

## **EWEB Board Consent Calendar Request**

*For Contract Awards, Renewals, and Increases*

The Board is being asked to approve a contract with Engineering/Remediation Resources Group, Inc. for environmental construction.

Board Meeting Date: 8/6/2019

Project Name/Contract #: Upland MGP Removal 19-058

Primary Contact: Mike McCann Ext. 7379

### **Contract Amount:**

Original Contract Amount: \$807,000

Additional \$ Previously Approved: \$0

Invoices over last approval: \$0

Percentage over last approval: 0%

Amount this Request: \$807,000

**Resulting Cumulative Total:** \$ 807,000

### **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): 3 - \$656,484 - \$1,153,748

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. After the completion of the remedial activities, the property can be put to productive re-use. The costs associated with this contract will be borne by the three parties, consistent with our long-standing cost sharing agreement.

### Contracted Goods or Services

The services provided by this contract include: the removal and disposal of highly contaminated and potentially mobile MGP residuals from concrete vaults buried beneath the sub-surface; the removal and disposal of saturated contaminated soil from under historic structures; the capping of the site to ensure that stormwater does not come into contact with any residual contamination; and the installation of a stormwater feature (bioswale) to treat stormwater to City standards before discharge to the river. Specifically, the work entails: the removal of contaminated material from the Small Relief Holder and under the historic First Gas Plant Building; the remediation and handling of waste recovered from the Large Gas Holder; the loading, transportation and disposal of an estimated 1,800 tons of contaminated soil at either Subtitle C or D landfills (depending on the extent of the contamination); the installation of an asphalt cap and stormwater system improvements; and odor mitigation. The Board request also includes a 10% contingency to cover the removal and disposal of any additional contaminated material that might be encountered during the remedial action. ERRG has submitted per unit costs for the excavation, loading and transportation of this additional contaminated material, should it be encountered.

Prior Contract Activities

EWEB has not contracted with ERRG in the past.

Purchasing Process

Staff first issued a formal Invitation to Bid on May 28, 2019. After no prospective bidders attended the mandatory pre-bid meeting on June 5th, the solicitation was withdrawn. The minimum qualifications were adjusted and a second Invitation to Bid was posted on June 17, 2019. EWEB sent notification of the bid directly to seven companies who had previously expressed interest. 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. Three bids were received and evaluated by staff. The lowest bid was deemed by staff to be Non-Responsible as it failed to meet the minimum qualifications for this work – namely experience with the implementation of similar projects involving the successful removal of soil saturated with oil with at least one of those projects requiring odor management/mitigation. The next lowest bid, submitted by ERRG, was found to be Responsive and Responsible. If approved, ERRG will provide construction services, as specified in the solicitation documents.

**ACTION REQUESTED:**

Management requests the Board approve a contract with Engineering/Remediation Resources Group, Inc. for environmental construction. Based on the preliminary engineer's estimate for this effort, \$721,000 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).