

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve additional funds to the contract with **Schnabel Engineering, LLC** for **Safety Inspection Services**.

Board Meeting Date: January 3, 2023
Project Name/Contract #: Part 12D Safety Inspection for Leaburg-Waltermville Project / 21-269-Q
Manager: Lisa Krentz Ext. 7450
Executive Officer: Karen Kelley Ext. 7153

Contract Amount:

Original Contract Amount: \$200,000 (April 5, 2022)
Additional \$ Previously Approved: \$0
Spend over last approval: \$0
Amount this Request: \$65,000
% Increase over last approval: 32.5%
Resulting Cumulative Total: **\$265,000**

Contracting Method:

Method of Solicitation: Formal Request for Proposals
If applicable, basis for exemption: NA
Term of Agreement: Completion by February 10, 2023
Option to Renew? No
Approval for purchases "as needed": Yes No
Proposals/Bids Received (Range): 2 (\$175,000 to \$243,100)
Selection Basis: Highest Ranked Proposer

Narrative:

Operational Requirement and Alignment with Strategic Plan

The services being purchased are required by EWEB's Federal Energy Regulatory Commission (FERC) license for the Leaburg-Waltermville Hydro Project. These services also align with EWEB's priority to ensure safe and reliable operation of our hydroelectric facilities in conformance with the Owners Dam Safety Program (ODSP). In addition to meeting regulatory and internal requirements, the resulting information from the inspection report will be valuable in terms of guiding our ongoing operation & maintenance activities, as potential issues will be identified before they become a larger concern. Recommendations for dam safety program efficiency improvements will be provided as well.

Contracted Goods or Services

The services being purchased provide a dam safety inspection conducted by an Independent Consultant (IC), which is required by FERC every 5 years. The services will include a review of all relevant past documentation and design information, as well as field inspection of the Project facilities. A major component of this work is a review of the current Potential Failure Mode Analysis (PFMA) and the identification of any additional potential failure modes warranting analysis as required by FERC.

Per FERC’s direction, additional funds are requested for increased levels of effort required for workshop preparation, as well as additional workshop sessions to complete the PFMA process. The requested additional funds provide for additional hours to prepare for the workshop, time spent in the workshop, and a corresponding increase in the hours needed to prepare a final report.

Purchasing Process

In January 2022, staff issued a Formal Request for Proposals (RFP) for the FERC required safety inspection. The solicitation was advertised on the State of Oregon’s public procurement site, OregonBuys. Proposals were received from GEI Consultants and Schnabel Engineering and were deemed responsive and responsible.

The proposals were evaluated by an EWEB evaluation team. The maximum number of possible points for written responses was 115, using the following criteria: Minimum Qualifications (Pass / No Pass – Not scored), Corporate Project Experience (15 points), Project Understanding/Approach (20 points), Staff Resources/Project Mgt (15 points), Key Staff Qualifications/Experience (35 points), and Quality Project On-Time/On-Budget (30 points).

Both firms were invited to meet with the evaluation team to present further information and respond to clarification questions. Written scores were finalized, and the Proposers were tied with 103 points each out of a possible 115 points. Proposers sealed pricing offers were opened and reviewed at this point. The maximum points possible for pricing was 35, for a total of 150 possible points. Schnabel Engineering’s pricing proposal was lower, for a total of 138 points of 150, compared to GEI’s 128 points. Schnabel was deemed the highest scoring Proposer, consistent with Qualification Based Selection (QBS) criteria.

During the scope of work negotiations with Schnabel, both parties decided that it would be beneficial to increase the planned level of effort for the PFMA analysis and associated research task resulting in an increase of price from \$175,338 to \$199,198. The revised pricing proposal is still considerably lower than GEI’s, due to the fact that Schnabel’s aggregated billing rates are considerably lower than GEI’s.

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
*21-157-Q	Sinkhole Investigation at Trail Bridge	11-2-21	7-21-21 to 12-31-23	\$70,420	\$750,175
*18-2701Q	Investigation of Sinkholes at Carmen Diversion	11-15-19	11-15-19 to 12-31-22	\$169,616	\$425,425
Q2660	Part 12D Safety Inspection for Carmen-Smith	4-2-18	11-30-18 to 12-31-22	\$194,849	\$194,849

*Note: Schnabel’s sinkhole investigation projects were necessarily contracted in phases due to the nature of the work. The contract total for 18-2701Q was increased after communicating to the Board through a memorandum in August 2018 and seeking Board approval for additional funds in November 2019. The contract total for 21-157-Q was increased after a declaration of emergency was filed with Purchasing after the GM’s approval in October 2021. Their Part 12D safety inspection for Carmen-Smith was completed on schedule and on budget.

ACTION REQUESTED:

Management requests the Board approve an increase to the Contract with Schnabel Engineering for the Leaburg-Walterville Hydroelectric Project Part 12D Safety Inspection Services. Approximately \$275,000 was planned for these services in the Generation Division’s 2023 O&M expense budget of \$9.5 million. Variances will be managed within the budget process and Board policy.