
MEMORANDUM

TO: MAYOR JENSEN AND PETERSBURG BOROUGH ASSEMBLY
FROM: KARL HAGERMAN, UTILITY DIRECTOR *KH*
SUBJECT: **AWARD RECOMMENDATION – BLIND SLOUGH HYDROELECTRIC
UPGRADES CONSTRUCTION CONTRACT**
DATE: 12/23/2022
CC: STEVE GIESBRECHT, BOROUGH MANAGER
DEBBIE THOMPSON, BOROUGH CLERK
PROJECT FILE

PMPL issued an Invitation to Bid for the Blind Slough Hydroelectric Upgrades project (construction contract) on September 20, 2022. The work generally consists of demolition/removal of powerhouse equipment, constructing a penstock bypass at the dam site, replacing and realigning the lower portions of penstock, receiving and installing of previously procured equipment (Gilkes contract) and performing startup, testing and commissioning of the new hydroelectric equipment and switchgear.

After issuance of 9 separate bid addenda, bids were opened publicly on December 12th at 4:00pm at the PMPL offices. PMPL received three (3) sealed bids. Bid modifications were properly received by one bidder prior to the bid opening and were included in the final bid tabulation.

Below is a summary of the bids. There was a base bid for the majority of the work and one optional item to undertake installation of a fiber optic cable from the dam to the powerhouse:

<u>Bidder</u>	<u>Base Bid w/ modifications</u>	<u>Optional item bid</u>
McG/Dawson Joint Venture	\$ 5,692,000.00	\$ 52,000.00
Knight Construction	\$ 7,769,749.00	\$195,735.00
Sturgeon Electric	\$14,631,070.14	\$281,753.46
Engineer's Estimate	\$ 5,994,600.00	\$ 75,700.00

Our engineering team for this project, led by Don Jarrett, P.E. with McMillen, assisted PMPL with an evaluation of the submitted bids and verified that bids were responsive and responsible to the requirements of the bid documents. The Engineer's bid evaluation is attached to this memo. The recommendation from McMillen is to award a contract to McG/Dawson Joint Venture as the lowest, responsive bidder and to also include the award of the optional bid item.

Therefore, it is the recommendation of PMPL that the Petersburg Borough Assembly approve the award of the Blind Slough Hydroelectric Upgrades construction contract to McG/Dawson Joint Venture for a contract price not-to-exceed of \$5,744,000.00, which includes the base bid and optional bid item.

If the award is approved by the Assembly, PMPL will execute the Contract with McG/Dawson through the Manager's office. Work will start in April/May of 2023.

Thank you for your consideration.