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"Excellence in electrical distribution design since 1981"

April 17, 2025

Subject: Overhead and Underground Unit Price Contracts

Dear Utility Commission:

Forster is recommending Columbus Utility Commission approve proceeding with bidding and recommending the awards of underground and overhead electric unit price installation contracts. Unit price contracts involve the public bidding process, create competitive pricing, and allow the flexibility to award any portion of electric infrastructure projects. In particular, Columbus Utilities can elect to utilize contractors to whatever extent for distribution installation related to 4kV to 12kV conversions and/or large customer expansion infrastructure relocation projects. For reference, Forster has developed unit price contracts for Evansville, Hazel Green, Hartford, Jefferson, Juneau, Lake Mills, New Glarus, and Wisconsin Dells. Municipal electric utilities often face the challenges of a wide variety of new construction, small crew size, limited equipment and materials, and keeping up with normal maintenance. Unit price contracts have clearly defined construction units with no definitive contractual end date.

Unit price contracts involve breaking electrical construction into clearly defined units for construction labor. These unit price contracts are similar to project specific contracts that utilize units as the means to pay a contractor for work performed. Forster performs a thorough evaluation of all bids received and makes recommendations based on pricing, qualification and projects specific to Columbus Utilities. An additional advantage is retaining contractors for the life of the contract by using the Handy-Whitman Index's North Central Region Distribution Plant Construction values for annual escalation adjustments. If either party is unsatisfied with the pricing, the contract may be terminated at year's end.

When compiling the unit price contract documents, Forster uses contract documents from the Engineers Joint Contract Documents Committee (EJCDC). The EJCDC is comprised of engineers, owners, liability and risk management, and contractors from across the country. Although the EJCDC's contract documents have been reviewed by outside legal counsel, we encourage Columbus Utilities to consult with your city attorney to verify a unit price contract is an acceptable method.

After awarding the contract, Columbus Utilities (Forster can assist) creates a task order which includes scope of work, estimated cost, estimated units, start/end dates, drawing, payment bond, performance bond, and contact information.

If you have any further questions, please do not hesitate to reach out.

Thank you,

Joshua Hergert [Forster Electrical Engineering, Inc.]