

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a contract with **McKenzie Watershed Alliance** for managing timber harvest for logging and related services at the Deer Creek Transmission Line.

Board Meeting Date: June 2, 2020

Project Name/Contract #: Deer Creek Transmission Line Corridor Timber Harvest/ #20-116-SC

Primary Contact: Rod Price Ext. 7122

Contract Amount:

Original Contract Amount: \$ 254,000

Additional \$ Previously Approved: \$0

Invoices over last approval: \$0

Percentage over last approval: 0 %

Amount this Request: \$ 254,000

Resulting Cumulative Total: \$ 254,000

Contracting Method:

Method of Solicitation: Direct Negotiation

If applicable, basis for exemption: EWEB Rule 3-0275 Sole Source

Term of Agreement: One time purchase

Option to Renew? Yes

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

Proposals/Bids Received (Range): N/A

Selection Basis: Sole Source

Narrative:

Operational Requirement and Alignment with Strategic Plan

On May 17, 2019, the Federal Energy Regulatory Commission (FERC) issued to the Eugene Water & Electric Board (EWEB) an Operating License for the Carmen-Smith Hydroelectric Project. The license requires EWEB to provide for the relocation of the Deer Creek Valley portion of the 115 kV transmission line out of Deer Creek riparian area and to the southwest, within three years after License issuance.

The timber harvest is scheduled to be managed by McKenzie Watershed Alliance, and scheduled for summer 2020. Following the harvest, the Forest Service will be placing the trees in a stream restoration project in Deer Creek. Transmission line relocation is scheduled to start May 31, 2021, and will be performed by EWEB Electric Operations crews. It is anticipated that McKenzie Watershed Alliance will contract with BCI Contracting, Inc., for the timber harvest and stream restoration project.

Contracted Goods or Services

McKenzie Watershed Alliance will manage the logging of the new transmission corridor and hazard tree corridor as required for the Deer Creek Transmission line relocation project.

Prior Contract Activities

The McKenzie Watershed Alliance has completed or is making expected progress toward completion for several contracts that are listed below. Work has been completed on time and on budget.

48 th Street Wetland Enhancement Project	\$ 14,765
Fish habitat Restoration and Enhancement	\$838,000
Watershed Environmental Education	\$ 20,400

Purchasing Process

Staff recommends purchasing the management services by means of direct negotiation from McKenzie Watershed Alliance as a sole source. The McKenzie Watershed Alliance’s logging contractor is working on the Forest Service’s habitat work at the same time and location as the EWEB logging work, enabling EWEB to save funds on mobilization / demobilization, equipment costs, and contract management. They have a solid record of successfully collaborating with USDA Forest Service on a range of watershed enhancement projects and a clear understanding of the federal requirements involved.

Competitive Fair Price (If less than 3 responses received)

The McKenzie Watershed Alliance completed a competitive process to select a contractor for the logging activities, the cost of service are pass-through expenses for EWEB.

ACTION REQUESTED:

Management requests the Board approve a contract with McKenzie Watershed Alliance for the timber harvest of the new transmission corridor and associated hazard tree corridor. Approximately \$1.1 million was planned for the Deer Creek T-line Relocation in the Carmen – Smith License Deployment Department 2020 budget of \$19 million. Variances will be managed within the budget process and Board policy.