

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a contract with Oregon Woods, Inc. for environmental construction.

Board Meeting Date: 8/6/2019

Project Name/Contract #: Stabilization of Riverbank 020-2019

Primary Contact: Mike McCann Ext. 7379

Contract Amount:

Original Contract Amount: \$384,000

Additional \$ Previously Approved: \$0

Invoices over last approval: \$0

Percentage over last approval: 0%

Amount this Request: \$384,000

Resulting Cumulative Total: \$384,000

Contracting Method:

Method of Solicitation: Invitation to Bid

If applicable, basis for exemption: n/a

Term of Agreement: **One Time Purchase (Construction Services)**

Option to Renew? No

Approval for purchases "as needed" for the life of the Contract Yes No

Proposals/Bids Received (Range): 1 - \$394,600 (original bid)

Selection Basis: Lowest Responsive and Responsible bid

Narrative:

Operational Requirement and Alignment with Strategic Plan

EWEB has been working cooperatively with the Cascade Natural Gas Corporation and PacifiCorp, the entities responsible for the legacy contamination at the Former Manufactured Gas Plant (MGP) located on EWEB property. In January of 2015 the Oregon Department of Environmental Quality (DEQ) issued their final Record of Decision for the MGP Site defining the scope of the needed remediation. The implementation of the DEQ's remedy will occur in two phases – the removal of MGP waste from the uplands and the stabilization of the riverbank. Taken together these two phases will address EWEB's environmental liability and serve to protect human health and the environment. The services provided by this contract are designed to stabilize the shoreline by the MGP Site to ensure that site contamination does not migrate into the Willamette River. The costs associated with this contract will be borne by the three parties, consistent with our long-standing cost sharing agreement. After the remediation has been completed, the property can be put to productive re-use.

Contracted Goods or Services

The scope of services for the contract with Oregon Woods includes the procurement and placement of approximately 360 tons of river rock at the toe of the bank in order to stabilize the bank from the erosive forces of the river. Oregon Woods will also be responsible for erosion control and the removal of invasive vegetation from the riparian area. Once the invasive vegetation has been removed, the shoreline will then be re-planted with native vegetation that is well suited for the shoreline conditions. The contractor will also be required to provide maintenance services over the course of the next three years to ensure survivability of the plantings and the stability of the shoreline.

Prior Contract Activities

Oregon Woods currently has two active projects with EWEB. Contract No. 001-2017 for \$134,000 expires in April of 2022. This contract is for random vegetation maintenance and enhancement services on EWEB-owned and/or controlled properties. The majority of these properties lie within the Leaburg, Walterville and Carmen Smith hydroelectric project boundaries. The second contract, Contract No. 020-2018, is for specific ongoing vegetation management services along the banks of the Leaburg and Walterville hydroelectric canals (or on properties associated with these canals) along the McKenzie River. This is a five year contract totaling \$275,000 set to expire in May of 2023.

Purchasing Process

Staff issued a formal Invitation to Bid on May 28, 2019. EWEB sent notification of the bid directly to 5 companies who had previously expressed interest in the upcoming bid. The solicitation was posted on the bid site for the state of Oregon (ORPIN), as well as advertised in the Portland Daily Journal of Commerce. Sixteen companies reviewed the bid on ORPIN and seven companies attended the mandatory pre-bid meeting. One bid was received from Oregon Woods, Inc. of Eugene, OR and was found to be Responsive and Responsible. If approved, Oregon Woods will provide construction services, as specified in the solicitation documents.

Competitive Fair Price (If less than 3 responses received)

Companies who had expressed interest in the solicitation were contacted to determine why they chose not to submit bids for the project. Most stated that their schedule was completely booked at the time, in reflection of the overall construction environment for year 2019. The price submitted by Oregon Woods was higher than the engineer's estimate for this work. The primary discrepancy between the bid and the engineer's estimate related to the cost associated with the delivery of the rock material to the toe of the steep riverbank. As part of our due diligence, a conference call was held with the contractor, EWEB, and EWEB's engineering consultant to discuss the pricing for each of the line items, including the delivery of the rock material to the toe of the riverbank. The Contractor was able to identify cost saving measures that could be applied to the delivery and placement of rock thereby lowering the total bid amount by \$10,800.

ACTION REQUESTED:

Management requests the Board approve a contract with Oregon Woods, Inc. for environmental construction. Based on the preliminary engineer's estimate for this effort, \$243,000 was set aside for these services in the Environmental (Section 146) budget for 2019. The total 2019 budget for the Energy Division is \$9.3 million. Variances will be managed within the budget process consistent with Board policy. As mentioned previously, the costs of the project will be shared by EWEB, Cascade and PacifiCorp with EWEB paying less than 20% of the total clean-up costs (the exact terms of the cost sharing arrangement are confidential).