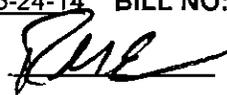


AGENDA BILL

**Beaverton City Council
Beaverton, Oregon**

SUBJECT: Contract Award – Scholls Ferry Road
Sanitary Sewer Extension Phase 2

FOR AGENDA OF: 6-24-14 **BILL NO:** 14143

Mayor's Approval: 

DEPARTMENT OF ORIGIN: PW 

DATE SUBMITTED: 06-19-14

CLEARANCES: City Attorney
CAO
Purchasing
Finance
Engineering



PROCEEDING: CONSENT AGENDA
(CONTRACT REVIEW BOARD)

EXHIBITS: 1. Bid Results
2. Agenda Bill 14109

BUDGET IMPACT

EXPENDITURE	AMOUNT	APPROPRIATION
REQUIRED \$994,700	BUDGETED \$1,635,000	REQUIRED \$0

*Account Numbers 502-75-3811-682 and 683 Sewer Fund – Infrastructure Projects – Sewer Collection System Construction and Design. The previously budgeted amount was amended with Agenda Bill 14109 to cover the estimated cost of construction. Roughly 88 percent of the cost will ultimately be reimbursed to the City through an IGA as approved in Agenda Bill 14109, copy attached.

RECOMMENDED ACTION:

City Council, acting as the Contract Review Board, authorizes the Mayor to sign a contract with Kerr Contractors Oregon, Inc., of Woodburn, Oregon, in the amount of \$994,700 as the lowest responsible bidder for the Scholls Ferry Road Sanitary Sewer Extension Phase 2 (CIP 6088) in a form approved by the City Attorney.

HISTORICAL PERSPECTIVE:

Washington County began construction of an MSTIP 3C project including underground utilities and street widening along Scholls Ferry Road, between Roy Rogers Road and Teal Boulevard, during the summer of 2013. A portion of the City's sanitary sewer extension (CIP 4106) and a City of Tigard 18" waterline will be extended further to the east with this second project (Phase 2). This contract award is for the construction of the second phase of sanitary sewer and waterline installation to connect to existing water and sewer systems in Barrows Road.

INFORMATION FOR CONSIDERATION:

The invitation for bid was advertised in the Daily Journal of Commerce on May 16, 2014. A mandatory pre-bid meeting was held on May 28, 2014. Eight (8) contractors attended the meeting. Three bids were received on June 18, 2014, at 2:00 p.m., at the Finance Utility Billing Counter and immediately afterward they were publicly opened and read in the Engineering Conference Room. City staff reviewed the bids and determined Kerr was the lowest responsible bidder. Bid results are attached.

Currently, there is no connection provided to the sewer line installed with the County's MSTIP project. This contract award allows for the City of Beaverton to install Phase 2 improvements which will connect to the existing sanitary sewer line in Barrows Road and allow for limited sewer service to a portion of

Agenda Bill No: 14143

the recently-annexed South Cooper Mountain area. Phase 2 will also allow the City of Tigard to install a small section of waterline that will connect its recently constructed water line in Scholls Ferry Road to its existing water system. A future Phase 3 sanitary sewer project will increase the capacity of the existing sanitary sewer line in Barrows Road so that the future sewer service needs of both River Terrace and Cooper Mountain can be met.

Funding for the construction project has been approved through an Intergovernmental Agreement between Clean Water Services, the City of Tigard and the City of Beaverton as authorized in Agenda Bill 14109, copy attached. Funding for the project based on the bid is apportioned between the entities approximately as follows:

<u>Agency</u>	<u>Participation Amount</u>
Clean Water Services	\$672,540
City of Tigard Sewer	112,090
City of Tigard Water	97,980
City of Beaverton Sewer	112,090
Totals	<u>\$994,700</u>

Exhibit 1

**CITY OF BEAVERTON
 BID SUMMARY**
 Project Name:

TO: Mayor & City Council
 FROM: Purchasing Division
 SUBJECT: Bid Opening
 WITNESSED BY: Andrew Barrett.

Bids were opened on June 18, 2014 at 2:00PM in the Engineering Conference Room

VENDOR NAME CITY, STATE	Bid Proposal	Ack Addenda	Bid Bonds	Bidder Const. Schedule	Current Project Info	ODOT Letter of Prequalification	Bidders Responsibility Form	GRAND TOTAL
Kerr Contractors Or Inc Woodburn OR	X	X	X	X	X	X	X	\$994,700.00
Emery & Sons Construction Salem OR	X	X	X	X	X	X	X	\$1,128,250.00
K & R Construction Clackamas OR	X	X	X	X	X	X	X	\$1,433,895.00

Signed: *Andy L. Marshall*
 Purchasing Division-Finance Dept.
 Date: June 18, 2014

The Purchasing process has been confirmed.
 The above amounts have been checked: YES NO

AGENDA BILL

**Beaverton City Council
Beaverton, Oregon**

SUBJECT: Authorize the Mayor to Enter into an Intergovernmental Agreement between the City of Beaverton, City of Tigard, and Clean Water Services to Construct the Scholls Ferry Trunk Sewer Extension Phase 2

FOR AGENDA OF: 06-03-14 **BILL NO:** 14109

Mayor's Approval: 

DEPARTMENT OF ORIGIN: PW 

DATE SUBMITTED: 05-20-14

CLEARANCES: City Attorney 
 CAO 
 Finance 
 Engineering 

PROCEEDING: CONSENT AGENDA

EXHIBITS: DRAFT IGA

BUDGET IMPACT

EXPENDITURE	AMOUNT	APPROPRIATION
REQUIRED \$1,635,000	BUDGETED \$1,250,000*	REQUIRED \$385,000*

* Account Numbers 502-75-3811-682 and 683 Sewer Fund – Infrastructure Projects – Sewer Collection System – Construction (\$1,150,000) and Design and Engineering (\$100,000). The \$1,250,000 Amount Budgeted is included in the Proposed FY 2014-15 Budget and the \$385,000 Additional Appropriation will be considered as an amendment to the proposed budget. These appropriations will have been reviewed by the Budget Committee as part of the City's total FY 2014-15 Budget and will be forwarded to the City Council for adoption on June 17, 2014.

RECOMMENDED ACTION:

City Council authorizes the Mayor to sign an Intergovernmental Agreement (IGA), between the City of Beaverton, City of Tigard, and Clean Water Services (CWS) to construct the Scholls Ferry Trunk Sewer Extension Phase 2, in a format approved by the City Attorney. In addition, the \$385,000 Appropriation Required is recommended to be brought forth as an amendment to the proposed FY 2014-15 Budget. The total \$1,635,000 obligation under the Intergovernmental agreement is subject to the adoption of the Proposed Fiscal Year 2014-15 Budget as amended.

HISTORICAL PERSPECTIVE:

Washington County began construction of an MSTIP 3C project including underground utilities and street widening along Scholls Ferry Road, between Roy Rogers Road and Teal Boulevard, during the summer of 2013. A portion of the City's sanitary sewer extension (CIP 4106) and a City of Tigard 18" waterline will be extended further to the east with this second project. This IGA is for the cost sharing and construction of the second phase of sanitary sewer and waterline installation to connect to existing water and sewer systems in Barrows Road.

INFORMATION FOR CONSIDERATION:

Currently, there is no connection provided to portions of the sewer line installed with the County's MSTIP. This IGA allows for the City of Beaverton to install the missing pipe to complete a connection to the existing system. Early on, an arrangement was worked out with CWS and the City of Tigard that Beaverton Public Works Engineering Staff would provide design and surveying services to prepare sanitary sewer plans for two projects: Scholls Ferry Road Water and Sanitary Improvements Project, Phase 1 (CIP No. 4106); and the Scholls Ferry Road to Barrows Road Sanitary Sewer Extension, Phase 2 (CIP 6088). Proportional reimbursement by CWS and Tigard to Beaverton for design and

Agenda Bill No: 14109

surveying services and for construction of their infrastructure are included in the subject IGA and are summarized in the following table:

<u>Agency</u>	<u>Original Participation Amount</u>	<u>Additional Participation Amount</u>	<u>Total Participation Amount</u>
Clean Water Services	\$872,500	\$288,750	\$1,161,250
City of Tigard Sewer	155,400	48,125	203,525
City of Tigard Water	88,200	0	88,200
City of Beaverton Sewer	133,900	48,125	182,025
Totals	<u>\$1,250,000</u>	<u>\$385,000</u>	<u>\$1,635,000</u>

Together these projects will provide adequate sewer capacity for the City of Beaverton's expansion area, South Cooper Mountain and the City of Tigard's expansion area, River Terrace.

**INTERGOVERNMENTAL AGREEMENT
BETWEEN CITY OF BEAVERTON, CITY OF TIGARD, AND
CLEAN WATER SERVICES TO CONSTRUCT
THE SCHOLLS FERRY TRUNK SEWER EXTENSION PHASE 2
(PROJECT NO. 6649)**

DRAFT

This Agreement, dated _____, 2014, is between CLEAN WATER SERVICES (District), a county service district organized under ORS Chapter 451, the CITY OF BEAVERTON (Beaverton), an Oregon Municipality, and the CITY OF TIGARD (Tigard), an Oregon Municipality.

A. RECITALS

ORS 190.003 - 190.110 encourages intergovernmental cooperation and authorizes local governments to delegate to each other authority to perform their respective functions as necessary.

District, Tigard, and Beaverton intend to undertake the Scholls Ferry Trunk Sewer Extension Phase 2 Project (Project) to extend gravity sewer from Barrows Road westward to Scholls Ferry Road and to connect two segments of existing water line. This Project has been endorsed by the Capital Improvement Program Prioritization Committee.

NOW, THEREFORE, the parties agree as follows:

B. PROJECT DESCRIPTION

The sanitary sewer improvement portion of the Project consists of constructing approximately 690 linear feet of 24-inch diameter sanitary sewer, 555 linear feet of 21-inch diameter sanitary sewer, 50 linear feet of 8-inch diameter sanitary sewer, and nine manholes from the eastern terminus of a storm water facility access road along the southern side of SW Scholls Ferry Road to a point 1,243 feet eastward on Barrows Road as shown in Exhibit A (Sanitary Work).

The water improvement portion of the Project consists of constructing approximately 350 linear feet of 18-inch water line with appurtenances from the western side of the traffic circle at SW Barrows Road, extending to the intersection of SW Barrows Road and SW Scholls Ferry Road (Water Work).

Beaverton will design the Project, select the construction contractor, and administer the construction contract for the Project.

C. DEFINITIONS

1. **Beaverton Planning and Design Cost** – Beaverton labor and benefit costs and consultant costs paid by Beaverton associated with the services outlined in Section E.1-22.

2. **Capital Improvement Program Prioritization Committee** – The Committee established by District and the Member Cities of Beaverton, Cornelius, Forest Grove, Hillsboro, Tigard, Tualatin, and Sherwood to identify and prioritize sanitary and storm system improvement projects throughout District's service area.
3. **Sewer Cost** - Includes the cost of all line items, bid schedules, restoration work, change orders, any associated restoration work, Beaverton Planning and Design Cost, overhead, bidding, inspection and project administration that can be accurately allocated to installation of the sanitary sewer and the prorated share of all general construction line items (mobilization, work zone traffic control, erosion control) as described in the Project Description for Sanitary Work, and any other costs associated with bidding and installing or modifying the new sanitary sewer line. Sewer Cost will also include costs associated with the repair of the water vault necessitated by damage to the vault during construction of the Sanitary Work.
4. **Water Cost** – Includes the cost of all line items, bid schedules, restoration work, change orders, any associated restoration work, design, overhead, bidding, inspection and project administration that can be accurately allocated to the water line and the prorated share of all general construction line items (mobilization, work zone traffic control, erosion control) as described in the Project Description for Water Work, and any other costs associated with bidding and installing or modifying the new water line.

D. DISTRICT OBLIGATIONS

District shall:

1. Provide direction to Beaverton on the anticipated capacity requirements of sewer lines larger than 12-inches in diameter.
2. Review plans and specifications provided by Beaverton and provide comments to Beaverton within ten working days of receiving them.
3. Pay Beaverton 75% of the Sewer Cost, not to exceed ~~\$1,125,000~~\$1,225,000 within 30 days of receiving and approving the invoice. The invoice must be complete and include full progress payment amounts and typical construction retainage.
4. Appoint Andrew Braun as District's Project Manager.
5. Provide approval to Beaverton of the low bidder and bid cost for the Sanitary Work within three business days.

6. Have the right to review, and approve or reject any proposed changes to the Sanitary Work such as design change, field directive, change order, or use of the contingency line item.
7. Pay none of the Water Cost.
8. Respond to requests for District's approval of changes to the Sanitary Work within ~~three business days~~ **12 business hours (8:00 am – 5:00 pm weekdays)**. This includes, but is not limited to: a) authorizing any design changes, b) approving any change orders, c) authorizing use of contingency line items, or d) resolving any disagreement, dispute, delay or claim.
9. Approve final acceptance prior to making any payment.

E. BEAVERTON OBLIGATIONS

Beaverton shall:

1. Appoint Andrew Barrett or another employee acceptable to District, as Beaverton's Project Manager.
2. Select, contract with, and pay consultants to perform a geotechnical investigation, utility locates, boring design, environmental assessment, and other work as necessary for use in designing and obtaining permits for the Project.
3. Provide all planning, design, specifications, and permits for the Project.
4. Provide any required notice and communicate with the neighborhood and property owners within the Project limits. Respond to public calls arising from work being completed for the Project. Take the lead in coordinating public involvement related to the Project.
5. Provide Tigard and District at least ten business days to review plans and specifications for the Project at 75%, 90%, and 100% completion, and incorporate their review comments into the plans.
6. Conduct a public bidding process to construct the Project.
7. Provide timely responses to bidders' questions about the Project. If necessary, provide District with an addendum no later than five business days prior to the bid opening.
8. Provide timely response to contractor's Project information requests.
9. Require all contractors to include District and Tigard as additional insureds on insurance coverage required for construction work performed in completing the Project.
10. Administer construction of the Project and pay contractor all contract costs.
11. Construct the Project and provide construction and management services for the Project.
12. Provide construction inspection of the Project bid items including review and approval of shop drawings, submittals, and onsite inspection to determine compliance with the contract documents. Beaverton's inspector shall be onsite and responsible for enforcing all applicable specifications during all Project work, including but not limited to night work, accommodations for public traffic and work zone traffic.

13. Obtain District's approval for any proposed sewer design or other changes to the Sanitary Work. Obtain District's consent before taking any of the following actions for the Sanitary Work: a) authorizing any design changes, b) approving any change orders, c) authorizing use of contingency line items.
14. Provide District written notice that the Project is complete and obtain District's approval for final acceptance of the Project prior to releasing bonds, or issuing final payment to the contractor.
15. Provide District as-built construction drawings for the Project within 60 days after the Project is deemed complete and acceptable to District. The as-built drawings shall be provided in camera-ready hardcopy, 11 x 17 inches with a CD in both pdf and AutoCAD digital format.
16. Coordinate and participate with District and obtain District's consent before resolving any disagreement, dispute, delay or claim related to, or as a result of the Sanitary Work.
17. Provide documentation of the Project cost to District and Tigard, prior to invoicing.
18. Track Water Cost and Sewer Cost separately.
19. **Pay 12.5% of the Sewer Cost, that following reimbursements from District and Tigard will not exceed \$205,000.**
- ~~19~~.20. Invoice District for 75% of the Sewer Cost upon completion of the Project.
- ~~20~~.21. Invoice Tigard for 12.5% of the Sewer Cost upon completion of the Project.
- ~~21~~.22. Invoice Tigard for 3% of the Water Cost as a contract administrative fee.
- ~~22~~.23. Invoice Tigard 100% of the Water Cost at the time the contractor's invoices are received.

F. TIGARD OBLIGATIONS

Tigard shall:

1. Appoint Rob Murchison or another employee acceptable to District and Beaverton as Tigard's Project Manager.
2. Provide all planning, design, specifications, and permits for the Water Work.
3. Review plans and specifications provided by Beaverton for the Project and provide comments to Beaverton within ten working days of receiving them.
4. Provide timely response to contractor's Water Work information requests.
5. Provide construction inspection and management services for the Water Work.
6. Provide construction inspection of the bid items relating to Water Work including review and approval of shop drawings, submittals, and onsite inspection to determine compliance with the contract documents. Tigard's inspector shall be onsite and responsible for enforcing all applicable specifications during all Project work, including but not limited to night work, accommodations for public traffic and work zone traffic.

7. Have the right to approve any proposed Water Work related to design change, field directive, change order, or use of the contingency line item.
8. Pay Beaverton 100% of the Water Cost at the time the invoice from the contractor is received.
9. Pay Beaverton, 12.5% of the Sewer Cost as bid and modified during construction, not to exceed \$187.500205,000, within 30 days of approving the invoice. The invoice shall include full progress payment amounts, including typical construction retainage.
10. Pay Beaverton 3% of the Water Cost as a contract administrative fee.
11. Show proof that funds are available prior to starting the Project.
12. Provide Beaverton as-built construction drawings for the Water Work within 30 days after the Project is deemed complete. The as-built drawings shall be provided in camera-ready hardcopy, 11 x 17 inches with a CD in both pdf and AutoCAD digital format.

G. GENERAL TERMS

1. Laws and Regulations. Beaverton, Tigard and District agree to abide by all applicable laws and regulations.
2. Term of this Agreement. This Agreement is effective from the date the last party signs it and shall remain in effect until the Project is complete and the parties' obligations have been fully performed or this Agreement is terminated as provided herein.
3. Amendment of Agreement. Beaverton, Tigard and District may amend this Agreement from time to time, by mutual written agreement.
 - A. Proposed sewer-related changes of scope during the Project implementation must be reviewed and endorsed by the Capital Improvement Program Prioritization Committee. Changes necessitated by conditions discovered during design or construction, but consistent with the original scope of the Project, may be approved by District and Beaverton for the Project without further approval from the Capital Improvement Program Prioritization Committee.
 - B. The construction contract amount of the Water Work and the Sanitary Work may each be increased by up to 20% without amending this Agreement, provided the increase shall not exceed any not to exceed amount contained in this Agreement.
4. Termination. This Agreement may be terminated immediately by mutual written agreement of the parties, or by any of the parties notifying the others in writing prior to award of a construction contract, with the termination being effective in 30 days.
5. Integration. This document constitutes the entire agreement between the parties on the subject matter hereof and supersedes all prior or contemporaneous written or oral understandings, representations or communications of every kind on the subject. No course of dealing between the parties and no usage of trade shall be relevant to supplement any term used in this Agreement. Acceptance or acquiescence in a course of performance rendered under this Agreement shall not be relevant to determine the

meaning of this Agreement and no waiver by a party of any right under this Agreement shall prejudice the waiving party's exercise of the right in the future.

6. Indemnification. Within the limits of the Oregon Tort Claims Act, codified at ORS 30.260 through 30.300, each of the parties shall indemnify and defend the others and their officers, employees, agents, and representatives from and against all claims, demands, penalties, and causes of action of any kind or character relating to or arising from this Agreement (including the cost of defense thereof, including attorney fees) in favor of any person on account of personal injury, death, damage to property, or violation of law, which arises out of, or results from, the negligent or other legally culpable acts or omissions of the indemnitor, its employees, agents, contractors or representatives.
7. Resolution of Disputes. If any dispute out of this Agreement cannot be resolved by the project managers from each party, the Beaverton Mayor, Tigard City Manager and District's General Manager will attempt to resolve the issue. If they are not able to resolve the dispute, the parties will submit the matter to mediation, each party paying its own costs and sharing equally in common costs. In the event the dispute is not resolved in mediation, the parties will submit the matter to arbitration. The decision of the arbitrator shall be final, binding and conclusive upon the parties and subject to appeal only as otherwise provided in Oregon law.
8. Interpretation of Agreement.
 - A. This Agreement shall not be construed for or against any party by reason of the authorship or alleged authorship of any provision.
 - B. The paragraph headings contained in this Agreement are for ease of reference only and shall not be used in construing or interpreting this Agreement.
9. Severability/Survival. If any of the provisions contained in this Agreement are held illegal, invalid or unenforceable, the enforceability of the remaining provisions shall not be impaired. All provisions concerning the limitation of liability, indemnity and conflicts of interest shall survive the termination of this Agreement for any cause.
10. Approval Required. This Agreement and all amendments, modifications or waivers of any portion thereof shall not be effective until approved by 1) District's General Manager or the General Manager's designee and when required by applicable District rules, District's Board of Directors 2) Beaverton, and 3) Tigard. Proposed changes of scope to the Sanitary Work must also be approved by the Capital Improvement Program Prioritization Committee.

11. Choice of Law/Venue. This Agreement and all rights, obligations and disputes arising out of the Agreement shall be governed by Oregon law. All disputes and litigation arising out of this Agreement shall be decided by the state courts in Oregon. Venue for all disputes and litigation shall be in Washington County, Oregon.

CLEAN WATER SERVICES

By: _____
General Manager or Designee

Date: _____

APPROVED AS TO FORM

District Counsel

CITY OF BEAVERTON, OREGON

By: _____
Mayor or Designee

Date: _____

APPROVED AS TO FORM

City Counsel

CITY OF TIGARD

By: _____
City Manager or Designee

APPROVED AS TO FORM

City Counsel

Exhibit A
Project Location Map

