



# REQUEST FOR COUNCIL ACTION

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**Title:** Request for Council Action - Mahler WRF Sludge Blend Tank Design-Build Procurement

**Preferred Agenda:** February 14, 2023

**Submitted By:** Trish Rice, Engineering Technician  
Greg Springman, Public Works Director

**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:** Procurement documents set

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## **Purpose of this RCA:**

Staff requests authorization to procure owner-supplied dewatering equipment through the City's Integrator of Record for the Mahler WRF Improvements Project.

## **Background/Context:**

On November 8, 2022, Council approved the Engineer's recommendation for the Interim Improvements Project including purchase and installation of a new sludge blend tank. The Engineer of Record (West Yost) has prepared the equipment specifications and contract documents.

The procurement was advertised for bid on December 15, 2022 and bids closed on January 24, 2023. We received one bid from Baker Silo, LLC for \$1,015,900. This is a design-build contract wherein the vendor will produce the final design of the tank to suit site conditions and will build the tank. There was one exception to the specification regarding the 5-year warranty bond. Staff have negotiated with Baker Silo and tentatively agreed to incorporate Baker Silo's in-house warranty guarantee into the contract documents as an exhibit, rather than requiring the bond, which will enable the warranty guarantee to be legally enforceable.

Staff recommends awarding the procurement contract to Baker Silo and authorizing a 10% contingency controlled by the City Manager bringing the total project budget to \$1,117,490. It will be funded by the \$7M state earmark.

## **The Challenge/Problem:**

To make efficient use of limited funds to complete needed wastewater treatment improvements and satisfy DEQ requirements and state funding timelines.

### **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 City Manager 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:**

We received one bid from Baker Silo, LLC for \$1,015,900. Staff also requests a 10% contingency controlled by the City Manager bringing the total project budget to \$1,117,490. It will be funded by the \$7M state earmark.

### **Elements of a Stable Solution:**

A stable solution will provide efficient completion of needed facility improvements and make full use of the funding from the State of Oregon for this project.

### **Options:**

1. Option 1 – Move to cancel the project. Not recommended.
2. Option 2 – Move to reject all bids and re-bid the project. Not recommended.
3. Option 3 – Move to execute the procurement as presented. Staff will execute the contract and give notice to proceed.

### **Recommendation:**

Staff recommends Option 3 – Move to execute the procurement as presented.