

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 **Wright Tree Service, Inc.** for **utility line clearance**.

Backgrounder ("See backgrounder information") Yes

Board Meeting Date: February 17, 2015

Project Name/Contract#: Utility Line Clearance / RFP #055-2014

Primary Contact: Todd Simmons Ext. 7373

Secondary Contact: Roger Gray Ext. 7130

Purchasing Contact: Quentin Furrow Ext. 7380

Action Requested:

☒ Contract Award
☐ Contract Renewal
☐ Contract Increase
☐ Other

Contract Amount:

Original Contract Amount: \$16,000,000 over 5 years

Additional \$ Previously Approved: \$ N/A

Invoices over last approval: \$ N/A

Percentage over last approval: 0%

Amount this Request: \$16,000,000

Resulting Cumulative Total: \$16,000,000

Funding Source:

☒ Budget
☐ Reserves
☐ New Revenue
☐ Bonding
☐ Other

Contracting Method:

Method of Solicitation: Formal Request for Proposals

If applicable, basis for exemption: N/A

Term of Agreement: February 18, 2015 – February 17, 2016

Option to Renew? Yes – Annual renewals up to 5 years total

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 **Wright Tree Service, Inc.** for **utility line clearance**; which includes: tree pruning and removal, stump grinding, and row mowing along EWEB transmission and distribution power lines on an ongoing regular basis.

The PUC requires EWEB to perform utility line tree clearance around its distribution and transmission lines. This is also an important component of safety and reliability of service. Electric Operations requires the services of a qualified utility line clearance tree pruning and removal contractor to maintain the areas around energized power lines.

In October 2014, staff solicited proposals for utility line clearance services. Four (4) proposals were received and evaluated. Wright Tree Service, Inc. of West Des Moines, Iowa was determined to be the highest ranked proposer. A notice of Intent to Award was sent to Wright Tree Service, Inc, pending Board approval

This contract, if approved, will be for one year with the option to renew up to four additional years. The services will be provided on an "as needed" basis to responsibly maintain the areas along EWEB's transmission and distribution lines. Exact service hour quantities are unknown and no guarantee has been made for any specific annual quantity of work. Therefore, this approval is requested based on "need" and not on any specific dollar amount. Staff estimates the total contract amount will be approximately \$16 million over 5 years.

ACTION REQUESTED:

Management requests Board approve a new contract with **Wright Tree Service, Inc.** for **utility line clearance**. Funds for these services were budgeted for 2015 and will be budgeted annually.

SIGNATURES:

Project Coordinator: _____

Manager: _____

Purchasing Manager: _____

General Manager: _____

Board Approval Date: _____

Secretary/Assistant Secretary verification: _____



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Mital, Simpson, Helgeson, Manning and Brown
FROM: Todd Simmons, Distribution Reliability Manager & Julie Nuttall, Right-of-Way Vegetation Program Supervisor
DATE: February 6, 2015
SUBJECT: Utility Line Clearance
OBJECTIVE: Board Action: Tree Pruning and Removal Services Contract

Issue

This memo provides an overview of EWEB's tree program as it pertains to the utilization of a contract workforce and specific information regarding the results of the recent solicitation for tree pruning and removal services.

Background

For the past several years, EWEB has relied on contractors to accomplish tree pruning and removal work in the electric right of way. The current five-year contract for these services expired on January 31st, 2015, and was extended until March 31st, 2015. In November 2014, staff solicited proposals for utility line clearances services to establish a new five-year price agreement for these services. Based on the proposals and the scoring process, Wright Tree Service was determined to be the highest ranked proposer.

Discussion

The PUC requires EWEB to perform line clearance activities on the vegetation around its distribution and transmission lines. In September 2006 they passed OAR 860-024-0016, which regulates minimum clearances that electric service providers can allow vegetation to encroach on power lines of all voltages.

Maintaining vegetation in the rights of way is also an important component of safety and reliability of service. Trees can be a significant source of service interruption and a potential public safety threat if not adequately maintained in the vicinity of high voltage lines. EWEB has approximately 560 miles of overhead distribution and 127 miles of transmission power lines. There is also tree work associated with certain capital projects. EWEB requires the services of a qualified utility line clearance tree pruning and removal contractor to maintain the areas around the lines and to assist with capital work.

There were four submissions received and evaluated in the November 2014 solicitation. An estimated \$16 million over the five year period from 2015 to 2019 is needed to accomplish the work that will be provided by Wright Tree Service.

Requested Board Motion/Action

The Board is being asked to approve a new contract with Wright Tree Service for Utility Line Clearance, Tree Pruning and Removal Services. Funds for these services were budgeted for 2015 and will be budgeted annually.