

Friday February 24,2017

John Karns and David Lohman  
City of Ashland  
20 East Main Street  
Ashland, OR 97520

Dear John and David

On Tuesday, February 21,2017, I took the issues below to Mike Faught. His response to my concerns was, shockingly, to suspend me and forbid me from speaking to anyone about City business for an indefinite period of time. My email access was taken away and no auto-response was put in place so no one can reach me and I can not respond to my ongoing professional communications. Mike was not willing to discuss the matter further. He said he would conduct an investigation of my concerns and determine what disciplinary measures might be appropriate.

I do wish I was able to bring the issues forward sooner but I only became aware of them shortly before I brought them forward. I also believe the City should have an open door policy and that I should not be penalized for bringing forward what I believe are legitimate issues of public concern.

Despite being wrongly disciplined, I remain very concerned about the attached council communication presented for approval in the consent agenda for the City Council Meeting on February 21 ,2017. Again. I apologize for the sudden way I brought my concerns forward, but I was only just made aware of this agenda item an hour beforehand, and noticed problems with the proposal as written that could be significant for the City. Thank you for allowing that agenda item to be moved forward to the next meeting.

#### Background

The matter of concern was the request in the consent agenda to award engineering contacts for four major projects to a single consultant. The first phase alone for this award will cost \$855,000. The total engineering fees for these contracts, although not disclosed could exceed \$4 million dollars.

Two of the four projects were not competitively procured. Their costs alone comprise the majority of this request to award, and their fees appear excessive. Prior public notice of the award was not provided, other than the meeting agenda posted over the holiday weekend. The agenda item had not appeared in the Council's "Look Ahead".

The siting study for the WTP was limited to two sites only, both steep and difficult to access by road.

After I was made aware of the agenda item, I skimmed the council communication, made several calls to verify my assumptions, and was told that the lead engineer for HDR was fired during the course of the procurement process, although he was rehired by Keller and Associates.

In reviewing the proposal in its entirety the next day, several areas within the scope of services are problematic. All of these issues combined would indicate a review of the qualifications based selection (QBS) is warranted prior to award to assure the City receives the best outcome for these large projects.

#### Problem

The proposed siting study is limited to consideration of only two very steep, difficult to access sites that are categorized by DOGAMI as high hazard for landslides. Other less hazardous more cost effective sites owned by the City are available, and not considering them could result in a waste of public funds.

The concern regarding the possible change in employment for the lead engineer would also indicate a need for additional inquiry. In a QBS process, access to a firm's resources is an integral part of the scoring process.

Another concern is that the approval of two large non competitively procured awards through a consent agenda appears to the engineering community as less than open and fair procurement it indicates a need for an additional review.

Other engineering concerns with the proposal could also result in additional and unnecessary costs to the City if not addressed before the contract is awarded.

#### Recommendation

- A. City procurement ordinances require that engineering services exceeding \$35,000 be procured through a competitive process. The Park Estates and Terrace Street Pump Stations engineering services should be procured competitively and separately, assuring an open and fair process, and protecting the City from legal challenges.
- B. Any potential friction created by the lead engineer changing firms midstream should be carefully evaluated to verify that the QBS selection process was fair, and whether the scoring might have changed the selection if the structural change had been disclosed or if it created a need to address with remedial measures.
- C. The sites proposed for the siting study should not be limited to two steep, inaccessible locations with relatively little level ground. Other sites already owned by the City should also be considered to assure the most cost effective options and best use of funds.
- D. The scope of services for the Water Treatment Plant and Crowson II projects should be rewritten based on up-to-date design information that includes enough detail to allow selection of the best alternative.

1. The scope needs to be revised to account for the approximately 20% reduction in water demand since the reservoir and plant were sized in 2012. Also, the fact that the TAP pump station was originally assumed for emergency use only but now is permanent should be included in the revision. Using an up to date analysis will likely indicate that a new reservoir may not be needed for many years to come and would not need to be included in the current scope. The purpose and need for the back-up treatment plant should also be re-assessed because it appears to have changed significantly since the master plan was approved in 2012. The cost effective use of public funds needs to be considered.
2. The siting study for the WTP should compare any site proposed directly against the option to bifurcate and harden the existing plant, because the costs and GHG emissions for moving the WTP are extremely large, and the benefit of relocating is relatively small.
3. A full greenhouse gas emissions comparison of siting alternatives should be included in the scope of services and should be meaningfully considered in the selection process. Plant relocation involves very large carbon inputs. Simply comparing GHG emissions between alternate treatment processes on only the relocation alternatives as proposed is inadequate because one of the largest inputs (construction) is ignored.
4. Environmental and geotechnical site drilling and testing should be completed before the site is finally selected. This task was included in the RFP preliminary scope and needs to be included in this phase of the proposal.
5. The estimates used for site selection need to be class 3 or better, not class 5. Class 5 estimates can be as much as 50% low, which presents too much risk at this point and could lead to a poor site selection.

I think we can all be proud of the open and professional way that City Council business is normally pursued in Ashland, but that can only succeed if the Council receives up to date and complete information when making decisions.

Sincerely

Pieter Smeenk PE SE CWRE  
Senior Engineer