

# EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a new contract with **McMillen, Inc.** to provide **Consultant Support for the Leaburg Decommissioning Program.**

Board Meeting Date: December 3, 2024  
Project Name/Contract #: Leaburg Hydroelectric Project Decommissioning Program / 24-169-Q  
Manager: Lisa Krentz Ext. 7450  
Executive Officer: Karen Kelley Ext. 7153

### Contract Amount:

Original Contract Amount: \$18,500,000  
Additional \$ Previously Approved: \$0  
Spend over last approval: \$0  
Amount this Request: \$18,500,000  
% Increase over last approval: NA  
Resulting Cumulative Total: **\$18,500,000 (Over 10-years)**

### Contracting Method:

Method of Solicitation: Formal Request for Proposals  
If applicable, basis for exemption: NA  
Term of Agreement: Through December 2034  
Option to Renew? No  
Approval for purchases "as needed": Yes  No   
Proposals/Bids Received (Range): Four proposals received (1 price proposal for sample task order only)  
Selection Basis: Highest Ranked Proposer

Narrative:

### Operational Requirement and Alignment with Strategic Plan

The Leaburg Decommissioning Action Plan (LDAP) was approved by the Board in January 2024 in accordance with 2023 EWEB organizational goal #6 and Board Resolution 2302. As detailed in the LDAP, planning and implementing the near-term dam safety risk reduction projects and long-term decommissioning work will require extensive resources, including internal staff and consultant support. Contracting with an experienced and multi-disciplinary team of subject matter experts is necessary to augment EWEB's staff in refining the existing high-level concepts into the detailed plans that are necessary for review/approval processes and ultimate implementation of the work. McMillen, Inc. (McMillen) has an extensive record of successful planning and implementation of challenging dam decommissioning work, including at FERC-regulated hydroelectric facilities.

### Contracted Services

The McMillen team will provide EWEB with critical consulting support throughout the LDAP implementation process by serving as a senior consultant to the LDAP project team and bringing extensive decommissioning process expertise and experience-based risk management guidance to EWEB's efforts at Leaburg. McMillen will also help EWEB determine and achieve the end-state of decommissioning by providing comprehensive support throughout the decommissioning and regulatory / FERC processes. Services may include but are not limited to:

- Program and project management support:
  - Project management planning
  - Assistance with stakeholder engagement
  - Integration of projects within the decommissioning and near-term risk reduction portfolios
  - Internal documentation and controls
  - Resolution of technical and non-technical conflicts/issues
  - Develop and monitor key performance indicators
- Interdependent process support:
  - Leaburg Near-Term Risk Reduction
  - WALTERVILLE Strategic Evaluation
- Regulatory process and related strategic planning and implementation support:
  - Critical path schedule analysis
  - Risk register development
  - Develop draft and final FERC decommissioning applications
  - Develop permitting tracking matrix and draft permit applications
- Staffing capacity support:
  - Work plan and schedule review
  - Technical resource planning, RFP scoping, and procurement support (EWEB will manage all procurement processes and contracts)
  - Sub-consultant oversight
  - Review and QA/QC of deliverables
- Information and data gap analyses:
  - Comparative assessments of existing information relative to data requirements needed to advance designs of decommissioning concepts
- Engineering and environmental planning studies:
  - Hydrology and hydraulics studies of the modified McKenzie and tributary systems
  - Leaburg Lake sediment studies and transport analyses
  - Develop aquatic and terrestrial wildlife management plans
  - Develop vegetation and restoration management plans
- Refinement of the decommissioning concepts and cost estimates, potentially including detailed design tasks:
  - Alternatives analyses
  - Minimum of 30% designs
  - Full design development in areas of McMillen's subject matter expertise
- Preconstruction and construction phase oversight support:
  - Develop construction contract documents
  - Review construction schedules, timelines, sequencing
  - Facilitate value engineering sessions and independent review of value engineering proposals
  - Constructability reviews
  - Review and advise EWEB on construction-related contract documents such as RFI's and change orders
  - Perform field inspections to ensure contract compliance
  - Construction documentation management
  - Assistance with claims by construction contractors

The contracted services are expected to be broad and extend over a 10-year period. However, the contract has safeguards and offramps to allow EWEB full discretion in determining the scope of work in accordance with the consultant's demonstrated strengths and performance.

### Purchasing Process

In August 2024, Purchasing initiated a formal Request for Proposals (RFP) process in accordance with Oregon Public procurement rules. The RFP was posted on the State of Oregon bid site OregonBuys. Four proposals were received, and all were deemed to be responsive and responsible. The proposals were evaluated by an EWEB

evaluation team including all core members of the LDAP project team. The maximum number of possible points was 200, using the following criteria: Minimum Qualifications (Pass / No Pass – Not scored), Project Experience (40 points), Project Approach (55 points), Project Team Qualifications (55 points), Project Management Strategy (20 points) and Pricing (30 points).

McMillen, Inc. and Kleinschmidt Associates were shortlisted and asked to submit pricing proposals for a sample task order that included regulatory, stakeholder, and technical complexities often associated with a decommissioning process. This approach was chosen because quantifying a flexible and long-term contract early in the decommissioning process is difficult. Kleinschmidt Associates rescinded their proposal in lieu of providing pricing because they determined the point spread between the two Proposers was likely too wide to overcome.

McMillen, Inc. received the greatest number of points and was selected as a competent and qualified consultant for the project. An Intent to Award was issued to McMillen, Inc.

Proposals/Bids Received

Vendor Name	City, State	Offered Price for Sample Task Order	Ranking (for RFPs)
McMillen, Inc.	Portland, Oregon	\$650,437	1
Kleinschmidt Associates	Portland, Oregon	NA*	2
Jacobs Engineering Group	Corvallis, Oregon	NA**	3
Black and Veatch	Tualatin, Oregon	NA**	4

\*Consultant dropped out prior to submitting pricing

\*\*EWEB solicited pricing proposals from the two top ranked proposers only

Prior Contract Activities

EWEB does not have prior experience with this Consultant.

- McMillen, Inc. is well known as one of leading experts in the industry for FERC-related decommissioning support and are often asked to speak or lead at industry workshops.
- McMillen team, which includes Camas Environmental and Regulatory Services, were both highly recommended for this project by our hydro specialist legal consultants, Troutman Pepper.
- McMillen was the lead decommissioning consultant on the large and prestigious Klamath Dam Removal Project and earned many points in the RFP evaluation process that the other consultants had difficulty competing with in regard to experience.
- At the Northwest Hydro Association conference earlier this year, the Owners of the Klamath project (KRRC) stated how valuable McMillen was to the project and two members of the team told our Project Manager for this contract that we’d be lucky to have them on our project.
- Our Project Manager for this project has direct experience working with McMillen on 3 complex Pacific Corp Hydro projects, including the Swift Bypass project and two fish hatchery projects. All 3 projects were very successful.

**ACTION REQUESTED:**

Management requests the Board approve a contract with McMillen, Inc. for engineering and related services to provide support for the Leaburg Decommissioning Program. Approximately \$21 million was planned for these decommissioning related consulting services in the Generation Department’s 2024 - 2034 O&M budget as part of the overall estimated decommissioning cost of \$176 million. Variances from the budget during each year of the project will be managed in accordance with Board Policy.

**BUDGET CATEGORY:** Electric O&M, Generation Division, Consulting