



## SOUTHEAST ALASKA POWER AGENCY

### Special Board Meeting AGENDA

SEAPA Offices | Ketchikan, Alaska

August 30, 2017 | 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 Swan-Tyee Intertie Transmission Line Neets Bay Area Brushing Project
  - B. Consideration and Approval of Recommendation Re: ROV Inspection of Tyee Submarine Cables Project
  - C. Consideration and Approval of Swan Lake Reservoir Miscellaneous Metalworks Project
  - D. Consideration and Approval of Change Order No. 1 Re: Tyee Transmission Line Marker Ball Replacement Project
  - E. Consideration and Approval of FY2018 R&R Budget Amendment
  - F. Consideration and Approval of Resolution No. 2018-067 appointing the Agency's CEO to serve on the Alaska Power Association's Board of Directors
4. Adjourn



## SOUTHEAST ALASKA POWER AGENCY

**Date:** August 23, 2017  
**To:** Trey Acteson, Chief Executive Officer  
**From:** Steve Henson, Operations Manager  
**Subject:** Swan-Tyee Intertie Transmission Line Neets Bay Area Brushing Project

A Request for Proposals for the Swan-Tyee Intertie (STI) Transmission Line Neets Bay Area Brushing Project was advertised on July 21, 2017. Two (2) bids were received on August 18, 2017 as follows:

Bidder	City/State	Bid Amount
BAM, LLC	Ketchikan, Alaska	\$256,000
Gage Tree Service, LLC	Anchorage, Alaska	\$279,400

An independent review was conducted and each proposal was evaluated primarily based on experience, safety program and record, schedule and capacity to respond to the work in a timely and efficient manner, competitive pricing, and completeness and quality of bid proposal documents. Based on the review of the bids presented, staff recommends award of the STI Transmission Line Neets Bay Area Brushing Contract to BAM, LLC as the low bidder, plus a contingency of \$10,000 for unanticipated expenses due to unknown danger trees.

Please consider the following suggested motion:

### SUGGESTED MOTION

**I move to authorize staff to enter into a Contract with BAM, LLC for SEAPA's Swan-Tyee Intertie Transmission Line Neets Bay Area Brushing Project for \$256,000, plus a \$10,000 contingency for unanticipated expenses for the not-to-exceed value of \$266,000.**



## SOUTHEAST ALASKA POWER AGENCY

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**Date:** August 23, 2017  
**To:** Trey Acteson, Chief Executive Officer  
**From:** Steve Henson, Operations Manager  
**Subject:** ROV Inspection of Tye Submarine Cables Project

A Request for Proposals for the ROV Inspection of Tye Submarine Cables Project was advertised on July 24, 2017. Bids were received on August 17, 2017.

Following an independent review, staff recommends that all bids be rejected due to the wide disparity in bid prices received, and that the project be rebid at a date to be determined by staff following a re-evaluation of the project.

Please consider the following suggested motion:

SUGGESTED MOTION
<p><b>I move to authorize staff to reject all bids received for SEAPA's ROV Inspection of Tye Submarine Cables Project and further authorize staff to rebid the project at a date to be determined by staff following re-evaluation of the project.</b></p>



## SOUTHEAST ALASKA POWER AGENCY

**Date:** August 23, 2017  
**To:** Trey Acteson, Chief Executive Officer  
**From:** Ed Schofield, Power System Specialist  
**Subject:** Swan Lake Reservoir Miscellaneous Metalworks Project

A Request for Proposals for the Swan Lake Reservoir Miscellaneous Metalworks Project was advertised on July 21, 2017. Two (2) bids were received on August 18, 2017 as follows:

Bidder	City/State	Bid Amount
BAM LLC	Ketchikan, Alaska	\$162,000
Orion Marine Contractors, Inc.	Anchorage, Alaska	\$708,600

An independent review was conducted and each proposal was evaluated primarily based on cost, experience, safety program and record, schedule, and workmanship warranty. Based on the independent review, staff recommends award of the Swan Lake Reservoir Miscellaneous Metalworks Contract to BAM LLC as the low bidder, with a 10% contingency of \$16,200 in the event remobilization and demobilization is required due to reservoir elevation, which may preclude installation of the north and south abutment ship ladders, and any other unforeseen events that may occur. \$186,000 was authorized in the FY2018 R&R Budget for the project.

Please consider the following suggested motion:

### SUGGESTED MOTION

**I move to authorize staff to enter into a Contract with BAM LLC for SEAPA's Swan Lake Reservoir Miscellaneous Metalworks Project for \$162,000, plus a 10% contingency of \$16,200 in the event remobilization and demobilization is required due to reservoir elevations for the not-to-exceed value of \$178,200.**



## SOUTHEAST ALASKA POWER AGENCY

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**Date:** August 23, 2017  
**To:** Trey Acteson, CEO  
**From:** Steve Henson, Operations Manager  
**Subject:** Tyee Transmission Line Marker Ball Replacement Project

Northern Powerline Constructors, Inc. (NPL) was awarded the contract for the Agency's Tyee Transmission Line Marker Ball Replacement Project in October 2016. NPL and its subcontractors mobilized to perform the contract during the Tyee shutdown in June; however, the shutdown did not occur due to the IBEW strike in Wrangell. Staff has prepared the attached Change Order No. 1 for \$103,132 for standby time, and mobilization and demobilization for NPL and its subcontractors for the work it was unable to perform in June. Staff recommends approval of the Change Order and solicits the board's consideration of the following suggested motion:

### SUGGESTED MOTION

**I move to authorize staff to enter into Change Order No. 1 to SEAPA's Contract No. 17009 with Northern Powerline Constructors, Inc. for the not-to-exceed value of \$103,132 for additional standby time, and mobilization and demobilization costs for SEAPA's Tyee Transmission Line Marker Ball Replacement Project.**

Attachment:  
Change Order No. 1

## Change Order No. 1

<b>Project Name:</b> Tye Transmission Line Marker Ball Replacement Project	<b>SEAPA Contract No:</b> 17009
Project Owner: Southeast Alaska Power Agency ("SEAPA") 1900 First Avenue, Suite 318 Ketchikan, Alaska 99901	Owner's Acct Code: R&R265-16
	Date of Issuance: August __, 2017
Project Contractor: Northern Powerline Constructors, Inc. ("NPL") 3305 Arctic Boulevard, Suite 201 Anchorage, Alaska 99503	Date of Contract: October 11, 2016
	Contract Period: 06.01.2017 to 06.30.2017

The parties agree to modify the Contract referred to above as follows:

Item No.	Item and Description of Changes	Contract Price		Contract Time	
		Decrease	Increase	Decrease	Increase
1.	Additional Mobilization and Demobilization due to Owner's Project Delay as more particularly described on letter from NPL dated 07.26.2017 attached hereto as <b>Exhibit A</b> and made a part hereof.	N/A	\$103,132	N/C	6.30.2017 to 9.30.2017
Subtotal		N/A		N/A	N/A
Difference Net		N/A	\$103,132	N/A	N/A

**Summary:** The parties agree to modify the Contract referred to above as follows:

Contract Price prior to this Change Order	Contract Time prior to this Change Order
\$588,650	6.30.2017
Net Increase of this Change Order	Net Increase (decrease) of this Change Order
\$103,132	3 Months due to Owner Delay
Revised Contract Price with all approved Change Orders	Revised Contract Time with all approved Change Orders
\$691,782	9.30.2017

The changes included in this Change Order are to be accomplished in accordance with the terms, stipulations and conditions of the original Contract as though included therein.

Accepted for Contractor:  
Northern Powerlines Constructors, Inc. by Jason Hodges, President

Date

Approved by Owner:  
Southeast Alaska Power Agency by Trey Acteson, CEO

Date

Distribution:  Owner  Contractor  Office  Field  Other



NORTHERN POWERLINE CONSTRUCTORS, INC.

Mr. Steve Henson  
Southeast Alaska Power Agency  
Contract No. 17009  
Marker Ball Replacement

Date 7-26-2017

*Change order 1*

Below are our charges associated with the delays incurred as a result of the Wrangle Strike. Attached are our copies and backup for these charges. All work relating to the original contract for example: (spotting of the aircraft warning balls on the right of way & Jet A fuel purchase) is not included in this billing. NPC's costs for this work will be captured when project is completed in September. The subcontractor numbers below include NPC fifteen percent mark-up.

Mobilization	\$46,560.10
Demobilization	\$10,337.26
Standby 2 days	\$15,017.46
Stikine Transportation	\$7,500.00
Great Slave Helicopters	\$23,716.75
Total	\$103,131.57

Please review and contact me with any comments or concerns.

Thank you



James Zehnder

Phone 907-344-3436

**STIKINE TRANSPORTATION**

P.O. Box 101  
WRANGELL, ALASKA 99929

(907) 874-3650  
Fax (907) 874-2552

**INVOICE**

1564

7-13-17  
INVOICE DATE

SALESPERSON

SHIP TO

TO Northern Powerline contractor  
7941 Sandlewood PL,  
Anchorage AK 99507

YOUR ORDER NO. DATE SHIPPED SHIP VIA F.O.B. POINT TERMS

QUANTITY ORDERED B/O QTY SHIPPED DESCRIPTION UNIT PRICE TOTAL

YOUR ORDER NO.	DATE SHIPPED	SHIP VIA	F.O.B. POINT	TERMS	
>					
QUANTITY ORDERED	B/O	QTY SHIPPED	DESCRIPTION	UNIT PRICE	TOTAL
7-13			2 TRIPS TO TYPE WITH Fuel TRUCK		15,000
			charge FOR 1 TRIP		
			CONTRACT cancellation TOTAL		7,500
			could not take on any other JOBS because OF CONTRACT		

Equip/Job #	Cost Code	Amount
1391	1011	7,500.00
Description		
Entered By	Final Approval	

NEBS To Reorder Call 1-800-225-6380

THANK YOU





**Great Slave Helicopters Ltd**

6285 Airport Way  
Kelowna, BC V1V 1S1

Accounting phone: +1 (250)-491-3730  
Accounting fax: +1 (250)-765-0077  
Accounting email: ar@gsheli.com

Sold To: **Northern Powerline Constructors Ltd.**  
7941 Sandlewood Place  
Anchorage, AK 99507

**IN000002900**

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Reference - P.O. #	Customer No.	Date	Due Date	Terms Code
	NORPOW	6/30/2017	7/30/2017	2

Description/Comments	Amount
C-GBKD Mob / Demob Ferry 5.2 HR @ 2446.00 / HR	\$ 12,719.20
Class D Training Course 2 days up to 3 ppl	\$ 5,500.00
Seal Cove Fuel 420 L @ 1.60 / L	\$ 672.00
Crew per Diems: \$50.00/day per crew member 5 days 3 crew members	\$ 750.00

Comments: Powerline support for Class D operations in the Ketchikan AK

Remit To: **Great Slave Helicopters Inc.**  
6285 Airport Way  
Kelowna, BC V1V 1S1  
CIBC 010 02099 71-00310  
GST 102185139RT0001

Subtotal before taxes	19,641.20
Total taxes	982.06
Total amount	20,623.26
Amount due	20,623.26

**INVOICE**



**SOUTHEAST ALASKA POWER AGENCY  
MEMO**

Date: **August 23, 2017**

From: **Kay Key**

To: **Trey Acteson**

Subject: **R&R BUDGET AMENDMENT**

The approved FY17 R&R Budget included projects RR265-16 Tye Marker Balls and RR273-17 Tye Transformer Bushing Replacement. Since these projects were contracted for completion during the June 2017 shutdown of the Tye line, they were not included in the FY18 budget. Both projects, however, were ultimately delayed due to the timing of a potential strike in Wrangell and have been rescheduled for September 2017.

Expenditures which were expected to have taken place in FY2017 need to be carried forward into the FY18 R&R Budget. A detailed summary of each project is attached. The table directly below displays the effect on the FY18 R&R Budget:

Approved FY18 R&R Budget	\$2,903,072
RR265 Marker Balls TYL	805,104
RR273 XFMR Bushing Replacement TYL	47,232
<b>Amended Total FY18 R&amp;R Budget</b>	<b>\$3,755,408</b>

Please consider the following suggested motion:

<b>SUGGESTED MOTION</b>
<p><b>I move to add RR265 Marker Balls Tye and RR273 Tye Transformer Bushing Replacement in the amounts of \$805,104 and \$47,232, respectively, to the FY2018 R&amp;R Budget.</b></p>



FY2018 R&R PROJECT  
**RR273-17 TRANSFORMER  
 BUSHING REPLACEMENT TYL**

Project	<b>TRANSFORMER BUSHING REPLACEMENT TYL</b>		
Description	Replace damaged bushing.		
Estimate:	<b>\$55,000</b>	Completion: <b>SEP 2017</b>	Project Mgmt: <b>S. Henson</b>
<b>Project Discussion</b>			
<p>A bushing on the STI transformer located at the Tye Lake Substation was chipped when installed five years ago. It was epoxied, but has broken again with small pieces falling off. This bushing needs to be replaced to ensure the continued reliability of the transformer.</p> <p>This project is critical to the integrity of the STI and the ability to supply additional dedicated power to Ketchikan and would be performed as soon as parts are received and the STI could be powered down. There is a 3-4-month lead time for purchase of the bushing replacements.</p> <p>Originally scheduled for the June 2017 shutdown, this project is now slated for completion in September 2017.</p>			

<b>Project Cost Estimate</b>				
DESCRIPTION	ESTIMATE	VENDOR	BUDGET REQUEST	SPENT
Bushing	\$6,000	ABB	Approved FY17	\$55,000
Installation	44,000	EPC		(7,768)
Contingency (weather)	5,000			
Total	\$55,000		<b>FY18 Carry-Forward</b>	<b>\$47,232</b>
<b>Project Cost Estimate Discussion</b>				
<p>Overall budget of \$70K approved in FY17, bushing was purchased, and installation contract awarded to Electric Power Constructors. Overall budget reduced to \$55K in FY18 after contract and purchase in place.</p>				



MARKER BALLS TYL

Project	<b>MARKER BALL REPLACEMENT - Tye Transmission Line</b>		
Description	Replace original marker balls on the Tye transmission line		
Estimate:	<b>\$810,000</b>	Completion:	<b>SEP 2017</b>
		Project Mgmt:	<b>S. Henson</b>
<b>PROJECT DISCUSSION</b>			
<p>The marker balls on the Tye transmission line (Tye Lake to Petersburg) have reached their end of life. Some are missing and others have slipped on the line. The standards for color and spacing have changed in the last 32 years. This project improves aircraft safety and bring us up to today's standards. This project replaces/installs 110 marker balls.</p> <p>Installation originally planned during shutdown in June has been rescheduled to September 2017.</p>			

PROJECT COST ESTIMATE			BUDGET / EXPENDITURES	
COST BREAKDOWN		VENDOR	BUDGET REQUEST	
Marker Balls	\$111,237	HD Power / Slatercom	Approved FY16	\$810,000
Misc.	6,981		FY17 Expenditures	(4,896)
Installation	588,650	Northern Powerline		
Change Order	103,132	Northern Powerline		
Total	\$810,000		<b>FY18 Carry Forward</b>	<b>\$805,104</b>
<b>Project Cost Estimate Discussion</b>				
<p>Estimates for this project were originally based on conversations with experienced contractors. Overall budget of \$655,000 approved in FY2016.</p> <p>Marker balls have been purchased and recorded as inventory; their cost will be assigned to this project as they are installed. The installation contract was awarded to Northern Powerline Constructors by the Board in September 2016, increasing the overall project cost. The Change Order is due to project delays that forced a second mobilization.</p>				



**THE SOUTHEAST ALASKA POWER AGENCY**

**Resolution Appointing the CEO to Serve as SEAPA's Designee on  
The Alaska Power Association's Board of Directors**

**WHEREAS**, the Southeast Alaska Power Agency ('SEAPA') is a member of the Alaska Power Association and is entitled to a seat on the Association's Board of Directors; and,

**WHEREAS**, historically the Chief Executive Officer of SEAPA has served as the Agency's designated representative on the Association's Board for three-year terms;

**NOW, THEREFORE BE IT RESOLVED** that the Southeast Alaska Power Agency designates its Chief Executive Officer to serve as its designated representative on the Alaska Power Association's Board of Directors; and,

**BE IT FURTHER RESOLVED** that this designation is and shall remain in effect unless otherwise revised or revoked by action of the Southeast Alaska Power Agency's Board of Directors.

Approved and signed this \_\_\_\_\_ day of August 2017.

**SOUTHEAST ALASKA POWER AGENCY**

By \_\_\_\_\_  
**Lew Williams, Chairman**

**ATTEST:**

\_\_\_\_\_  
**Judy Zenge, Secretary/Treasurer**