

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a contract with **Palouse Power, LLC** for the **Demolition and Construction of Currin Substation**.

Board Meeting Date: December 6, 2022
Project Name/Contract #: Currin Substation Rebuild / 22-181-PW
Manager: Tyler Nice Ext. 7419
Executive Officer: Karen Kelley Ext. 7153

Contract Amount:

Original Contract Amount: \$7,100,000
Additional \$ Previously Approved: \$0
Spend over last approval: \$0
Amount this Request: \$7,100,000
% Increase over last approval: NA
Resulting Cumulative Total: **\$7,100,000**

Contracting Method:

Method of Solicitation: Formal Invitation to Bid
If applicable, basis for exemption: NA
Term of Agreement: Completion by December 29, 2023
Option to Renew? No
Approval for purchases "as needed": Yes No
Proposals/Bids Received (Range): 2 (\$7,072,542 to \$8,775,463)
Selection Basis: Lowest Responsive and Responsible Bidder
Narrative:

Operational Requirement and Alignment with Strategic Plan

Currin Substation is a major piece of the "resilient spine" for the Central Zone of EWEB's electric system providing one of the connections to BPA and the Upriver territory. This station is beyond useful life (based on age and condition) and has been prioritized for a full rebuild due to the extent of work required.

The rebuild of Currin Substation will utilize several design and material purchase contracts previously approved by the Board including:

- Substation Design (21-102-Q)
- Power Transformer (20-158-G)
- 115kV Switches (22-018-G)
- 115kV Circuit Breakers (21-226-G)
- 115kV Potential Transformers (22-024-G)
- Deadend Structures (22-105-G)
- Control House (22-124-G)

This rebuild will improve the operation of Currin Substation in several ways including: standardizing the substation design, improved electric and seismic reliability of the transmission equipment and the distribution equipment,

and be more environmentally sound by removing over 27,000 gallons of mineral oil from this substation and installing a proper oil containment system around the new power transformer as well as the transformer being filled with environmentally friendly natural ester fluid.

Contracted Goods or Services

If approved, Contractor will deconstruct, dispose of existing equipment per all applicable requirements, and rebuild Currin Substation from the ground mat up per the completed design using a combination of EWEB supplied major equipment and contractor supplied incidental equipment. The rebuild will include site access improvements, a new substation layout, and new drainage and stormwater management per City of Eugene requirements.

Contractor will purchase most materials required for this work except for major electrical equipment which will be provided by EWEB and purchased using prior Board approved contracts (see previous section listing).

Contractor will perform preliminary tests on all installed equipment to final connections. Testing and functional commissioning will be completed by EWEB Crews and Engineering.

Purchasing Process

In September 2022, in accordance with the public procurement rules, EWEB initiated an Invitation to Bid (ITB) using the Formal Invitation to Bid Process. The ITB was advertised on the State of Oregon bid site, OregonBuys, and the Daily Journal of Commerce.

Two bids were received, and the lowest responsive and responsible bid was from Palouse Power, LLC.

Bids Received

Vendor Name	City, State	Offered Price	Ranking (for RFPs)
Palouse Power, LLC	Quincy, WA	\$7,072,542	NA
Michels Pacific Energy, Inc.	Tumwater, WA	\$8,775,463	NA

Competitive Fair Price

The Invitation to Bid was formally advertised on the State of Oregon’s solicitation site, OregonBuys, as well as the Daily Journal of Commerce. Staff queried several contractors who attended the mandatory pre-bid meeting but did not submit a bid, and those that responded indicated that current workload prevented them from bidding, or they didn’t meet the minimum qualifications. A Schedule of Values comparison was used to help verify that bids were reasonable. Prices were generally consistent across most categories.

Prior Contract Activities

NA

ACTION REQUESTED:

Management requests the Board approve a contract with Palouse Power, LLC for the demolition and construction of Currin Substation. Approximately \$12 million is budgeted specifically under the 2023 Type 2 Electric T&D Strategic Project and accounted for under the total Electric Capital Budget of \$76.3 million. Variances will be managed within the budget process and Board policy.