



Meeting Date: May 26, 2026 **Agenda Type:** Action Items for Consent

From: Jeff Morriss **Reviewed by:** Justin Green
Substation Manager Director of Electric Operations
and Compliance

Submitted by: Mark Steelman **Approved by:** Ryan Kelso
Chief Operations Officer Chief Executive Officer

RECOMMENDED ACTION: Authorize the CEO or His Designee to Negotiate and Execute a Construction Contract with Lambda Construction I, LTD. for the Freiheit Breaker and Control House Addition Project

BACKGROUND

To meet growing electric demand, NBU Electric Systems requires two (2) additional distribution feeders for the Freiheit Substation. These additional feeders will utilize the existing spare feeder breaker capacity, which in turn requires two (2) new breaker bays to restore spare distribution breaker capacity (the “Project”).

The existing Freiheit control house is currently at full capacity with relays and other equipment. It is also not rated for high winds, making it susceptible to storm damage, and is located directly between two existing power transformers, T1 and T3. The Freiheit Substation control house must be relocated away from the power transformers to mitigate the risk of catastrophic transformer failure that could damage the control house or its contents. The new control house is proposed as a precast concrete enclosure located away from the power transformers. The Project also includes physical security upgrades to bring this substation up to current NBU standards.

The proposed contract includes the following scope items:

- i. Procuring and installing a prefabricated control house
- ii. Procuring and installing new relay panels
- iii. Procuring and installing new Supervisory Control and Data Acquisition (“SCADA”) and communications panels
- iv. Installing three (3) distribution feeder breakers and two tie breakers
- v. Installing one (1) vertical air break switch
- vi. Procuring and installing a prefabricated cable trough and three underground feeder exits
- vii. Replacing buswork and switches in multiple distribution bays

- viii. All other related appurtenances, collectively referred to as “the Project.” NBU shall provide all other major equipment, supplies, and materials as identified in the contract

NBU issued a Request for Proposals (“RFP”) for the Freiheit Breaker and Control House Additions Project on November 10, 2025. NBU received four (4) proposals on February 3, 2026. The Evaluation Committee reviewed the proposals and recommended Lambda Construction I, LTD. (“Lambda Construction”) for the Project. Lambda Construction was determined to provide the best value to NBU based on the following weighted selection criteria established in the solicitation:

- i. Cost of the work
- ii. Past performance on similar projects
- iii. Overall qualifications, reputation, and past relationship with NBU and other public owners

NBU staff requests that the Board of Trustees approve the Construction Contract (the “Contract”) with Lambda Construction for the Freiheit Control House and Breaker Additions Project.

This item is being presented to the Board because the total amount of this contract exceeds \$250,000.00.

FINANCIAL IMPACT

The total financial impact for the Contract with Lambda Construction for the Project is \$4,100,000.00. NBU Staff requests an owner contingency of \$410,000.00. The Project is budgeted within the Fiscal Year 2026 NBU Board-approved Capital Improvements Projects Budget and proposed in the pending Capital Improvements Project Budget through Fiscal Year 2027. The total Contract amount plus contingency is \$4,510,000.00

LINK TO STRATEGIC PLAN

Infrastructure and Technology

Safety and Security

EXHIBITS

1. Letter of Evaluation from SEnergy
2. Construction Contract Agreement with Lambda Construction
3. Bid Form – Project Bidders List (RFP 25-0088A)

Name of Bidder	Bid Proposal Amount
Chain	\$2,565,257.50
Frontline	\$3,896,966.00
Lambda	\$4,100,000.00
Primoris	\$4,298,686.32

4. Aggregate Score Summary

Vendor Scores by Evaluation Criteria

Vendor	Past Performance o 0-5 Points 25 Points (25%)	Overall Qualificator 0-5 Points 25 Points (25%)	Cost of the Work Reward Low Cost 50 Points (50%)	Total Score (Max Score 100)
Lambda Constructi...	5	5	50	100