

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve additional funds for **Engineering Design Services for the E. 40th Avenue Storage Tank Project** with **Murray Smith Associates**.

Board Meeting Date: 11/2/2021
Project Name/Contract #: E. 40th Ave Storage Tank – Engineering Services / 20-121-Q
Primary Contact: Karen Kelley Ext. 7153

Contract Amount:

Original Contract Amount: \$400,000 (over 2.5 years)
Additional \$ Previously Approved: \$0
Invoices over last approval: \$0
Percentage over last approval: 207.5%
Amount this Request: \$830,000
Resulting Cumulative Total: **\$1,230,000**

Contracting Method:

Method of Solicitation: Formal RFP Process
If applicable, basis for exemption: N/A
Term of Agreement: August 5, 2020 – December 31, 2022
Option to Renew? No
Approval for purchases “as needed”
for the life of the Contract: Yes ☐ No ☒
Proposals/Bids Received (Range): 2/ (QBS Process, pricing not requested in Step One of evaluation)
Selection Basis: Qualification Based Selection (QBS)

Narrative:

Operational Requirement and Alignment with Strategic Plan

The board is being asked to approve an amendment to the Personal Services Contract with Murray Smith Associates of Portland, OR for engineering and related services for the design of a second 7.5 million-gallon (MG) storage tank on the EWEB owned E. 40th Avenue site. In April, the General Manager, with support from the Board of Commissioners, directed EWEB staff to construct two tanks at once on this site. This amendment includes the engineering design services as well as full time construction inspection services for the tank construction which was not included in the original contract. Staff will continue to evaluate the design and project elements to look for value engineering opportunities to reduce overall project costs. Table 1 below provides a comparison of the fees from the original contract and Amendment 1. The storage tanks at E. 40th Ave are the first of a series of large Base Level storage tanks to be constructed over the next ten years as part of the ‘Distributed Storage’ approach from the 2015 Water System Master Plan.

Table 1. E. 40th Ave Engineering Services Fee Comparison

| Task | Original Fee for One tank | Amendment for Second Tank | Total Engineering Fee |
|-----------------------------|---------------------------|---------------------------|-----------------------|
| Project Management | \$79,000 | \$57,000 | \$136,000 |
| Design | \$213,000 | \$210,000 | \$423,000 |
| Construction and Bid Period | \$108,000 | \$66,000 | \$174,000 |
| Inspection | | \$497,000 | \$497,000 |
| Total | \$400,000 | \$830,000 | \$1,230,000 |

These new Base Level storage tanks will replace existing structures at College Hill, Hawkins Hill, and Santa Clara and provide for a much more resilient storage system for the water utility.

Contracted Goods or Services

The consulting services provided as part of this contract include civil, mechanical, and structural engineering services, as well as bid and construction services including full time construction inspection for two years. Of the added amount, approximately \$500,000 is associated with the construction inspection services.

Purchasing Process

In June 2020, in accordance with public contracting rules, EWEB issued a formal Request for Proposals (RFP) using the Qualifications Based Selection (QBS) process for engineering services. The solicitation was publicly advertised on ORPIN. Selection for this solicitation is based on a two-step process. Step One is the qualification-based selection and the criteria scored included Project Approach (30 points), Project Experience (25 points), and Project Team Experience (30 points). Step Two allows for scoring of pricing of up to three proposers and was worth a maximum of 15 points.

After evaluating and scoring Step One, Murray Smith was selected as the most qualified consultant, consistent with the evaluation criteria (scoring 3 points higher than DOWL). Pricing proposals were evaluated in Step Two for both Murray Smith and DOWL. Murray Smith remained the highest ranked proposer after combining scores for Step One and Step Two.

Murray Smith's response was clear and detailed, reassuring EWEB that the final deliverable will provide a thorough basis for design and construction. Members of the proposed team provide an above-average mix of skillsets for quickly resolving the potential complexities of the project; the project team includes known experts, with solid track records working on EWEB projects.

Proposals Received

| Vendor Name | City, State | Offered Price | Ranking |
|-------------------------|--------------|---------------|---------|
| Murray Smith Associates | Portland, OR | \$397,921 | 1 |
| DOWL | Eugene, OR | \$353,155 | 2 |

Prior Contract Activities

| EWEB Contract No. | Project Name (Description) | Board Approval Date | Project Duration | Original Contract Amount | Final Contract Amount |
|-------------------|------------------------------------|---------------------|-------------------|--------------------------|-----------------------|
| 20-010-Q | E. 4th St Main Replacement | N/A | 1/22/20 – 3/1/20 | \$13,700 | \$13,700 |
| 19-2764Q | Transmission System Modeling | N/A | 5/5/19-8/5/2019 | \$13,942 | \$13,942 |
| 005-2011 | Willamette River Pipeline Crossing | 4/5/11 | 4/6/11 – 4/5/14 | \$189,624 | \$292,100 |
| 007-2011 | Terry St. to Greenhill Pipeline | N/A | 11/9/11 – 1/31/12 | \$68,000 | \$68,000 |

On these past projects, Murray Smith has demonstrated reliable adherence to budget and schedule requirements and delivered high quality products that have met the expectations of EWEB staff. The Willamette River Pipeline Crossing scope and fee were increased at the request of EWEB staff to obtain permits and obtain ODOT approval.

ACTION REQUESTED:

Management requests the Board approve an increase to the Contract with Murray Smith Associates for Engineering Services. Approximately \$25 million has been included in the Water Five Year Capital Plan for construction of both tanks including excavation services. The Water Five Year Capital Plan totals approximately \$118 million. Variances will be managed within the budget process and Board policy.