


**CITY OF COOS BAY CITY COUNCIL**  
**Agenda Staff Report**

<b>MEETING DATE</b>	<b>AGENDA ITEM NUMBER</b>
December 6, 2016	

TO: Mayor Benetti and City Councilors

FROM: Jim Hossley, Public Works Director 

THROUGH: Rodger Craddock, City Manager

ISSUE: Award Addendum Number 2 to the Mortenson Contract for Wastewater Treatment Plant 2

**SUMMARY:**

On November 15, 2016 the City Council voted to move forward with the DEQ approved SBR project. The next step is for Council to approve Addendum 2 to the Zero Cost contract authorizing Mortenson to proceed with the construction of the remainder of the WWTP2 project and authorizing the necessary expenditure to construct the project. The work under Addendum 2 includes construction of the WWTP2 DEQ approved SBR facility, installation of the sludge pipeline between WWTP2 and WWTP1, and the demolition of the existing WWTP2. On December 6, 2016 the City Council will consider approval of Addendum 2.

Funds for the project will come from the Oregon DEQ State Revolving Fund (SRF) loan that the City Council previously accepted. With Addendum 2, the Guaranteed Maximum Price for the Mortenson contract is \$24,531,820.

**ACTION REQUESTED:**

If it pleases the City Council, approve Addendum Number 2 Mortenson Construction contract authorizing Mortenson to proceed with the construction of the remainder of the WWTP2 project and authorizing the necessary expenditure to construct the project for a Guaranteed Maximum Price of \$24,531,820.

**ATTACHMENTS:**

Council Report from the November 22, 2016 Work Session

**CITY OF COOS BAY CITY COUNCIL**  
**Agenda Staff Report**

MEETING DATE	AGENDA ITEM NUMBER
November 22, 2016	

TO: Mayor Benetti and City Councilors

FROM: Jim Hossley, Public Works Director *JH*

THROUGH: Rodger Craddock, City Manager

ISSUE: Work Session - Award Addendum Number 2 to the Mortenson Contract for Wastewater Treatment Plant 2

**BACKGROUND:**

On March 15, 2016 Council approved a Zero Cost contract to the CMGC (Mortenson Construction) for the Wastewater Treatment Plant 2 (WWTP2) project. This award allowed Mortenson to proceed forward with the bidding process. Altogether Mortenson plans on bidding 22 separate bidding packages.

Originally staff intended to bring the City Council one addendum representing all 22 bid packages for construction of WWTP2 in late spring or early summer 2016, however in light of the potential conflict with the Empire Boulevard project, staff recommended two Addendums; Addendum 1 for the piping work and Addendum 2 for the remainder of the project. The City's Empire Boulevard Widening project was under construction at the time. Due to construction constraints and schedules, the piping work associated with the proposed Plant 2 construction within Empire Boulevard right of way needed to be completed before the new asphalt was installed. As a result, the bidding package associated with this piping work was expedited. The CMGC provided a Guaranteed Maximum Price (GMP) of \$868,277 for Addendum 1. The City Council approved Addendum 1 to the Zero Cost contract on May 3, 2016.

On November 15, 2016 the City Council voted to move forward with the DEQ approved SBR project. The next step is for Council to approve Addendum 2 to the Zero Cost contract authorizing Mortenson to proceed with the construction of the remainder of the WWTP2 project and authorizing the necessary expenditure to construct the project. The work under Addendum 2 includes construction of the WWTP2 DEQ approved SBR facility, installation of the sludge pipeline between WWTP2 and WWTP1, and the demolition of the existing WWTP2. On December 6, 2016 the City Council will consider approval of Addendum 2.

**ADVANTAGES:**

Approval of Addendum 2 to the Mortenson Zero Cost contract is necessary to authorize construction and spending for WWTP2.

**DISADVANTAGES:**

Staff sees none.

**BUDGET IMPLICATIONS:**

Funds for the project will come from the Oregon DEQ State Revolving Fund (SRF) loan that the City Council previously accepted. With Addendum 2 the Guaranteed Maximum Price for the Mortenson contract is \$24,830,242.

WWTP2 SBR Facility	\$20,658,808
Sludge Pipe Line	\$ 2,916,016
Demolition of Existing WWTP2	\$ 387,141
Road Pipe Crossing	\$ 868,277
<b>TOTAL = Guaranteed Maximum Price</b>	<b>\$24,830,242</b>

The SRF loan is currently approved for \$19.1 Million, which was the estimated construction cost at the time the loan application was submitted. As this will not likely be enough to cover the total cost of the project, staff has discussed the potential shortfall with DEQ staff. Because there are adequate funds available in the SRF program, we have been told it will be no problem to request and receive additional loan funds should that be necessary.

**ACTION REQUESTED:**

On December 6, 2016, staff will recommend that Council consider approving Addendum Number 2 authorizing Mortenson to proceed with the construction of the remainder of the WWTP2 project and authorizing the necessary expenditure to construct the project for a Guaranteed Maximum Price of \$24,830,242.

**ATTACHMENTS:**

- Mortenson Most Current Project Schedule
- List of Other Upcoming Wastewater Related Items

## List of Other Upcoming Wastewater Related Items

- Wastewater Rate Study
- Facility Planning for WWTP 1
- Intergovernmental Agreement (IGA) with Charleston Sanitary District
  - Construction of WWTP2/provisions for WW treatment services
- Operations and management services contract with CH2M/OMI
- Contract amendment with The Dyer Partnership for 6<sup>th</sup> Avenue culvert/bridge project

Run Date: 24-Oct-16  
Data Date: 26-Sep-16

# Coos Bay WWTP2



#	Activity ID	Activity Name	Orig Dur	Remaining Duration	Start	Finish	2017												2018												2019											
							Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>Summary / Milestones</b>																																										
1	JC02-1A1411	Proposal Package Due	0	0	06-Nov-13A																																					
2	JC02-1A1421	Project Award	0	0	17-Dec-13A																																					
3	1000-1A408	Preconstruction Services (Phase 1) Duration	265	69	17-Dec-13A	04-Jan-17	Preconstruction Services (Phase 1) Duration																																			
4	JD02-8M4C9471	Issue Full NTP for Construction	0	0	07-Dec-16*		◆ Issue Full NTP for Construction																																			
5	JD02-8M4C9571	Begin Site Prep / Mobilization	0	0	07-Dec-16		◆ Begin Site Prep / Mobilization																																			
6	JD02-8M4C11951	Begin Construction	0	0	07-Dec-16		◆ Begin Construction																																			
7	1000-1A528	Construction Duration - 05 - Civil / Sitework / Utilities / Yardpipe	351	351	07-Dec-16	24-Apr-18	Construction Duration - 05 - Civil / Sitework / Utilities / Yardpipe																																			
8	JD02-8M4C11561	Construction / Start-Up & Testing Duration - Overall	357	357	07-Dec-16	02-May-18	Construction / Start-Up & Testing Duration - Overall																																			
9	JD02-8M4C11771	Construction Services (Phase 2) Duration (to SC)	407	407	07-Dec-16	13-Jul-18	Construction Services (Phase 2) Duration (to SC)																																			
10	JD02-8M4C12301	Specified Contract Construction Duration - WWTP 2 (600 Calendar Days)	600	600	07-Dec-16	29-Jul-18*	Specified Contract Construction Duration - WWTP 2 (600 Calendar Days)																																			
11	JD02-8M4C12311	Construction Services (Phase 2) Overall Duration (Calendar Days)	614	614	07-Dec-16	12-Aug-18	Construction Services (Phase 2) Overall Duration (Calendar Days)																																			
12	JD02-8M4C12311	Overall Specified Contract Duration Less Empire Blvd Pipe Crossing (705 Calendar Days)	705	705	07-Dec-16	11-Nov-18	Overall Specified Contract Duration Less Empire Blvd Pipe Crossing (705 Calendar Days)																																			
13	1000-1A358	Construction Duration - 10 - UV Disinfection	272	272	10-Jan-17	03-Feb-18	Construction Duration - 10 - UV Disinfection																																			
14	1000-1A568	Construction Duration - 30 - Sequence Batch Reactors	289	289	10-Jan-17	27-Feb-18	Construction Duration - 30 - Sequence Batch Reactors																																			
15	1000-1A418	Construction Duration - 20 - Headworks	312	312	10-Jan-17	30-Mar-18	Construction Duration - 20 - Headworks																																			
16	1000-1A448	Construction Duration - 10 / 80 - IPS / Maintenance Bldg.	274	274	17-Jan-17	13-Feb-18	Construction Duration - 10 / 80 - IPS / Maintenance Bldg.																																			
17	1000-1A518	Construction Duration - WAS Pipeline to WWTP 1	140	140	15-Feb-17	31-Aug-17	Construction Duration - WAS Pipeline to WWTP 1																																			
18	JD02-8M4C12401	Specified Contract Construction Duration - WAS Line from WWTP 2 to WWTP 1 (240 Calendar Days)	240	240	15-Feb-17	12-Oct-17*	Specified Contract Construction Duration - WAS Line from WWTP 2 to WWTP 1 (240 Calendar Days)																																			
19	1000-1A538	Construction Duration - 60 - Control Building	250	250	13-Mar-17	08-Mar-18	Construction Duration - 60 - Control Building																																			
20	JC02-1A60791	Substantial Completion of WAS Line from WWTP 2 to WWTP 1	0	0	31-Aug-17*		◆ Substantial Completion of WAS Line from WWTP 2 to WWTP 1																																			
21	JC02-1A60801	Final Completion of WAS Line from WWTP 2 to WWTP 1	0	0	30-Sep-17*		◆ Final Completion of WAS Line from WWTP 2 to WWTP 1																																			
22	JC02-1A1441	Permanent Power Available	0	0	06-Nov-17		◆ Permanent Power Available																																			
23	1000-1A578	Start-Up / Testing Duration	108	108	30-Nov-17	02-May-18	Start-Up / Testing Duration																																			
24	JD02-8M4C9751	Facility Performance Demonstration	22	22	03-Apr-18	02-May-18	Facility Performance Demonstration																																			
25	JC02-1A1491	Substantial Completion of New Plant - WWTP2	0	0	02-May-18*		◆ Substantial Completion of New Plant - WWTP2																																			
26	JD02-856E3790	Construction Duration - Decommission / Demo Existing WWTP 2	30	30	01-Jun-18	13-Jul-18	Construction Duration - Decommission / Demo Existing WWTP 2																																			
27	JD02-8M4C12411	Specified Contract Construction Duration - Existing WWTP2 Demolition (45 Calendar Days)	45	45	01-Jun-18	15-Jul-18	Specified Contract Construction Duration - Existing WWTP2 Demolition (45 Calendar Days)																																			
28	JC02-1A60771	Final Completion of New Plant - WWTP 2	0	0	01-Jul-18*		◆ Final Completion of New Plant - WWTP 2																																			
29	JC02-1A60781	Substantial Completion of Demo Existing WWTP 2	0	0	13-Jul-18*		◆ Substantial Completion of Demo Existing WWTP 2																																			
30	JC02-1A1451	Final Completion of Demo Existing WWTP 2	0	0	12-Aug-18*		◆ Final Completion of Demo Existing WWTP 2																																			
<b>Design / Permitting / Pre-Construction</b>																																										
<b>Permitting</b>																																										
31	JD02-8M4C11901	Develop Draft Biological Evaluation	30	0	07-Jul-14A	29-Aug-14A	Develop Draft Biological Evaluation																																			
32	JD02-8M4C11901	Submit Biological Evaluation for City Review	0	0	29-Aug-14A		Submit Biological Evaluation for City Review																																			
33	JD02-8M4C11911	City Review Biological Evaluation	0	0	02-Sep-14A	05-Sep-14A	City Review Biological Evaluation																																			
34	JD02-8M4C11921	Incorporate City Comments	9	0	08-Sep-14A	09-Oct-14A	Incorporate City Comments																																			
35	JD02-8M4C11811	Submit Final Biological Evaluation to EPA	0	0	28-Oct-14A		Submit Final Biological Evaluation to EPA																																			
36	JD02-8M4C11931	EPA Formal Consult Request	0	0	10-Nov-14A		EPA Formal Consult Request																																			
37	JD02-8M4C11921	Initial Permitting Process	107	0	11-Nov-14A	28-Jun-16A	Initial Permitting Process																																			
38	JD02-8M4C12321	Final Permitting Process	59	57	22-Sep-16A	15-Dec-16	Final Permitting Process																																			
39	JD02-8M4C11951	All Permits Issued	12	12	16-Dec-16	04-Jan-17	All Permits Issued																																			
<b>Design / Estimating</b>																																										
40	JD02-8M4C4311	Constructability Review of Pre-Design Report	20	0	17-Dec-13A	15-Jan-14A	Constructability Review of Pre-Design Report																																			
41	JD02-8M4C4281	30% Design	50	0	16-Jan-14A	26-Mar-14A	30% Design																																			
42	JD02-8M4C4321	60% Design (WWTP2)	50	0	27-Mar-14A	16-May-14A	60% Design (WWTP2)																																			
43	JD02-8M4C11761	60% Design (WWTP1 WAS Pipeline)	60	0	17-Apr-14A	12-Aug-14A	60% Design (WWTP1 WAS Pipeline)																																			
44	JD02-8M4C4311	60% Design Estimate & Constructability Review (WWTP2)	20	0	19-May-14A	03-Jul-14A	60% Design Estimate & Constructability Review (WWTP2)																																			
45	JD02-8M4C9661	90% Design	76	0	04-Jun-14A	21-Oct-14A	90% Design																																			
46	JD02-8M4C11791	60% Design Estimate & Constructability Review (WWTP1 WAS Pipeline)	18	0	13-Aug-14A	04-Sep-14A	60% Design Estimate & Constructability Review (WWTP1 WAS Pipeline)																																			
47	JD02-8M4C9461	Finalize GMP	35	5	04-Aug-18A	10-Nov-16	Finalize GMP																																			

- Remaining Work
- Critical Work
- Project Summary
- Actual Work
- ◆ Milestone
- ◆ Critical Milestone

## GMP Schedule

Project ID: CBWWTP2 - 012  
Layout: Phase-PS-Area