

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a new contract with **Schnabel Engineering, LLC** for **Safety Inspection Services**.

Board Meeting Date: May 3, 2022
Project Name/Contract #: Part 12D Safety Inspection for Leaburg-Waltermville Project / 21-269-Q
Primary Contact: Karen Kelley Ext. 7153

Contract Amount:

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

Contracting Method:

Method of Solicitation: Formal Request for Proposals
If applicable, basis for exemption: NA
Term of Agreement: 8 months
Option to Renew? No
Approval for purchases "as needed"
for the life of the Contract: 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.

Purchasing Process

In January 2022, staff issued a Formal Request for Proposals (RFP) for a 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 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 review which resulted in an increase in 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.

Proposals Received

Vendor Name	City, State	Offered Price	Ranking
Schnabel Engineering	Seattle, WA	\$199,198	1
GEI Consultants	Portland, OR	243,185	2

Competitive Fair Price (If less than 3 responses received)

The two firms that submitted a proposal are both highly qualified. The negotiated fees with Schnabel Engineering are generally commensurate with their competitors in the same field and are deemed to offer a fair price for this work.

Prior Contract Activities

EWEB Contract	Project Name (Description)	Board Approved Date	Project Duration (Start to Close)	Original Amount	Final Amount	Reason Code
21-157-Q	Sinkhole Investigation at Trail Bridge	Emergency Declaration	7/21/21-12/31/23	\$70,420	\$750,175	SD/EW*
18-2701-Q	Investigation of Sinkholes at Carmen Diversion	11/15/19	11/15/19 – 12/31/22	\$169,616	\$425,425	SD/EW
Q2660	Part 12D Safety Inspection for Carmen-Smith	4/2/18	11/30/18 – 12/31/22	\$194,849	\$194,849	

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

* Time sensitive emergency with potential risk to the public and EWEB. Immediate continued investigations were required of the current contractor. The risk of delaying further investigations to allow a formal solicitation process was deemed unacceptable.

ACTION REQUESTED:

Management requests the Board approve a contract with Schnabel Engineering for the Leaburg-Waterville Hydroelectric Project Part 12D Safety Inspection Services. Approximately \$275,000 was planned for these consulting services in the Generation Department's 2022 O&M budget of \$12 million. Variances will be managed within the budget process and Board policy.