



Southwest Suburban Sewer District Commissioner's Meeting

Dedicated to preserve the purity of your environment."

Commissioners:

William Tracy– President
Scott Hilsen – Vice President
Susan Genzale – Secretary

Consulting Attorney:

Eric C. Frimodt

Consulting Engineers:

Ken Nilsen
Cameron Ochiltree

General Manager:

Ron Hall

April 17th, 2018

1. Call to Order:

Commissioner Tracy called the meeting to order at 6:30 p.m.

2. Also in Attendance:

No others in attendance. .

3. Changes or Additions to the Agenda:

Added approve Resolution 2018-04-02 to the Business Agenda.

4. Written Communications:

No Written Communication.

5. Public Comment:

No Public Comment.

6. Consent Agenda:

- Approval of the Minutes for the April 3rd, 2018 Board meeting.
- Approval and Signing of the Accounts Payable Vouchers & Payroll.
- Vouchers audited and certified by the Auditing Officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090, have been

recorded on listings that have been made available to the Board. Vouchers are included in the attached lists, and further described as follows:

- Maintenance voucher numbers 18.0374 through 18.0417 in the total amount of \$331,879.14.
- Construction voucher number 18.0046 through 18.0050 in the total amount of \$226,459.47.
- Review monthly Income Report.

A motion to approve the consent agenda was made by Commissioner Hilsen, seconded by Commissioner Genzale and unanimously approved.

7. Business Agenda:

Cameron Ochiltree updated the Board on BHC Consultants monthly report on the Salmon Creek solids handling design and the Beverly Park Sewer Extension.

Ken Nilsen updated the Board on PACE Engineer's monthly report on Retrofit of existing pump stations and 8th Ave. slope stability.

The District General Manager provided the Board with a report on the status of the Salmon Creek WWTP Solids Handling Improvement Project. The General Manager provided a recap of the initial procurement efforts undertaken pursuant to Resolution No. 2017-03 which waived the competitive bidding requirements and authorized the District to enter into negotiations with a contractor selected by the District as the most qualified contractor for this project. The General Manager noted that these negotiations were terminated due to initial project cost estimates provided by the selected contractor which were significantly above the engineer's estimate. The General Manager reported that after the negotiations ended, the Project Procurement Committee met on several occasions to discuss the project and related procurement issues to ensure the successful completion of the project at the best cost. The General Manager advised the Board that the District staff and the District's consulting engineer had concerns about the project, including but not limited to the following: limited access issues, working at the bottom of a hillside, dewatering issues, the fact that the plant has to remain operational and meet all permit requirements during the project, as well as concerns that a traditional competitive bid situation could result in a contractor that may not be capable of performing the work in a manner that addresses all of the District's concerns. The General Manager noted that the Project Procurement Committee discussed a number of procurement options and ultimately determined that the two options to be brought forward to the Board for its consideration were as follows: (1) a modified competitive bidding process where the District would pre-select contractors that would then be invited to bid on the project or (2) a traditional competitive bidding procurement. The General Manager noted that the majority of the individuals on the Project Procurement Committee believed that the modified competitive bidding process would address the District's goals of ensuring a well-qualified and competent contractor with the demonstrated experience in working on large WWTF projects, and that was capable of working within the site constraints presented by this project will be selected. In addition, the modified competitive bidding process will ensure that the project work is performed at the best price which will be established through a competitive bidding process which the District believes is more likely to result in the

reduction of the initial project cost estimates. The General Manager indicated that after considering the input from the Project Procurement Committee it was the recommendation of District management to proceed with the modified competitive bidding process. The members of the Board of Commissioners each offered their comments regarding the two alternatives and a discussion of the pros and cons of each procurement methodology were discussed. In response to the Board's inquiry, Attorney Frimodt advised the Board that the Board has the authority to waive competitive bidding requirements under Chapter 70.95A RCW which was revised in 2017 to include water-sewer districts as entities that can waive competitive bidding requirements when constructing or acquiring pollution control facilities. Attorney Frimodt also indicated that pollution control facilities would also qualify as "special facilities" under RCW 39.04.280 and that under state law agencies also have the power and authority to waive competitive bidding requirements. Frimodt noted that the combination of these two statutes give the District the authority to waive competitive bidding, and to elect to follow a procurement process deemed to be in the best interest of the District to address the legitimate concerns relating to this project. Frimodt noted that many times when competitive bidding requirements are waived government agencies will proceed on a sole or single source basis. However, in this case what the District management is recommending is a modified competitive bidding process with the goal to ensure the best prices for the work is obtained. Attorney Frimodt also noted that the Board could proceed with the project under either option and that regardless of which procurement process was selected, the District would be using a robust set of supplemental bidder criteria in an effort to address concerns that the contractors be qualified in all respects to perform the work, and that they have the demonstrated experience on other similar projects of similar size. After a lengthy discussion, the Board indicated that it was inclined to accept the District management's recommendation to proceed with the modified competitive bidding process. However, Commissioner Tracy noted that the proposed Resolution 2018-04-01 should be revised to address what he thought was inconsistent language in that the title of the Resolution says that the District is waiving competitive bidding but within the body of the Resolution there is a provision that indicates that the District was going to follow a competitive bidding process. Commissioner Tracy indicated that the title and headings create some confusion until you read the entire Resolution. Attorney Frimodt indicated that he could make a revision to the title of the Resolution to reflect that the District was waiving the competitive bidding requirements otherwise required by RCW 57.08.050 and that the District would be proceeding under a modified competitive bidding process as described in the body of the Resolution. In addition, Frimodt noted that the heading in Paragraph 4 could be revised so it refers to a Modified Competitive Bidding Process which would also help address the comments made by Commissioner Tracy. The Board was in agreement with these suggested revisions. A motion approving Resolution 2018-04-01 with the referenced changes to the titles and headings was made by the Board, seconded and unanimously passed.

Attorney Frimodt reviewed all sections of the draft Franchise Agreement between the District and the City of Normandy Park. After brief discussion, M/S/P unanimously approving the General Manager and District Attorney to negotiate the Franchise Agreement as written with the City of Normandy Park.

