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February 26, 2015

ADDENDUM NO. 1

- **TO:** Prospective Proposers
- SUBJECT: IFB 2015-G-02 Natural Gas Distribution System Phase 1 - Zone B

This document forms a part of the Contract Documents.

Acknowledge receipt of this Addendum in the space provided below and include the Addendum signature page with your proposal submittal. Failure to do so may subject the Proposer to disqualification.

This Addendum consists of 28 pages.

CHANGES TO THE CONTRACT DOCUMENTS:

AD-1.B.1. C-800, Supplementary Conditions. Replace Section SC-6.02 with the following text.

a) SC-6.03 Add the following new paragraph immediately after Paragraph 6.03.J:

K. INSURANCE REQUIREMENTS

Prior to starting work, the Contractor shall purchase and maintain at its expense commercial general liability and other insurance as set forth below from a responsible insurer authorized to do business in the state where the Project is located and having an A.M. Best rating of at least A VII. Contractor shall furnish satisfactory evidence to the Owner that the Contractor has complied with the requirements in the form of an insurance certificates and Owner reserves the right, upon written request, to receive and review all Contractor insurance policies and endorsements in effect during the duration of this contract and for any duration thereafter for which coverage is required as set forth below.

All policies shall be written on an occurrence basis, shall (except Workers Compensation) include the Owner (Interior Gas Utility), Fairbanks North Star Borough, Architect, Construction Manager, General Contractor, and the architects, directors, officers, representatives, agents, and employees of such parties as additional insureds and Contractors' policies shall be primary over any insurance or self-insurance program of any such party. Contractor shall ensure that its

subcontractors, at a minimum carry insurance equivalent to the coverages set forth below. The insurance required shall be written for not less than any limits of liability stated in this Contract, in the Contract Documents or as required by law, whichever is greater. Contractor's liability is not limited to the minimum amounts of insurance coverage required. The Contractor is solely responsible for determining whether additional coverage or greater limits are required to protect its interests from hazards or claims in excess of the specified minimum insurance. Where special or unusual hazards peculiar to this project are foreseeable, the Contractor shall take such steps as are necessary to insure it against such hazards.

If Contractor has any self-insured retention or deductible under any of the following minimum required coverages, Contractor must identify on the Certificate of Insurance the nature and amount of such self-insured retention or deductible and provide satisfactory evidence of financial responsibility for such obligations. All deductibles and self-insured retentions will be Contractor's sole responsibility.

Commercial General Liability under Paragraph 6.03.B and 6.03.C of the General Conditions: Contractor will maintain commercial general liability insurance covering all operations by or on behalf of Contractor on an occurrence basis against claims for personal injury, bodily injury, death and property damage (including loss of use). Such insurance will have these minimum limits and coverage:

A. Minimum Limits: \$1,000,000 Each Occurrence \$1,000,000 Personal & Advertising Injury \$2,000,000 General Aggregate \$2,000,000 Products and Completed Operations Aggregate

- B. Coverages:
 - 1. The policy shall be written on ISO form CG 00 01 12 07 or equivalent.
 - Contractual Liability Coverage shall be as provided in CG 00 01 12 07. The policy shall be free from any endorsement or language limiting contractual liability coverage beyond the limitations of CG 00 01 12 07.
 - 3. The policy shall be free from ISO endorsements CG 22 94, CG 22 95 or any equivalent endorsement or language.
 - 4. They policy shall provide for severability of interests.
 - 5. The policy shall be free from ISO endorsement CG 21 42 or CG 21 43 or any similar endorsement limiting or excluding coverage for Explosion, Collapse and Underground exposures.
 - 6. The general aggregate shall apply on a "per project" basis.
 - 7. The policy shall provide coverage for incidental medical malpractice.
 - 8. The policy shall provide for a specific waiver of subrogation in favor of the additional insured parties.
 - 9. The policy shall contain additional insured endorsement CG 20 10 04 13 or equivalent as approved by Owner.
 - 10. The policy shall be written to provide coverage on a primary and noncontributory basis.

Automobile Liability under Paragraph 6.03.D of the General Conditions: Contractor will maintain business auto liability insurance covering liability arising out of any auto (including owned, hired, and non-owned autos).

- A. Minimum Limits: \$1,000,000 combined single limit each accident
- B. Coverages:
 - 1. Additional insured endorsement
 - 2. Specific waiver of subrogation
 - 3. Contractual liability

Workers' Compensation under Paragraph 6.03.A of the General Conditions: Contractor will maintain workers' compensation and employer's liability insurance.

- A. Minimum Limits:
 - 1. Workers' Compensation statutory limit
 - 2. Employer's liability:
 - a. \$1,000,000 bodily injury for each accident
 - b. \$1,000,000 bodily injury by disease for each employee
 - c. \$1,000,000 bodily injury disease aggregate
- B. Coverages:
 - 1. The policy shall provide for a specific waiver of subrogation in favor of the parties required to be named additional insured under the Contractor's General Liability policy.

Umbrella/Excess Liability under Paragraph 6.03.E of the General Conditions: Contractor will maintain umbrella/excess liability insurance on an occurrence basis

in excess of the underlying insurance described above which is at least as broad as each and every one of the underlying polices. The amounts of insurance required above may be satisfied by Contractor purchasing coverage for the limits specified or by any combination of underlying and umbrella limits, so long as the total amount of insurance is not less than the limits specified above when added to the limit specified in this paragraph.

A. Minimum Limits: \$5,000,000 combined single limit and aggregate limit

- B. Coverages:
 - 1. Coverage must be provided for those parties required to be named additional insured on the General Liability policy on a follow-form basis.
 - 2. Pay on behalf of wording
 - 3. Concurrency of effective dates with primary
 - 4. Blanket contractual liability
 - 5. Punitive damages coverage (where not prohibited by law)
 - 6. Aggregates: apply where applicable in primary
 - 7. Drop down feature

Pollution Liability under Paragraph 6.03.F of the General Conditions: Contractor will purchase pollution liability insurance coverage with all coverage retroactive to the earlier of the date of this Contract and the commencement of Contractor's services in relation to the Project as follows: (If Applicable)

- A. Minimum Limits:\$2,000,000 each occurrence/\$4,000,000 aggregate
- B. Coverages:
 - 1. Contractual Liability
 - 2. Personal Injury
 - 3. Bodily Injury
 - 4. Property Damage
 - 5. Contractor named Loss Payee
 - 6. Primary and noncontributory coverage

Property Insurance under Paragraph 6.05 of the General Conditions: The Contractor shall submit to the Owner evidence of All Risk Builder's Risk Insurance for all physical loss (100% completed value basis) upon the entire work, naming the Owner, the Contractor and the subcontractors as additional insured parties and as their interests may appear to the full contract sum thereof, until the project is completed by the Contractor and accepted by the Owner. The policy, by endorsement, shall specifically permit partial or beneficial occupancy at or prior to substantial completion or final acceptance of the entire work.

Property of Others: In the amount of not less than \$50,000 to cover pipe and materials provided by the Owner.

Railroad Protective Liability: Contractor will purchase a railroad protective liability policy when the work is on or within 50 feet of a railroad or affects any railroad property including but not limited to tracks, bridges, tunnels, and switches. The limits and terms of coverage shall be those dictated by the affected railroad. (If Applicable)

A. Commercial General Liability Minimum Limits: \$5,000,000 each occurrence/ \$10,000,000 aggregate

Professional Liability under Paragraph 6.03.H of the General Conditions: When the Contractor's work includes the provision of professional services, Contractor will purchase professional liability insurance coverage with all coverage retroactive to the earlier of the date of this Contract and the commencement of the Contractor's services in relation to the Project as follows: (If Applicable)

- A. Minimum Limits: \$2,000,000 each occurrence/\$4,000,000 aggregate
- B. Coverages:
 - 1. Contractual Liability
 - 2. Personal Injury
 - 3. Bodily Injury
 - 4. Property Damage
 - 5. Contractor named Loss Payee
 - 6. Primary and noncontributory coverage

Waivers of Subrogation. The Contractor waives all rights against the Owner and any of its subcontractors, sub-subcontractors, agents, employees, the Construction Manager, the Architect, Owner's Engineer, Bank's Engineer, Construction Agent, Financing Parties and all tiers of contractors or consultants engaged by them; for recovery under subrogation or otherwise to the extent covered by insurance required under this contract or other insurance applicable to the Work, except such rights as the Contractor may have to proceeds of any insurance held by the Owner as fiduciary, if any. The Contractor shall require of the Subcontractor's, Sub-subcontractors, agents and employees, by appropriate agreements, written where legally required for validity, similar waivers in favor of the parties enumerated herein. The policies shall provide such waivers of subrogation by endorsement or otherwise. A waiver of subrogation shall be effective as to a person or entity even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, did not pay the insurance premium directly or indirectly, and whether or not the person or entity had an insurable interest in property damaged.

Duration of Coverage. All required coverages will be maintained without interruption during the entire term of this Contract plus an additional two (2) years in products and completed operation coverage following final acceptance of the Project by the Owner and at all times thereafter when Contractor may be correcting, removing, or replacing defective Work.

Notice of Cancellation. Required insurance policies shall contain an endorsement requiring the insurance carrier to provide 30 days advance written notice to the Owner prior to any change in or cancellation of any policy required herein. Should any coverage expire prior to completion of Work, proof of renewal of said policy shall be provided to Owner at least thirty (30) days prior to expiration date of the policy.

AD-1.B.2. Special Conditions. Add Article 18, as follows:

The Contractor shall be responsible for protecting the installed work from all damage, including third party damage for the duration of the contract, and through the completion of the Final Inspection acceptance by IGU. Any damages to the installed work, shall be repaired, tested and accepted in accordance with the specifications. Contractor is responsible for providing locates and coordinating with Alaska Dig Line to provide locating service until Final Inspection acceptance.

- AD-1.B.3. Section 335100, Natural Gas Distribution
 - a) 1.06.B: Delete paragraph and subparagraphs
 - b) 1.06.C.2: Delete paragraph and subparagraphs
 - c) 1.06.C.1
 - i) Delete: Submit Pipeline Pressure Test Procedures and Report Template.
 - ii) Insert: Submit Pipeline Pressure Test Procedures, Pressure Testing form template and Completion Report template.

- d) 3.03.C.1
 - Delete: Upon completion of installation, Contractor shall pressure test each section of the pipeline to greater than 150 psig, but less than 180 psig, in accordance with the table below
 - ii) Insert: Upon completion of installation, Contractor shall pressure test each section of the pipeline to greater than 150 psig, but less than 160 psig, in accordance with the table below
- e) 3.03.C.4
 - i) Delete: "Pressure test medium shall be air or nitrogen. Oxygen is not permitted."
 - ii) Insert: "Pressure test medium shall be pure nitrogen having minimum purity of 99.99% by volume."
- f) 3.03.E.2
 - i) Delete: "Test medium used (e.g., Air, Nitrogen)."
 - ii) Insert: "Test medium used (Nitrogen)."
- g) 3.03.F.1
 - Delete: "The distribution system shall be pressurized to 60 psig with air after successfully passing system pressure test requirements and prior to completion of work."
 - ii) Insert: "The distribution system shall be pressurized to 60 psig with Nitrogen after successfully passing system pressure test requirements and prior to completion of work."

CHANGES TO THE DRAWINGS:

(Revised Drawings attached for C2 and C4 series sheets)

- AD-1.B.4. Detail Sheet C3.03. Connections WILL NOT be made between zones.
 - a) Delete notes below E/C3.03 entitled "TRANSITION BETWEEN ZONES."
 - b) Insert Notes to detail E/C3.03
 - i) "1. AT ZONE BOUNDARY, STOP CONSTRUCTION 5' FROM INTERCONNECT WITH ADJOINING ZONE.
 2. DO NOT MAKE CONNECTION BETWEEN ZONES"

- c) Insert Notes to details F/C3.03
 - i) "2. AT ZONE BOUNDARY, STOP CONSTRUCTION 5' FROM INTERCONNECT WITH ADJOINING ZONE.
 3. DO NOT MAKE CONNECTION BETWEEN ZONES"
- AD-1.B.5. C4.3, C4.11, C4.12 Shifted pipe alignment to 5 feet inside PUE on north side of Hurst Road.
- AD-1.B.6. C4.66, C4.82, C4.99 Corrected ROW labeling along east side of Newby Road.

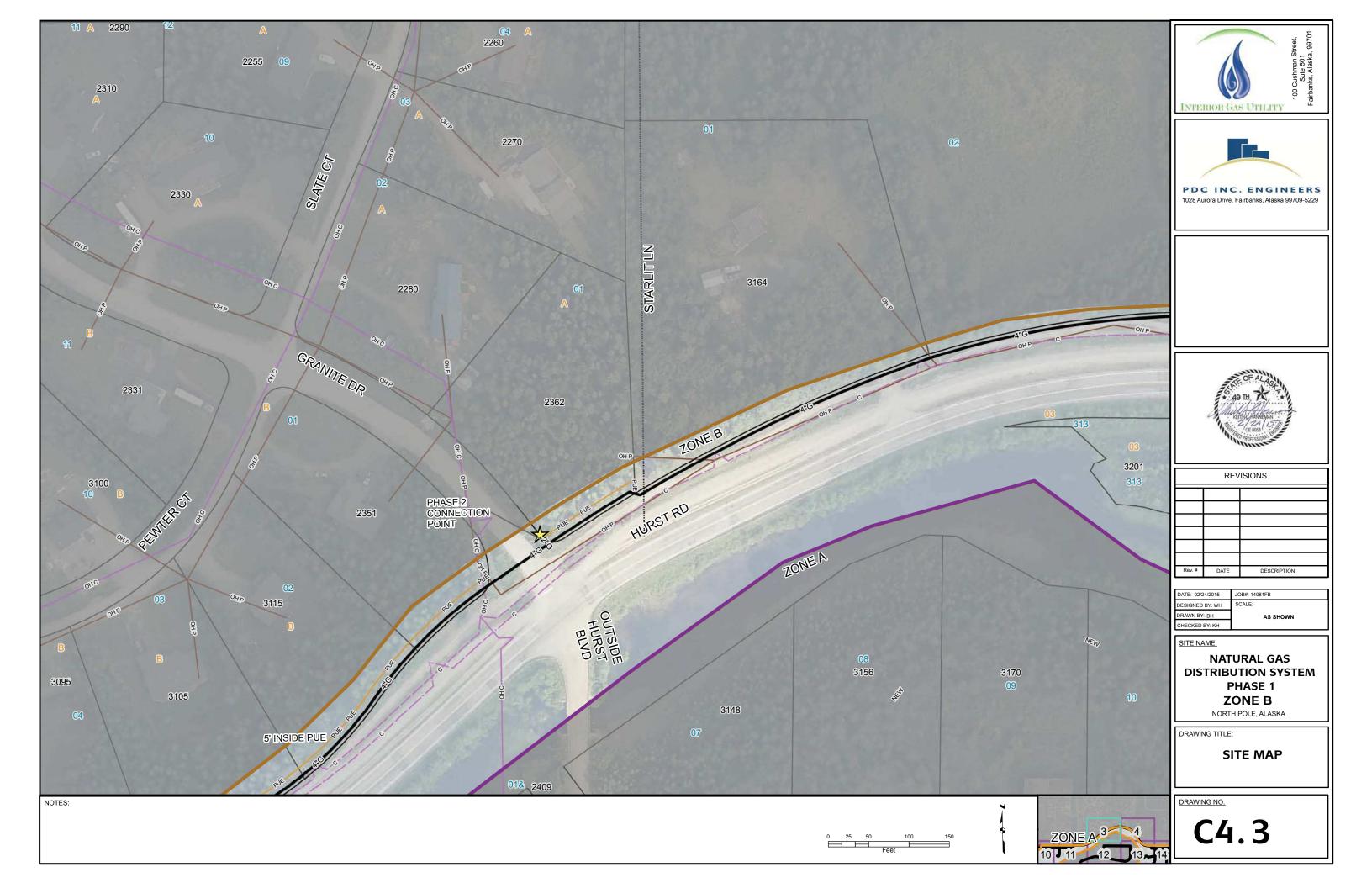
ADDITIONAL INFORMATION: PRE-BID MINUTES, QUESTIONS AND ANSWERS

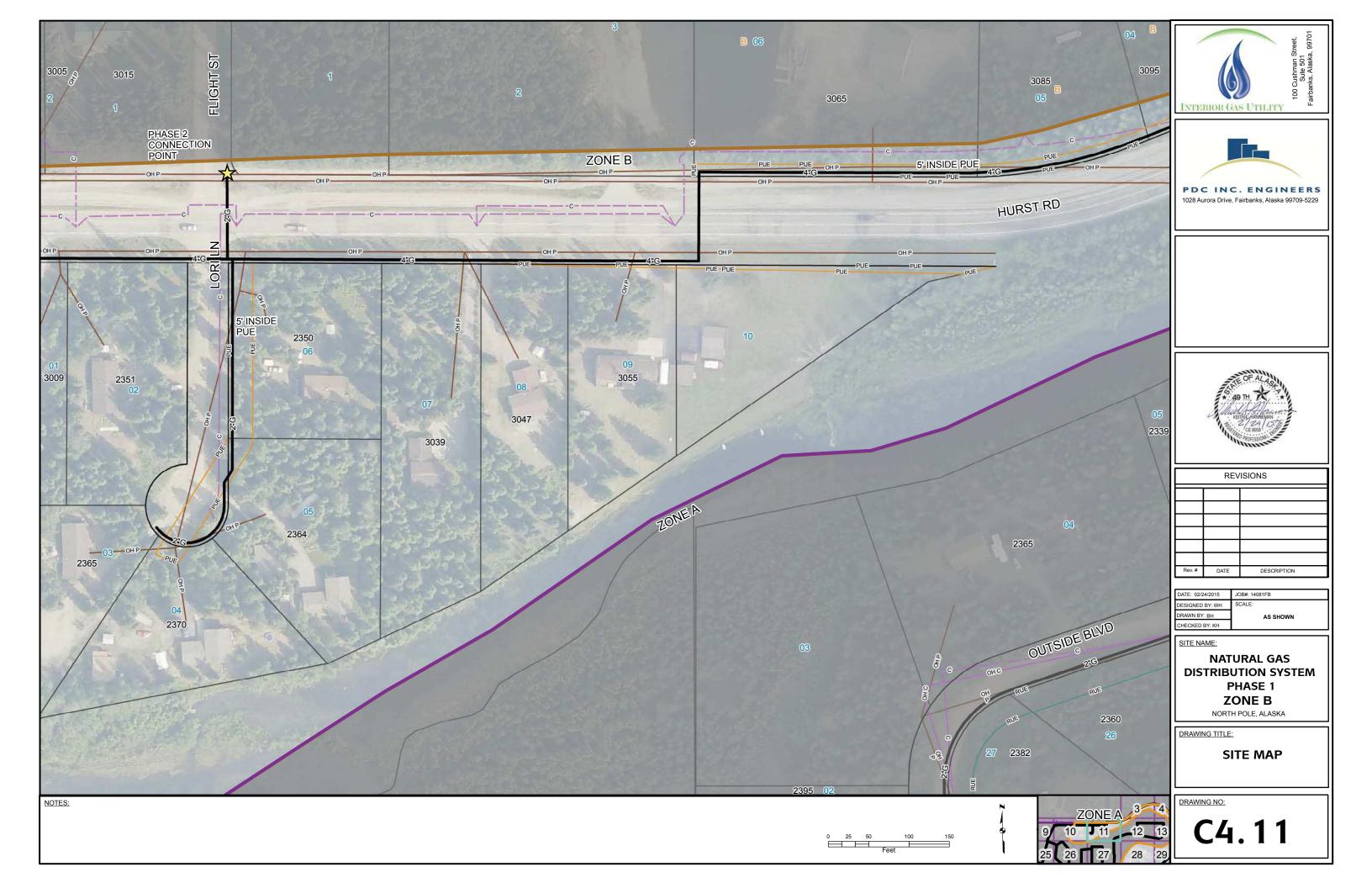
- Meeting minutes from the February 17, 2015, pre-bid meeting are attached.
- Questions and Answers received during and since the pre-bid meeting are attached.
- Combined list of the companies that have registered with either IGU or the Plans Room (see attached)

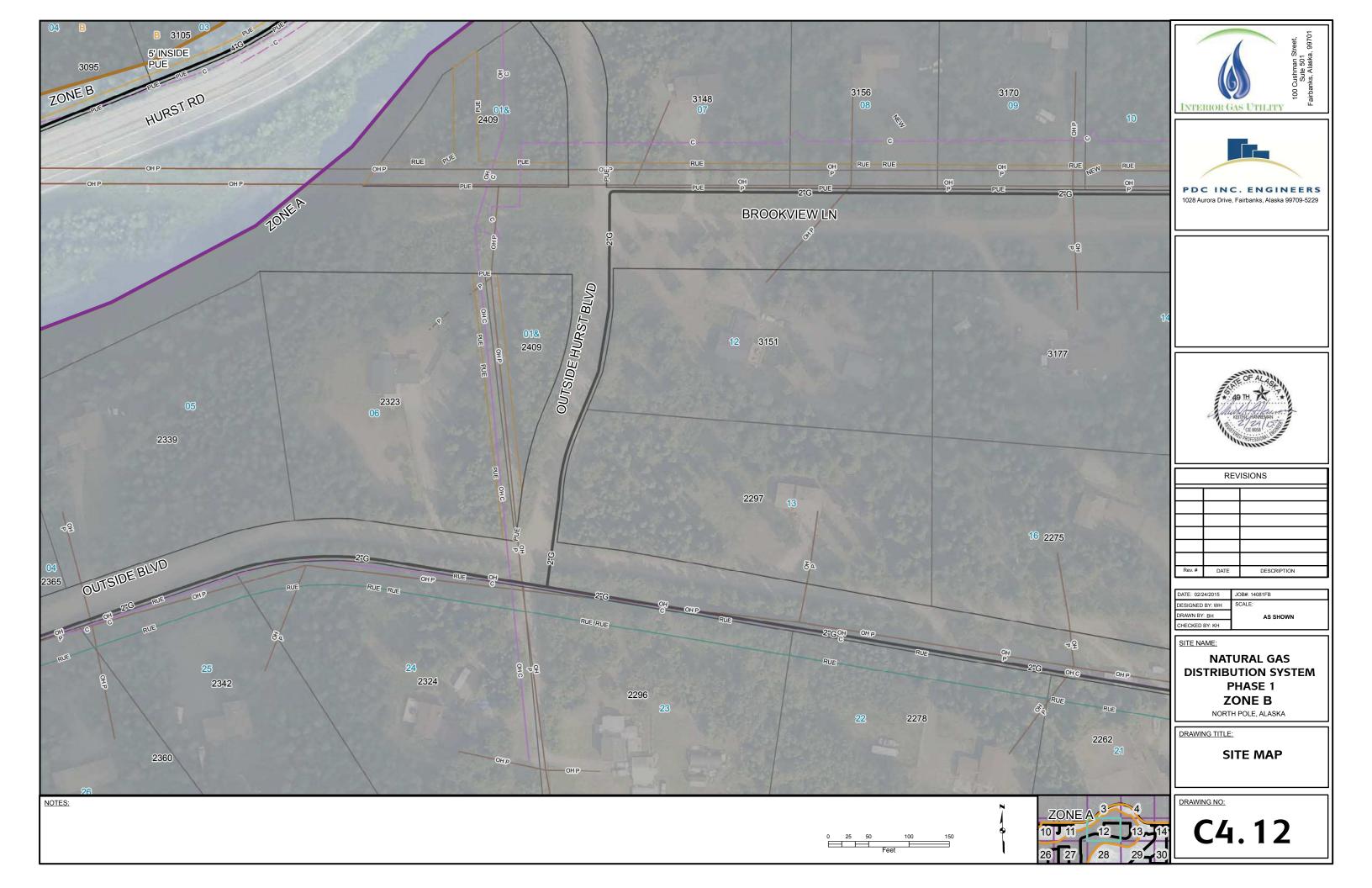
ACKNOWLEDGMENT OF RECEIPT OF ADDENDUM NO. 1:

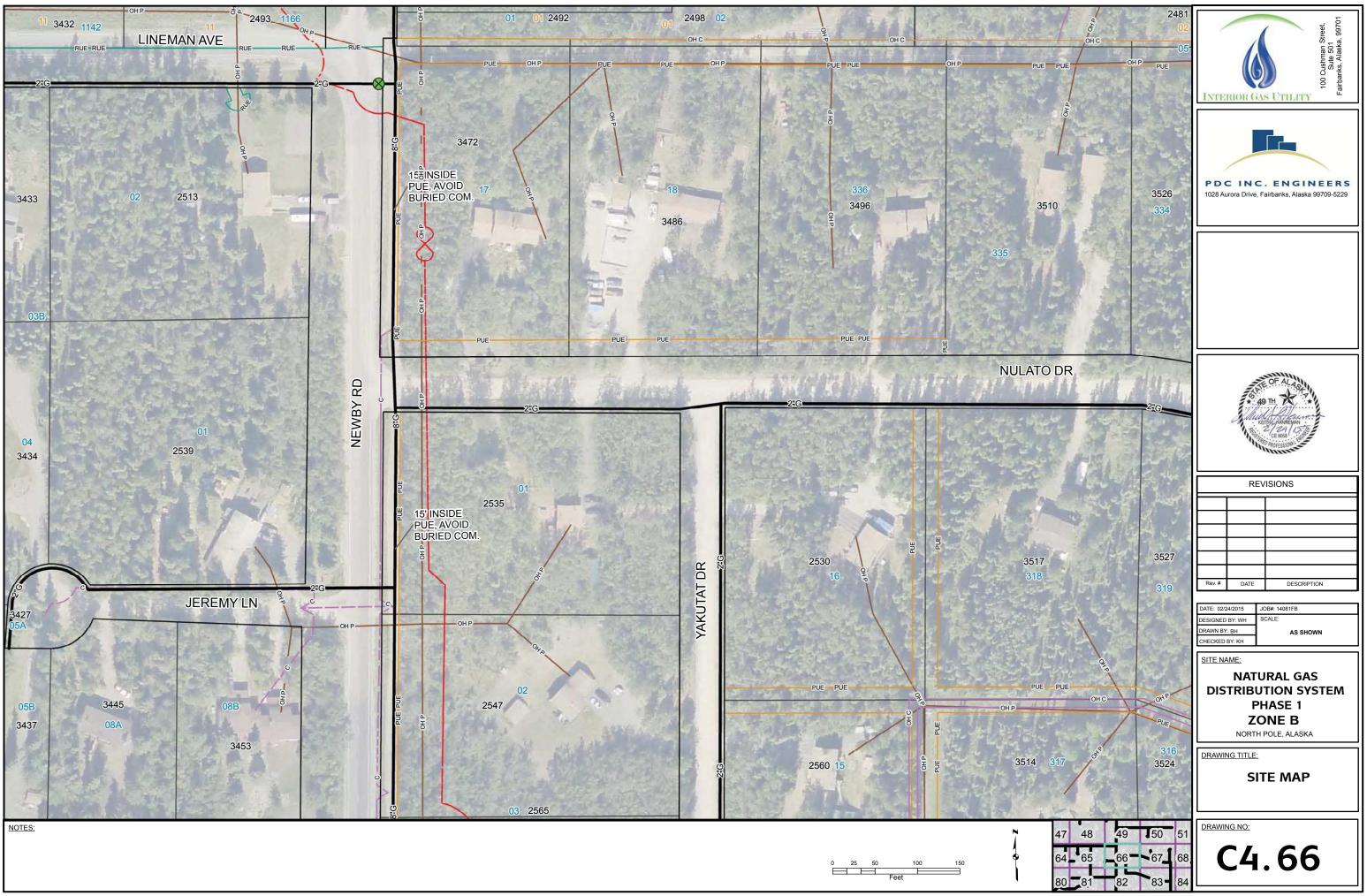
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DATE:	

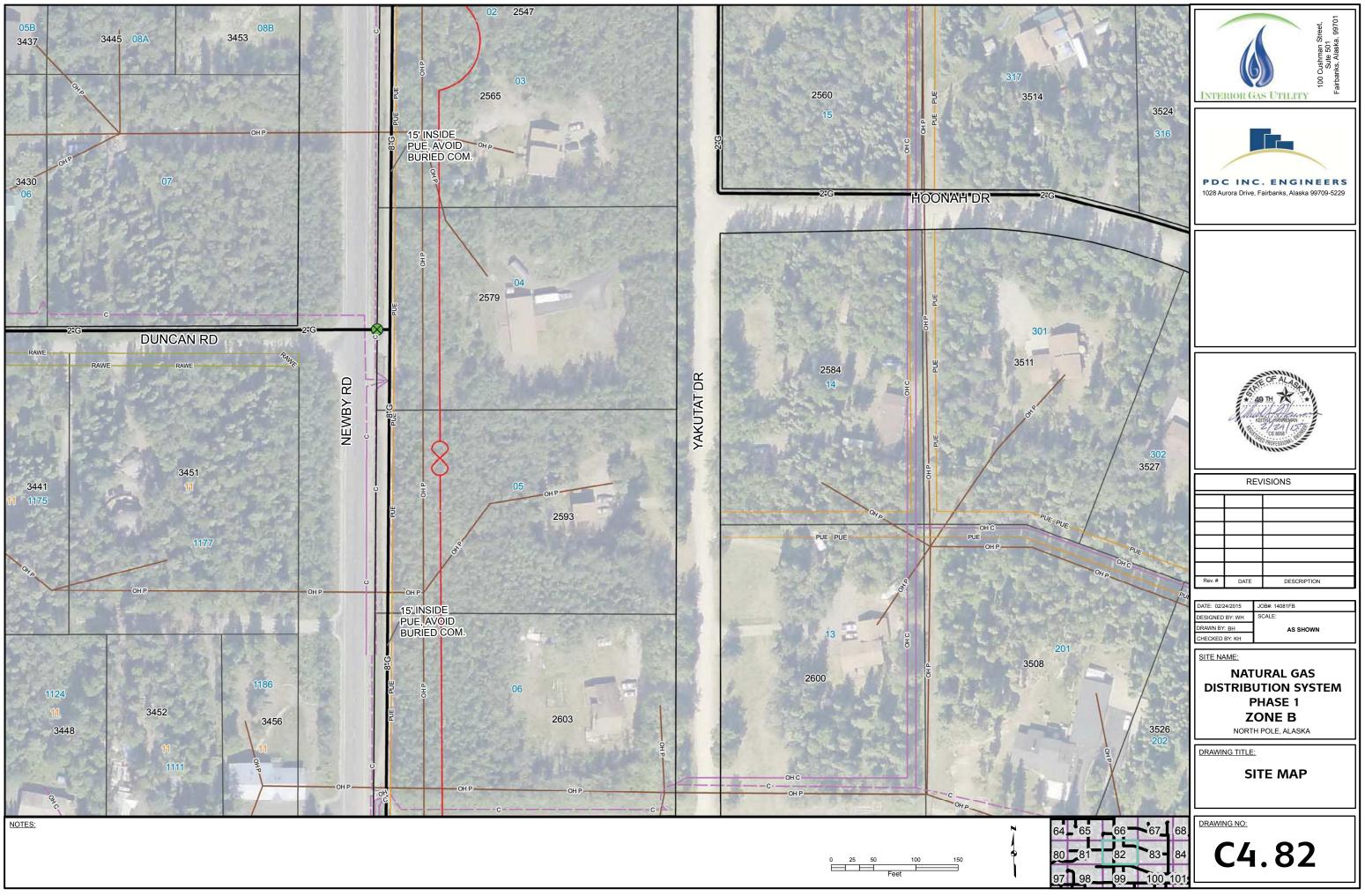
** END OF ADDENDUM NO. 1 **

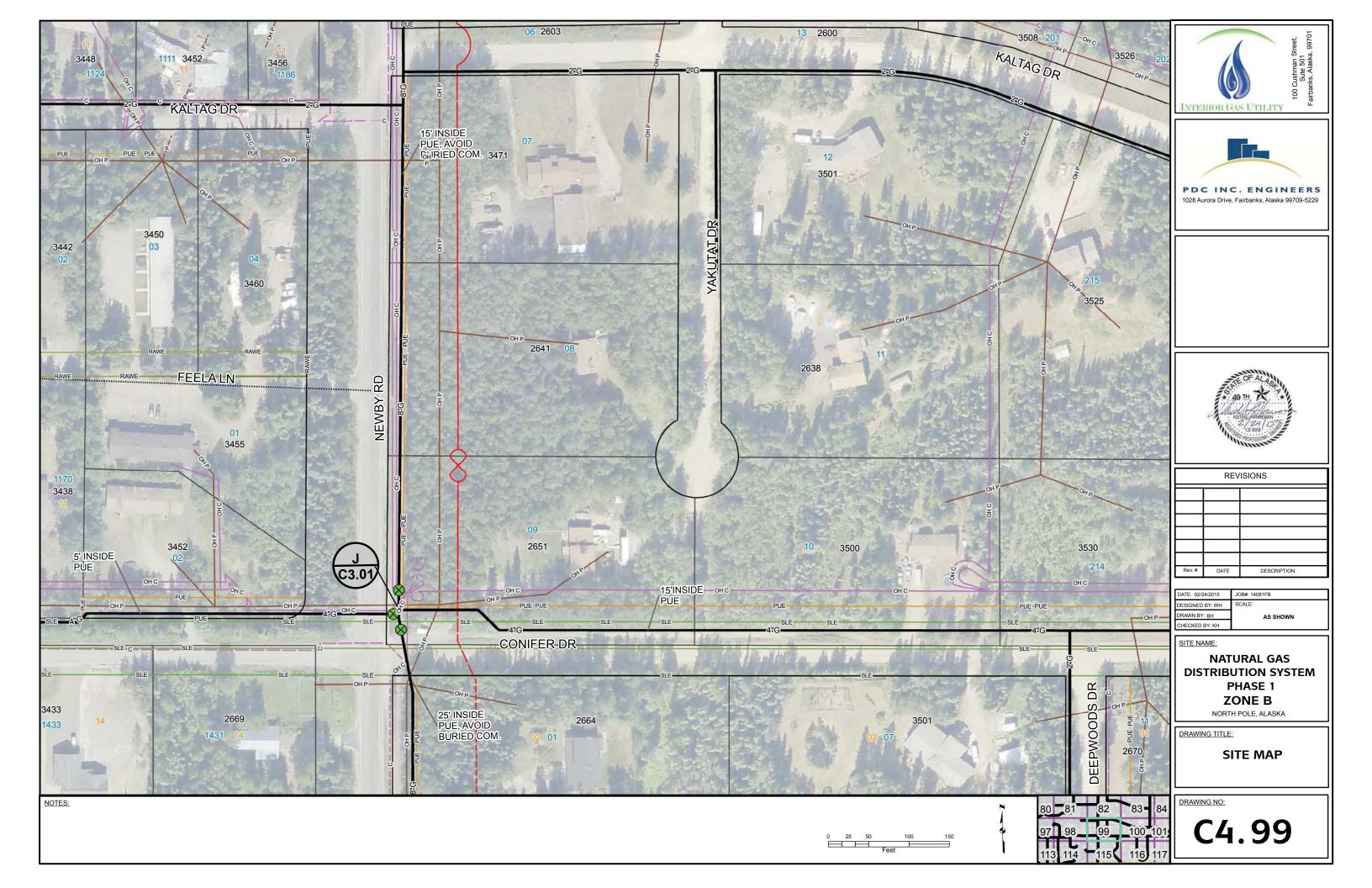
















MEETING MINUTES

Location	FNSB Assembly Chamber 867 Pioneer Road, Fairbanks AK 99701	Date/Time	2/17/2015 at 10:00 a.m.
Attendees	See attached sign-in sheet	Client #	2015-G-01, 2015-G-02, 2015-G-03
		PDC #	14081FB
		Project Name	IGU Distribution System, Phase 1
		Prepared By	HD/WH
Subject	Natural Gas Distribution System Phase 1 – Zones A, B, & C – Pre-Bid Meeting Minutes		

Topics Discussed during the Meeting

David Prusak opened the meeting with a few general comments. Questions should be directed to him. Attendees should register on the IGU website in order to receive notification of addenda, etc. An addendum would be issued after the pre-bid meeting. He reminded everyone that **nothing said at this meeting would create a contractual obligation unless it was subsequently spelled out in an addendum.**

This project is the first of six phases. The total project is approximately 700 miles of gas mains, not including services and meters. IGU expects to issue contracts similar to the current set over the next six years—pending funding, mostly from AIDEA.

Mr. Prusak then turned the meeting over to Keith Hanneman, the design manager for Phase 1, to present the project. Mr. Hanneman introduced himself and the other design team members present and then asked all of the attendees to identify themselves and their companies for the audio record of the meeting.

Phase 1 is just under 80 miles. IGU and the engineer are looking for contractors who will "embrace the schedule." To make this easier, Phase 1 is broken into three construction contracts, each approximately a third of the work:

- Zone A is within the city of North Pole and involves Alaska Railroad (ARRC) right of way.
- Zone B is the northeast portion and contains both Trans-Alaska Pipeline (TAPS) crossings.
- Zone C is the rest of the Phase 1 area; there is some petroleum, oil, and lubricants (POL) pipe involvement along Laurance Road.

Bid openings are staggered: Zone A opens 3/9; Zone B opens 3/12; Zone C opens 3/16. For each contract, IGU expects to issue Notice of Intent to Award on the following day so that contractors can decide whether they've got the capacity to pursue the next zone. Awards will be issued by the last week of March so all three zones can be under contract by mid-April. Substantial Completion is in mid-September, with final close-out the first week of October.

Clearing is being done under two separate contracts: Gage Tree Services for Zones A & C and Carlos Tree Service for Zone B. They'll clear a 15-foot swath for 2-inch line and a 20-foot swath where the line is 4 or 8 inches. They will be performing this work while the successful bidder for construction is gearing up, and both sets of contracts instruct the clearing and distribution contractors to coordinate their work with each other. (The engineer has some discretion to request work from the clearing contractor to set up for the distribution contractor.) IGU Natural Gas Distribution System Phase 1 – Zones A, B, & C – Pre-Bid Meeting Minutes IFB Nos. 2015-G-01, 2015-G-02, 2015-G-03 February 17, 2015 Page 2

Incidental clearing that comes up after the clearing contractor has left the site will be the distribution contractor's responsibility.

There are four different right-of-way (ROW) permit agencies—City of North Pole, State of Alaska Department of Transportation & Public Facilities (DOT), Alaska Railroad (ARRC), and Fairbanks North Star Borough (FNSB). Some places require permits from more than one of these agencies. FNSB doesn't have area wide powers, so some of the work in their jurisdiction takes place in individual Road Service Areas (RSAs), each with its own commissioners.

The City of North Pole has piped sewer, water, and storm drain utilities as well as road interests. The designers have been coordinating closely with DOT for major road crossings—Old Richardson, Hurst, Nelson, etc. Permits are being finalized and may be provided in a future addendum. At the two TAPS crossings, one on Lyle and one on Hurst, the contract drawings and Special Provisions have instructions/stipulations to follow. GVEA owns the oil line that runs from the TAPS to the refineries. POL lines to Eielson AFB run along Laurance Road, and the old WWII-era CANOL line runs along the Old Richardson Highway. The section of POL between the refinery and Eilson is still active. The remainder of this line is abandoned. There are various communication and power lines in the area. Contractor will need to call for utility locates.

DOT has a project along Hurst Road this summer: repaving the road and bike path. Some schedule coordination will be required. In the core of the city of North Pole, half a dozen small streets are being repaved; the gas line generally runs off to the side of those streets, but there should be coordination so that both contractors aren't there at the same time.

Permits in hand include:

- Wetlands; wetlands involvement is quite minimal, a few slough crossings and low areas
- Fish habitat, for slough crossings
- Alaska Department of Environmental Conservation (DEC) dewatering permit for five railroad crossings, obtained in advance so the contractor only needs to request a modification

Several permits are still pending:

- Alaska Department of Natural Resources (DNR) Temporary Water Use Permit, in case of dewatering
- Archaeological/SHPO; expected to require some training for construction supervisors

Phase 1 will put in about 74 miles of pipe. The vast majority is 2-inch-diameter, and the rest is 4-inch and 8-inch. Major borings are called out in the plans, but there's horizontal directional drilling (HDD) across all the roads, whether Borough or City or DOT. Other than that, there is no real special construction for the gas line, except that considerable amount of the work will be within utility easements on private property.

Anticipated addendum items:

- Additions/clarification to insurance requirements
- Minor design changes along Santa Claus Lane (route around a back street to avoid congestion) and Hurst Road
- Update permits/permit status
- Update status of new easements as they are signed and recorded
- The plans have a detail that shows the three zones getting connected to each other, but with up to three contractors doing the work, we will remove that and keep the zones isolated through the warranty period
- The lines will be pressurized with nitrogen instead instead of air
- Location of laydown yard

Mr. Hanneman ended his presentation by reminding the attendees that this is IGU's first construction project. IGU and the design team have been coordinating closely with the utilities, agencies, and ROW agencies to establish how it's going to go. Making sure things happen that way in the field is important to establish IGU as a good quality utility operator. The contractor(s) selected for this project will be a big part of that.

IGU Natural Gas Distribution System Phase 1 – Zones A, B, & C – Pre-Bid Meeting Minutes IFB Nos. 2015-G-01, 2015-G-02, 2015-G-03 February 17, 2015 Page 3

Likewise, even for the roads that aren't in RSAs or DOT or ARRC right of way, IGU expects the contractor to make a concerted effort to be respectful and maintain a consistent standard of care across all the construction crews out there, who are representing IGU. About a third of the project is going to be built in public utility easements on private property, so a good share of it's going to be on property owned by the people IGU wants to have as customers.

Mr. Prusak added a few comments before opening the floor to questions.

Pipe is expected to arrive between March 15th and April 15th. IGU hopes to provide the location of the laydown yard in the addendum, because it will definitely affect the contractor's cost. If it is not within the Phase 1 area, it will be nearby.

Pipe fittings have not yet been ordered; this should happen in the next few weeks. The suppliers indicate that there won't be a long lead time. IGU expects to warehouse the fittings in or near Phase 1, the same as with the pipe laydown yards.

IGU is a public entity wholly owned by the FNSB, so these are public bids. There won't be any private negotiations; everything will be transparent, as for any public utility. This might be a little bit different from how other natural gas companies have done things, but it is required because IGU operates in the public arena.

At the end of the Q&A period, Mr. Prusak reiterated that regardless of what was said in the meeting, and how people interpret what they heard—in order to change the contract documents, it must be issued in an addendum. He realized most of the attendees were aware of that, but it is also spelled out in the bidding documents as such.

He closed by saying that IGU intended to issue an addendum within the next week, addressing the issues that had been called out and hopefully clarifying how far the haul from the laydown area to the project site would be so contractors could get that into their cost estimates.

As a final question, someone asked whether the responses to the questions and the meeting sign-in sheet would be distributed to the participants. Mr. Hanneman replied that we would put together minutes of the meeting, including the Q&A session. If the response was a reiteration of specifications that are already there, there would be a reference back to that particular section within the bidding documents themselves. Any items that required a change in the contract documents would be called out as an individual element in the addendum, which the contractors would then have to acknowledge at the time they submit their bids. The sign-in sheet would be included in the meeting minutes.





IFB No. 2015-G-01 (Zone A) IFB No. 2015-G-02 (Zone B) IFB No. 2015-G-03 (Zone C)

CONSTRUCTION OF NATURAL GAS DISTRIBUTION SYSTEM PHASE 1

PRE BID FEBRUARY 17, 2015

Name	Company	Telephone	Email
Ron Smith	Smith Cable	907-250-6655	rsmith.scs@gmail.com
John McClain	Smith Cable	907-328-9992	jmcclain46@yahoo.com
Chris Faeo	Alaska Directional	907-232-6818	akdirectional@alaskadirectional.com
Randy Chandler	NPL	208-661-1413	rchandler@gonpl.com
Erik Foote	BSE	907-952-3174	efoote@bseak.com
Joe Sutton	Robinson Brothers Construction (RBC)	503-784-9599	jsutton@rbc-utility.com
Jake Walton	NPL	541-210-7521	jwalton@gonpl.com
Alan Makarewicz	Frontier Directional Drilling	907-355-5633	
Tali Landau	CEI	907-561-0125	tali@cei-alaska.com
Robbie Ro???	Frontier Directional Drilling	907-259-3288	
Mike Kluesner	La La Construction	907-830-8865	lala@mtaonline.net
Brent Anderson	Utility Technologies, Inc. (UTI)	907-715-9616	banderson@utilitytechnologies.net
Jeff Dumps	Central Mechanical	907-388-7990	jeff@cmi-alaska.com
Mac Auxier	La La Construction	907-315-5462	lala@mtaonline.net
Steve Barney	Infrasource	253-372-4435	steve.barney@infrasourceinc.com
Rocky Riley	Tolovana Construction	907-460-1911	t.olovana@hotmail.com

IFB No. 2015-G-01 – Construction of Distribution System – Zone A IFB No. 2015-G-02 – Construction of Distribution System – Zone B IFB No. 2015-G-03 – Construction of Distribution System – Zone C PRE-BID MEETING – February 17, 2015 Page 2

Name	Company	Telephone	Email
Jean Hayek	Utility Technologies, Inc.	907-230-9491	jhayek@utilitytechnologies.net
William Boswell	Tanana Chiefs Conference (TCC) – Survey	907-452-8251	William.boswell@tananachiefs.org
Sean King	La La Construction	907-341-8362	
Gail Gardner	ADOT&PF	907-451-5408	gail.gardner@alaska.gov
Ann Worhatch	FNSB Rural Services	907-459-1333	aworhatch@fnsb.us
David Prusak	Interior Gas Utility (IGU)	907-374-4474	david@interiorgas.com
Tim Diedrich	PDC Inc. Engineers	907-452-1414	timdiedrich@pdceng.com
Dan Bross	KUAC	907-474-5085	dan.kuac@alaska.edu
Dan Hytry	HGUG	907-687-2372	<u>dhytry44@gmail.com</u>
Max Espeland	Mad Max Drilling	907-632-6792	espeland55@gmail.com
Tom Clark	Clark Management	907-299-2422	clarkshore@gmail.com
Norman Bernier	Clark Management	907-299-1114	bleubernier@yahoo.com
Jay Frawner	Alaska Road Boring	907-561-4044	jay@frawnerard.com
Nick Hebnes	Alaska Road Boring	907-561-4044	nhebnes@arbcalaska.com
Mark Powell	Alaska Road Boring	907-227-7950	powellalaska@yahoo.com
Alan McHone	Alaska Directional, LLC	907-841-8429	amchone@alaskadirectional.com
Billy Long	Alaska Directional, LLC	907-750-9025	blong@alaskadirectional.com
Bert Truym	Chumley, Inc.	907-335-4668	act96@juno.com
Philip Hoffman	Alyeska Pipeline Svc. Co.	907-450-5739	
Steve Geraghty	Great Northwest	907-452-5617	sgeraghty@grtnw.com

IFB No. 2015-G-01 – Construction of Distribution System – Zone A IFB No. 2015-G-02 – Construction of Distribution System – Zone B IFB No. 2015-G-03 – Construction of Distribution System – Zone C PRE-BID MEETING – February 17, 2015 Page 3

Name	Company	Telephone	Email
Maggie Slife	ADOT&PF	907-451-4409	maggie.slife@alaska.gov
Frank Wuttig	Alyeska Pipeline Svc. Co.	907-450-7727	frank.wuttig@alyeska-pipeline.com
Wesley Hopwood	PDC Inc. Engineers	907-452-1414	wesleyhopwood@pdceng.com





QUESTIONS AND ANSWERS

То	Interested Bidders	Date/Time	February 26, 2015
Company	Interior Gas Utility	Client #	2015-G-01, 2015-G-02, 2015-G-03
		PDC #	14081FB
		Project Name	IGU Distribution System, Phase 1
		Prepared By	HD/WH
Subject	Natural Gas Distribution System Phase 1 – Zones A, B, & C – Q&A		

Questions asked at the pre-bid meeting (2/17):

- 1. Question: Where is the gas storage site going to be for this utility?
 - **Answer:** We expect it to be near the Flint Hills Refinery/GVEA Power Plant area. It won't be part of this project, since this is just for the distribution system.
- 2. Question: Is there any limitation on work hours, during the day, evening, etc.?

Answer: The standard work hours will be 7 a.m. to 7 p.m., Monday-Saturday.

- 3. **Question:** Will the following year's work be bid prior to the completion of this work?
 - **Answer:** It depends on the release of the funding that we have and obtaining the funds for the construction itself, as well as the permitting and ROW components. Substantial completion for Phase 1 is September of 2015; we highly doubt Phase 2 will be ready to bid by 2015. Likely IGU will prepurchase the materials again and have that order for the long lead items for materials in by that time. One of the components that we're looking at in Phase 2 is letting the contract for the clearing be tied directly to or a subcontract to the pipe installation. We're dealing with the bird nesting issues related to some of the permits and that's why we're advancing forward with some of the clearing. We really can't make that commitment at this point. In an ideal world, if there was enough funding, we'd like to do that, but it's highly unlikely that we'll have it by September 2015.
- 4. **Question:** You said the pipe would be delivered between 3/15 and 4/15. Can you tell us what brand of pipe and what brand of fittings it is?
 - Answer: The brand of the pipe is Performance Pipe, and all of the pipe is SDR-11.
- 5. Question: Do you have a utility construction standards manual that you can give out?
 - **Answer**: The way the specifications are written, they are incorporated in the bidding documents themselves. There isn't an independent manual at this point.

IGU Natural Gas Distribution System Phase 1 – Zones A, B, & C – Pre-Bid Meeting Minutes IFB Nos. 2015-G-01, 2015-G-02, 2015-G-03 February 24, 2015 Page 2

- 6. **Question:** In your bidding documents, you have a test procedure that calls for 150 to 180. Have you established a standard operating or maximum operating pressure yet to justify where we stop our test?
 - Answer: The intended MAOP for our system will be 100 psi.

Supplemental Answer: Addendum 1 includes a reduction in the test pressure range from a high end of 180 psi to 160 psi.

- 7. **Question**: Are you going to submit a standard completion form for record so that we can all have a standardized testing procedure and documentation? If so, when do you expect to see that?
 - Answer: Yes. I'm not sure if that will be released prior to the bid or not. Likely we'll follow the format that's outlined within the PHMSA documents, between CFR 190 thru 195.
- 8. **Question**: Who is going to be responsible for PHMSA recording? The engineer, with their documents, or our documentation as we go? For the PHMSA standards—will you record that information, or do you expect the contractor to do that?
 - Answer: I would see that as a combination of both of our responsibilities as we go forward.

Supplemental Answer: Completion/testing reports per Specification Section 335100 may be on contractor forms approved by IGU or owner provided forms. An IGU representative will witness all pressure tests in accordance to Specification Section 335100 3.03.C and 3.03.D.

9. **Question**: Who will provide the nitrogen?

Answer: We're expecting the contractor to do that.

Supplemental Answer: Specification Section 335100 3.03.C.2 identifies that it is the contractor's responsibility to provide all labor, equipment, and materials for pressure testing.

- 10. **Question**: On your spec sheet, you're calling for bores. Certain bores have 4-inch pipe coming up on both sides, and then you call for an 8-inch plastic pipe to be bored under a crossing like the Richardson Highway. Is there a reason for that?
 - Answer: Yes, so that if we ever made any system expansion the mains could be upsized without having to re-bore. If demand grows in a way that we don't anticipate, and we've crossed the highway once, we won't have to come back and re-bore it. For those long bores, the incremental cost was pretty minimal. We did a similar thing under some of the sloughs, because we only want to do those once as well.
- 11. **Question**: As far as OQ goes, it was recognizing what we have existing, and you have to make note on that, is there going to be a standard? Are you going to accept Veriforce, or MEA, or all of the above?
 - **Answer:** All of the above. We're putting out the matrix as the basis for what we would be looking for in the comparable qualifications from these other agencies and the other programs.

The way that's outlined in the specs (*Bid Form Article 7.01*) is that we do reference the other ones that would provide equivalent covered tasks. We listed four or five other programs for which that would follow. The way it's prepared within the bidding documents themselves, it doesn't just have to be the "EnergyU" program, it can be another program, but with the bidding documents (Bid Form Article 7.01), there is a submittal related to OQ that will be evaluated prior to the Notice of Intent to Award. We absolutely have to have that.

Supplemental Answer: OQ programs will be accepted as long as they are an equivalent program in accordance with Bid Form Article 7.01.

- 12. **Question**: Will IGU be handling the testing for the fitters and fusers? Or is that coming along with the OQ's?
 - **Answer**: That is spelled out in the specifications. The way the documents are prepared right now, that will come along with the OQ that the contractor will bring.
 - Supplemental Answer: OQ testing and certification is the contractor responsibility in accordance with Bid Form Article 7.01
- 13. Question: Will the utility be providing 100% of the materials placed in the ground?
 - **Answer:** That is our intention, yes.
 - Supplemental Answer: Exceptions include steel casing and related materials within Specification Section 330523 – Boring and Jacking. Those materials will be Contractor-provided, as detailed in that specification. See Specification 335100 for a complete list of materials that will be provided by IGU.
- 14. **Question**: So the submittal process that's in the bid documents is there for in case you run out, we have to acquire our own, we submit those, you'll vet those submittals and put them in—is that the intention of that submittal process that's laid out?
 - **Answer**: We will be supplying 100% of the pipe materials in the ground. We will not be providing, as an example, backfill materials are associated with the project.... We're only providing the HDPE portion: valves and fittings, marker wire, tracer wire, locate boxes, all of that.
 - Supplemental Answer: The materials specified in Specification Section 335100 that will be provided by IGU will not require contractor submittals. The intent of providing the material details in the specification is to provide the Contractor with detailed information on the materials that they will be required to install.
- 15. **Question**: With nitrogen in the line and a line strike happens, will IGU be repairing and putting that in after it's done? Or will you be asking the contractors to come back? How do you intend to handle that when it happens? For example, we load the line October 1st, nitrogen's in, it's done, we're out, we've got a warranty period. Line strike happens early the next year. The utility will be handling that how?
 - Answer: It depends on who owns the line at the time that the strike may happen. That's a function of the warranty period and how we'll handle the reloading of the line. It will be what makes the best sense for who's around.... Beyond the warranty period, we wouldn't expect the contractor to come back, at least at no expense, to be able to do that.
 - Supplemental Answer: Contractor shall be required to warrant the installation and workmanship in accordance with the terms of the contract, and will not be responsible for cost of repairing the pipe resulting from third party damage following Final Inspection.
- 16. Question: Getting back to the wire, will we providing directional bore wire for the bores?

Answer: That is something that we'll have to clarify.

Supplemental Answer: It is planned that each major bore will have one stainless steel wire pulled in with it as well as one copper tracer wire within 1-inch HDPE conduit. This will allow redundancy

unless one is lost while pulling. IGU will provide enough stainless wire to cover the major bores designated on the drawings. See Specification Section 330524, paragraph 3.06H.

- 17. **Question**: So if we were to lose a locate wire, would we have to redo the whole bore, or would you work around that?
 - **Answer**: We need continuity to be able to locate our gas lines. That's a requirement of PHMSA. We're going to make sure we've got continuity.

Supplemental Answer: Yes, re-bore if continuity is lost. See Spec 330524 1.02.B.4 and 3.06H

- 18. **Question**: It's just those specialty bores that are marked on the map. The intent is to bore all roads, whether they're gravel, chip-sealed...?
 - **Answer**: Correct. There's a general note there. I think we called for two different wires on the bores to make sure we had redundancy.
- 19. **Question**: On the bores that we have slated out for all the road crossings, are we going to be able to bore in situations where it is not designated on the drawings? Can we make a choice: can we bore it, vs. open trench?
 - **Answer**: Yes. The pay items are set up with discussion in there that we'll pay you for the bores and the lengths that we call for on the plans. If you choose to do something else, you will get paid at the open-trench price.
- 20. **Question**: As far as the road crossings called out, are there any moratoriums, no cut, for instance if we've got to do some potholing for utility verifications?
 - **Answer**: We hadn't envisioned that specifically, but if that's the only way we can get a locate, then we would probably need to do that. But we would need to coordinate with the road owner, whether that's DOT or the Borough or whoever, and get their approval. I would not want that to be the first choice, that if we can't get a locate on something we have to dig it up or pothole it.
 - Supplemental Answer: Most utilities will not provide depth to their lines, only horizontal locations. As-built drawings are available for some utility crossings which designate approximate depth. In the case that other means of determining depth are not available, vacuum excavation potholes to verify depths is a valuable method for bore planning.
- 21. **Question**: Regulators are going to require us, when we're directional-drilling, to have a window visible on crossings such as sewer lines. So if we run into a situation, if a city or county or state paves the road, it's five years before you can get in. But there's technology, such as the keyhole technology, where you just core a hole and usually you can get away with coring that and resetting that. So maybe that's a discussion that needs to be approached with the entities.
 - **Answer**: Right. If I could ask you to send us that question in writing, during bidding, we'll coordinate that with the agencies. Following up on that, Zones B and C are outside the city of North Pole and there's no piped water and sewer in the roads. In Zone A, the contractor is going to have to be on his toes.

Questions submitted in writing after the pre-bid meeting:

22. Question: Have you registered with the OneCall to protect your system as it goes in against potential home owner/private contractor damages?

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- Answer: The Contractor shall be responsible for protecting the installed work from all damage, including third party damage for the duration of the contract, and through the completion of the Final Inspection acceptance by IGU. Any damages to the installed work, shall be repaired, tested and accepted in accordance with the specifications. Contractor is responsible for providing locates and coordinating with Alaska Dig Line to provide locating service until Final Inspection acceptance. This item will be clarified in Addendum 1.
- 23. Question: How do you intend to respond to a line hit after lines are full of nitrogen by home owner/private contractor? In regards to line hits after project completion and final payment; contractor is to warranty workmanship, materials and failure. I would see that a homeowner with a posthole digger and no locates would fall out of the spec of warranty. During construction I'm sure that the contractor on site would obviously work with IGU in regards to damages.
 - **Answer:** The contractor will not be responsible for third party damages after Final Inspection. The Contractor has responsibility for repairing the line prior to Final Inspection.
- 24. **Question**: Have you been in contact with local utility companies in regard to being able to facilitate the manpower to locate for everyone at the same time on these projects in conjunction with other projects going on in the Fairbanks/North Pole area?
 - Answer: This question was specifically asked of the utilities in December. The answer was yes.
- 25. Question: Will GVEA locate buried service connections in support of IGU Phase 1 project.
 - **Answer**: GVEA has stated, that it is there policy, that they do not locate services (from the transformer to the building).





IFB No. 2015-G-01 (Zone A) IFB No. 2015-G-02 (Zone B) IFB No. 2015-G-03 (Zone C)

CONSTRUCTION OF NATURAL GAS DISTRIBUTION SYSTEM PHASE 1

PLANHOLDERS LIST

February 26, 2015

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IFB No. 2015-G-01 – Construction of Distribution System – Zone A IFB No. 2015-G-02 – Construction of Distribution System – Zone B IFB No. 2015-G-03 – Construction of Distribution System – Zone C PLANHOLDERS LIST – February 26, 2015 Page 2

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IFB No. 2015-G-01 – Construction of Distribution System – Zone A IFB No. 2015-G-02 – Construction of Distribution System – Zone B IFB No. 2015-G-03 – Construction of Distribution System – Zone C PLANHOLDERS LIST – February 26, 2015 Page 3

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IFB No. 2015-G-01 – Construction of Distribution System – Zone A IFB No. 2015-G-02 – Construction of Distribution System – Zone B IFB No. 2015-G-03 – Construction of Distribution System – Zone C PLANHOLDERS LIST – February 26, 2015 Page 4

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