

BEFORE THE METRO CONTRACT REVIEW BOARD

FOR THE PURPOSE OF AUTHORIZING)	RESOLUTION NO. 94-1894
AN EXEMPTION TO THE COMPETITIVE)	
PROCUREMENT PROCEDURES OF)	Introduced by Rena Cusma
METRO CODE CHAPTER 2.04.053 AND)	Executive Officer
AUTHORIZING A CHANGE ORDER)	
TO DESIGN SERVICES AGREEMENT)	
WITH PARAMETRIX, INC.)	

WHEREAS, It is in the public interest that the St. Johns Landfill closure process move forward in an expeditious manner; and

WHEREAS, The closure process can be expedited through the use of the existing engineering contractor to perform tasks described in Change Order No. 15 attached as Exhibit A; and

WHEREAS, The project requires additional engineering services that could not have been anticipated at the time of Contract award; and

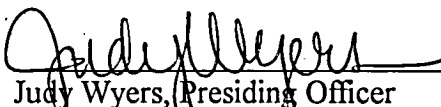
WHEREAS, It is impractical to solicit proposals for the work described in Change Order No. 15; and

WHEREAS, Change Order No. 15 cannot be approved unless an exemption to the Competitive Procurement Process pursuant to Metro Code 2.04.054 is granted by the Metro Contract Review Board; and

WHEREAS, The resolution was submitted to the Executive Officer for consideration and was forwarded to the Council for approval; now, therefore,

BE IT RESOLVED, That the Metro Contract Review Board exempts Change Order No. 15 to the Design Services Agreement with Parametrix, Inc. from the Competitive Procurement Procedures of Metro Code 2.04.053 and authorizes execution of Change Order No. 15.

ADOPTED by the Metro Council this 24th day of February, 1994.


Judy Wyers, Presiding Officer

RESOLUTION NO. 94-1894

Exhibit A

CHANGE ORDER NO. 15
METRO CONTRACT NO. 901270

TO THE CONTRACT BETWEEN PARAMETRIX, INC. AND METRO
ENTITLED, "DESIGN SERVICES AGREEMENT"

PROJECT: Design Services Agreement
METRO POC: Dennis O'Neil
CONTRACTOR POC: George Drake
COMPLETION DATE: April 30, 1996

The "Scope of Work/Schedule" and "Exhibit A, Compensation to Contractor" in the "Design Services Agreement" entered into June 1990 is hereby modified to incorporate the changes described below:

1. All language within Scope of Work, Section 5, "Construction Management (Task II)" is deleted and replaced with the following language:

"5. Construction Related Engineering Services

Contractor shall provide qualified personnel to perform construction related services which may include design modifications, construction document preparation, bidding process assistance, construction observation, inspection and testing, surveying, contract administration, and other similar services when authorized in writing by Metro.

The specific tasks and responsibilities of the Contractor will be determined by negotiation periodically throughout the term of the Contract. The work required of the Contractor and the compensation for the work will be described in a written Work Order issued by Metro. Contractor shall not incur expenses for work prior to issuance of a Work Order signed by Metro's Engineering Manager or Solid Waste Director.

Contractor shall not exceed the fee authorized by work orders without prior written authorization of Metro through additional work orders. Contractor shall notify Metro in writing if any additional fee is required to complete the assigned work. Such notice shall include an estimate of the additional cost and an explanation of the reasons for the need for any additional fees. The notice shall be submitted at least 30 days prior to the anticipated date that the authorized fee will be reached. Work performed by the Contractor without prior written authorization shall be at Contractor's sole risk.

2. Exhibit A, paragraph B., in the original Design Services Agreement provided that the total cost of the contract was not to exceed \$2,301,692. This sum has been increased by previous change orders to the amended total cost of \$2,825,865. This total cost is amended and increased by this change order, to pay for the additional services described above, to the new total cost not to exceed \$3,400,865.

All other terms and conditions of the original agreement and previous agreements shall remain in full force and effect.

PARAMETRIX, INC.

METRO

Signature

Signature

Print Name & Title

Print Name & Title

Date

Date

DO:clk
94-1894.RES

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 94-1894 FOR THE PURPOSE
OF AUTHORIZING AN EXEMPTION TO THE COMPETITIVE
PROCUREMENT PROCEDURES OF METRO CODE CHAPTER 2.04.053
AND AUTHORIZING A CHANGE ORDER TO THE DESIGN SERVICES
AGREEMENT WITH PARAMETRIX, INC.

Date: February 2, 1994

Presented by: Jim Watkins
Dennis O'Neil

PROPOSED ACTION

Adoption of Resolution No. 94-1894 which grants exemption from the competitive procurement process and authorizes execution of Change Order No. 15 to the Design Services Agreement with Parametrix, Inc., for engineering services related to St. Johns Landfill Closure.

FACTUAL BACKGROUND AND ANALYSIS

In early 1990, Metro requested proposals for final design and construction management services for St. Johns Landfill Closure. After reviewing the two proposals submitted, Metro awarded Contract No. 901270 to Parametrix, Inc., for a total of \$2.3 million dollars. The other proposer offered to perform all tasks for a total of \$3.7 million dollars.

Since the work scope was developed, there have been several changes in the approach to closing the St. Johns Landfill. Some of the changes were mandated by Oregon Department of Environmental Quality (DEQ); and some changes were seen as desirable by Metro as Metro gained experience in carrying out the closure. The result of these changes has increased the costs for engineering services.

For example, DEQ mandated that Metro construct a low permeable soil layer below the geomembrane in the cover to serve as a second line of defense in case the geomembrane developed future leaks. This significantly increased construction management costs because the recycled and imported low permeable soil and the compacted soil layer construction method had to be inspected according to detailed criteria mandated by DEQ. Construction management of the low permeable soil layer was not a part of the original scope of work.

DEQ also required that Metro achieve certain percent slopes in the future. This required that Metro closely monitor settlement of the Landfill in order to predict future settlement. Parametrix's subcontractor, Cornforth Consultants, has monitored this settlement and has predicted future settlement. This settlement monitoring and predicting was an additional cost item.

The soil procurement project of 1991-92 was itself not contemplated as a separate construction effort in the original Parametrix work scope. During this project, Parametrix and Cornforth personnel inspected soil quality and moisture content for conformance to the specifications, inspected placement of soil to build the engineered piles, and monitored settlement as noted above. The actual cost of all additional work related to soil procurement including design and construction document preparation was \$557,000.

In the Spring of 1992, DEQ directed Metro to construct shallow monitoring wells and piezometers. Parametrix and Cornforth staff designed the installations, developed plans and specifications, supervised the drilling contractor and also assembled and installed the sophisticated piezometers. These services were not anticipated in the 1990 work scope. The actual cost of this additional work was \$226,000.

Parametrix has also rendered technical assistance to Metro's effort to market landfill gas. This included the construction and operation of a large-scale field test to determine landfill gas production rates and production conditions. This information was important for contract negotiations between Metro and its prospective pipeline contractor B.I.O. Gas Industries. The production rates and conditions are also being actively studied by at least two prospective customers. A total of \$93,000 has been authorized for services related to energy recovery from landfill gas, which were not anticipated in the original contract.

Other engineering services not anticipated in the 1990 contract are expected to cost up to \$106,000. These services include technical assistance in continuing negotiations with regulators and assistance in operating and maintaining the gas collection system.

Engineering services for the above-activities, plus the closure of 103 acres of Sub-Area 1 and Sub-Area 2 and the construction of the Motor Blower Flare station have exhausted the \$2.8 million authorized so far. More money for engineering services related to closure construction will be needed over the next three years to complete closure of Sub-Areas 3, 4 and 5.

Although Metro is assuming as much responsibility at St. Johns Landfill as staffing availability allows, there still remains a need for engineering services in the following areas:

- Update existing landfill closure design as necessary based on new information
- Prepare technical sections of construction contract documents
- Assist in the bidding process
- Preconstruction planning and preparation
- Inspect offsite borrow sources for imported soils
- Inspect imported soils for compliance with specifications
- Evaluate existing topsoil and low permeable soil on St. Johns Landfill to decide how much can be recycled
- Inspect subgrade embankment application and compaction
- Inspect application and compaction of low permeable soil layer to ensure that it complies with DEQ mandates
- Inspect and test plastic geomembrane to detect any damage and leaking seams

- Inspect layers above the geomembrane
- Inspect the construction of the gas collection system
- Inspect construction of the condensate collection system
- Inspect the construction of the stormwater collection system
- Review shop drawings and equipment specifications submitted by construction contractor
- Evaluate design change proposals submitted by construction contractor
- Prepare voluminous construction certification report required by DEQ
- Render technical assistance in negotiations with regulators

Since Parametrix designed the closure improvements, it is important that Parametrix make any necessary modifications in the design and interpret the design. Examples of design interpretation include preparing technical sections of the construction contract documents, evaluating design change proposals submitted by the construction contractor and reviewing shop drawings and equipment specifications submitted by the construction contractor. The Parametrix team has gained a working knowledge of the on-site soil characteristics which is invaluable in deciding how much on-site soil to recycle. This experience is also important in inspecting the construction of the low permeable soil layer. In summary, it is important to retain Parametrix to interpret the design. The responsibility for the quality of the improvements resulting from a design is clearer if the designer shares responsibility for constructing these improvements. The Parametrix team has gained significant experience with construction issues specific to St. Johns Landfill closure.

Change Order No. 15 increases the Parametrix fee limit for design and construction management-related services from \$2,825,865 to \$3,400,865. This is an increase of \$575,000 dollars. This would provide enough funds to assist Metro to finish quality assurance oversight of the current Sub-Area 2 and 3 closure being performed by Tri-State Construction Co. It would also provide funds for assisting Metro to prepare construction documents and solicit bids for one more construction contract covering the remainder of St. Johns Landfill. Under Change Order No. 15 Metro would officially assume some construction management functions in order to reduce cost increases. The role of Parametrix would shift toward assuring that the quality of the construction met the requirements of the plans and specifications. Metro would then solicit open competitive proposals for construction management related services for the closure of Sub-Area 5 and 4 which will be completed in 1995 and 1996 respectively.

BUDGET IMPACT

The fiscal year 1993-1994 budget allocates \$455,000 for design and construction management-related services for the St. Johns Landfill Closure. The draft of the proposed fiscal year 1994-1995 budget allocates \$550,000 for these services. The authorization for work after June 30, 1994 will be determined by the Metro Council through the regular budget process.

The additional cost of \$575,000 dollars for construction management-related services is already included in the current \$40.6 million dollar estimate of St. Johns Landfill Closure costs.

EXECUTIVE OFFICER RECOMMENDATION

The Executive Officer recommends approval of Resolution No. 94-1894.

DO:clk
s:\oneil\staff\0105.rpt

CHANGE ORDER SUMMARY

CONTRACTOR: Parametrix, Inc.

PROJECT: St. Johns Landfill Closure

PURPOSE: Construction Management (Task II) Language Modification

CONTRACT NO.: 901270

BUDGET NO. 531-319000-526900-75960

DEPARTMENT: Solid Waste **ACCOUNT NAME** Closure

THIS REQUEST IS FOR APPROVAL OF CHANGE NUMBER: 15

- | | |
|--|----------------|
| 1. The original contract sum was | \$2,301,692.00 |
| 2. Net change by previously authorized change order | \$524,173.00 |
| 3. The contract sum prior to this request was | \$2,825,865.00 |
| 4. Total amount of this change order request | \$575,000.00 |
| 5. The new contract sum, including this change order | \$3,400,865.00 |
| 6. The total contract sum paid | \$2,700,820.37 |
| 7. Fiscal Year appropriation for FY 94-95 | \$550,000.00 |

Line item name: Other Purchased Services

Estimated appropriation remaining as of 1/28/94 \$550,000.00

8. Start Date: 1/28/94 Expire Date: 4/30/96

REVIEW AND APPROVAL:

<u>Jim Watkins</u> Division Manager, Solid Waste Department	<u>2-2-94</u> Date	Fiscal Review	_____ Date
_____ Director, Solid Waste Department	_____ Date	Budget Review	_____ Date
_____ Director, Regional Facilities	_____ Date	<u>J. Sollo</u> Legal Review	<u>2-8-94</u> Date

Note: Additional monies will be appropriated in the following Fiscal Years for this change order.
VENDOR # 4106

SOLID WASTE COMMITTEE REPORT

CONSIDERATION OF RESOLUTION NO. 94-1894, FOR THE PURPOSE OF AUTHORIZING AN EXEMPTION TO THE COMPETITIVE PROCEDURES OF METRO CODE CHAPTER 2.04.053 AND AUTHORIZING A CHANGE ORDER TO DESIGN SERVICES AGREEMENT WITH PARAMETRIX, INC.

Date: February 16, 1994 Presented by: Councilor Hansen

Committee Recommendation: At the February 15 meeting, the Committee voted 5-0 to recommend Council adoption of Resolution No. 94-1894. Voting in favor: Councilors Hansen, McFarland, McLain, Monroe and Wyers. Councilor Buchanan was absent.

Committee Issues/Discussion: The purpose of this resolution is to authorize additional design and construction management services related to the closure of the St. Johns Landfill under an existing agreement between Metro and Parametrix, Inc. Funding for these additional services is already provided for the present fiscal year. Funding needed in future fiscal years would require additional approval by the Council.

Dennis O'Neil, Solid Waste Engineering Staff, provided the committee with a brief review of the current status of the closure project. He noted that work in Subarea 1 was completed. Work in Subareas 2 and 3 and a small portion of Subarea 4 was begun last summer and will be completed this summer. Contracts for the closure of the remainder of Subarea 4 and Subarea 5 will be let during the next fiscal year and the work completed by the summer of 1996. He also noted that installation of the gas motor blower flaring system has been completed.

O'Neil reviewed the history of the existing Parametrix contract for design and construction management services. He explained that Parametrix was one of two bidders for the original contract which was awarded for \$2.3 million. Earlier change orders increased the amount of the contract to \$2.825 million. The effect of the proposed change order would be to provide for specified additional services at a maximum cost of \$575,000, bringing the total maximum cost of the contract to \$3.4 million.

The additional requested funding would finance design and construction management services for the remainder of the closure of Subareas 2 and 3 and the development of bid documents related to contracts for the closure of Subareas 4 and 5. O'Neil indicated that it would be staff's intent to bid out construction management services for the actual closure work on Subareas 4 and 5.

O'Neil indicated that the increased costs for design and construction management services resulted from changes in the closure plan and regulatory requirements that were not known when the original contract was awarded to Parametrix. He cited several

examples including the need for a low-permeable soil layer, installation of monitoring wells, increased monitoring of construction activities, and the development of the gas collection system. He noted that these types of costs will continue as additional portions of the landfill are closed. He concluded by noting that the cost of this additional work is included in the current estimate of \$40.6 million for all closure-related work.

Councilor Wyers asked if the additional design and construction management services would require additional Metro staff. Jim Watkins, Solid Waste Engineering Manager, indicated that it would not require additional staff. He noted that the decision not to build the Wilsonville transfer station would free up some staff time that would be assigned to the landfill and that scalehouse scheduling would allow these personnel to perform some monitoring functions at the landfill.

Councilor Wyers asked legal counsel staff to explain when the Council must approve change orders. Todd Sadlo, Assistant Legal Counsel, noted that for personal services contracts, such as the Parametrix contract, change orders exceeding \$10,000 must be approved.

Councilor Hansen asked why the construction management services for Subareas 4 and 5 would be bid, instead of continuing the existing Parametrix contract. Watkins indicated that the dollar amount involved (possibly \$800,000) was significant and that Metro should insure that it would be receiving these services for the best possible price.

Councilor McLain expressed concern that since Parametrix had done all of the previous design and construction management services work, how fair would such a bidding process be to other firms?