

**SOUTHWEST SUBURBAN SEWER DISTRICT
KING COUNTY, WASHINGTON**

RESOLUTION NO. 2017-13

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF
SOUTHWEST SUBURBAN SEWER DISTRICT, KING COUNTY,
WASHINGTON, WAIVING THE COMPETITIVE BIDDING
REQUIREMENTS RELATING TO THE SELECTION OF A
CONTRACTOR AND THE ACQUISITION OF EQUIPMENT,
MATERIALS AND CONTROL SYSTEMS FOR THE SALMON
CREEK WWTP SOLIDS HANDLING IMPROVEMENT PROJECT.**

WHEREAS, RCW 57.08.005(5) authorizes Southwest Suburban Sewer District (“District”) to provide sewer service to property within and outside the District’s corporate boundaries and provides the District with full authority to regulate the use and operation of the District’s sewer system, and

WHEREAS, the District has a need to upgrade its Salmon Creek Wastewater Treatment Plant through the replacement and/or reconstruction of its digester, solids handling systems, and related improvements, which project is generally referred to as the Salmon Creek WWTP Solids Handling Improvement Project (the “Project”); and

WHEREAS, the District’s Salmon Creek Wastewater Treatment Plant is designed to collect, store, treat, and dispose of wastewater from District retail and wholesale customers which has the purpose of abating, controlling or preventing pollution, and is therefore considered a pollution control facility pursuant to Chapter 70.95A RCW; and

WHEREAS, in order to fund the Project, the District will be issuing sewer revenue bonds in an amount estimated to be approximately Fifteen Million Dollars (\$15,000,000); and

WHEREAS, the District’s staff and consulting engineers have carefully considered all aspects of this Project, including, but not limited to, the following factors: (1) significant Project constraints relating to the existing site of the Salmon Creek Wastewater Treatment Plant, (2) the need to ensure the Salmon Creek Treatment Plant remains operational during the Project, (3) the importance of timely completion of the Project, (4) the need to ensure that the contractor selected to perform the Project work is qualified in all respects to undertake the required work and has a demonstrated history of performance working on large wastewater treatment plant projects or water treatment plant projects, and (5) the need to select equipment, materials and control systems that have been determined to be consistent with and/or fully compatible with the other equipment, materials and control systems currently used by the District at the Salmon Creek Wastewater Treatment Plant and the Miller Creek Wastewater Treatment Plant; and

WHEREAS, pursuant to RCW 70.95A.090, water-sewer districts are among the municipal entities that are authorized to construct, reconstruct or improve pollution control facilities in such a manner as determined by their governing bodies to be appropriate, in their sole discretion, and to undertake such pollution control projects without the requirement of competitive bidding; and

WHEREAS, wastewater treatment plants are highly specialized facilities which must integrate complex equipment, materials and control systems in order to function properly to abate, control or prevent pollution, and as such are considered special facilities under RCW 39.04.280(1)(b); and

WHEREAS, after fully considering its options, and the recommendations of District staff, the District's consulting engineer, and the District's legal counsel, the District has determined that it is in the best interest of the District to proceed in the manner authorized by this Resolution; now, therefore,

BE IT RESOLVED by the Board of Commissioners of Southwest Suburban Sewer District, King County, Washington, as follows:

- 1. Recitals.** The recitals set forth above are incorporated herein in full by this reference.
- 2. Waiver of Competitive Bidding Requirements.** The formal competitive bidding requirements set forth in RCW 57.08.050, and any other applicable statutes, are hereby waived for both the construction of the Project and the acquisition of any and all equipment, materials and control systems necessary for the completion of the Project. This action is being taken pursuant to the powers and authority granted by RCW 70.95A.090 since the Salmon Creek Wastewater Treatment Plant, and more specifically the planned upgrades to the digester, solids handling systems, and related improvements, are considered pollution control facilities that are intended to abate, control and prevent pollution. As a further basis for waiving the competitive bidding requirements, the equipment, materials and control systems to be utilized as part of the Project are also considered special facilities and the competitive bidding requirement may be waived pursuant to RCW 39.04.280(1)(b).
- 3. Procurement Process.** The District has determined that it is in the best interest of the District and its customers to select a single contractor to serve as the general contractor for the performance of the Project work which shall be determined in accordance with the following process and procedures.

3.1 Project Procurement Committee. The District shall form a Project Procurement Committee (the "Committee"), which Committee shall have the power and authority to select one general contractor that it determines, at its sole discretion, to be the most qualified contractor to perform the Project work. The Project Procurement Committee shall consist of the following representatives: District General Manager, District Project Manager, the lead Consulting Engineer for the District, and the District's Legal Counsel.

3.2 Factors to be Considered by Project Procurement Committee. The Project Procurement Committee shall select a contractor to serve as general contractor for the Project based on the following non-exclusive set of factors:

(a) Demonstrated experience over the past five (5) years in the construction of wastewater treatment plants or water treatment plants with a project cost greater than \$10,000,000. The Committee will review the experience factor with a focus on the experience of the proposed team of contractor employees to be utilized for the work versus the general experience the company may have on similar projects.

(b) The resumes of the contractor's proposed Project Manager and Superintendent. The Committee shall evaluate the likelihood that the assigned Project Manager and Superintendent proposed for the Project will remain throughout the completion of the Project and/or the availability of suitable and appropriate backup Project Managers and Superintendents if the primary individuals were to leave the contractor.

(c) Demonstrated experience in wastewater treatment projects or water treatment plant projects greater than \$10,000,000 where the contract price for the project involved a negotiation process between the project owner and the contractor to arrive at a mutually agreeable fixed price for the project at issue. The Committee's review of this factor will include a review of the contractor's willingness to operate under an "open book" policy so that the District is aware of the contractor's pricing for labor, equipment, materials, and subcontractor costs.

(d) The contractor's ability to meet time and budget requirements. The Committee may evaluate the contractor's recent, current and projected workloads, and the contractor's proposed project approach and construction schedule.

(e) Demonstrated experience in the ability to participate in value engineering of the District's plans and specifications in order to identify design improvements or cost savings that could be achieved through modification of the District's plans and specifications. The Committee's review of this factor will include a review of the contractor's willingness to participate using a "team approach" to ensure the best finished product for the District at a fair and reasonable price.

(f) Project references relating to the contractor's work performance on the identified projects.

(g) Such other factors as determined by the Committee that are relevant to the successful completion of the Project.

3.3 Equipment, Materials and Control Systems Purchases. The Project Procurement Committee shall have the authority to identify which equipment, materials and control systems purchases shall be acquired directly by the District or by the contractor. Equipment,

materials and control systems to be acquired by the District will not be subject to competitive bidding as authorized by this Resolution. However, the District Board of Commissioners shall review and approve of any contracts for the purchase of these items. Equipment, materials and control systems to be acquired by the contractor will be identified in the Project plans and specifications and will be approved as part of the District Board of Commissioners' approval of the contractor selected for the Project.

4. Contract Negotiations and Approval Process. Once the Project Procurement Committee has selected the contractor that it determines to be the most qualified contractor for the Project, the Committee will engage in negotiations with the contractor to arrive at a mutually agreeable contract price. Except as otherwise provided herein, the contract price will be a fixed price amount for the agreed upon scope of work based on the District's plans and specifications, including any changes that may have been made through the value engineering process. However, if certain elements of the Project work include unknown or particularly risky conditions or factors, those elements of the Project work may be broken out from the fixed price contract amount and addressed on a time and materials basis using agreed upon rates, pricing and overhead factors. For example, one element of the Project work which will be inherently risky will involve the dewatering work associated with the Project. As such, the dewatering elements of the Project work will be performed on a time and material basis within a framework which will be agreed upon by the District and the contractor and reduced to writing. The dewatering work is provided as an example only. There may be additional elements of the work that may be more appropriately handled on a time and material basis. The Committee shall have the power and authority to make the determination as to which elements of the Project work would not be included as part of the fixed price contract amount. Upon the completion of the negotiations between the District and the contractor for the performance of the Project work, a contract setting forth the terms and conditions governing the Project, including the fixed price and other financial terms, will be presented to the District Board of Commissioners for review and approval. If the District is unable to reach an agreement with the contractor initially selected as the most qualified contractor for the Project, the District may terminate further negotiations with the contractor and begin negotiations with the contractor determined by the Project Procurement Committee to be the next most qualified contractor for the Project. This process shall continue until such time as the District enters into a contract with a qualified contractor for the performance of the Project work.

5. Implementation Authority. The District staff, and the District's consulting engineer and District legal counsel are hereby authorized to proceed with the implementation of this Resolution, subject to the requirement that the Board of Commissioners review and approve of any contracts for the Project work, including the acquisition of the equipment, materials and control systems required in connection with this Project.

ADOPTED by the Board of Commissioners of Southwest Suburban Sewer District, King County, Washington, at a regular meeting thereof held this 7th day of November, 2017.

SOUTHWEST SUBURBAN SEWER DISTRICT
KING COUNTY, WASHINGTON


Individual Commissioners
Vote on Resolution

In Favor of:
Opposed:
Abstained:



Scott Hilsen
President and Commissioner

In Favor of:
Opposed:
Abstained:



Susan Genzale
Vice President and Commissioner

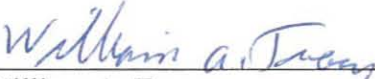
In Favor of:
Opposed:
Abstained:



William A. Tracy
Secretary and Commissioner

CERTIFICATE

I, William A. Tracy, Secretary of the Board of Commissioners of Southwest Suburban Sewer District, King County, Washington, do hereby certify that the foregoing resolution is a true and correct copy of Resolution No. 2017-13 of such Board, duly adopted at a regular meeting thereof held on the 7th day of November, 2017 signed by the members of such Board in attendance at such meeting and attested by myself in authentication of such adoption.



William A. Tracy
Secretary of the Board of Commissioners
Southwest Suburban Sewer District