

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a new construction contract with **Emery and Sons** for the **Construction of Two 0.5 million-gallon (MG) Glass-Fused-to-Steel Water Storage Tanks at EWEB's Shasta 975 Storage Site.**

Board Meeting Date:	May 2, 2023	
Project Name/Contract #:	Shasta 975 Storage Tanks / 23-049-PW	
Manager:	Mike Masters	Ext. 7549
Executive Officer:	Karen Kelley	Ext. 7153

Contract Amount:

Original Contract Amount:	\$2,865,000
Additional \$ Previously Approved:	\$0
Spend over last approval:	\$0
Amount this Request:	\$2,865,000
% Increase over last approval:	%0
Resulting Cumulative Total:	\$2,865,000

Contracting Method:

Method of Solicitation:	Formal Invitation to Bid
If applicable, basis for exemption:	NA
Term of Agreement:	One-time. Completion by May 29, 2024
Option to Renew?	No
Approval for purchases "as needed":	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Proposals/Bids Received (Range):	3 (\$2,865,000 - \$3,346,500)
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 the construction of two 0.5 million-gallon (MG) glass-fused-to-steel water storage tanks at EWEB's Shasta 975 Storage Tank Site. The two new tanks will replace the existing 1.75 MG welded steel tank which was constructed in the 1960s. The existing facility provides water service to the Shasta 975 and Shasta 1150 service areas which are located around the Spring Blvd neighborhood in Eugene. Additionally, it serves as the redundant water supply to the Fairmount neighborhood, the Laurel Hill Valley, Lane Community College, and the Willamette Water Company.

During a routine inspection, it was discovered that the interior coating of the existing tank has failed and that the tank is showing signs of wear and corrosion. Staff completed a structural evaluation of the existing tank and found that the facility does not meet current seismic codes and needs extensive and expensive structural improvements in addition to the recoating work. Furthermore, during this evaluation staff determined that there was no way to take the existing tank offline to complete the needed repairs and maintain pressure for fire suppression in the area.

Staff determined that due to the high costs of improvements and the risks associated with taking this critical facility

offline two new tanks would provide a more reliable water source for the approximately 2,800 houses in the surrounding area for generations to come, while better preparing the utility for future challenges associated with decreasing water demands and climate change.

Contracted Goods or Services

If approved, Emery & Sons will construct two new 0.5 MG glass-fused-to-steel water storage tanks near 3648 North Shasta Loop. The work includes construction of two new tanks, new onsite potable water piping, new stormwater piping, demolition of the existing storage tank, and site grading and restoration work.

Purchasing Process

Purchasing staff issued a Formal Invitation to Bid in March 2023. The solicitation was publicly advertised on the State of Oregon's Procurement Site, OregonBuys and the Portland Business Tribune. Three (3) bids were received ranging from \$2,865,000 - \$3,346,500. Emery & Sons submitted the lowest bid and was deemed to be responsive and responsible.

Bids Received

Vendor Name	City, State	Offered Price	Ranking (for RFPs)
Emery & Sons	Salem, OR	\$2,865,000	NA
Pacific Excavation	Eugene, OR	\$3,079,000	NA
The Saunders Co	Newberg, OR	\$3,346,500	NA

Competitive Fair Price (If less than 3 responses received)

NA

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
037-2012	Willamette River Pipeline Crossing	9/4/12	9/5/12– 6/30/14	\$1,813,000	\$1,877,456.87	UC/AW /AM
Reason Code: AM = Additional Materials, AW = Additional Work, EW= Emergency Work, SD = Staff Directed, UC = Unforeseen Conditions, Other						

037-2012 Five change orders were issued throughout the project for a combination of unforeseen conditions, additional work and additional materials needed to complete the project.

ACTION REQUESTED:

Management requests the Board approve a contract with Emery & Sons for the construction of two 0.5 million-gallon (MG) glass-fused-to-steel water storage tanks at EWEB's Shasta 975 Storage Tank Site. The bulk of the proposed work will occur in 2024. Approximately \$800,000 is included in the 2023 Water Capital Budget of \$32 million to complete this year's work. Funding for the balance of the work will be included in the 2024 Water Capital CIP to be presented to Board this summer. Variances will be managed within the budget process and Board policy.