹ for project management be added to the FY2016 budget.

Staff requests that \$937,395 be approved as an increase to the FY2016 Budget, which includes an overall budget increase of \$53,165 to allow us to complete this project ahead of schedule.

Please consider the following suggested motion:

SUGGESTED MOTION

I move to increase SEAPA's FY2016 budget by \$937,395 for completion of the Swan-Tyee Intertie Helicopter Pad Project in Fiscal Year 2016. This includes an increase of \$53,165 to the overall budget for the project.

¹ The board approved an amendment to Tongass Engineering, LLC's contract for project management services for the helipad project during the February 2016 board meeting.