

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a new contract with **Ferguson Waterworks** for **Ductile Iron Fittings**.

Board Meeting Date: February 7, 2023
Project Name/Contract #: Ductile Iron Fittings & Accessories / 22-187-G
Manager: Mike Masters Ext. 7549
Executive Officer: Karen Kelley Ext. 7153

Contract Amount:

Original Contract Amount: \$1,315,000
Additional \$ Previously Approved: \$0
Spend over last approval: \$0
Amount this Request: \$1,315,000
% Increase over last approval: NA
Resulting Cumulative Total: **\$1,315,000 (over 5 years)**

Contracting Method:

Method of Solicitation: Formal Invitation to Bid
If applicable, basis for exemption: NA
Term of Agreement: 5 years
Option to Renew? No
Approval for purchases "as needed": Yes No
Proposals/Bids Received (Range): 2 (\$1,315,283 to \$1,653,355)
Selection Basis: Highest Ranked Proposer

Narrative:

Operational Requirement and Alignment with Strategic Plan

The Utility purchases and installs Ductile Iron (DI) fittings per EWEB standards. The durability of the DI fittings add to the resiliency of the water distribution system and allow the organization to complete projects listed in the approved Water Master Plan. In this way, these fittings align with EWEB's strategic plan. These fittings are also directly tied to Organizational Goal #1, Operational Effectiveness, by making it possible for us to complete daily work. DI fittings are the products used for new water main installations and to repair existing water mains throughout EWEB's water distribution system. They require very little maintenance once installed and are designed to last at least 100 years, which is the longest service life of any material on the market today. The fittings also have as much as 90% recycled content making them a responsible and sustainable purchase.

Contracted Goods or Services

The purchase and delivery of DI fittings ranging in sizes between 4" to 24" in diameter to be installed throughout EWEB's service area. The overall contract cost is only an estimate based on previous usage. Purchases will be based on need and not on any specific annual quantity. The annual cost will be within the amount budgeted for that specific year.

Purchasing Process

A Formal Request for Proposals (RFP) was posted on the State of Oregon bid site, OregonBuys, on October 31, 2022. The maximum number of possible points for evaluation was 200 and included the following criteria: Timely Delivery (50 pts), Ability to Meet EWEB Terms (40 pts), Pricing Stability Management (40 pts), Pricing (70 pts).

Two proposals were received from Ferguson Waterworks and Consolidated Supply Co. Ferguson Waterworks was selected as the highest ranked proposer and staff issued an Intent to Award based on their capability of meeting EWEB’s standards for delivery and lead time, cost management, and provision of quality product.

Bids Received

Vendor Name	City, State	Offered Price	Ranking (for RFPs)
Ferguson Waterworks	Eugene, OR	\$1,315,283	1
Consolidated Supply Co.	Eugene, OR	\$1,653,355	2

Competitive Fair Price (If less than 3 responses received)

There are basically four companies that could have responded in our territory. Although all four were directly solicited and encouraged to participate, two of the four chose not to, primarily because they did not feel they would be able to meet many of the standards EWEB seeks, such as a degree of control over price increases.

Prior Contract Activities

EWEB Contract	Project Name (Description)	Board Approved Date	Project Duration (Start to Close)	Original Amount	Final Amount	Reason Code
22-178-G	Valve Boxes and Lids	NA	5-10-22 to 5-30-22	\$17,896.75	\$17,896.75	
21-249-G	2022 Ductile Iron Fittings Stock Up	NA	11-6-21 to 2-15-22	\$17,537	\$17,537	
054-2017	Booster Pump Station	NA	10-19-17 to 12-7-17	\$140,533	\$140,533	
Reason Code: AM = Additional Materials, AW = Additional Work, EW= Emergency Work, SD = Staff Directed, UC = Unforeseen Conditions, Other						

Ferguson Waterworks has not had any large contracts awarded by EWEB in the past few years, but we have had extensive experience with them for smaller orders recently as long as large contracts in the past. Those experiences have been positive.

ACTION REQUESTED:

Management requests the Board approve a contract with Ferguson Waterworks for ductile iron fittings. These goods are used in our main replacement work and approximately \$3.8 million was planned for this work in the 2023 Water Capital budget of \$32.4 million. Variances will be managed within the budget process and Board policy.

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a new contract with **GEI Consultants** for **Engineering Consultant Services** related to the Carmen-Smith Hydroelectric Project.

Board Meeting Date: February 7, 2023
Project Name/Contract #: Part 12D Report Carmen-Smith Project v12 / 22-241-Q
Manager: Lisa Krentz Ext. 7450
Executive Officer: Karen Kelley Ext. 7153

Contract Amount:

Original Contract Amount: \$200,000
Additional \$ Previously Approved: \$0
Spend over last approval: \$0
Amount this Request: \$200,000
% Increase over last approval: NA
Resulting Cumulative Total: **\$200,000**

Contracting Method:

Method of Solicitation: Request for Proposal (RFP)
If applicable, basis for exemption: NA
Term of Agreement: Completion by July 31, 2024
Option to Renew? Contract may be extended up to five (5) years total
Approval for purchases "as needed": Yes No
Proposals/Bids Received (Range): 1 / \$199,197
Selection Basis: Highest Ranked Proposer
Narrative:

Operational Requirement and Alignment with Strategic Plan

As the Licensee of a Federal Energy Regulatory Commission (FERC) regulated hydropower project, EWEB is required to complete an independent evaluation of the safety of the Project facilities every 5 years pursuant to 18 CFR Part 12D. The Part 12D review is a collaborative process between the Independent Consultant, the Licensee, and FERC. This Periodic Inspection (PI) will be completed under the recently revised FERC Engineering Guidelines Chapter 16, dated December 2021.

Contracted Goods

The Board is being asked to approve a contract with GEI Consultants for consulting engineer services related to FERC requirements at the Carmen-Smith Hydroelectric Project. GEI Consultants will provide review of all relevant documents (design, construction, performance, potential failure modes, etc. as required by FERC), develop the Inspection Plan, prepare the Pre-Inspection Preparation Report (PI-PIPR), conduct field inspection, draft and finalize the Part 12D Safety Inspection Report, and provide technical support in resolving questions and comments from the FERC on the Part 12D Safety Inspection Report through the point of final acceptance.

Purchasing Process

In November 2022, Purchasing posted a formal Request for Proposal (RFP) process for a Part 12D report for the Carmen-Smith Hydroelectric Project on OregonBuys, the State of Oregon bid site. The solicitation closed on December 27, 2022, with one proposal submission from GEI Consultants, Inc. and the proposal was deemed responsive and responsible.

The proposal was evaluated by an EWEB evaluation team of three EWEB staff members. The maximum number of possible points for each proposal was 150 using the following criteria: Minimum Qualifications (Pass / No Pass – Not scored), Corporate Project Experience (15 points), Project Understanding (15 points), Staff Resources and Project Management (25 points), Key Staff Qualifications and Experience (35 points), Demonstrated ability to Complete Similar Quality Projects On-time and Within Budget (35 points), and Pricing (25 points) for a total of 150 possible points.

GEI Consultants earned 135 of 150 points, which is considered “Above Average” overall, and was selected as a highly rated proposer and well qualified to perform the work. GEI Consultants demonstrated an ability to meet technical specifications, meet EWEB’s terms, and offered reasonable pricing comparable to engineer’s estimates.

Proposals Received

Vendor Name	City, State	Offered Price	Ranking (for RFPs)
GEI Consultants, Inc.	Albany, OR	\$199,197	1

Competitive Fair Price

Purchasing posted the RFP on the State of Oregon bid site, OregonBuys, and sent direct notifications to a few firms that were known to be experienced in Part 12D reporting. Many firms with extensive experience with EWEB hydro projects were eliminated from consideration due to a potential conflict of interest because they are currently under contract with EWEB for other work that may be influenced by the Part 12D results. For example, one firm is on the Carmen-Smith Board of Consultants and three others are performing design work for various license required projects at Carmen-Smith.

Prior Contract Activities

EWEB Contract	Project Name (Description)	Board Approved Date	Project Duration (Start to Close)	Original Amount	Current Amount	Reason Code
21-182-Q	Leaburg Strategic Evaluation	November 2, 2021	11-5-21 to 12-31-22	\$406,420	\$406,420	

Reason Code: AM = Additional Materials, AW = Additional Work, EW= Emergency Work, SD = Staff Directed, UC = Unforeseen Conditions, Other

ACTION REQUESTED:

Management requests the Board approve a contract with GEI Consultants, Inc. for engineering consulting services. Approximately \$200,000 was planned for these services in the Generation Division’s Operation and Maintenance (O&M) Budget of \$15.5 million. Variances will be managed within the budget process and Board policy.

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a new contract with **General Pacific Inc.** for **Padmounted Transformers.**

Board Meeting Date: February 7, 2023
Project Name/Contract #: Padmounted Transformers / 23-003-G
Manager: Tyler Nice Ext. 7419
Executive Officer: Karen Kelley Ext. 7153

Contract Amount:

Original Contract Amount: \$3,000,000
Additional \$ Previously Approved: \$0
Spend over last approval: \$0
Amount this Request: \$3,000,000
% Increase over last approval: NA
Resulting Cumulative Total: **\$3,000,000 (over 5 years)**

Contracting Method:

Method of Solicitation: Direct Negotiation
If applicable, basis for exemption: EWEB Rule 3-0275 Sole Source Procurements
Term of Agreement: Until final acceptance/payment of all orders under Contract
Option to Renew? Not to exceed five (5) years total
Approval for purchases "as needed": Yes No
Proposals/Bids Received (Range): NA
Selection Basis: Sole Source Supplier

Narrative:

Operational Requirement and Alignment with Strategic Plan

This Contract is for the purchase of a select number of single phase and three phase padmounted transformers for use in our electric distribution system. EWEB has placed several orders under recently approved contracts to mitigate the significant shortage of these items due to long lead times and rising costs. This contract will serve to secure production slots of 90 transformers annually.

Contracted Goods or Services

The transformers to be purchased under this contract include varying quantities of 21 different classes of single phase and 14 different classes of three phase padmounted transformers to be stocked and stored in our Transformer shop for as-needed use in our electric distribution system. It is estimated that EWEB will be allotted 75 production slots of single phase padmounted transformers and 15 production slots of three phase padmounted transformers annually.

The overall contract cost estimate is based on historical usage and may change yearly depending on customer development demand and planned reliability and renewal projects. The Annual cost will be within the amount budgeted for that specific year.

Purchasing Process

In a continued effort to source these transformers, Purchasing posted a Request for Proposal (RFP) on the State of Oregon bid site, OregonBuys, that resulted in two proposals but both were deemed non-responsive under the RFP due to incomplete proposals. Staff then further evaluated the offers to determine if the transformers and delivery proposals could still meet the needs of EWEB and its customers.

It was determined that the proposal submitted by General Pacific would ensure a steady supply of transformers with guaranteed delivery dates. Additionally, these units meet EWEB’s construction and quality standards. This will allow EWEB to continue to meet the need of new connections and installation and maintain critical inventory for outages and emergencies through 2024 and beyond. Both General Pacific, and ERMCO have a positive reputation and long standing in the industry, focused mainly on cooperative and publicly owned utility contracts. Additionally, ERMCO, through direct sales, and sold through General Pacific, has maintained reasonable pricing during a period where other suppliers have increased costs upwards of 100%.

Bids Received

NA

Competitive Fair Price

NA – Sole source agreement

Prior Contract Activities

EWEB Contract	Project Name (Description)	Board Approved Date	Project Duration (Start to Close)	Original Amount	Final Amount	Reason Code
21-262-G	Single Phase Padmounted Transformers	3/1/2022	One-time purchase	\$1,534,000	TBD	
22-143-G	Single Phase Padmounted Transformers	8/2/2022	1 year	\$250,000	TBD	
22-210-G	Single Phase Polemounted Transformers	12/6/2022	5 years	\$2,000,000	TBD	

Reason Code: AM = Additional Materials, AW = Additional Work, EW= Emergency Work, SD = Staff Directed, UC = Unforeseen Conditions, Other

ACTION REQUESTED:

Management requests the Board approve a contract with General Pacific, Inc. for single phase and three phase padmounted transformers. Severe price increases were accounted for in the 2023 capital budget of \$3.15 million budgeted for distribution transformers of the \$76.3 million Electric Division Budget. Variances will be managed within the budget process and Board policy.

**RESOLUTION NO. 2305
FEBRUARY 2023**

**EUGENE WATER & ELECTRIC BOARD
BOARD APPOINTMENTS AND OUTSIDE LIAISONS**

WHEREAS, Board Policy GP12 provides for the use of committees, outside appointments, and liaisons to staff work as a means of gathering and disseminating information, representing the Board, and providing preliminary input to Board decisions; and

WHEREAS, Board Policy GP12 further states that all committees, outside appointments, and liaisons be created by resolution and that all appointments to said committees, outside appointments, and liaisons be made via resolution; and

WHEREAS, the Board met on January 3, 2023, and discussed potential appointments to outside organizations; and

WHEREAS, it is the Board's desire to create a new outside appointment for the City of Springfield; and

NOW, THEREFORE, BE IT RESOLVED that the Eugene Water & Electric Board hereby creates a new outside appointment for the City of Springfield.

BE IT FURTHER RESOLVED that the Eugene Water & Electric Board appoints the stipulated individuals to the following appointments and liaisons for the year 2023 or as otherwise indicated.

Lane Council of Governments (LCOG) - Provides coordination among Lane County governmental agencies. Term of organization is ongoing. Term of appointment is annual, and Sonya Carlson is the primary appointee with John Barofsky as the alternate.

McKenzie Watershed Council - Fosters better stewardship of the McKenzie Watershed resources through voluntary partnerships and collaboration. Term of organization is ongoing. Term of appointment is annual, and John Barofsky is the primary appointee with no designated commissioner as alternate.

McKenzie Watershed Alliance Executive Board - is the 501c3 that oversees the McKenzie Watershed Council. The board is responsible for matters such as reviewing contracts and grants, and supervision of the Executive Director. The board position may be filled by an EWEB Commissioner or EWEB staff member. Term of organization is ongoing. Term of appointment is annual, and designated EWEB staff is primary appointee with no designated Commissioner alternate for staff support.

Other Post-Employment Benefits (OPEB) - A Commissioner is not a voting member of the Section 115 Trust that has been set up to oversee EWEB contributions to the trust, the investment of funds, and measurement of the unfunded liabilities of the retiree medical plan. Term of appointment is ongoing, and John Brown is the appointee.

Springfield Utility Board (SUB) - EWEB is interested in partnering with SUB to build a long-term resilient approach to managing multiple water sources in the metropolitan area. The SUB liaison will assist the General Manager with the exploration of strategic water opportunities. Term of assignment is ongoing, term of appointment is annual, and Matt McRae is the primary appointee with no designated commissioner as alternate.

Lane Electric Cooperative – The liaison will partner with the General Manager on future discussions and collaboration with Lane Electric Cooperative. Term of assignment is ongoing, term of appointment is annual, and John Brown is the primary appointee with no designated commissioner as alternate.

City of Eugene – The liaison role is between EWEB and the City of Eugene Leadership on areas of mutual interest. It is the Board’s desire to partner and exchange information with the City of Eugene on a variety of matters, including but not limited to EWEB’s role in decarbonization, resiliency, and emergency preparedness. The liaisons will collaborate with the City of Eugene leadership and provide the Board periodic reports on discussions with the City of Eugene. The term of assignment is ongoing, the term of appointment is annual, and Sonya Carlson and John Barofsky are the appointees.

City of Springfield - It is the Board’s desire to foster a long-term partnership with the City of Springfield Leadership as we improve water resiliency for our connected communities through a second water source on the Willamette River, as well as other potential projects. The liaison will collaborate with the City of Springfield leadership and provide the Board periodic reports on discussions with the City of Springfield. Term of assignment is ongoing, term of appointment is annual, and Mindy Schlossberg is the primary appointee with John Brown as the alternate.

Changes in these assignments may be made at the direction of the Board.

Dated this 7th day of February 2023

THE CITY OF EUGENE, OREGON
Acting by and through the
Eugene Water & Electric Board

President

I, ANNE M. KAH, the duly appointed, qualified and acting Assistant Secretary of the Eugene Water & Electric Board, do hereby certify that the above is a true and exact copy of the Resolution adopted by the Board at its February 7, 2023, Regular Board Meeting.

Assistant Secretary