



# Council Business Meeting

July 18, 2023

<b>Agenda Item</b>	Contract Change Order with Pilot Rock Excavation for the Wastewater Treatment Plant Outfall Relocation Construction Project 2013-21		
<b>From</b>	Scott A. Fleury, PE Chance E. Metcalf, PMP	Public Works Director Senior Project Manager	
<b>Contact</b>	<a href="mailto:Scott.fleury@ashland.or.us">Scott.fleury@ashland.or.us</a> <a href="mailto:Chance.metcalf@ashland.or.us">Chance.metcalf@ashland.or.us</a>		
<b>Item Type</b>	Requested by Council <input type="checkbox"/> Update <input type="checkbox"/> Request for Direction <input checked="" type="checkbox"/> Presentation <input type="checkbox"/>		

## **SUMMARY**

Before Council is a request to approve a Change Order to complete the construction of the Wastewater Treatment Plant (WWTP) Outfall Relocation Project, No. 2013-21. Staff seeks Council's authorization to increase the public improvement construction contract with Pilot Rock Excavation from \$2,599,376.84 to \$3,187,978.25. Completion of the WWTP Outfall Relocation Project is a requirement of the National Pollution Discharge Elimination System (NPDES) Permit that governs the City's operation of the WWTP.

## **POLICIES, PLANS & GOALS SUPPORTED**

**Policy** – Execution of the change order will support the City's obligation to comply with policy established by the Federal Clean Water Act and applied as enforceable conditions by DEQ in the City's active National Pollutant Discharge Elimination System (NPDES) permit for the WWTP, issued on March 1, 2022.

**Plans** – This change order will enable the City to complete an important compliance project identified in the 2012 Comprehensive Sanitary Sewer Master Plan, approved by Council approximately 10 years ago.

**City Council Goals** - (supported by this project):

Maintain Essential Services.

- Wastewater

**Department Goals** - The requested loan revisions will support applicable Department Goals:

- Maintain existing infrastructure to meet regulatory requirements and minimize life cycle costs
- Deliver timely life cycle capital improvement projects.
- Maintain and improve infrastructure that enhances the economic vitality of the community.
- Evaluate all city infrastructure regarding planning management and financial resources.

## **PREVIOUS COUNCIL ACTIONS**

The Council has previously approved numerous contracts for the outfall relocation project including, studies, preliminary and final engineering and the final construction phase.

## **BACKGROUND AND ADDITIONAL INFORMATION**

A 2012 City Administrator and Finance Director delegation's memo outlines the requirements for Council approval with respect to Contract Amendments.





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Memo excerpt:

12.(C): Competitive Sealed Bid (ITB), Competitive Sealed Proposal (RFP) and Sole Source Procurements – A contract may be amended in accordance with OAR 137-047-0800,

but the **cumulative amendments must not increase the total contract price to a sum that is greater than twenty-five (25%) of the original contract price or \$250,000, whichever is less.**

12.(G): A change order or contract amendment that exceeds this authority will require the approval of the City Council

The change order for the project exceeds the \$250,000 authority from the delegations memo and thus is being brought forward to Council for approval.

## *General Background Information*

The outfall of the WWTP currently discharges warm effluent to Ashland Creek. In-stream flows in Ashland Creek are often too low to buffer the temperature impact from the effluent, and do not promote effective mixing (i.e. beneficial dilution), which results in exceedances of water quality standards DEQ has established to protect migratory fish in the Bear Creek basin. On March 1, 2022, the City received a new NPDES Permit from Oregon DEQ. The Permit includes limits on effluent temperature at the point of discharge and the in-stream mixing zone, with which the City is currently unable to comply. One of several capital projects required by the new Permit to meet temperature and mixing zone regulations is the Outfall Relocation Project. This Project was first endorsed in the 2012 Comprehensive Sanitary Sewer Master Plan (Keller Associates), in anticipation of today's Permit terms. Relocating the outfall to Bear Creek, a much larger stream than Ashland Creek, has been approved by DEQ as an effective temperature mitigation and mixing strategy and a path to regulatory compliance.

May 17, 2023, Council approved a Public Works Improvement contract with Pilot Rock Excavation for the construction of the WWTP Outfall Relocation Project.

## **Change Order Breakdown:**

1. During construction it was determined the amount of effort estimated for Rock excavation was half of the true need
2. There was a clerical error in the quantity of the turf stone pavers and matting needed to accomplish the Ashland Pond Scope of work as part of the WWTP Outfall Relocation Project
3. During construction and in conjunction the DEQ it was determined how the WWTP monitors and measures influent and effluent flow rates can lead to flow measurement discrepancies, which in turn could lead to permit violations. The measurement issues are related to the need to operate the membranes seasonally, but also intermittently during the offseason. After numerous meetings with DEQ, the direction suggested was to install a dedicated flow meter which would eliminate flow monitoring errors and thus the possibility of a thermal load exceedance as part of the City's permit requirements. This allowed the City with DEQ approval to eliminate a DEQ required flowmeter to Ashland Creek (in case of high flow spill overs).

## **FISCAL IMPACTS**

The Outfall Relocation Project is funded by CWSRF Loan R11755. The loan amount, amended on May 3, 2022, is for \$3,500,000. The CWSRF Loan currently does not have sufficient funds to cover the total project costs. Recent and





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ongoing escalation in labor and materials costs are driving construction costs higher than anticipated when DEQ and City of Ashland negotiated the current loan and amendment amounts. Staff explored two project funding options to cover the total costs. The first option was to use ending fund balance to cover the additional costs and the second option was to amend the current DEQ issued loan to cover the total amount. Staff's recommendation is to amend the current loan to cover the total project cost and utilize the found balance to pay for the debt service. Staff will request Council authorize a resolution to increase the loan amount as separate action.

From the full fiscal breakdown below, there is an estimated \$1.1 million shortfall between the loan to project contracts at the beginning of the project. According to our project estimates at final completion we expect to save an estimated \$406,550 on Construction Administration contract which will help offset the construction change order with Pilot Rock Excavation. At project completion we are showing to have an estimated project total increase of \$182,051.41 over the original agreed upon contracts. The fiscal breakdown shows the need for a loan increase of an estimated \$1.3 million to accommodate the projects entirety.

## WWTP OUTFALL RELOCATION PROJECT FISCAL BREAKDOWN

	Contract	To Date	Balance	Final Estimate	Left/Need
Administrative Services	\$577,642.00	\$577,642.00	\$0.00	\$577,642.00	\$0.00
Design Engineering Services	\$398,459.00	\$398,459.00	\$0.00	\$398,459.00	\$0.00
Construction Administration	\$996,550.00	\$471,601.38	\$524,948.62	\$590,000.00	\$406,550
Construction (Pilot Rock)	\$2,599,376.84	\$2,597,429.84	\$1,947	\$3,187,978.25	(\$588,601.41)
<b>Total -</b>	<b>\$4,572,027.84</b>	<b>\$4,045,132.22</b>	<b>\$0.00</b>	<b>\$4,754,079.25</b>	<b>(\$182,051.41)</b>
CWRSF Loan R11755	\$3,500,000.00	\$3,500,000.00	\$0.00	\$4,800,000.00	(\$1,300,000.00)

### **DISCUSSION QUESTIONS**

Does the Council have any questions regarding the proposed change order for the Outfall Relocation Project?

### **SUGGESTED NEXT STEPS**

Staff recommends Council Approve Change Order #3 with Pilot Rock Excavation increasing the current contract amount by \$588,601.41 to allow completion of the Wastewater Treatment Plant Outfall Relocation Project and accommodate a scope change adding a dedicated flow meter at the new outfall effluent structure.

### **MOTION:**

I move approval of Change Order #3 with Pilot Rock Excavation in the amount of \$588,601.41 to complete the construction of the WWTP Outfall Relocation Project.





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## **REFERENCES & ATTACHMENTS**

Attachment #1: Change Order #3 with Pilot Rock Excavation.

**CITY OF  
ASHLAND**  
DEPARTMENT OF PUBLIC WORKS

CONTRACT CHANGE ORDER NO. 3

PROJECT: WWTP Outfall Relocation - Construction DATE: 06/28/23  
 LOCATION: Wastewater Treatment Plant PROJECT NO.: 2013-21  
 CONTRACTOR: Pilot Rock Excavation PO NO.: 20220355

You are requested to perform the following described work upon receipt of an approved copy of this document or as described by the Engineer:

Item No.	Description	Unit	Quantity	Unit Price	Amount
<b>REDUCED BID ITEM AMOUNT</b>					
2	Temp flow control plan - sewer	EA	-2	\$2,000.00	\$ (4,000.00)
4	Temp flow control plan - Embank	EA	-1	\$2,000.00	\$ (2,000.00)
7	Erosion & Sediment fence&wattle	LF	-3,800	\$3.50	\$ (13,300.00)
8	Erosion & Sediment Inlet protect	EA	-1	\$150.00	\$ (150.00)
9	Erosion & Sediment dewatering	EA	-1	\$8,000.00	\$ (8,000.00)
11	Erosion & Sediment Tree Protect	EA	-1	\$1,500.00	\$ (1,500.00)
12	Erosion & Sediment silt barrier	EA	-9	\$1,000.00	\$ (9,000.00)
14	Water Control Plan Ashland Pond	EA	-1	\$2,000.00	\$ (2,000.00)
16	Water Control Plan Bear Creek	EA	-1	\$2,000.00	\$ (2,000.00)
18	Water Control Plan Pond Intake	EA	-1	\$2,000.00	\$ (2,000.00)
26	Embankment Excavation	CY	-27	\$35.00	\$ (945.00)
27	Embankment Construction	CY	-27	\$50.00	\$ (1,350.00)
43	Foundation Stabilization	CY	-25	\$55.00	\$ (1,375.00)
63	Bear Creek Ex Fence & Restore	LF	-30	\$100.00	\$ (3,000.00)
<b>INCREASED BID ITEM AMOUNT</b>					
21	Construction Surveying	LS	1	\$2,496.00	\$ 2,496.00
22	Chainlink Fence	LF	240	\$90.00	\$ 21,600.00
40	Diversion Structure - Flow Meter	LS	1	\$311,909.08	\$ 311,909.08
47	Ashland Pond Spillway Turfstones	SF	2,365	\$26.00	\$ 61,490.00
48	Ashland Pond Turf Reinforce matt	SF	1,421	\$20.00	\$ 28,420.00
56	Rock Excavation	CY	593	\$250.00	\$ 148,335.00
67	Pathway Surfacing	SF	5,250	\$1.10	\$ 5,775.00
68	Asphalt Pavement	SF	2,000	\$10.00	\$ 20,000.00
77	Water Control Plan Div Structure	LS	1	\$0.00	\$ -
78	Water Control System Div Struct	LS	1	\$0.00	\$ -
79	Instruments & Sum Pump	LS	1	\$24,100.07	\$ 24,100.07
80	Electrical & Signal wiring	LS	1	\$15,096.26	\$ 15,096.26
Total this Change Order					\$ 588,601.41
Previous Change Order					\$ 44,190.84
Original Contract Total					\$ 2,555,186.00
<b>Revised Contract Total</b>					<b>\$ 3,187,978.25</b>

**PERCENT CHANGE OF ORIGINAL CONTRACT 24.8%**

Account No: 086100.704200 - \$588,601.41

The time provided for completion of this contract is increased by no calendar days. This document shall become an amendment to the contract and all provisions of the contract will apply.

Recommended By: Chance Metcalf 06/28/2023  
Project Manager Date

Approved By: \_\_\_\_\_ Date \_\_\_\_\_  
Public Works Director

Approved By: \_\_\_\_\_ Date \_\_\_\_\_  
City Manager

Accepted By: [Signature] 6/28/23  
Contractor Date

PROJECT DATA			
Project Name:	WWTP Outfall Relocation	Client:	City of Ashland, Oregon
Project No.:	2013-21 / D3644400	Project Location:	Ashland, Oregon
Contractor	Pilot Rock Excavation	Date:	6/7/2023

CONTRACT MODIFICATION DATA			
<input checked="" type="checkbox"/> Change Order	<input type="checkbox"/> Written Amendment	Modification No.:	005

The following modification(s) to the Contractor are hereby ordered (use additional pages if required):
Includes additional effort for demolition of buried chainlink fence. Add flow meter vault to effluent diversion structure, add flow meter, piping, sump pump, appurtenances, signal and electrical wiring. Add effluent manhole, temporary pumped bypass and temporary gravity bypass. Also including additional demolition of buried chainlink fence. And all other work as shown in the drawings and required by the specifications. Reduces quantities for bid items with work completed or not used.

01 29 00 Payment Procedures, Article 1.06 Payment Modify Pay Items for reduced work as described.

Item No.	Description	Payment	Unit	CO-05 Qty	CO-05 Unit Price	CO-05 Price
2	Temporary Flow Control Plan: Sewer Relocation	Payment to provide an approved Temporary Flow Control Plan: Sewer Relocation, including modifications and revisions required through the submittal process will be made at the Contract amount for the item "Temporary Flow Control Plan: Sewer Relocation".	EA	-2	\$2,000	-\$4,000
4	Temporary Flow Control Plan: Embankment Construction	Payment to provide and implement the approved Temporary Flow Control Plan: Embankment Construction, including modifications and revisions required through the submittal process will be made at the Contract amount for the item "Temporary Flow Control Plan: Embankment Construction".	EA	-1	\$2,000	-\$2,000
7	Erosion and Sediment Control: Sediment Fence and Straw Wattle	Payment to provide Sediment Fence and Straw Wattle at the Contract unit price for the item "Erosion and Sediment Control: Sediment Fence and Straw Wattle". No separate or additional payment will be made for: labor, demolition, disposal, excavation, fill, construction and removal of temporary slopes and berms, backfill, compaction, incidentals or for erosion control work outside the construction limits.	LF	-3,800	\$3.50	-\$13,300
8	Erosion and Sediment Control: Inlet Protection	Erosion and Sediment Control: Inlet Protection	EA	-1	\$150	-\$150
9	Erosion and Sediment Control: Dewatering Discharge Sediment Settling Tank	Payment to provide a Dewatering Discharge Sediment Settling Tank at the Contract unit price for the item "Erosion and Sediment Control: Dewatering Discharge Sediment Settling Tank". No separate or additional payment will be made for transport, moving, or adjustment of the tank.	EA	-1	\$8,000	-\$8,000
11	Erosion and Sediment Control: Tree Protection Fence	Payment to provide tree protection fence at the Contract unit price for the item "Erosion and Sediment Control: Tree Protection Fence".	EA	-1	\$1,500	-\$1,500
12	Erosion and Sediment Control: Floating Silt Barrier	Payment to provide a Floating Silt Barrier at the Contract unit price for the item "Erosion and Sediment Control: Floating Silt Barrier".	EA	-9	\$1,000	-\$9,000
14	Water Control Plan: Ashland Pond Pump Down	Payment to provide an approved Water Control Plan: Ashland Pond Pump Down, including modifications and revisions required through the submittal process will be made at the	EA	-1	\$2,000	-\$2,000

		Contract amount for the item "Water Control Plan: Ashland Pond Pump Down".				
16	Water Control Plan: Bear Creek Outfall	Payment to provide an approved Water Control Plan: Bear Creek Outfall, including modifications required through the submittal process will be made at the Contract amount for the item "Water Control Plan: Bear Creek Outfall".	EA	-1	\$2,000	-\$2,000
18	Water Control Plan: Ashland Pond Intake	Payment to provide an approved Water Control Plan: Ashland Pond Intake, including modifications and revisions required through the submittal process will be made at the Contract amount for the item "Water Control Plan: Ashland Pond Intake".	EA	-1	\$2,000	-\$2,000
26	Embankment: Excavation	Payment for excavation at the Contract unit price for the item "Embankment: Excavation".  No separate or additional payment will be made for site clearing, excavation and disposal of spoil, soil support safety systems, and incidental work.	CUYD	-27	\$35	-\$945
27	Embankment: Construction	Payment to provide embankment construction at the Contract unit price for the item "Embankment: Construction".  No separate or additional payment will be made for: labor, demolition, disposal, excavation, excavation safety systems, subgrade preparation, fill and backfill, geotextile, soil cover, compaction, testing, or incidentals. Does not include surface restoration.	CUYD	-27	\$50	-\$1,350
43	Foundation Stabilization Rock	Payment to provide foundation stabilization rock at the Contract unit price for the item "Foundation Stabilization Rock". No separate or additional payment will be made for: labor, demolition, disposal, excavation, excavation safety systems, compaction, testing, or incidentals.	CUYD	-25	\$55	-\$1,375
63	Bear Creek Excavation: Fence Extension and Restoration	Payment to provide chainlink fence repair and fence panel at the Contract unit price for the item "Bear Creek Excavation: Fence extension and Restoration". Payment will be for demolition of existing and disposal, providing all materials, equipment, labor and incidentals to complete the work as specified	LF	-30	\$100	-\$3,000



01 29 00 Payment Procedures, Article 1.06 Payment Modify Pay Item 21 for additional work as described.

Item No.	Description	Payment	Unit	CO-05 Qty	CO-05 Unit Price	CO-05 Price
21	Construction Surveying	Payment for Construction Surveying will be made at the Contract lump sum amount for the item "Construction Surveying".	LS	1	\$2,496.00	\$2,496.00

01 29 00 Payment Procedures, Article 1.06 Payment Modify Pay Item 22 for additional work as described.

Item No.	Description	Payment	Unit	CO-05 Qty	CO-05 Unit Price	CO-05 Price
22	Chainlink Fence	Payment to provide chainlink fence at the Contract unit price for the item "Chainlink Fence". Payment will be for demolition of existing and disposal, temporary security fence, providing all materials, equipment, labor and incidentals to complete the work as specified	Linear Feet	240	\$90.00	\$21,600.00

01 29 00 Payment Procedures, Article 1.06 Payment Modify Pay Item 40 for additional work as described.

Item No.	Description	Payment	Unit	CO-05 Qty	CO-05 Unit Price	CO-05 Price
40	Effluent Diversion Structure	Payment to provide the effluent diversion structure <u>including signal and electrical conduit, 24" effluent pipe, sump pump discharge piping and effluent manhole</u> at the Contract unit price for the item "Effluent Diversion Structure". No separate or additional payment will be made for: labor, demolition, disposal, site clearing, excavation, excavation safety systems, subgrade preparation, concrete, reinforcing, fill and backfill, pipe connections, grating, slide gates, stairs, grading, compaction, riprap, concrete sidewalk, concrete curb and gutter, irrigation system repair, <u>flanged pipe spool, wall pipes, appurtenances, 24" effluent pipe, effluent manhole, relocation of oil-water separator</u> or incidentals. Does not include magmeter, level switches, sump pump or wiring.	LS	1	\$311,909.08	\$311,909.08

01 29 00 Payment Procedures, Article 1.06 Payment Modify Pay Item 68 for additional work as described.

Item No.	Description	Payment	Unit	CO-05 Qty	CO-05 Unit Price	CO-05 Price
68	Asphalt Pavement	Payment to provide asphalt paving at the Contract unit price for the item "Asphalt Pavement". No separate or additional payment will be made for: labor, materials, or incidentals.	SQFT	2000	\$10.00	\$20,000.00

01 29 00 Payment Procedures, Article 1.06 Payment Add the following Pay Items for additional work as described.

Item No.	Description	Payment	Unit	CO-05 Qty	CO-05 Unit Price	CO-05 Price
77	Water Control Plan: Effluent Diversion Structure	Payment to provide an approved Water Control Plan: Effluent Diversion Structure, including modifications required through the submittal process will be made at the Contract amount for the item " Water Control Plan: Effluent Diversion Structure". Includes both pumped and gravity elements.	LS	1	\$0	\$0

01 29 00 Payment Procedures, Article 1.06 Payment Add the following Pay Items for additional work as described.

Item No.	Description	Payment	Unit	CO-05 Qty	CO-05 Unit Price	CO-05 Price
78	Water Control System: Effluent Diversion Structure	Payment to provide and implement the approved Water Control Plan: Effluent Diversion Structure, will be made at the Contract amount for the item "Water Control System: Effluent Diversion Structure". No separate or additional payment will be made for: labor, demolition, disposal, excavation, excavation safety systems, backfill, compaction, piping, fittings, appurtenances, connections, testing, surface restoration, or incidentals.	LS	1	\$0	\$0

01 29 00 Payment Procedures, Article 1.06 Payment Add the following Pay Items for additional work as described.

Item No.	Description	Payment	Unit	CO-05 Qty	CO-05 Unit Price	CO-05 Price
79	Instruments and Sump Pump	Payment to provide the magmeter, level switches and sump pump at the Contract unit price for the item "Instruments and Sump Pump ". No separate or additional payment will be made for: labor, demolition, disposal, site clearing, excavation, excavation safety systems, subgrade preparation, concrete, reinforcing, fill and backfill, pipe connections, grating, slide gates, stairs, grading, compaction, riprap, concrete sidewalk, concrete curb and gutter, irrigation system repair, or incidentals. Does not include wiring.	LS	1	\$24,100.07	\$24,100.07
80	Electrical and Signal Wiring	Payment to provide the electrical and signal wiring, including terminations at the equipment and in the panels at the Contract unit price for the item "Electrical and Signal Wiring". No separate or additional payment will be made for: labor, demolition, disposal, site clearing, excavation, excavation safety systems, subgrade preparation, concrete, reinforcing, fill and backfill, pipe connections, grating, slide gates, stairs, grading, compaction, riprap, concrete sidewalk, concrete curb and gutter, irrigation system repair, or incidentals.	LS	1	\$15,096.26	\$15,096.26

01 29 00 Payment Procedures, Article 1.06 Payment Add the following additional field quantities as described.

Item No.	Description	Payment	Unit	CO-05 Qty	CO-05 Unit Price	CO-05 Price
47	Ashland Pond Emergency Spillway: turfstone pavers	<p>Payment for turfstone pavers at the Contract unit price for the item "Ashland Pond Emergency Spillway: turfstone pavers".</p> <p>No separate or additional payment will be made for CLSM backfill to elevations shown, bedding, anchoring, topsoil, and incidental work.</p>	SQFT	2365	\$26	\$61,490
48	Ashland Pond Emergency Spillway: Turf Reinforcement Matting	<p>Payment to provide permanent erosion control matting at the Contract unit price for the item "Ashland Pond Emergency Spillway: Turf Reinforcement Matting".</p> <p>No separate or additional payment will be made for: material, anchoring, and incidental work.</p>	SQFT	1421	\$20	\$28,420
56	Rock Excavation	<p>Payment to provide rock excavation at the Contract unit price for the item "Rock Excavation".</p> <p>No separate or additional payment will be made for: disposal, excavation safety systems, subgrade preparation, or incidentals.</p>	CUYD	593.34	\$250	\$148,335
67	Pathway Surfacing	<p>Payment to provide pathway surfacing at the Contract unit price for the item "Pathway Surfacing".</p> <p>No separate or additional payment will be made for: labor, materials, edging, or incidentals.</p>	SQFT	5250	\$1.10	\$5,775

Reason for Modification(s):			
Add flow measuring capability and permanent bypass around the Effluent Diversion Structure at the Ashland WWTP.			
Attachments (List Supporting Documents):			
Drawings: G-001, G-006, C-205, C-206, C-225, S-202, E-202, E-205, E-501, E-510  Specifications: - 26 05 01 Electrical - Supplement F04 - Flow Transmitter, Electromagnetic - Supplement L50 - Level Switch, Tuning Fork			
Contract Amount or Price		Contract Times (Calculate Days)	
Original	\$2,555,186	Original Duration	490 Days
Previous Contract Modification(s) (Add/Deduct)	\$44,190.84	Previous Contract Modification(s) (Add/Deduct)	0 Days
This Contract Modification (Add/Deduct)	\$588,601.41	This Contract Modification (Add/Deduct)	53 Days
Revised Contract	\$3,187,978.25	Revised Contract Time	543 Days
Revised Contract Completion Date: 12/1/2023			

SIGNATURE RECORD			
Owner:		Date:	<a href="#">Click here to enter a date.</a>
Contractor:		Date:	<a href="#">Click here to enter a date.</a>
Engineer Recommendation:		Date:	<a href="#">Click here to enter a date.</a>