



REQUEST FOR COUNCIL ACTION

Title: Mahler WRF Interim Improvements Project - Final Design Task Order

Preferred Agenda: February 14, 2023

Submitted By: Trish Rice, Engineering Tech 2
Greg Springman, PWD

Reviewed By: Kelcey Young, City Manager

Type of Action: Resolution ____ Motion ____ Roll Call X Other ____

Relevant Code/Policy: N/A

Towards Council Goal: 1.1 Develop specific steps for implementation of the adopted infrastructure master plans.

Attachments: Proposal for Engineering Services for Sweet Home WWTP Phase 1 Final Design and Bidding, and Phase 2 60% Final Design

Purpose of this RCA:

Staff is requesting Council authorization to accept West Yost Associates' proposal for the final phase of MWRF design services.

Background/Context:

The City contracted with West Yost Associates for Engineer of Record services in September 2020 based on a qualifications-based selection process. Projects are assigned to West Yost via task orders, which are reviewed and approved individually.

The critical factor throughout this project has been the June 30, 2023 spending deadline for the \$7M state earmark. Staff approved Task Order 9, "*WWTP Phase 1 Final Design*" on September 28, 2021, for the not-to-exceed price of \$1,137,477. With the execution of Task Order 9, the WWTP project was divided into Phase 1 construction and Phase 2 construction so that Phase 1 could bid as soon as possible to meet the earmark deadline. Phase 2 design was to begin after Phase 1 design finished.

On March 7, 2022 staff approved Amendment 1 to change the design scope to allow parallel design tracks for Phase 1 and Phase 2, to ensure that the phases would integrate properly. Amendment 1 allocated work to get Phase 1 to 60% design and Phase 2 to 30% design. Amendment 1 had no cost changes, although WY did advise staff to expect a future request for additional funds to proceed beyond Phase 1 60% design.

On April 26, 2022 Council approved Amendment 2 to add Phase 1 final design and bid services, and Phase 2 60% design, for another \$2,290,858.00.

On August 23, 2022 Council approved Amendment 3 to add Phase 1 construction support services for \$879,670.

Council approved to solicit bids for Phase 1 in September 2022. Staff received formal bids from three pre-qualified contractors. All bids submitted by the contractors exceeded 25% of the Engineer's estimate, requiring the City to not award the contract. Staff and West Yost then adjusted the project to merge Phases 1 and 2 back together, and created a much smaller Interim Improvement Project (IIP) which includes the pre-purchase of owner-supplied dewatering equipment, purchase long-lead electrical equipment, and installation of the dewatering equipment and a sludge blend tank. On November 8, 2022 Council directed staff to proceed with the IIP. West Yost has completed final design and the IIP is out to bid. The existing Amendment 3 for Phase 1 construction services will be used to fund the construction services for the IIP which are expected to total approx. \$50-60k.

West Yost has now submitted their proposal for final design for a not-to-exceed price of \$1,560,873, which will carry the major phase of the MWRf Improvements Project from 60% through final design, including design of the outfall replacement. The design of all the treatment processes will be complete by June 30, 2023 and will be funded by the \$7M state earmark resulting in \$1,443,439.00 spend this fiscal year. The outfall design will extend into next fiscal year and the \$117,434 for that work will be funded by ARPA.

Staff is requesting Council authorization to execute this task order to maintain the current design pace. The project team has developed a high level of synergy and momentum, and the design must continue to proceed at an incredible pace to meet the strict schedule requirements for spending the state earmark.

This proposal does not include bid support services. Looking ahead, additional funds will be required for bid support services. Additional funds will also be required to increase the scope of the construction services, since it only covered Phase 1 and the phases have now been merged.

The Challenge/Problem:

Completing design and construction in a timely and fiscally responsible manner, to comply with funding deadlines and regulatory requirements, within City budget restraints.

Stakeholders:

- City Residents. Residents are the customers who deserve good service with the highest return on their taxes and fees that we can provide, and who trust the City to maintain their infrastructure systems at a high level of service.
- Council Members. Council members are the voice of the citizens we serve. Each member of this group is interested in providing the best service possible at the lowest possible cost. They must balance leadership with representation.
- Public Works Department Staff. This project will greatly improve the operability of the WWTP which is currently undersized and beyond its serviceable lifespan. Staff spends significant time fixing broken down equipment and fighting with system inefficiencies.
- Management Team. Comprised of five department heads, each with a responsibility to the citizens and Mayor to run their day-to-day operations as efficiently as possible.
- Oregon DEQ. The WWTP upgrade project is required to comply with DEQ regulations.

Issues and Financial Impacts:

The design must continue on schedule to meet the \$7M earmark spending deadline.

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Elements of a Stable Solution:

Keep the design on schedule to meet the \$7M earmark spending deadline.

Options:

1. Move to authorize staff to execute Task Order 9 Amendment 4. This will keep the project on schedule to meet the \$7M spending deadline by June 2023.
2. Do nothing. Not recommended.
3. Request more information or give staff other direction.

Recommendation:

Staff recommends Option 1, Move to authorize staff to execute Task Order 9 Amendment 4. This will keep the project on schedule to meet the \$7M spending deadline by June 2023.