



# MEMORANDUM

EUGENE WATER & ELECTRIC BOARD  
GENERAL MANAGER'S DIVISION

*Rely on us.*

TO: Commissioners Farmer, Brown, Cassidy, Cunningham, Ernst  
FROM: Ken Beeson  
DATE: December 29, 2009  
SUBJECT: Roosevelt Building Project – Testing Agent Contract Amendment

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## ***Issue Statement.***

The Consent Calendar for the January 5, 2010 Board meeting includes a request for Board approval of an increase to the existing contract with FEI Testing and Inspection, Inc. for additional materials testing and inspection services required for the Roosevelt Operations Center project. This memo provides additional support for that request.

## ***Background.***

In accordance with the Oregon Structural Specialty Code, EWEB is required to hire a qualified firm to provide construction material testing and inspections services for the Roosevelt project. These services include special inspection and analysis of project materials including asphalt, concrete, structural steel (on-site and in fabrication shop), masonry, high strength bolting/anchoring, and rock compaction.

In July 2008, EWEB executed a contract with FEI for \$12,500 for testing services for Roosevelt Package A work including site rock compaction and paving. Payments of approximately \$9,000 have been made to date on this contract.

In April 2009, EWEB executed a separate contract (EWEB Contract #003-2009) with FEI for \$49,900 for testing and inspection services for concrete, masonry, structural steel and high strength bolting. Execution of this contract (approved by the Board in March 2009) followed an Informal Request for Proposal process wherein FEI was determined to be the highest ranked proposer that met the requirements of the RFP.

Approximately \$59,560 has been paid on Contract #003-2009 to date and staff now estimates that the total cost for testing and inspection services necessary under this contract for the Roosevelt project will be \$114,040. The January 5 Board Consent Calendar asks for Board authorization to increase the FEI contract of \$49,900 by \$64,140 to allow for completion of testing work for the Roosevelt project.

## ***Discussion.***

*Reasons for increase.* There are several reasons for this increase in the testing and inspection cost for the Roosevelt project.

1. *Package C testing work not included.* As staff has discovered in review of this matter in the past few months, the FEI cost quotation in February 2009 covered Package B (building foundations and structures) work and did not include any testing and inspection related to Package C (finishes and mechanical, electrical and plumbing) work. Although Package B included much of the project

concrete and steel, there was a substantial amount of concrete work and also special anchor and bolt installation work requiring testing and inspection that was included in Package C.

2. *More testing required than expected.* In addition, there has been more on-site testing and inspection required for the concrete, steel and various bolting and anchoring than originally expected. The original estimate in response to the RFP was developed after FEI consulted with several subcontractors for Package B - including those contractors responsible for the concrete and the structural steel - in order to estimate the on-site testing and inspection time required. Variances in the actual work compared to the original estimate include:
  - more hours pouring concrete (foundations, building slabs, tilt panels);
  - much of the concrete pouring starting at 2:30 or 3:00 a.m. resulting in overtime costs for inspection;
  - requests from the Construction Manager General contractor (approved by EWEB) for special testing including flatness testing on the building slabs that required special equipment and additional time;
  - concrete testing and inspection required for canopy concrete footings that were part of Bid Package C; and
  - special testing and inspection that will be required on window frame sun shade anchors that were part of Bid Package C.
  
3. *More steel fabrication testing than expected.* Finally, there has been more time required for special inspection and testing at the structural steel fabrication shop in Halsey than originally estimated. (There are two types of shop testing: 1) “continuous” where the inspector is required to be present during specified phases of steel fabrication; and 2) “periodic” where the inspector only needs to be present periodically for certain types of testing.) Steel fabrication was started in April 2009 and was expected to take approximately 14 weeks. Actual fabrication work has taken more than 24 weeks.

*Project Budget Context.* The total cost for all inspection services is estimated to be less than \$135,000 which is within the original budget estimate of \$170,000. This estimated total (\$135,000) is included in the recent Roosevelt project completion cost of \$72 million provided to the Board in December 2009.

***Recommendation / Requested Action.***

Staff recommends Board approval to increase the existing contract with FEI Testing and Inspection, Inc. for additional material testing and inspection services required for construction of the Roosevelt Operations Center. Funds for these services were budgeted in 2009 and 2010.

Please call me at 685-7486 if you have any questions or if you need additional information.

Attachments

## EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve an increase to the existing contract with **FEI Testing and Inspection, Inc.** for additional materials testing and inspection services required for construction of the Roosevelt Operations Center.

Backgrounder (if "yes," "See backgrounder information") Yes

Board Meeting Date: January 5, 2010

Project or Job Name: Roosevelt Building Project

Project Contact: Ken Beeson Ext. 7486

Purchasing Contact: Gail Murray Ext. 7429

### Action Requested:

Contract Award  
 Contract Renewal  
 Contract Increase  
 Other

### Contract Amount:

Original Contract Amount: \$49,900

Additional \$ Previously Approved: \$0

Invoices over last approval: \$9,660.95

Percentage over last approval: 19%

Amount this Request: \$64,140

**Resulting Cumulative Total:** \$114,040

### Funding Source:

Budget  
 Reserves  
 New Revenue  
 Bonding  
 Other

### Contracting Method:

Method of Solicitation: Informal RFP

If applicable, basis for exemption: N/A

Term of Agreement: March 18, 2009-December 2010

Option to Renew? Yes

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:

The Board is being asked to approve an increase to the existing contract with **FEI Testing and Inspection, Inc** for additional materials testing and inspection services required for construction of the Roosevelt Operations Center.

In February 2009, staff contracted for materials testing and inspection services related to the construction materials used in the Roosevelt Operations Center project. These services are in accordance with the Oregon Structural Specialty Code and prudent construction practices that require materials testing and inspection services to assure the soundness of the structures. The services include independent laboratory analysis and testing and special inspection services of the project materials, including concrete, masonry, structural steel (on site and at fabrication shop), and high strength bolting.

The expenditures to date are approximately \$59,560 (119% of the original Board approval); which includes the \$9,660.75 payment listed above. The additional \$64,140 will allow staff to complete the necessary testing and inspection work between now and the project completion (November 2010). The revised contract amount (\$114,040) is within the original budget estimate for Roosevelt materials testing work and is included in the most recent projections of project completion costs provided to the Board.

The additional funds include required on-site inspection and testing of concrete, steel, and fasteners; and additional specialty inspection of fabricated steel at the steel fabrication shop (Halsey Oregon), than was originally expected.

### ACTION REQUESTED:

Staff requests Board approval of an increase to the existing contract with **FEI Testing and Inspection, Inc.** for additional materials testing and inspection services required for construction of the Roosevelt Operations Center. Funds for these testing services were budgeted in 2009 and 2010.

**SIGNATURES:**

Project Coordinator: \_\_\_\_\_

Supervisor: \_\_\_\_\_

Purchasing Manager: \_\_\_\_\_

Division Director: \_\_\_\_\_

General Manager: \_\_\_\_\_

Board Approval Date: \_\_\_\_\_

Secretary/Assistant Secretary verification: \_\_\_\_\_