

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

BOARD MEETING
AGENDA ITEM SUMMARY

October 18, 2006

ACTION REQUIRED

AGENDA ITEM NO. IX.B

Information Only
 Motion
 Resolution
 Executive Session
 Other

TOPIC

Postmark Substation, Construction Contract award

DISCUSSION

The Postmark Substation is a new 138/12.5 kV substation to be constructed on Pt. Woronzof Road. It will primarily serve the load at Ted Stevens Anchorage International Airport (TSAIA). Construction is scheduled to begin in the fall of 2006 with completion in 2007. Funding is included in the 2006/10 CIP and in the 2006 budget. The project includes installation of two new power transformers, associated switchgear and controls. We have received 4 bids from Chugach's pre qualified contractors in response to our solicitation of September 14, 2006. The results are tabulated below.

| <u>Company</u> | <u>Bid</u> |
|---------------------------------------|----------------|
| Northern Powerline Constructors, Inc. | \$1,496,233.53 |
| City Electric, Inc. | \$1,613,953.65 |
| Hot Wire Electric, Inc. | \$1,658,991.10 |
| Norcon, Inc. | \$1,717,135.00 |

The engineer's estimate was: \$1,540,171.00

Northern Powerline Constructor, Inc. has been found to be the lowest responsive and responsible bidder.

CEO's RECOMMENDATION

Recommend approval of the attached resolution awarding a contract to Northern Powerline Constructors, Inc.

Motion: Move that the Chugach Board of Directors authorize the Chief Executive Officer to execute a contract for the construction of the Postmark Substation in an amount not to exceed \$1,496,233.53 with Northern Powerline Constructors, Inc.

WHEREAS, Chugach Electric Association, Inc. (Chugach) has determined a necessity to construct a new 138/12.5 kV Substation (Postmark Substation) near the Ted Stevens Anchorage International Airport (TSAIA);

WHEREAS, Chugach has included construction of Postmark Substation in its 2006-2010 Capital Improvement Plan;

WHEREAS, Chugach has included funding in its 2006 Annual Operating budget for the Postmark Substation construction;

WHEREAS Chugach has solicited and received bids for the construction of the substation from four bidders, and

WHEREAS Chugach has evaluated the bids and found Northern Powerline Constructors, Inc. to be the lowest, responsive and responsible bidder,

NOW THEREFORE BE IT RESOLVED by the Board of Directors of Chugach Electric Association Inc., that the Chief Executive Officer is authorized to execute a contract with Northern Powerline Constructors, Inc. for construction of the Powtmark Substation in an amount not to exceed \$1,496,233.53.

I, Jim Nordlund, do hereby certify that I am that I am Secretary of Chugach Electric Association, Inc., an electric non-profit cooperative membership corporation organized and existing under the laws of the State of Alaska: that the foregoing is a complete and correct copy of a resolution adopted at a meeting of the Board of Directors of this corporation, duly and properly called and held on the 18th day of October, 2006; that a quorum was present at the meeting; that the resolution is set forth in the minutes of the meeting and has not been rescinded or modified.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of this corporation the 18th day of October, 2006.

Secretary