



INTEROFFICE MEMO

EUGENE WATER & ELECTRIC BOARD
Electric Division

TO: Commissioners Farmer, Brown, Cassidy, Cunningham, and Ernst
FROM: Ron Dyer
DATE: December 24, 2009
RE: Tree Work Pre-inspection Contract

Issue Statement

This memo provides an overview of EWEB's utilization of contract foresters in the tree program and specific information regarding the results of the recent solicitation for pre-inspection, customer notification and quality control activities.

Background

For several years EWEB has utilized contract foresters to coordinate tree work activities in the tree program. The current five-year contract for these services is due to expire by March 31, 2010. In November 2009, staff issued a formal invitation to bid to establish a new five-year price agreement for these services. Washington Forestry Consultants, Inc. was determined to be the lowest responsive, responsible bidder.

Discussion

A substantial component of EWEB's line maintenance and construction is clearing and maintaining vegetation to ensure safe, reliable electrical service and to comply with PUC regulations. There are approximately eleven to thirteen contract tree crews conducting this work on a daily basis throughout the year. Contract foresters that have knowledge of utility arboriculture are an integral component to this work. They perform systematic inspections of EWEB's rights of way to identify necessary tree work. They communicate with EWEB customers to notify them of the necessary work and to address any concerns they may have. They are also utilized to audit tree work to ensure that it was performed to meet EWEB specifications.

There were six bids received and evaluated in the November 2009 solicitation. Washington Forestry Consultants, Inc. was determined to be the lowest responsive, responsible bidder. An estimated \$1.2 million over the five year period from 2010 to 2014 is needed to accomplish the work described above based on the rates provided by Washington Forestry Consultants, Inc.

Options/Action

The Board is being asked to approve a new contract with Washington Forestry Consultants, Inc. for Tree Work Pre-inspection/Quality Control. Funds for these services were budgeted for 2010 and will be budgeted annually.

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a new contract with **Washington Forestry Consultants, Inc.** for Tree Work Pre-Inspection/Quality Control.

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

Board Meeting Date: January 5, 2010

Project Name/Contract#: Tree Inspection Services, Contract # 050-2009

Project Contact: Ron Dyer Ext. 7604

Purchasing Contact: Quentin Furrow Ext. 7380

Action Requested:

Contract Award
 Contract Renewal
 Contract Increase
 Other

Contract Amount:

Original Contract Amount: \$ 1,200,000 (estimated over 5 years)

Additional \$ Previously Approved: \$

Invoices over last approval: \$

Percentage over last approval: %

Amount this Request: \$1,200,000

Resulting Cumulative Total: **\$1,200,000**

Funding Source:

Budget
 Reserves
 New Revenue
 Bonding
 Other

Contracting Method:

Method of Solicitation: Formal Bid

If applicable, basis for exemption: N/A

Term of Agreement: January 6, 2010 – December 31, 2010

Option to Renew? Yes – 1 year with option to renew

Approval for purchases "as needed" for the life of the contract Yes

Form of Contract:

Single Purchase
 Services
 Personal Services
 Construction
 IGA
 Price Agreement
 Other

NARRATIVE:

The Board is being asked to approve a new contract with **Washington Forestry Consultants, Inc.** for Tree Work Pre-Inspection/Quality Control.

Electric Operations requires the services of a professional, utility arboriculturalist to provide line clearance pre-inspection, customer notification, and quality assurance audits for EWEB's utility tree pruning work. In November 2009, staff issued a formal invitation to bid to establish a five-year price agreement with a qualified service provider to perform these services. Six bids were received and evaluated; and Washington Forestry was determined to be the lowest responsive, responsible bidder. If approved, the consultant will provide inspection and auditing services associated with the tree pruning work along EWEB's transmission and distribution lines.

This price agreement, if approved, will be for one year with an option, at EWEB's discretion, to renew for four additional one-year periods (total contract term: 5 years). Services will be requested on an "as needed" basis, as services are required. Exact service amounts are unknown and no guarantee has been made for any specific annual quantity of work. The total contract amount is estimated to be \$1,200,000 over the total 5 year period; this estimate is based on historical procurement data. However, the actual cost for services may vary depending on the amount of services required and not on any specific dollar amount. Total annual services will be within budgeted amounts

ACTION REQUESTED:

Staff requests Board approval of a new contract with **Washington Forestry Consultants, Inc.** for Tree Work Pre-Inspection/Quality Control. Funds for these services were budgeted for 2010 and will be budgeted annually.

SIGNATURES:

Project Coordinator: _____

Supervisor: _____

Purchasing Manager: _____

Division Director: _____

General Manager: _____

Board Approval Date: _____

Secretary/Assistant Secretary verification: _____