



## Memo

**To: David Plyman**

**From: Joe Orlikowski**

**CC: Sue Messer**

**Date: 3/20/2015**

**Re: 138kV Transmission Line .55 Mile Line Rebuild Bid Award Recommendation**

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On Wednesday, March 18, 2015 at 2:00 PM, we opened bids for the installation portion of the 138kV Transmission Line Rebuild Project. We only received one bid with two proposals for this project from M.J. Electric.

- Proposal 5.01 was for the 138kV line energized and that cost was \$674,877.99.
- Proposal 5.02 was for the 138kV line De-energized and that cost was \$449,918.66

BHMG's engineering estimate for installation was \$347,500 a difference of \$102,418.66.

It is the opinion of BHMG and RMU that additional bids were not received due to current contractor workload from the investor-owned utilities and the size of this particular project. This caused a premium installation cost.

Based on the below summary of the project budget and the reputation of M.J. Electric, and the need to provide power to the new well on Hayes Road, BHMG and RMU recommends that we accept Proposal 5.02 in the amount of \$449,918.66.

Total Project Budget:

- |                                |              |
|--------------------------------|--------------|
| • Steel Poles                  | \$54,190.88  |
| • Estimated material           | \$35,000.00  |
| • Engineering                  | \$107,400.00 |
| • Installation – Proposal 5.02 | \$449,918.66 |
| • Actual Cost                  | \$646,509.54 |
| • Project Estimate             | \$657,700.00 |

The funds for the transmission project will be paid through the 2015 bond issue.