

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a new contract with **Carollo Engineers, Inc.** for engineering services to complete **EWEB's 2025 Water System Master Plan Update (WSMP)**.

Board Meeting Date:	November 7, 2023	
Project Name/Contract #:	Water System Master Plan Update / 23-157-Q	
Manager:	Mike Masters	Ext. 7549
Executive Officer:	Karen Kelley/Rod Price	Ext. 7153/7122

Contract Amount:

Original Contract Amount:	\$952,000
Additional \$ Previously Approved:	\$0
Spend over last approval:	\$0
Amount this Request:	\$952,000
% Increase over last approval:	NA
Resulting Cumulative Total:	\$952,000

Contracting Method:

Method of Solicitation:	Formal Request for Proposals – QBS Process
If applicable, basis for exemption:	NA
Term of Agreement:	Completion by December 31, 2024
Option to Renew?	No
Approval for purchases "as needed":	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Proposals/Bids Received (Range):	2 (\$590,727 - \$695,813 - does not include optional items added)
Selection Basis:	Highest Ranked Proposer

Narrative:

Operational Requirement and Alignment with Strategic Plan

The EWEB water utility completes/updates a Water System Master Plan (WSMP) approximately once every ten years to serve as the basis for its Capital Improvement Plan. The last WSMP was completed in 2015, and recently a request for proposal was issued for consulting services to complete EWEB's 2025 WSMP update. EWEB's 2025 WSMP update will be completed in accordance with the Oregon Administrative Rule (OAR) 333-061-0060(5), which generally includes updating system demand projections, reviewing existing design criteria and regulations, evaluating the condition of EWEB's supply and distribution system, preparing a system resiliency plan, and developing a new 20-year Capital Improvement Plan.

In addition, the 2025 WSMP update will include public and Board of Commissioners engagement early in the process. This will allow stakeholder consensus where the public is aware of recommended improvement projects before project-specific planning begins.

Contracted Goods or Services

The consultant will complete EWEB's 2025 WSMP update to meet the objectives presented in the Request for Proposal and OAR requirements. The Consultant will work collaboratively with EWEB to complete the Update.

The 2015 WSMP focused on resiliency and optimization. Similarly, the 2025 WSMP update will focus on refining the existing WSMP objectives with an emphasis on system operation, optimization, and water quality.

The 2025 WSMP, however, will include a much more in-depth optimization study covering both the EWEB Base and Upper Levels. This study will utilize EWEB’s existing hydraulic model within optimization software (Optimizer). EWEB, Carollo, and their sub-consultant WCS will develop a range of scenarios and inputs to be evaluated by Optimizer for both the Base and Upper Levels. The final results will help EWEB identify projects and develop a robust Capital Improvement Programs, considering not just capital costs but also O&M expenditures, water quality, electrical use, and greenhouse gas emissions.

Purchasing Process

Purchasing staff issued a formal request for proposals (RFP) in August 2023. The RFP was advertised in the State of Oregon’s procurement website, OregonBuys, and the Portland Business Tribune. Two (2) proposals were received and deemed to be responsive and responsible. The proposals were evaluated by an EWEB committee using a three-step approach. Evaluation criteria and possible points were as follows:

- Step One: Evaluated the proposer’s responses to minimum requirements (Pass or No pass)
- Step Two: Evaluated written responses for the following evaluation criteria: Project Approach (40 points), Project Experience (20 points), Project Team Experience/Qualifications (20 points)
- Step Three: Evaluated pricing proposals (20 points)

After evaluations, Carollo Engineers, Inc. earned the highest overall score and an Intent to Award was issued.

As with most qualifications-based (QBS) RFPs, the RFP for this project included a statement encouraging the proposing consultants to expand on the listed scope of work to include items that would benefit the project based on their experience and expertise. Staff reviewed the items suggested by Carollo Engineers in their proposal then negotiated with them to add desirable and optional items proposed but not included in the total amount originally proposed. The most significant item was a much more in-depth optimization analysis (discussed above) of the EWEB base and upper-level systems.

Proposals Received

Vendor Name	City, State	Offered Price	Ranking (for RFPs)
Carollo Engineers, Inc.	Portland, OR	\$590,727	1
West Yost & Associates, Inc.	Lake Oswego, OR	\$695,813	2

Competitive Fair Price (If less than 3 responses received)

The RFP was advertised on the State of Oregon’s procurement website, OregonBuys, and in the Portland Business Tribune. Two proposals were received, and pricing received is at current market value compared to other engineering firms we have contracted with recently.

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
20-122	Water System Emergency Response Plan	NA	6/15/20-5/1/21	\$128,160	\$122,975	
18-2685	Willamette Water Treatment Plant – Revisioning	NA	7/25/18-TBD	\$32,165	\$10,931	

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 Carollo Engineers, Inc. for engineering services to complete EWEB's 2025 WSMP update. The work is anticipated to be completed in Q3 of 2023 and throughout 2024 and the Water Engineering Q3-2023/2024 O&M combined budgets have over \$950,000 available for this work. 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 **HDR Engineering, Inc.** for **Hydraulic Modeling Services**.

Board Meeting Date: November 7, 2023
Project Name/Contract #: Hydraulic Modeling Services / 23-173-Q
Manager: Mike Masters Ext. 7549
Executive Officer: Karen Kelley/Rod Price Ext. 7153/7122

Contract Amount:

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

Contracting Method:

Method of Solicitation: Formal Request for Proposals (RFP)
If applicable, basis for exemption: NA
Term of Agreement: 5 Years (January 1, 2024 – December 31, 2028)
Option to Renew? No
Approval for purchases “as needed”: Yes No
Proposals/Bids Received (Range): 1 (\$100,000 per year - estimate based on proposed fee schedule)
Selection Basis: Highest Ranked Proposer

Narrative:

Operational Requirement and Alignment with Strategic Plan

EWEB requires Engineering Services to perform miscellaneous hydraulic modeling tasks to assist in evaluating hydraulic conditions under various conditions within the water distribution system. Hydraulic modeling of EWEB’s water system assists in the design of its distribution, pumping and reservoir system. Modeling tasks will be assigned on a per project basis to compliment upcoming work that is planned in the 10-year Capital Improvement Plan.

Contracted Goods or Services

Historical task order amounts for hydraulic modeling in combination with planned specific projects suggest that the total contract amount will be approximately \$100,000 per year or \$500,000 over the total five-year period. This is in line with the current master plan and with the current 021-2017 Hydraulic Modeling Services contract with HDR Modeling, Inc. for \$500,000, covering the previous five-year period. The actual total dollar amount, however, is unknown and may be more or less than the estimated volume. Task Services will be based on need and not on any specific annual quantity.

Purchasing Process

In September 2023, staff issued a Formal Request for Proposals (RFP) posted in the State of Oregon’s procurement website, OregonBuys. EWEB received one proposal response submitted by HDR Engineering Inc. of Portland, OR. The response was evaluated based on evaluation criteria stated in the RFP, including Project Approach, Project Experience, and Project Team Experience. HDR has demonstrated extensive experience with similar hydraulic modeling projects and their key personnel has an average of 25 years hydraulic modeling experience.

Proposals Received

Vendor Name	City, State	Offered Price (estimate based on proposed fee schedule)	Ranking (for RFPs)
HDR Engineering, Inc.	Portland, OR	\$100,000 annually	1

Competitive Fair Price (If less than 3 responses received)

Five firms, Carollo, DOWL, Jacobs, RH2 Engineering, and West Yost, downloaded the RFP, but chose not to submit a proposal response. When questioned, each firm stated either that the scope of work was beyond the capabilities of their firm, or that they did not currently have sufficient personnel to perform the work required.

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
21-132-Q	FEMA Advance Assistance Support	NA	7/30/2021 – 12/21/2021	\$19,737	\$19,737	
19-046-PSC	Risk & Resiliency Assessment	NA	9/19/2019 – 12/1/2020	\$130,000	\$130,000	
021-2017	Hydraulic Modeling Services	6/6/2017	6/9/2017 – 12/31/2023	\$500,000	\$500,000	
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 HDR Engineering, Inc. for hydraulic modeling services. Approximately \$100,000 is and will be planned for these services annually in the Water Operations and Maintenance Budget, which is \$36.8 million for 2023. 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 **Wildish Building Company** for **Turbine Runner Removal at the Leaburg Powerhouse.**

Board Meeting Date: November 7, 2023
Project Name/Contract #: Leaburg Powerhouse Turbine Runner Removal / 23-200-PW
Manager: Lisa Krentz Ext. 7450
Executive Officer: Karen Kelley/Rod Price Ext. 7153/7122

Contract Amount:

Original Contract Amount: \$296,000
Additional \$ Previously Approved: \$0
Spend over last approval: \$0
Amount this Request: \$296,000
% Increase over last approval: NA
Resulting Cumulative Total: **\$296,000**

Contracting Method:

Method of Solicitation: Formal Invitation to Bid
If applicable, basis for exemption: NA
Term of Agreement: Completion by January 13, 2024
Option to Renew? No
Approval for purchases “as needed”: Yes No
Proposals/Bids Received (Range): 1 – (\$295,400)
Selection Basis: Lowest Responsive and Responsible Bidder

Narrative:

Operational Requirement and Alignment with Strategic Plan

The Leaburg Powerhouse Turbine Runner Removal project is a necessary near-term dam safety risk reduction measure. It will increase the low-level outlet capacity of the forebay so that EWEB can pass higher flows through the powerhouse and reduce water levels in the canal during storms. By reducing hydraulic loading of the Leaburg Canal embankment during storms, EWEB will significantly reduce dam safety risks. This project has operational benefits and aligns with strategic goals and objectives as follows:

- Aligns with Organizational Goal No. 6 by implementing Near-Term Risk Reduction Measures to comply with FERC dam safety requirements
- Aligns with strategic objectives by reducing safety risk to the community
- Reduces operational risk by providing an additional high-volume outlet to help manage canal flows

Due to the decision to decommission the Leaburg project, the turbine runner will not need to be replaced. However, the work is reversible, and measures are in place to protect the adjacent equipment and components in the unlikely event the Leaburg Powerhouse is restored to service.

Contracted Goods or Services

The scope of the project and contractor responsibilities are as follows:

- Design and install in-water barriers to prevent leakage through the existing bulkhead system
- Supply the necessary dewatering equipment to supplement the existing in-house system, including measures to ensure that no contaminants enter the waterway
- Design and install a containment system to ensure no construction debris or hazardous materials enter the waterway
- Concrete slab removal as necessary to ensure safe and efficient access to the draft tube to complete the turbine runner removal work
- Supply the necessary equipment to work safely in a confined space in accordance with OSHA requirements
- Provide the necessary scaffolding to perform the runner removal work safely and efficiently
- Removal of the turbine runner, while also protecting the adjacent equipment and structures

The complexities of the above-described work are:

- In-water work methods
- Confined space protocols due to limited access and very tight working conditions
- Specialized tooling, equipment and hot-work techniques
- Scope of work is uncommon

Purchasing Process

A Formal Invitation to Bid (ITB) was posted on OregonBuys in September, 2023. One bid was received, and Wildish Building Co. was deemed the lowest priced responsive and responsible bidder capable of meeting the solicitation’s delivery and lead time requirements.

Bids Received

Vendor Name	City, State	Offered Price
Wildish Building Company	Eugene, OR	\$295,400

Competitive Fair Price (If less than 3 responses received)

The bid was advertised in the Daily Journal of Commerce and posted on the state of Oregon’s bid site, OregonBuys. However, many of the construction firms had full schedules and only one bid was received. According to the Associated General Contractors of America, Oregon secured the 4th position nationwide for its growth in construction employment from May 2022 to May 2023. Considering past pricing for similarly complex construction projects and the current inflation environment, Staff considers this pricing to be within reason and competitive.

Prior Contract Activities

EWEB Contract	Project Name (Description)	Board Approved	Project Duration (Start to Close)	Original Amount	Approved/Amended Amount to Date	Reason Code
20-117-PW	Walterville Toe Drain	NA	5-28-20 to 12-31-20	\$56,300	\$56,300	
050-2018	Carmen Powerhouse Substation Upgrades	1-8-19	1-22-19 to 12-20-19	\$4.58 M	\$4.73 M	AW
049-2018	Build Breezeway at Ice Cap Campground Restrooms	1-8-19	8-8-18 to 10-31-19	\$87,972	\$89,464	

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 Wildish Building Company for turbine runner removal at the Leaburg Powerhouse. This work is part of the Leaburg Near Term Risk Reduction Subproject 2023 budget of \$2.1 million. Variances will be managed within the budget process and Board policy.



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Carlson, Barofsky, McRae, Schlossberg, and Brown
FROM: Deborah Hart, CFO and Trojan Operating Committee Member; Leslie Kidd,
Senior Accounting Analyst
DATE: October 19, 2023
SUBJECT: Resolution No. 2320: Trojan Operating Budgets
OBJECTIVE: Board Action

Issue

EWEB is required to approve a budget for its ownership share of the Trojan Nuclear Project for the upcoming budget year and a revised budget for the current year at least 45 days before the new budget year, which begins on January 1, 2024. Bonneville Power Administration (BPA) pays 100 percent of EWEB's costs for the Trojan Nuclear Project under terms of a Two-Party Net Billing Agreement, dated October 5, 1970.

Background

The Trojan Nuclear Plant (TNP) and Trojan Independent Spent Fuel Storage Installation (ISFSI) are jointly owned by Portland General Electric (PGE), EWEB and Pacific Power & Light Company. PGE is the majority owner with responsibility for the TNP and operating the ISFSI.

EWEB assigned its 30% ownership share of the TNP's output to BPA in 1981. In return, BPA agreed to pay a 30-percent share of costs to operate the Trojan facilities.

Decommissioning of the TNP began in 1993. As of 2005, all TNP radiological decommissioning was complete and the TNP's license was terminated. Operation and maintenance of the ISFSI will continue until the United States Department of Energy (US DOE) can take possession of spent fuel. According to terms of the 1982 Nuclear Waste Policy Act, the US DOE was required to construct and license a federal repository. However, the US DOE has been unable to fulfill that requirement or to provide a schedule for when they can take possession of spent fuel.

Discussion

The budgets presented for your approval include 30% of Trojan's decommissioning and O&M for the ISFSI as estimated by PGE. The budgets are a revised budget for 2023 and a proposed budget for 2024. The revised 2023 budget decreased from the preliminary 2023 budget for removal of duplicate project costs and increased for the allocation of labor and addition of overhead on labor which was not included in the preliminary budget.

BPA is reviewing the budgets prepared by PGE and will pay EWEB's 30-percent share. In addition, PGE recovers operating costs for Trojan's owners with annual claims to the US DOE for reimbursement. In turn, EWEB passes those payments through to BPA.

The US DOE is reimbursing operating costs in accordance with a settlement agreement approved by the Department of Justice in 2013. The settlement obligated the US DOE to cover costs incurred through 2015. Since then, PGE has been requesting extensions of time for the agreement and those requests have been accepted with challenges. Below, is a history of payments from the US DOE as passed through from PGE to EWEB.

Department of Energy Spent Fuel Storage Payments

Received	Years Covered	Amount
9/10/2013	1998-2009	\$ 24,400,000
8/11/2014	2010-2012	2,600,000
12/5/2014	2013	946,000
11/19/2015	2014	966,000
3/16/2017	2015	1,132,648
1/12/2018	2016	1,219,763
2/15/2019	2017	1,243,177
1/17/2020	2018	1,315,797
1/26/2021	2019	1,621,976
2/4/2022	2020	1,464,552
2/2/2023	2021	1,846,080
		<u>\$ 38,755,993</u>

Recommendation and Requested Board Action

Management recommends the Board’s approval of resolution 2320 for the Revised 2023 and Proposed 2024 Operating Budgets.

- Attachment 1 – 2023 Revised budget
- Attachment 2 – 2024 Proposed budget

**EUGENE WATER & ELECTRIC BOARD
TROJAN NUCLEAR PROJECT
2023 OPERATING BUDGET - REVISED
(In Thousands of Dollars)**

	<u>2023 Revised</u>	<u>2023 Approved</u>	<u>Increase/ (Decrease)</u>
Non-decommissioning operations	\$ 131	\$ 57	\$ 74
Decommissioning operations	3,674	6,008	(2,334)
Decommissioning - building and yard loop additions	3,134	2,325	809
TOTAL - EWEB'S SHARE OF ACTIVITY PERFORMED BY PGE	<u>6,939</u>	<u>8,390</u>	<u>(1,451)</u>
 EWEB's direct costs:			
Labor and overhead	4	5	(1)
Legal	-	10	(10)
TOTAL - EWEB'S DIRECT COSTS	<u>4</u>	<u>15</u>	<u>(11)</u>
TOTAL COSTS	<u>6,943</u>	<u>8,405</u>	<u>(1,462)</u>
 LESS:			
Prior year reserve and operating cash	(300)	(300)	-
Earnings on investments	(11)	(3)	(8)
PLUS:			
Year-end reserve and operating cash	300	300	-
TOTAL REQUIREMENT	<u>\$ 6,932</u>	<u>\$ 8,402</u>	<u>\$ (1,470)</u>
 TOTAL TO BE BILLED TO BPA	<u>\$ 6,932</u>	<u>\$ 8,402</u>	<u>\$ (1,470)</u>
 ANNUAL FINANCING			
Beginning reserve and operating cash	\$ 300	\$ 300	\$ -
Direct billings	6,932	8,402	(1,470)
Earnings on investments	11	3	8
TOTAL FUNDS AVAILABLE	<u>7,243</u>	<u>8,705</u>	<u>(1,462)</u>
TOTAL COSTS	<u>6,943</u>	<u>8,405</u>	<u>(1,462)</u>
ENDING RESERVE AND OPERATING CASH	<u>\$ 300</u>	<u>\$ 300</u>	<u>\$ -</u>

**EUGENE WATER & ELECTRIC BOARD
TROJAN NUCLEAR PROJECT
2024 OPERATING BUDGET - PROPOSED
(In Thousands of Dollars)**

	<u>2024 Proposed</u>	<u>2023 Revised</u>	<u>Increase/ (Decrease)</u>
Non-decommissioning operations	\$ 132	\$ 131	\$ 1
Decommissioning operations	3,904	3,674	230
Decommissioning - building and yard loop additions	-	3,134	(3,134)
TOTAL - EWEB'S SHARE OF ACTIVITY PERFORMED BY PGE	<u>4,036</u>	<u>6,939</u>	<u>(2,903)</u>
EWEB's direct costs:			
Labor and overhead	4	4	-
Legal	-	-	-
TOTAL - EWEB'S DIRECT COSTS	<u>4</u>	<u>4</u>	<u>-</u>
TOTAL COSTS	<u>4,040</u>	<u>6,943</u>	<u>(2,903)</u>
LESS:			
Prior year reserve and operating cash	(300)	(300)	-
Earnings on investments	(11)	(11)	-
PLUS:			
Year-end reserve and operating cash	300	300	-
TOTAL REQUIREMENT	<u>\$ 4,029</u>	<u>\$ 6,932</u>	<u>\$ (2,903)</u>
TOTAL TO BE BILLED TO BPA	<u>\$ 4,029</u>	<u>\$ 6,932</u>	<u>\$ (2,903)</u>
ANNUAL FINANCING			
Beginning reserve and operating cash	\$ 300	\$ 300	\$ -
Net billings	4,029	6,932	(2,903)
Earnings on investments	11	11	-
TOTAL FUNDS AVAILABLE	<u>4,340</u>	<u>7,243</u>	<u>(2,903)</u>
TOTAL COSTS	<u>4,040</u>	<u>6,943</u>	<u>(2,903)</u>
ENDING RESERVE AND OPERATING CASH	<u>\$ 300</u>	<u>\$ 300</u>	<u>\$ -</u>

**RESOLUTION NO. 2320
NOVEMBER 2023**

**EUGENE WATER & ELECTRIC BOARD
2023 REVISED AND 2024 TROJAN BUDGETS**

WHEREAS, the Eugene Water & Electric Board (EWEB) is the body designated by the Eugene City Charter and City Code to administer the Electric and Water utilities of the City of Eugene;

WHEREAS, the Trojan Nuclear Project was constructed in the early 1970s by Portland General Electric, EWEB and Pacific Power & Light Company with EWEB owning a 30-percent share;

WHEREAS, the owners agreed to shut down and decommission the facility after operating it from 1976 – 1993;

WHEREAS, EWEB and Bonneville Power Administration entered into an agreement whereby EWEB assigned its rights to power from the project to Bonneville Power Administration, in return for Bonneville Power Administration paying all EWEB costs related to project operation, maintenance and decommissioning as well as EWEB internal costs related to oversight;

WHEREAS, the owners review and approve the Trojan operating budget annually as prepared and proposed by Portland General Electric;

THEREFORE, BE IT RESOLVED by the Eugene Water & Electric Board that the Board hereby has reviewed and approves the 2023 revised and 2024 proposed Trojan budgets for EWEB's 30-percent share of the Trojan Nuclear Project.

DATED this 7th day of November 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 November 7, 2023, Regular Board Meeting.

Assistant Secretary