

CITY OF UNALASKA  
UNALASKA, ALASKA

RESOLUTION 2018-65

A RESOLUTION OF THE UNALASKA CITY COUNCIL AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH PUFFIN ELECTRIC, INC. TO PERFORM THE POWERHOUSE 125 VDC BATTERY STATION REPLACEMENT PROJECT IN THE AMOUNT OF \$547,300.

WHEREAS, the City of Unalaska has determined that it is necessary to construct the Powerhouse 125 VDC Battery Station Replacement Project; and

WHEREAS, the Powerhouse 125 VDC Battery Station Replacement Project is an approved component of the CMMP; and

WHEREAS, the City of Unalaska has solicited bids for the work and received three bids to construct the Project; and

WHEREAS Puffin Electric, Inc., an experienced electrical contractor, was found to be the lowest responsive bidder; and

WHEREAS, funding is available in the Project's Capital Budget to award and complete the work.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council authorizes the City Manager to enter into an Agreement with Puffin Electric, Inc. to perform the Powerhouse 125 VDC Battery Station Replacement Project in the amount of \$547,300.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on December 11, 2018.

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Frank Kelty  
Mayor

ATTEST:

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Marjie Veeder  
City Clerk

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## MEMORANDUM TO COUNCIL

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To: Mayor and City Council Members  
From: Tom Cohenour, Director of Public Works  
Through: Thomas Thomas, City Manager  
Date: December 11, 2018  
Re: Resolution 2018-65 authorizing the City Manager to enter into an Agreement with Puffin Electric, Inc. to perform the Powerhouse 125 VDC Battery Station Replacement Project for \$547,300

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**SUMMARY:** Resolution 2018-65 will award the construction of the Powerhouse 125 VDC Battery Station Replacement Project to Puffin Electric, Inc. for \$547,300.

**PREVIOUS COUNCIL ACTION:** Council approved Ordinance 2016-12 on May 24, 2016, adopting the FY17 Capital and Operating Budget, allocating \$263,070 for this project from the unrestricted retained earnings of the Electric Proprietary Fund. Council approved the FY18 Capital and Operating budget via Ordinance 2017-07, adopted May 23, 2017, adding another \$250,000 to the Project's budget from the same funding source. On January 24, 2017, Council awarded the design, bid-phase support and construction inspection to Electric Power Systems, Inc. for \$41,434. On October 23, 2018, Council approved Ordinance 2018-12, adding another \$250,000 to the Construction Services line item of the Project's budget in order to cover the low bid to construct the project.

**BACKGROUND:** The project consists of replacing the 60 batteries and accompanying equipment that make up the 125 VDC Station, installed in 1985. These batteries supply electricity to the existing switchgear and emergency equipment in the event of a power outage. They also provide energy to the main electrical breakers during normal run times.

**DISCUSSION:** Staff advertised for bids for the construction of the project for 30 days, and the three bids received on August 30, 2018 were each in excess of the entire project budget. A budget amendment request was approved on October 22, 2018 which allowed Staff to bring forward the contract award since funding had been secured. Puffin Electric, Inc. has been a subcontractor on several City of Unalaska projects, most recently at work on the UMC Positons 3 & 4 Expansion Project.

**ALTERNATIVES:** Council could decide to cancel or postpone this work. Either alternative will not only greatly increase the chance of more costly bids received in response to the next Invitation to Bid, since the first round is public information, it also increases the odds of a catastrophic failure at the Powerhouse.

**FINANCIAL IMPLICATIONS:** Since the passage of the Budget Amendment request on October 23, 2018, the Project's budget is able to support the award of the work.

**LEGAL:** Not applicable.

**STAFF RECOMMENDATION:** Approve this Resolution

**PROPOSED MOTION:** I move to approve Resolution 2018-65.

**CITY MANAGER COMMENTS:** I recommend approval of Resolution 2018-65.

**ATTACHMENTS:** Exhibit A, Bid Tab

**City of Unalaska**  
**Powerhouse Battery System Replacement**  
**Bid Tab**

August 30, 2018

Exhibit A

Bidder Name	Bid Form	Bid Bond	Addendum Acknowledgement (No. 1, 2 & 3)	Alaska Contractor and Business Licenses	Task 1: Base Bid (\$)	Task 2: Mob/Demobe (\$)	Grand Total
Puffin Electric (opened in Unalaska)	Yes	Yes	Yes	Yes	\$508,200.00	\$39,100.00	\$547,300.00
Premier Electric (opened in Anchorage)	Yes	Yes	Yes	Yes	\$450,000.00	\$200,000.00	\$650,000.00
Electric Power Constructors (opened in Anchorage)	Yes	Yes	Yes	Yes	\$505,476.00	\$65,628.00	\$571,104.00
							\$0.00
							\$0.00
							\$0.00
							\$0.00
							\$0.00

Witness Signature/Date *JACK S. ANDERSON* *J.S. Anderson* 8/30/18  
 Witness Signature/Date *AMELA BOSNJAK* *Amela Bosnjak* 8/30/18  
 Witness Signature/Date *Benelle F. Harris* *Benelle F. Harris* 8/30/18