



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Mital, Simpson, Helgeson, Manning, and Brown
FROM: Mel Damewood, Engineering Manager, Mike McCann, Generation Manager
DATE: October 22, 2015
SUBJECT: Carmen Powerhouse - Engineering Consultant Contract
OBJECTIVE: Approve Powerhouse Engineering Consultant Contract

Issue

EWEB recently completed a request for proposals (RFP) process for selecting an engineering firm to design the planned improvements at the Carmen powerhouse. Proposal evaluation and consultant selection has been completed. Staff is requesting that the Board approve the contract with Black & Veatch for engineering services at the Carmen Powerhouse.

Background

In accordance with Oregon public procurement rules, EWEB initiated a Qualifications Based Selection (QBS) process for engineering services for Carmen Powerhouse rehabilitations. Proposals were received from Black & Veatch and HDR. While both firms are highly qualified, all members of the proposal evaluation committee rated Black & Veatch higher. Billing rate negotiations have been completed and acceptable insurance certificates have been received. Black and Veatch's rates are consistent with engineering firms in the northwest and as compared to other firms currently doing similar work for EWEB.

Discussion

The proposed contract structure is that of a master services agreement and subsequent task orders. Potential future work task orders include:

- Powerhouse structural and seismic evaluation
- Development of cost estimates
- Powerhouse condition assessment
- Construction phasing plan
- Settlement Agreement renegotiation cost estimates
- Substation preliminary design and design services
- Turbine-generator preliminary design and design services
- Ancillary system (balance of plant) preliminary design and design services
- Preparation of operation manuals and operating procedures
- Preparation of inspection plans
- Hydraulic evaluations
- Preparation of equipment procurement technical specifications
- Testing and inspection assistance
- Construction period engineering services
- Operator training

The total fee estimate for the base engineering services of design, development of procurement technical specifications, and construction period services is \$6 million. This estimate may vary significantly depending on the specific nature of the task orders. Task orders will be scoped and negotiated in advance of Project Manager and LT Manager approval. Management expects that the first task order for the condition assessment and structural evaluation will be completed by the end of the year.

Requested Board Action

Staff requests that the Board approve the Black & Veatch Carmen Powerhouse Engineering Contract. If there are any questions or if more information is needed, please contact Mel Damewood, (541) 685-7145 or mel.damewood@eweb.org, or Mike McCann, (541) 685-7379 or mike.mccann@eweb.org

EWEB BOARD AGENDA ITEM ACTION REQUEST
For Contract Awards, Renewals, and Increases generally over \$1 million

The Board is being asked to approve a new contract with **Black & Veatch** for engineering services for the **Carmen Power Plant Upgrades Project**.

Board Meeting Date: November 3, 2015
 Project Name/Contract#: Carmen Power Plant Upgrades/RFP 024-2015
 Primary Contact: Mel Damewood Ext. 7145
 Secondary Contact: Roger Gray Ext. 7130
 Purchasing Contact: Tracy Davis Ext. 7468

Action Requested:	
<input checked="" type="checkbox"/>	Contract Award
<input type="checkbox"/>	Contract Renewal
<input type="checkbox"/>	Contract Increase
<input type="checkbox"/>	Other

Contract Amount:
 Original Contract Amount: \$ up to 6,000,000 (estimated)
 Additional \$ Previously Approved: \$ N/A
 Invoices over last approval: \$ N/A
 Percentage over last approval: N/A %
 Amount this Request: \$ up to 6,000,000
Resulting Cumulative Total: \$ up to 6,000,000 (estimated)

Funding Source:	
<input checked="" type="checkbox"/>	Budget
<input type="checkbox"/>	Reserves
<input type="checkbox"/>	New Revenue
<input type="checkbox"/>	Bonding
<input checked="" type="checkbox"/>	Other – CIP

Contracting Method:
 Method of Solicitation: Formal Request for Proposal
 If applicable, basis for exemption: N/A
 Term of Agreement: Up to 10 years
 Option to Renew? Yes - yearly renewals
 Approval for purchases "as needed" for the life of the contract Yes

Form of Contract:	
<input type="checkbox"/>	Single Purchase
<input type="checkbox"/>	Services
<input checked="" type="checkbox"/>	Personal Services
<input type="checkbox"/>	Construction
<input type="checkbox"/>	IGA
<input type="checkbox"/>	Price Agreement
<input type="checkbox"/>	Other

NARRATIVE:

The Board is being asked to approve a new contract with Black & Veatch for engineering services for the Carmen Power Plant Upgrades Project.

Staff issued a formal Request for Proposals (RFP) in June, 2015. Forty (40) companies reviewed the project and seven (7) firms attended the mandatory pre-proposal conference. Proposals were received from Black & Veatch of Lake Oswego, Oregon and HDR Engineering of Portland, Oregon. After completing the evaluation of the written proposals, the firms were invited to interview. After interviews were completed, Black & Veatch was selected as the highest ranked proposer. They have nearly 100 years of experience with similar projects. The initial scope of work for Black and Veatch will be to perform a structural and seismic evaluation of the powerhouse and design substation upgrades.

Staff has negotiated a contract with Black & Veatch, and has issued a notice of Intent to Award the contract, pending Board approval. Once approved, staff will negotiate work tasks with Black & Veatch.

ACTION REQUESTED:

Management requests Board approve a new contract with **Black & Veatch** for engineering services for the **Carmen Power Plant Upgrades Project**. Funds for this work are budgeted in the capital improvement plan, through project completion.

SIGNATURES:

Project Coordinator: _____

LT Manager: _____

Purchasing Manager: _____

General Manager: _____

Board Approval Date: _____

Secretary/Assistant Secretary verification: _____