

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a new contract with **Pacific Excavation** for the **Construction of Two 7.5 million Gallon Tanks at EWEB's College Hill Storage Tank Site.**

Board Meeting Date: February 4, 2025
Project Name/Contract #: College Hill 7.5 MG Storage Tanks – Tank Construction / 24-237-PW
Manager: Mike Masters Ext. 7549
Executive Officer: Karen Kelley Ext. 7153

Contract Amount:

Original Contract Amount: \$25,506,000
Additional \$ Previously Approved: \$0
Spend over last approval: \$0
Amount this Request: \$25,506,000
% Increase over last approval: NA
Resulting Cumulative Total: **\$25,506,000**

Contracting Method:

Method of Solicitation: Formal Invitation To Bid (ITB)
If applicable, basis for exemption: NA
Term of Agreement: One-Time Purchase (Construction)
Option to Renew? No
Approval for purchases "as needed": Yes No
Proposals/Bids Received (Range): 2 - (\$25,505,950 - \$27,950,875)
Selection Basis: Lowest Responsive and Responsible Bidder
Narrative:

Operational Requirement and Alignment with Strategic Plan

The Board is being asked to approve a construction contract for tank construction services at the College Hill Water Storage Tanks site. The work is being done to construct two new seismically resilient water storage tanks. These are the second set of two tanks to be constructed over a 10-year period, as part of the Distributed Storage Approach developed in the 2015 Water System Master Plan. The new storage at E. 40th Avenue and College Hill will replace the previously existing facility at College Hill, as well as allow for removing or replacing existing facilities at Hawkins Hill, and Santa Clara, which will provide a more resilient storage system for the water utility.

EWEB contracted with Consor, Inc. to work as part of a team to provide engineering design and construction services for this second set of two new tanks. In 2024, EWEB contracted with Pacific Excavation to provide Demolition and Excavation services at the site and with Island Fence to provide construction fencing.

Contracted Goods or Services

If approved, Pacific Excavation, Inc. will construct two 7.5-million-gallon (MG) round partially buried AWWA D110 prestressed concrete storage tanks at EWEB’s College Hill Storage Tank site. The project will also require tunneling for a new transmission and stormwater pipe, site grading, yard piping, rebar, concrete, interior tank piping, sediment and erosion control, and backfilling.

Purchasing Process

Staff issued a Formal Invitation to Bid in November 2024. The solicitation was publicly advertised on the State of Oregon’s procurement site, OregonBuys. Two (2) bids were received and Pacific Excavation, Inc. provided the lowest responsive and responsible bid.

Proposals/Bids Received

Vendor Name	City, State	Offered Price	Ranking (for RFPs)
Pacific Excavation	Eugene, Oregon	\$25,505,950	NA
Emery & Sons Construction Group, LLC	Salem, Oregon	\$27,950,875	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 in 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. Staff have reviewed the pricing proposed by Pacific Excavation and found it is in line with current market pricing for similar work, including the cost estimate for this work of \$25 million to \$30 million, 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
24-111-PW	College Hill Storage Tanks – Demolition and Earthwork	6/4/2024	6/20/2024 - 3/1/2025	\$5,681,560	\$5,529,429	
23-011-PW	Hilyard Transmission Main Replacement	3/7/2023	3/16/2023 - 6/1/2025	\$9,500,000	\$9,162,281	
22-021-PW	E. 40 th Ave Storage Tanks – Construction	4/5/2022	4/7/2022 – 12/31/2024	\$19,184,575	\$21,622,213	SD

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 construction contract with Pacific Excavation, Inc. for the construction of two 7.5-million-gallon (MG) tanks at EWEB’s College Hill Tank Site. Approximately \$9.5 million has been budgeted for this work in 2025 of the Water Five Year Capital Plan which totals approximately \$175 million. Variances will be managed within the budget process and Board policy.

BUDGET CATEGORY: Water Utility Capital, Type 2 – Rehabilitation & Expansion Projects, Distribution