

MEMORANDUM



TO: CITY COUNCIL
FROM: Greg Springman, Steven Haney and Trish Rice
Public Works
DATE: February 3, 2023
SUBJECT: Mahler WRF Project Update

Public Works staff and our engineering consultant West Yost would like to keep City Council updated on the Mahler WRF Upgrades Project. This update will be provided on a monthly basis and contains the following sections:

- Section 1. Project Overview and Current Status
- Section 2. Project Schedule Update & City Council Engagement
- Section 3. Project Budget Status Update
- Section 4. Updates on Key Issues

1. PROJECT OVERVIEW AND CURRENT STATUS

MWRF Interim Improvements Project (MWRF IIP)

Following City Council authorization, Staff are proceeding with implementation of the MWRF IIP to address current MWRF operating challenges and help to fully utilize \$7 Million in grant funding provided to the City by the Oregon Legislature that must be spent by June 30, 2023.

Work on the MWRF IIP is progressing quickly. Bids for three (3) initial competitive bidding packages have been received and are proceeding through the award and contracting process. These bid packages include:

Package 1 - Owner-Supplied Electrical Equipment Pre-Purchase: Standby Generator and Main Switchboard to be procured by The Automation Group as the City's Integrator-of-Record.

Package 2 - Owner-Supplied Dewatering Equipment Bid Documents: The City will pre-purchase a new screwpress solids dewatering system that will initially be located near the existing Solids Building before ultimately being relocated to the Dewatering Building as part of the major MWRF expansion.

Package 3 – Sludge Blend Tank Design-Build Bid Documents: The City will hire a Design-Build Contractor to install a new 100,000 gallon concrete tank that will be used to store solids in the near-term that will also be utilized as the sludge blend tank as part of the MWRF expansion.

Staff and Engineers are also completing final design for the MWRF IIP Site Improvements required for installation of equipment, piping and site work related to the 3 bid packages summarized above. These projects are anticipated to be completed by the June 30, 2023 grant funding deadline.

MWRF Improvements Project

West Yost's design team has completed and delivered 60% Design Contract Documents for the larger MWRF Improvements Project. Staff are currently reviewing nearly 500 drawings and 2 volumes of specifications with comments due back to the City on February 7, 2023. The most Engineer's Opinion of Probable Construction Cost (OPCC) for the MWRF Improvements Project is **\$56,813,000**. Staff are working on securing the additional funding needed to construct the project.

2. PROJECT SCHEDULE UPDATE & CITY COUNCIL ENGAGEMENT

Below is the current project schedule for the MWRF IIP and larger MWRF Improvements Project.

	2022			2023				2024	2025	2026
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1 – Q4	Q1 – Q4	Q1 – Q4
MWRF Interim Impr. Project (IIP)										
MWRF Impr. Project										
Planning & Design										
Bidding & Contracts										
Construction										

Following are current Requests for Council Actions (RCA):

Upcoming Requests for Council Action (RCA) are summarized in this section to give City Council advance notice of anticipated City Council engagement related to the MWRF Improvements Project.

February 14 City Council Meeting Requests for Council Action:

If recommended by Staff, the Recommendations of Award for the MWRF IIP contracts will be presented to City Council by Staff, including:

1. Owner-Supplied Electrical Equipment Pre-Purchase Contract Documents
2. Owner-Supplied Dewatering Equipment Contract Documents
3. Sludge Blend Tank Design-Build Bid Contract Documents

West Yost contract amendment for engineering services to complete Final Design and Bidding for the MWRF Improvements Project.

March 14 City Council Meeting Requests for Council Action:

If recommended by Staff, the Recommendation of Award for the MWRF IIP Site Interim Improvements Project civil and site work for installation of pre-purchased equipment and associated improvements.

Future City Council Requests for Council Action:

Future City Council engagement and Requests for Council Action are anticipated as follows:

- 3rd Party Special Inspections and Testing Services Contract Award – RCA timing TBD
- Electronic Construction Document Control System Contract Award – RCA timing TBD
- MWRF Improvements Project Bid Award – RCA timing TBD

3. PROJECT BUDGET STATUS UPDATE

The following budget status updates provide a high-level review of contract amounts and expenditures for engineering services, Owner-supplied electrical equipment, Construction, 3rd Party Special Inspections and Testing, and the Electronic Construction Document Control System.

a. Construction

The three initial MWRF IIP contracts are being finalized with anticipation that work on the new Sludge Blend Tank will begin soon. Draft final CDs for the MWRF IIP Site Improvements contract have been submitted by West Yost and are being reviewed by Staff. Staff anticipate the IIP Site Improvements Project will begin advertisement this week.

b. Owner-Supplied Electrical Equipment

Contracts for Owner-Supplied Electrical Equipment by The City's Integrator-of-Record are being finalized so ordering can begin.

c. 3rd Party Special Inspections and Testing Services

Budget status updates for 3rd Party Special Inspections and testing will be provided once construction activities begin.

d. Electronic Construction Document Control System (ECDCS)

Budget status updates for ECDCS will be provided once construction activities begin.

e. Engineering Services

West Yost submitted the MWRF Improvements Project 60% Design Contract Documents on January 31st and Staff are now completing review. West Yost has submitted a proposal for complete final design for the project by June 30, 2023.

Firm	Dates	Purpose	Contract Amount	% Complete
Murraysmith ⁽¹⁾	2018 – 2021	Preliminary and Final Design	\$2,134,373	100%
West Yost	Jul 2021	Final Design Review	\$66,224	100%
West Yost ⁽²⁾	Aug 2021 – present	Project Planning. Permitting, Preliminary and Final Design	\$3,141,280	92%
West Yost ⁽³⁾	Oct. 2023 thru Oct. 2026	Engineering Services During Construction (ESDC)	\$879,670	0%

(1) Contract Amount listed is actual amount paid to Murraysmith by City. This amount is being confirmed.

(2) West Yost's current Mahler WRF design contract is for completion of Phase 1 final design and Phase 2 60% Design. It is anticipated a contract for completing MWRF Improvements Project final design will be executed in Q1 2023.

(3) West Yost's current Mahler WRF Engineering Services During Construction (ESDC) contract was for Phase 1 construction. If authorized, a portion of this current contract will be used for MWRF IIP ESDC. The balance would be used for initial ESDC on the larger MWRF Improvements Project.

4. UPDATES ON KEY ISSUES

- **Preliminary Engineering Report (PER) Update.** Concurrent with design of the MWRF IIP and completion of 60% final design for the MWRF Improvements project, West Yost's team is also working on updating the Preliminary Engineering Report (PER) required for obtaining USDA funding for the project. The PER will be submitted to USDA and Oregon DEQ for review and approval. This PER update will incorporate the recently updated construction cost estimate (Engineers OPCC).
- **Outfall Permitting and "Crosscutters".** West Yost met with DEQ to discuss the mixing zone study for the new South Santiam River outfall and continues to work with Pacific Habitat on the Environmental Assessment (EA) and Biological Assessment (BA) that have been determined to be required for the project.
- **MWRF Improvements Project Funding.** Staff are now meeting on a monthly basis with representatives from USDA, DEQ and Business Oregon to discuss project funding. The DEQ Regional Solutions Team (RST) is also engaged on the project and in these meetings.
- **Expenditure of Oregon Legislature Funding.** Contracts for the three (3) MWRF IIP project elements are being finalized and staff are reviewing final design for the MWRF IIP Site Improvements Project that are anticipated to start bidding on February 9th. West Yost has submitted a proposal to complete final design of the larger MWRF Improvements Project. These are all elements of the City's plan to utilize the \$7M in grant funding awarded by the Oregon Legislature and required to be spent by June 30, 2023.

Cc: Dept. Heads