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Lebanon, Oregon 97355

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www.ci.lebanon.or.us

MEMORANDUM

Engineering Services

To: Mayor Aziz and City Council
From: Ron Whitlatch, Engineering Services Director
Subject: **Recommendation to Award Emergency Contract**
WWTP Digester Coating Project

Date: September 23, 2020

I. INTRODUCTION

Beginning September 1, 2020, City Staff assumed operations and maintenance responsibilities for the Lebanon Wastewater Treatment Plant (WWTP). City Staff has been conducting inspections of all process elements of the WWTP to complete an initial Conditions Assessment of the overall function and condition of the WWTP upon terminating the contract with Jacobs (OMI).

On September 8, 2020, City Staff began the task of emptying the aerobic digester. The process required three staff working 12-14 hours per day for about twelve days. This equates to approximately 576 manhours to get the material out of the tank in order to perform visual inspections of the aerators, mixers, and overall tank condition. Upon a thorough visual inspection of the tank on September 21, 2020, it was determined that the bottom eight feet of the twelve feet concrete walls had substantial concrete deterioration.

The digester plays a critical function in the wastewater treatment process and can only be off-line for a very limited amount of time. It should also be noted that the process to empty the digester is an extremely labor-intensive process that can only be completed during low flow conditions. The concrete needs immediate repair (coating), and since the digester is currently empty, staff has determined that the repair should happen now rather than risk further deterioration.

On September 21, 2020, City Staff asked three contractors to provide quotes to complete the coating of the digester walls. The Contractors were provided the timeframe in which the work needed to be done and the overall scope of the project. Only Underground Tech, LLC. responded. Representatives from Underground Tech visited the site on September 22, 2020 and provided a quote of \$121,920 to complete the work and have the digester operational by October 9, 2020.

Underground Tech has done manhole rehabilitation for the City in past years. They are proposing to use a Microsilica Mortar (same as being used in manhole rehabilitation) with an epoxy coating. This type of application is expected to have a 20-30-year service life. Staff has reviewed the quote and determined that it is reasonable based on the amount of work, material costs, and timeframe in which the project needs to be completed.

ORS279.C 335 allows a Contracting Agency to request three quotes for work that does not exceed \$100,000. Any contract that exceeds the \$100k threshold is required to be advertised and publicly bid except in cases of an emergency. In emergency cases, ORS 279B.080 allows a Contracting Agency to procure goods and services in a much quicker manner. Below is the reasoning behind the proposed emergency contract:

- Inspection revealed concrete deterioration of the first eight feet of the digester walls. The wall rehabilitation was not a planned project, but rather an immediate need for maintenance.
- Due to the very limited amount of time the digester can be off-line, a conventional bidding process (which takes two months) would not be realistic.
- The digester is a critical feature of the treatment process and emptying the tank is very labor intensive and will likely only happen every five years.
- Based on the small size of the project, it is likely that there would be very little if any additional competition in a conventional bidding process. There only three certified installers in the Pacific Northwest for the Mainstay Composite Liner. Underground Tech is the only local company certified, thus leaving the other two with much higher mobilization costs.

It should also be noted that the digester has not had maintenance (been emptied) performed on it since the Cannibal Process was installed in 2010. We have several additional (smaller) contracts in place to re-build the aerators inside the digester and replace failed valves. All of the additional work will be completed during the same timeframe as the proposed Digester Coating Project.

II. RECOMMENDATION

I recommend that City Council pass a motion to award the Emergency Contract based on ORS 279B.080 for the Digester Coating Project to Underground Tech, LLC from Halsey Oregon.

EMERGENCY CONTRACT

City of Lebanon Oregon

For Proposed

Wastewater Treatment Plant Digester Coating Project

Linn County

September 2020



City Council

Paul Aziz, Mayor

Jason Bolen	Robert Furlow
Karin Stauder	Rebecca Grizzle
Michelle Steinhebel	Wayne Rieskamp

Staff

Ron Whitlatch, Interim City Manager
John E. Kennedy, City Attorney

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Project Information

WWTP Digester Coating Project

Principal Features

The work to be completed under this Contract includes the following work at the Lebanon Wastewater Treatment Plant in the City of Lebanon, Oregon. The principal features of the work are indicated below:

1. This is being declared an Emergency Contract due to the very limited time that the Digester can be off-line. City Staff emptied the Digester over a two-week period for inspection purposes. Upon inspection it was determined that the first 8 feet (from the floor up) is showing signs of concrete deterioration. It has been determined that in order to maintain the integrity of this critical process that the walls need to be lined.
2. Contractor to line walls of the existing Digester (to height of 8 feet from the floor) with Mainstay Composite liner.
3. Contractor shall provide all labor, equipment and materials to complete the project as indicated in the quote provided on September 20, 2020.
4. Contractor shall clean and prep existing wall surface prior to application of Mainstay Composite Liner.
5. City Crews will be available to assist and provide adequate pumps to remove excess water from the Diester due to cleaning process.
6. The project cost shall not exceed \$121,920.00 without written authorization from the City of Lebanon.
7. The work will include exposure to bio-hazardous materials associated with a domestic wastewater plant. Contractor shall provide appropriate personal protective equipment for their personnel while performing the work.
8. Due to the Digester being a critical feature of the WWTP, all work needs to be complete by October 9, 2020.

Addresses and Representatives

Owner: City of Lebanon
Engineering Services
925 Main Street
Lebanon, OR 97355-3200

The contact person for this project is Ron Whitlatch, Interim City Manager/Engineering Director, 541-258-4269 or rwhitlatch@ci.lebanon.or.us.

The Contractor shall keep the City informed of the address and person to which official correspondence should be directed and the address and telephone number where a principal of the Contractor may be reached outside of normal working hours in emergency situations.

Insurance

The Contractor's general liability insurance shall hold the City harmless from claims due to the potential health and safety risks of the work to be performed under this Contract. As part of this contract please provide appropriate Insurance Certification Form to the City of Lebanon prior to commencing the work.

Utilities

The City does not guarantee the existence or precise location of existing utilities. For utility locates, call the Utilities Notification Center at 1-800-332-2344. Agencies with utilities located within the project area:

- Pacific Power
- NW Natural Gas
- CenturyLink
- Comcast Cable
- City of Lebanon
- Consumer's Power, Inc.

Coordination of Work

The Contractor shall be responsible for coordinating all activities with the Wastewater Treatment Plant Manager and/or his designee.

Project Specifications

The Standard Specifications applicable to this project are the 2008 Oregon Standard Specifications for Construction, published jointly by the American Public Works Association (Oregon Chapter) and the Oregon Department of Transportation. This document is hereby incorporated as part of the Contract Documents and Specifications by reference.

The Supplemental Standard Specifications applicable this project will be the 2008 Supplemental Standard Specifications to the 2008 Oregon Standard Specifications for Construction, by the City of Lebanon. This document is hereby incorporated as part of the Contract Documents and Specifications by reference and is available under separate cover from the City of Lebanon for a fee of \$20, which includes registration to receive updates when published. This document is also available in Adobe® PDF format on-line at <http://www.ci.lebanon.or.us/index.aspx?page=258>.

The project Special Provisions further supplement the Standard and Supplemental Specifications and are included in the Contract Documents.

All numbered references in the Supplemental Standard Specifications and Special Provisions shall be understood to refer to and/or modify that section or subsection of the Standard Specifications bearing like numbers. Precedence is defined in the Standard Specifications under section 00150.10(a).

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WWTP Digester Coating Project

THIS AGREEMENT, made and entered into by and between the City of Lebanon, hereafter referred to as CITY and Underground Tech, LLC. hereafter referred to as CONTRACTOR whose names are subscribed hereto.

WITNESSETH:

WHEREAS, the City has invited Proposals from contractors, has received said Proposals, analyzed the same, and duly given notice of acceptance and awarded a Contract to the CONTRACTOR as herein set forth and as stated more in detail in the Contract Documents which are as follows:

- | | |
|---|--------------------------------|
| a. Project Quote/Proposal (Contractor Provided) | d. Insurance Certifications |
| b. Principal Features | e. Standard Specifications |
| c. Agreement | f. City Supplemental Standards |

all of which are made a part hereof and which constitute the whole Contract between the CITY and the CONTRACTOR, and

WHEREAS the CONTRACTOR has proposed to undertake and perform the construction required in the Bid Schedule, which is made a part of the CONTRACTOR'S Proposal

NOW THEREFORE, it is hereby agreed that:

- (a) the CONTRACTOR shall furnish all construction, pay all costs, and perform the construction required by the Contract in the manner specified in the Contract Documents, and

ESTIMATED TOTAL CONTRACT PRICE NOT TO EXCEED IS \$121,920.00

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It is further agreed that the CONTRACTOR will start work immediately upon receipt of the CITY'S notice to proceed and shall complete work in the Contract in the number of calendar days after said notice to proceed (or by the specified completion date) as set forth in the Special Provisions.

The CONTRACTOR agrees to indemnify and save harmless the CITY from any and all defects developing in the materials furnished and workmanship performed under this Contract for a period of one (1) year after the date of acceptance of the work by the CITY.

IN WITNESS WHEREOF, two (2) identical counterparts of this Contract, each of which shall for all purposes be deemed an original thereof, have been duly executed by the parties herein above named on the day and year written below.

Contract Documents approved as to form:

(Signature)

City Attorney

(Title)

(Date)

CITY OF LEBANON, OREGON

(Signature)

City of Lebanon Mayor

(Title)

(Date)

(Signature)

Interim City Manager / Engineering Services Director

(Title)

(Date)

CONTRACTOR

(Signature)

(Title)

(Date)