

## **EWEB Board Consent Calendar Request**

*For Contract Awards, Renewals, and Increases*

The Board is being asked to approve a construction contract with **LR Brabham Inc.** for Electric Service Conversions/Relocations as part of the FEMA Funded EWEB Hazard Mitigation 406 Project.

Board Meeting Date: 9/1/2020

Project Name/Contract #: Electric Service Conversions/Relocations / ITB 20-152-PW

Primary Contact: Rod Price Ext. 7122

### **Contract Amount:**

Original Contract Amount: \$520,000

Additional \$ Previously Approved: \$0

Invoices over last approval: \$0

Percentage over last approval: 0%

Amount this Request: \$520,000

**Resulting Cumulative Total: \$520,000**

### **Contracting Method:**

Method of Solicitation: Formal Invitation to Bid

If applicable, basis for exemption: N/A

Term of Agreement: One Time Purchase (Construction)

Option to Renew? No

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

Proposals/Bids Received (Range): 1 Response (\$518,017.00)

Selection Basis: Lowest Responsible and Responsive Bidder

### **Narrative:**

#### Operational Requirement and Alignment with Strategic Plan

This project supports EWEB's strategic plan by improving resiliency of our services to the community in areas prone to storm damage within our electric system. The project is planned to replace or modify EWEB customers' overhead electric service equipment for connection to EWEB's newly installed underground electric system. The Project will be performed in two project locations: Saratoga/Donald Streets and Fair Oaks Drive.

This work is the final phase related to the Saratoga Underground Project and is one of the 13 FEMA approved and granted projects as a result of EWEB's application after the 2016 Ice Storm.

#### Contracted Goods or Services

LR Brabham, Inc. will provide construction services to complete the conversion of electric service from overhead to underground. Work to meet the project requirements consists of removing existing overhead service conductors from EWEB facilities (typically poles/transformers) located in backyards and replacing them with underground conductors coming from newly installed underground EWEB facilities located along the roadway (front of house). This work will convert 33 services and includes the replacement and/or replacement of customer metering equipment, including roof patching and restoration to hard and soft landscaping at each site. The project is scheduled for completion by the end of this year.

#### Prior Contract Activities

EWEB Contract No.	Project Name (Description)	Board Approval Date	Project Duration (Notice to proceed to close out).	Original Contract Amount	Final Contract Amount
060-2018	Electrical Services	11/6/18	11/7/2018-Present	\$300,000	NA
018-2016	Electric Service Relocations: W. 11 <sup>th</sup> Ave (Seneca to Garfield)	NA	5/27/20-7/28/2020	\$35,520	\$37,337

Prior activities have been completed timely and with reasonable change orders. LR Brabham, Inc. has been a successful Contractor, meeting EWEB's product quality and service requirements.

#### Purchasing Process

Staff issued a formal Invitation to Bid in July 2020. Staff received 1 bid from LR Brabham, Inc. of Springfield, OR, and it was deemed responsive and responsible.

#### Competitive Fair Price (If less than 3 responses received)

EWEB Staff reached out to the three electrical contractors who attended the Pre-Bid meeting and inquired about why they didn't submit a bid. The common response was that the timeline was too tight for their schedules.

Staff contacted LR Brabham to get a breakdown of their bid and to ensure that the pricing was fair and competitive. The major components of the work consist of the electric work and excavation. Excavation was a significant portion of the bid. LR Brabham's cost per foot varied per work vicinity, Oakway was \$141, and Saratoga was \$147. The Oakway vicinity includes a lot of small and well-manicured backyards inaccessible to excavating equipment and will require significant portions to be hand trenched. The Saratoga vicinity includes steep and rocky site conditions where it is difficult to bring in excavation equipment and therefore manual excavation and trenching is also required across the majority of the locations. Staff reached out to several other excavators to inquire about a cost-per-foot estimate for the type of work required under this contract. The contractors communicated that any time a project required hand excavation, the cost-per-foot price increases significantly and generally exceeds \$100 per foot.

Staff estimated a per address cost of \$13,750. This figure is based on a previous similar project performed by EWEB, while also assuming an adder for unique site conditions. This contract's cost per address is \$15,701.12 which is roughly 10% higher than the estimate, but the nature of the existing conditions and topography (small backyards inaccessible to equipment, hillside locations, and landscaping conditions) contribute to the higher cost. Staff recognize that this contract is premium priced. Based on the nature of the work, the competitive construction market, limited availability of EWEB crews, and intention to complete this work prior to the next storm season, staff recommends awarding the contract to LR Brabham.

#### **ACTION REQUESTED:**

Management requests the Board approve a Construction Contract with **LR Brabham, Inc.** for Electric Service Conversions/Relocations as part of EWEB Hazard Mitigation 406 Project. Approximately \$681,000 was planned for this work in the Electric Capital 2020 budget of \$46.9 million, a portion of which will be reimbursed by FEMA. Variances will be managed within the budget process and Board policy.