

BEFORE THE CONTRACT REVIEW BOARD OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF AUTHORIZING AN)	RESOLUTION NO. 91-1503
EXEMPTION TO THE REQUIREMENT TO)	
SOLICIT COMPETITIVE PROPOSALS FOR)	Introduced by Rena Cusma,
AMENDMENT NO. 2 TO THE CONTRACT)	Executive Officer
WITH R.W. BECK & ASSOCIATES,)	
PROVIDING ADDITIONAL PERFORMANCE)	
TEST MONITORING FOR THE RIEDEL)	
COMPOST FACILITY)	

WHEREAS, The Metropolitan Service District (METRO) selected R.W. Beck & Associates on March 14, 1991 to provide consulting services for the performance testing of the Metro/Riedel Mass Composting Facility; and

WHEREAS, The terms of the contract are that Metro pay the consulting engineer on a time-and-materials basis for an amount not to exceed \$150,000; and

WHEREAS, The project will require additional performance test monitoring that could not have been anticipated at the time of award; and

WHEREAS, R.W. Beck is in the best position to perform the work for the lowest cost; and

WHEREAS, As required by Metro Code Section 2.04.054, the staff report submitted with this resolution contains findings demonstrating that it is impractical to solicit proposals to complete the work described in the original agreement; and

WHEREAS, It is necessary to extend the term and compensation limit in Metro's Agreement with R.W. Beck as specified in the attachment labeled "Amendment No. 2," and made part of this resolution by reference; and

WHEREAS, Funds necessary to complete the Performance Test monitoring under an amended R.W. Beck Agreement are available in the General Account but must be transferred under separate action of the Metro Council; and

WHEREAS, This resolution was submitted to the Executive Officer for consideration and was forwarded to the Contract Review Board for approval; now, therefore,

BE IT RESOLVED,

1. The Contract Review Board hereby exempts the attached contract Amendment No. 2 to the contract with R.W. Beck & Associates from the competitive procurement provisions of Metro Code Section 2.04.054(a)(3), to allow additional Performance test monitoring at the Metro/Riedel Mass Composting Facility.

2) The Executive Officer's authority to execute the attached contract amendment granted by this resolution, is contingent upon the transfer of funds necessary to carry out the amendment, by the Council of the Metropolitan Service District.

Adopted by the Contract Review Board of the Metropolitan Service District this 26th day of September, 1991.



Tanya Collier, Presiding Officer

**AMENDMENT NO. 2
TO THE CONTRACT BETWEEN R.W. BECK & ASSOCIATES AND
THE METROPOLITAN SERVICE DISTRICT, ENTITLED
"PROVIDE CONSULTING SERVICES FOR THE PERFORMANCE TEST OF
THE METRO/RIEDEL MASS COMPOSTING FACILITY"**

In exchange the for promises and other consideration set forth below and in the original agreement, the parties agree as follows:

Scope of Services, "Terms of Payment", Item 3, Page 6

Change: "the maximum amount to be paid by Metro to consulting engineer for services furnished and expenses reimbursed will be ONE HUNDRED FIFTY THOUSAND AND NO/100THS DOLLARS (\$150,000)."

To: "the maximum amount to be paid by Metro to consulting engineer for services furnished and expenses reimbursed will be THREE HUNDRED THOUSAND AND NO/100THS DOLLARS (\$300,000)."

Scope of Services, "Term of Service", Item 1, Page 7

Change: "The term of this Contract shall expire on June 30, 1991."

To: "The term of this Contract shall expire on March 31, 1992."

All terms and conditions in the original agreement between the parties not specifically modified herein shall remain in full force and effect.

R.W. BECK & ASSOCIATES

METROPOLITAN SERVICE DISTRICT

BY: _____

BY: _____

DATE: _____

DATE: _____

CHANGE ORDER SUMMARY

PROJECT: Consulting Services to Monitor Testing and Acceptance phase of the Metro/Riedel Compost Facility

CONTRACTOR: R.W. Beck & Associates

CONTRACT NO.: 901746

BUDGET NO. 531-317400-52300-57413

DEPARTMENT: Solid Waste

FUND NAME General Account

THIS REQUEST IS FOR APPROVAL OF CHANGE NUMBER: 2

1. The original contract sum was	<u>\$150,000.00</u>
2. Net change by previously authorized change order	<u>0</u>
3. The contract sum prior to this request was	<u>\$150,000.00</u>
4. Total amount of this change order request	<u>\$150,000.00</u>
5. The new contract sum, including this change order	<u>\$300,000.00</u>
6. The contract sum paid in FY 90-91	<u>\$ 86,623.00</u>
7. Fiscal Year appropriation for FY 91-92	<u>(\$100,000) + (\$113,377)*</u>

Line item name: Engineering Services

Estimated appropriation remaining as of 7/31/91 \$187,424

8. Start Date: July 1, 1991 Expire Date: March 31, 1992

REVIEW AND APPROVAL:

Division Manager, Solid Waste Department

Date

Fiscal Review

Date

Director, Solid Waste Department

Date

Budget Review

Date

Director, Regional Facilities

Date

Legal Review

Date

Comments: *\$100,000.00 transferred from Waste Reduction to General Account, Compost Facility

VENDOR # _____

JW:ay
BECKCO2.SUM
August 29, 1991

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 91-1503 FOR THE PURPOSE OF AUTHORIZING AN EXEMPTION TO THE REQUIREMENT TO SOLICIT COMPETITIVE PROPOSALS FOR AMENDMENT NO. 2 TO THE CONTRACT WITH R.W. BECK & ASSOCIATES, PROVIDING ADDITIONAL PERFORMANCE TEST MONITORING FOR THE RIEDEL COMPOST FACILITY

Date: August 30, 1991

Presented By: Jim Watkins

FACTUAL BACKGROUND AND ANALYSIS

On March 14, 1991, Metro contracted with R.W. Beck & Associates (R.W. Beck) to provide consulting services for the Performance Test of the Metro/Riedel Mass Composting Facility. These services can be summarized as:

- Pretest Reviews
- Monitoring of the Performance Test
- Meetings & Post Test Reviews
- Assist Metro with Disputes

The terms of the contract are that Metro will pay the Consulting Engineer on a time and materials basis in an amount not to exceed \$150,000. The limit of \$150,000 was agreed to by both parties because it was assumed that the Performance Test monitoring would be completed within approximately three months, beginning May 6, 1991. The agreement stated that if the Performance Test period extended beyond the estimated time period an adjustment of the maximum allowable cost and contract period would be made by written amendment.

Metro's contract with Riedel provides that if the Facility failed to meet the Performance Standard by August 8, 1991, Riedel could be granted an extension of 547 days from the scheduled completion date plus any time extensions provided in the Service Agreement. To date, Metro has approved a one month extension that ends on September 9, 1991.

The original start date for the Performance Test was May 6, 1991. Riedel has, to date, rejected all batches of compost which has shifted the start date one day forward for each batch rejected. Though Riedel is continually learning and making adjustments, there is no definite end in sight, and process changes take weeks to evaluate. It is therefore contemplated that R.W. Beck's consulting services will be required for several more months. Since R.W. Beck will have expended the entire \$150,000 originally contracted for by mid-September, the amendment would allow further payments not to exceed \$150,000, for a total of \$300,000 and extend the term of the contract to March 31, 1992. Hopefully, Riedel will complete its performance test within this time frame.

Because the amount of this contract modification exceeds \$10,000, the competitive procurement procedures of Code Section 2.04.053 apply unless the initiating department as required by Code Section 2.04.054(a)(3) makes certain findings and the Contract Review Board grants an exemption. For the following reasons, an exemption is clearly justified in this instance.

First, there are fewer than three potential contractors qualified to provide the quality and type of services required. R.W. Beck was originally selected based on its familiarity with composting and knowledge of the Riedel facility. After completing four months of extensive monitoring and test results, R.W. Beck has gained knowledge and experience that cannot be matched by, or transferred to, a replacement contractor. R.W. Beck's work to date has been excellent, and its input and evaluations have benefitted both Metro and Riedel.

Second, the quality and type of services required make it unnecessary and impractical to solicit proposals. It is unnecessary, because Metro staff is satisfied with R.W. Beck's work, and R.W. Beck has agreed to continue working under its originally established rates. It is impractical to solicit proposals for the reasons stated above, and because it is unlikely that a new contractor could learn what it needs to know about this project quickly enough to provide the quality of services needed at a lower price.

BUDGET IMPACTS

The Waste Reduction Division currently has a \$100,000 appropriation level in FY 91-92 for consulting services at the Mass Composting Facility. For FY 91-92 R.W. Beck has approximately \$63,377 remaining on their original contract amount. To increase the contract amount from \$150,000 to \$300,000 would therefore require an increase of \$113,377 in the appropriation level. Since this project is currently being managed by the Engineering & Analysis Division, it is recommended that the \$100,000 in Waste Reductions Alternative Technology Program be transferred to the General Account, Engineering Services. The appropriation level can be made available in that account by delaying the proposed dewatering station at Metro Central. Execution of this contract amendment is contingent on this transfer of funds, which is proposed in Ordinance No. 91-425.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends Contract Review Board approval of Resolution No. 91-1503.



METRO

2000 S.W. First Avenue
Portland, OR 97201-5398
503/221-1646

Memorandum

To: Solid Waste Committee Members

From: John Houser, Council Analyst

Date: September 10, 1991

Re: Resolution No. 91-1503, For the Purpose of Authorizing an Exemption to the Requirement to Solicit Competitive Proposals for Amendment No. 2 to the Contract with R.W. Beck & Associates, Providing Additional Performance Test Monitoring For the Riedel Compost Facility

Resolution No. 91-1503 has been scheduled for consideration by the committee at the September 17, 1991 meeting.

Background

Metro has contracted with R.W. Beck and Associates to provide performance testing related to the Riedel Compost Facility. The original contractual terms placed a limit of \$150,000 on payments to R.W. Beck. This limit was based on the assumption that testing would be completed by August 8, 1991. The contract does provide that if further testing is needed the contract can be amended to adjust the maximum allowable cost.

The Riedel facility has not met the required performance tests and Metro has provided a one-month extension ending September 9, 1991. The staff report notes that "Though Riedel is continually learning and making adjustments, there is no definite end in sight." As a result, the testing services provided by R.W. Beck may be required for a period of several additional months.

Beck anticipates that the original contract amount will be fully spent by the end of September. The department is therefore requesting an amendment to the contract to increase the maximum allowable cost to \$300,000. The contract would be extended through March 31, 1992.

The council will be asked to approve two documents: a budget amendment ordinance that will be considered by the Finance Committee, and this resolution which provides an exemption from the Metro Code requirement (2.04.054 (a) (3)) to obtain competitive proposals for the additional testing work to be performed.

The staff report on the resolution notes that an exemption is warranted because R.W. Beck has: 1) a familiarity with composting facility, 2) performed well under the existing contract, 3) developed a knowledge and experience with the Riedel facility that

could not be transferred to another contractor, and 4) offered to continue providing services at the rates negotiated in the original contract.

The additional funding would be provided from the Waste Reduction Alternative Technology Program of the Engineering and Analysis Division of the Solid Waste Department. The amount requested is \$113,377. As a result of this transfer, the proposed dewatering station at Metro Central will be delayed.

Issues and Questions

The committee may wish to address the following issues and questions:

- 1) Were other potential sources of funding considered, and if so, what were they? How has the timeline for the dewatering station been changed?
- 2) Has Riedel been granted an additional extension and, if so, for how long?
- 3) What are Riedel's responsibilities related to the continuing need for performance testing?

SOLID WASTE COMMITTEE REPORT

CONSIDERATION OF RESOLUTION NO. 91-1503 FOR THE PURPOSE OF AUTHORIZING AN EXEMPTION TO THE REQUIREMENT TO SOLICIT COMPETITIVE PROPOSALS FOR AMENDMENT NO. 2 TO THE CONTRACT WITH R.W. BECK & ASSOCIATES, PROVIDING ADDITIONAL PERFORMANCE TEST MONITORING FOR THE RIEDEL COMPOST FACILITY

Date: September 18, 1991

Presented by: Councilor McFarland

Committee Recommendation: At the September 17 meeting, the Committee voted unanimously to recommend Council adoption of Resolution 91-1503. Voting in favor: Councilors DeJardin, McFarland, McLain and Wyers.

Committee Issues/Discussion: Metro has contracted with R.W. Beck and Associates to provide performance testing related to the Riedel Compost Facility. Payment under the original contract was limited to \$150,000 based on the assumption that testing would be completed by August 8, 1991. The contract may be amended to provide for additional testing with an adjustment in maximum allowable payment.

The Riedel facility has not met the required performance tests. The staff report notes that "though Riedel is continually learning and making adjustments, there is no definite end in sight." As a result, testing services provided by R.W. Beck may be required for up to several more months.

The Solid Waste Department is requesting an amendment to the contract to increase the allowable cost to \$300,000 and extend the length of the contract to March 31, 1992. The council will be asked to approve two documents: a budget amendment ordinance and Resolution 91-1503 which provides an exemption from the Metro Code requirement to obtain competitive proposals for the additional testing work to be performed.

Staff contends that an exemption is warranted because R.W. Beck has: 1) a familiarity with solid waste composting processes, 2) performed well under the existing contract, 3) developed a knowledge and experience with the Riedel facility that could not be transferred to another contractor, and 4) offered to continue providing services at the rates negotiated in the original contract.

Staff advised the committee that funding from the original contract is now exhausted and no performance testing is being conducted. Committee members supported the need for additional testing in light of continuing odor-related problems at the facility.