

**CITY OF COOS BAY**  
**JOINT CITY COUNCIL / URA WORK SESSION**  
**Agenda Staff Report**

<b>MEETING DATE</b> May 9, 2017	<b>AGENDA ITEM NUMBER</b>
------------------------------------	---------------------------

TO: Mayor Benetti and City Councilors

FROM: Jennifer Wirsing, Wastewater Project Engineer

THROUGH: Rodger Craddock, City Manager *RCR*  
Jim Hossley, Public Works and Community Development Director *JH*

ISSUE: Consideration of Approval of Award (After-the-Fact) to Johnson Rock Products for the Repair of Two Storm Sewer Project in North Empire.

**SUMMARY:**

In early April two sinkholes formed in North Empire located at the intersections of Lakeshore Drive/North Morrison Street and Seagate Street/Margaretta Street. After the CH2M/OMI collections crew investigated, both sinkholes were determined to be the cause of failed storm sewers. Additionally, during the investigation, the sinkholes were actively growing larger. Due to the emergency nature of the sinkholes, Staff directly appointed Johnson Rock Products to repair the damaged storm sewers. Johnson Rock mobilized and completed all of the repairs.

**ACTION REQUESTED:**

At the next regular Council session, staff will request Council to consider approving the award of the emergency storm sewer repairs (after-the-fact) at the intersection of Lakeshore Drive/North Morrison Street and Seagate Street/Margaretta Street to Johnson Rock Products pursuant to the Emergency Contract rules found in Section 11 of City of Coos Bay Ordinance No. 365.

**BACKGROUND:**

In early April, City Staff received a report of two potholes in the north Empire area. The CH2M/OMI collections crew investigated and found the sinkholes to be the cause of deficiencies in the storm sewer. The sinkholes were actively growing larger and there was concern that they were going to damage other utilities in the vicinity. Due to the emergency nature of this situation, Staff directly contacted Johnson Rock Products as opposed to obtaining quotes. The contractor mobilized and repaired the two storm sewer systems. Based on Section 11 (titled Emergency Contracts) of the City's Purchasing Rules, the Director may declare an emergency with the price under \$50,000 and provide findings, which are described below, to make a prompt execution of the contract. For the city to expedite the repair, the city's contract rules, Ordinance No. 365, does allow for a contracting method that is different than the normal approach. For projects under \$50,000, Section 11, (a) of the contracting rules applies and is provided below:

**Section 11. Emergency Contracts.**

(a) Emergency Contracts Under \$50,000. The Board may let public contracts without competitive procurement if an emergency exists. For the purposes of this rule, an emergency consists of circumstances creating an unforeseen and substantial risk of loss or damage to property, a significant interruption of governmental services or a threat to public health or safety which requires prompt execution of a contract to remedy the condition.

(1) The Director may declare an emergency, which shall authorize the City to enter into an emergency contract with a price under \$50,000. The Director must make written findings describing the emergency conditions necessitating prompt execution of the contract.

(2) Any contract awarded under this exemption shall be awarded within 60 days following declaration of the emergency unless an extension is granted by the Board.

In accordance with (a) (1) above, the findings describing the emergency conditions necessitating the prompt execution of the contract are as follows:

The sinkhole was actively growing and it had the potential to undermine other utilities in the vicinity.

**BUDGET IMPLICATIONS:**

Due to the emergency nature of the project, it was determined to contract with Johnson Rock Products on a time and material basis. Staff was on site at all times to observe and direct work. At the time that this staff report was prepared, the contractor had not provided Staff with an invoice for the two repairs. It is anticipated that the repairs will be well under the \$50,000 threshold identified earlier for emergency projects. Staff will present the invoice amount at the work session. The source of funds for this contract is the Wastewater Expenditures Fund, Collection Systems/Sanitary Department, and Wastewater Emergency Repairs (29-810-530-3010).



**Legend**

- STORM MANHOLE
- CATCH BASIN
- ➔ STORM MAINLINE

Area of Repair

Area of Repair



1 inch = 200 feet