

EWEB Board Consent Calendar Request

For Contract Increases

The Board is being asked to approve additional funds for the Contract with Halvorson Contracting for the Roosevelt Operations Center Consolidation and Interior Remodel Construction Services.

Board Meeting Date: 1/7/2020

Project Name/Contract #: ROC Consolidation Project / Interior Remodel - ITB #045-2018

Primary Contact: Rod Price Ext. 7122

Contract Amount:

Original Contract Amount: \$1,540,000

Additional \$ Previously Approved: \$2,770,000

Invoices over last approval: \$134,432

Percentage over last approval: 4.85%

Amount this Request: \$792,000

Resulting Cumulative Total: \$3,562,000

Contracting Method:

Method of Solicitation: Formal ITB

If applicable, basis for exemption: N/A

Term of Agreement: One Time Purchase

Option to Renew? No

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

Proposals/Bids Received (Range): 2 responses (\$1,535,500 to \$1,670,000)

Selection Basis: Lowest responsive and responsible bidder

Narrative:

Operational Requirement and Additional Work Needed

In August 2018 the Board approved a contract for remodeling the Roosevelt Operations Center to complete staff consolidation from the Headquarters building which included scope to move 110 employees. The Board approved contract amendments in both February and June of 2019 to cover additional construction costs related to the board direction to vacate the headquarters building as much as operationally feasible. This resulted in the planned move of 70 additional Customer Service employees from Headquarters to the ROC. The requested funds included in these amendments were preliminary estimates based on similar project costs. Final designs by Systems West Engineers revealed requirements for more substantial HVAC equipment to meet code requirements for the increased occupancy, which necessitated structural changes to the ROC building to support the installation. Deficiencies in the original as-built drawings have led to on-going discoveries during construction that have also increased costs above estimates.

Contracted Goods or Services

Additional work needed is predominantly related to work in the Call Center including HVAC equipment/installation, structural upgrades, and acoustic improvements (e.g. panels) (\$410k). Also included are change order costs for the GM conference room (\$18k), Communications Shop mezzanine (\$61k), additional low voltage cabling and changes not identified in construction drawings (\$268k). There will also be additional costs for the increased bond to cover the higher contract total. (\$35k). The total requested amount is 29% over the last approved amount.

Prior Contract Activities

Halvorson has worked on two other construction projects for EWEB.

Purchasing Process

Staff issued a Formal Invitation to Bid in June, 2018. EWEB received two bids. The lowest responsive and responsible bid was received from Halvorson Contracting of Creswell, Oregon. Halvorson Contracting has 21 years of experience with similar interior remodeling projects. A bid was also received from Ausland Group of Grants Pass, Oregon. (Other qualified bidders declined to bid due to commitments to larger projects at this time.)

ACTION REQUESTED:

Management requests the Board approve a Contract Amendment with Halvorson Contracting for the Roosevelt Operations Center Consolidation and Interior Remodel Construction Services. Funds for these services were budgeted for 2019 and 2020. The costs associated with this request will be funded from the 2020 budget. The Total Electric Division budget for 2019 is \$37 Million, and \$48.4 Million for 2020.