



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Brown, Mital, Helgeson, Manning, and Simpson
FROM: Mel Damewood, Engineering Manager; Dalen Willhite, Generation Engineering,
DATE: July 11, 2014
SUBJECT: Carmen Powerhouse Crane Refurbishment
OBJECTIVE: Approval to award Construction Contract

Issue

At the July 22 Board meeting, staff will be available to answer questions and will be requesting the Board to approve the construction contract for the Refurbishment of the Carmen Powerhouse Crane.

Background

Refurbishment of the existing 150 ton crane is required in order to perform lifts of major components at the Carmen Powerhouse. With upcoming expected turbine generator repair work and future work under a new license, a functional, safe, and reliable crane is required. The existing crane has had no significant modifications or rebuilds since original installation in 1963. It is currently not functional or reliable for major lifts.

The crane refurbishment was recently advertised under ITB 017-2014 with 3 responding bidders, 2 of which were qualified. On site construction is expected to begin in early 2015 and be completed prior to the summer of 2015.

Discussion

With the assistance of consulting engineers and industry experts, EWEB engineering has investigated multiple options such as crane replacement and the use of a mobile crane. The most effective solution for cost, performance, and reliability is the refurbishment of the existing crane to provide a crane for upcoming turbine generator maintenance/overhauls and into the next 50 years of powerhouse operations. Planned work includes the replacement of all motors, gearboxes, electrical, controls, and cabs. The bearings, wheels, hook, and open gears will be refurbished and access improvements made to meet current OSHA standards.

The consulting engineers estimate for this work was \$1.7 million and the responsive bid of \$980,000 by Benchmark Industrial. The Bidder's references and work experience have been checked, verified, and found in compliance with EWEB requirements and specifications.

In reviewing the 2014 Carmen Smith Budget, there are funds available to move this work forward into 2014, and EWEB should have an overall favorable budget since the bids came in much lower than anticipated.

There are no significant environmental impacts with this work. Small amounts of lead based paint and asbestos remediation will be required according to EWEB standards.

Requested Board Action

Management requests Board approval of awarding the construction bid to refurbish the Carmen Powerhouse Crane to Benchmark Industrial, Portland, Oregon for \$980,000.

If there are any comments or questions please contact Dalen Willhite at 541-685-7605 or by email at dalen.willhite@eweb.org.

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a contract with **Benchmark Industrial Services** for **Construction Services for the Refurbishment of the Carmen-Smith Powerhouse Crane.**

Board Meeting Date: July 22, 2014

Project Name/Contract#: Carmen-Smith Powerhouse Crane

Refurbishment/017-2014

Primary Contact: Dalen Willhite Ext. x7605

Purchasing Contact: Sarah Gorsegner Ext. x7348

Action Requested:

Contract Award
 Contract Renewal
 Contract Increase
 Other

Contract Amount:

Original Contract Amount: \$980,000

Additional \$ Previously Approved: \$ n/a

Invoices over last approval: \$ n/a

Percentage over last approval: n/a %

Amount this Request: \$980,000

Resulting Cumulative Total: \$980,000

Funding Source:

Budget
 Reserves
 New Revenue
 Bonding
 Other

Contracting Method:

Method of Solicitation: Formal Invitation to Bid

If applicable, basis for exemption: n/a

Term of Agreement: May 29, 2015

Option to Renew? No

Approval for purchases "as needed" for the life of the contract No

Form of Contract:

Single Purchase
 Services
 Personal Services
 Construction
 IGA
 Price Agreement
 Other

Narrative:

EWEB requires refurbishment of an existing 150 ton crane located at the Carmen Powerhouse. The existing crane has had no significant modifications since originally installed in 1963 and is considered at the end of its useful life. The crane is currently not functional, not up to current safety codes, or reliable for lifting major powerhouse equipment. Upcoming, emergent, and O&M work for the next 50 years requires this crane to be functional. Other options were investigated such as complete replacement and use of a mobile crane. Use of a mobile crane was dismissed due to space limitations, lift control concerns, and the ongoing need for a crane on site for regular operations. The most effective solution for cost, performance, and reliability is the refurbishment of the existing crane.

Work required to bring the crane into operational conditions includes replacing electrical and control equipment, providing variable frequency drives, refurbish/replacement of existing gear box equipment, replacement of operator's cab and electrical house, load testing, and certification. Additional equipment to be provided includes a step-up transformer to be installed on the crane and rebuilding the existing cable reel to provide power to the transformer.

Staff issued a Formal Invitation to Bid in April, 2014. Twelve contractors reviewed the solicitation, five contractors attended the mandatory pre-bid meeting, and three bids were submitted. Benchmark Industrial Services of Portland, Oregon was the lowest responsive and responsible bidder. If approved, Benchmark Industrial Services will provide construction services as specified in the bidding documents.

ACTION REQUESTED:

Management requests Board approve a contract with Benchmark Industrial Services for **Refurbishment of the Carmen-Smith Powerhouse Crane.** Funds for this work were budgeted for 2014 and will be budgeted for 2015.

SIGNATURES:

Project Coordinator: _____

LT Manager: _____

Purchasing Manager: _____

General Manager: _____

Board Approval Date: _____

Secretary/Assistant Secretary verification: _____