

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a new construction contract with **Pacific Excavation, Inc.** for the **Hilyard Street 36-inch Transmission Main and 24-inch Storm Drain Replacement.**

Board Meeting Date:	March 7, 2023
Project Name/Contract #:	Hilyard Transmission Main Replacement /23-011-PW
Manager:	Mike Masters Ext.7549
Executive Officer:	Karen Kelley Ext.7153

Contract Amount:

Original Contract Amount:	\$9,500,000
Additional \$ Previously Approved:	\$0
Spend over last approval:	\$0
Amount this Request:	\$9,500,000
% Increase over last approval:	%0
Resulting Cumulative Total:	\$9,500,000

Contracting Method:

Method of Solicitation:	Formal Invitation to Bid
If applicable, basis for exemption:	NA
Term of Agreement:	Final Completion by June 1, 2024
Option to Renew?	No
Approval for purchases "as needed":	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Proposals/Bids Received (Range):	1 – (\$9,376,750 - \$9,839,100)
Selection Basis:	Lowest Responsive and Responsible Bidder

Narrative:

Operational Requirement and Alignment with Strategic Plan

The Board is being asked to approve a contract for construction of a 36-inch diameter water transmission pipeline and storm drain down Hilyard Street to support the E. 40th Ave Water Storage Tanks project. The work is necessary to facilitate the filling and draining of the two new seismically resilient water storage tanks at the E. 40th site. This pipeline project will be completed in phases in order complete the necessary improvements to put the first two tanks into service prior to decommissioning the College Hill Reservoir at the end of 2023. The overall project will serve buildout conditions and will be complete by June 1, 2024 in coordination with planned City of Eugene road reconstruction of Hilyard street in Summer 2024. These improvements are the first to be constructed over the next 10 years as part of the Distributed Storage Approach developed in the 2015 Water System Master Plan. The new storage will replace the existing facilities at College Hill, Hawkins Hill, and Santa Clara and will provide a more resilient storage and transmission system for the water utility. In addition, to minimize disruptions on Hilyard Street, planned main replacements and improvements, unrelated to the reservoir project, are also incorporated into the project.

Contracted Goods or Services

If approved, the work covered under this contract will be performed on Hilyard Street between E. 33rd Avenue and the intersection of E. 40th Avenue and Patterson Street at the E 40th Avenue Reservoir Site. Work includes open trench construction of approximately 3,950 feet of 36-inch welded steel or ductile iron pipe, 3,250 feet of 8-inch ductile iron pipe, 1,175 feet of 12-inch ductile iron pipe, and 80 feet of 24-inch ductile iron pipe. Work also includes installation of approximately 2,150 feet of 24-inch storm drain to connect the reservoir drain and overflow pipelines into the city stormwater system. Upon completion of the work, the contractor will restore disturbed surfaces to City of Eugene requirements including repaving approximately half of Hilyard Street. This paving work has been coordinated with the City’s larger Hilyard Street resurfacing project.

Purchasing Process

Purchasing staff issued a Formal Invitation to Bid in January 2023. The solicitation was publicly advertised on the State of Oregon’s Procurement Site, OregonBuys and the Portland Business Tribune. To ensure the most cost-efficient material was selected for this project, staff asked for each bidder to propose the cost for building the pipeline out of welded steel pipe or ductile iron pipe. Staff reserved the right to select the lowest bid from either material.

One (1) bid was received from Pacific Excavation, Inc. They submitted pricing for both Option A: Welded Steel and Option B: Ductile Iron Pipe. Staff determined the welded steel option to be the most cost-efficient and Pacific Excavation was deemed to be responsive and responsible.

Bids Received

Vendor Name	City, State	Offered Price	Ranking (for RFPs)
Pacific Excavation, Inc.	Eugene, OR	\$9,376,750	NA

Competitive Fair Price (If less than 3 responses received)

The Invitation to Bid was publicly advertised on the State of Oregon’s Procurement Site, OregonBuys and the Portland Business Tribune. In addition, Staff also notified contractors who could potentially perform the work. The feedback received was that contractors are facing labor constraints and unable to take on additional work at this time. As a result of the feedback, the required completion dates were extended by a substantial amount of time in hopes that would potentially alleviate some of the constraints. Staff have reviewed the pricing proposed by Pacific Excavation and found it is in line with current market pricing for similar work, especially considering recent construction price escalations.

Prior Contract Activities

EWEB Contract	Project Name (Description)	Board Approved	Project Duration (Start to Close)	Original Amount	Approved/Amended Amount to Date (Total)	Reason Code
21-110	Palomino St Main Replacement	9/7/21	9/15/21-3/23/22	\$376,666	\$345,440 (Complete)	
20-204	36 th Ave Water Main Replacement	11/1/20	11/5/20-3/14/21	\$340,370	\$353,459 (Complete)	UC
20-133	Willagillespie and Russet Water Main Replacement	8/4/20	8/6/20-2/1/21	\$526,230	\$624,536 (Complete)	UC

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

20-204 Contract sum was increased via change order to allow for additional materials required due to unforeseen condition on site.

20-133 Contract sum was increased via change order to allow for additional work required due to unforeseen conditions on site.

ACTION REQUESTED:

Management requests the Board approve a contract with Pacific Excavation, Inc. for the Hilyard Street 36-inch transmission main and 24-inch storm drain replacement. The proposed work will occur in winter/spring 2023-2024 and will be completed under the Water Capital Type 2 Reservoir and Transmission Pipeline budget allocation. This budget totals approximately \$22M in 2023-2024. Variances will be managed within the budget process and Board policy.