ORDINANCE NO. 1240

AN ORDINANCE AUTHORIZING THE MAYOR AND CITY ADMINISTRATOR TO EXECUTE A CONTRACT WITH CURRAN-MCLEOD, INC. CONSULTING ENGINEERS FOR ENGINEERING SERVICES TO COMPLETE IMPROVEMENTS TO THE WASTEWATER TREATMENT PLANT; AND DECLARING AN EMERGENCY.

WHEREAS, the CITY OF CANBY has heretofore advertised and received proposals for municipal engineering services, completed oral interviews and selected CURRAN-McLEOD, INC. for the City's Engineer of Record; and

WHEREAS, the City of Canby has also heretofore advertised and received proposals for engineering services, completed oral interviews and selected CURRAN-McLEOD, INC. to complete needed engineering services for the Wastewater Treatment Facility, Phase I and II improvements including portions of the work required herein; and

WHEREAS, CURRAN-McLEOD, INC. has provided preliminary planning, preliminary engineering and cost estimates for engineering and construction for the needed improvements to the Wastewater Treatment Plant; and

WHEREAS, the City of Canby has budgeted expenditures for this work in FY 2006-2007 and 2007-2008; Now therefore,

THE CITY OF CANBY ORDAINS AS FOLLOWS:

Section 1. The Mayor and City Administrator are hereby authorized and directed to make, execute, and declare in the name of the CITY OF CANBY and on its behalf, an appropriate contract with CURRAN-MCLEOD, INC for engineering services in an amount not to exceed \$50,000 for design phase services in Fiscal Year 2006-2007, with an additional \$57,000 design phase services in Fiscal Year 2007-2008, and an estimated budget of \$64,000 for subsequent construction phase services.

<u>Section 2.</u> Inasmuch as it is in the best interest of the citizens of Canby, Oregon, to complete this project as soon as possible, an emergency is hereby declared to exist and this ordinance shall therefore take effect immediately upon its enactment after final reading.

SUBMITTED to the Canby City Council and read the first time at a regular meeting therefore on Wednesday, May 2, 2007; ordered posted as required by the Canby City Charter and scheduled for second reading on Wednesday, May 16, after the hour of 7:30 pm at the Council Chambers at the Canby City Hall, 182 N. Holly, Canby, Oregon.

PASSED on second and final reading by the Canby City Council at a regular meeting thereof on the 16th day of May, 2007, by the following vote:

YEAS 5 NAYS 0

Melody Humpson Melody Thompson, Mayor

ATTEST:

Ordinance 1240 - Page 2

CITY OF CANBY PHASE III WASTEWATER TREATMENT PLANT IMPROVEMENTS AGREEMENT FOR ENGINEERING SERVICES

This Agreement is made this ______ day of _______, 2007, by and between the CITY OF CANBY, Oregon, hereafter referred to as the OWNER, and CURRAN-McLEOD, INC. Consulting Engineers, Portland, Oregon, hereafter referred to as the ENGINEER.

The OWNER intends to make Phase III improvements to the Wastewater Treatment Plant including construction of a Secondary Scum Pumping Station, Effluent Filtration Equipment, RV Waste Receiving Station, Effluent Disinfection Improvements and Sludge Drying & Storage, and for which the ENGINEER agrees to perform the various professional engineering services for the design and construction of said improvements.

WITNESSETH

That for and in consideration of the mutual covenants and promises between the parties hereto, it is hereby agreed:

SECTION A - ENGINEERING SERVICES

The ENGINEER shall furnish engineering services to accomplish the work identified above and as more specifically identified in the correspondence dated June 15, 2006, attached as Exhibit A:

- 1. The ENGINEER will attend conferences with the OWNER, representatives of the State, or other interested parties as may be required for completion of the work previously described.
- 2. After the OWNER directs the ENGINEER to proceed, the ENGINEER will perform the necessary alignment determination, accomplish the detailed design of the projects, prepare construction Drawings, Specifications and Contract Documents, and prepare a final cost estimate based on the final design. It is also understood that if additional subsurface explorations (such as borings, soil tests, rock soundings and the like) are required, the ENGINEER will furnish coordination of said explorations without additional charge, but the costs incident to such explorations shall be paid for by the OWNER as set out in Section D hereof.

Statements of probable construction costs and detailed cost estimates prepared by the ENGINEER represent his best judgement as a design professional familiar with the Construction Industry. It is recognized, however, that neither the ENGINEER nor the OWNER has any control over the cost of labor, materials or equipment, over the Contractor's method of determining bid prices, or over competitive bidding or market conditions. Accordingly the ENGINEER cannot and does not guarantee that bids will not vary from any statement of probable construction cost or other cost estimate prepared by the ENGINEER.

- 3. The Contract Documents furnished by the ENGINEER under Section A-2 shall include the State of Oregon Prevailing Wage Rates or the Federal Davis Bacon Prevailing Wage Rates as applicable, and OWNER, funding agency, and state requirements as appropriate.
- 4. Prior to the advertisement for bids, the ENGINEER will provide for each Construction Contract, not to exceed 10 copies of detailed Drawings, Specifications, and Contract Documents for use by the

OWNER, and for appropriate Federal, State, and local agencies from whom approval of the project must be obtained. The cost of such drawings, Specifications, and Contract Documents shall be included in the basic compensation paid to the ENGINEER. The OWNER pays the cost of permits and review fees as provided in Section F-2 of this Agreement.

- 5. The drawings prepared by the ENGINEER under the provisions of Section A-2 above shall be in sufficient detail to permit the actual location of the proposed improvements on the ground. The ENGINEER shall prepare and furnish to the OWNER without any additional compensation, three copies of a map(s) showing the general location of needed construction easements and permanent easements and the land to be acquired. Property surveys, property plats, property descriptions, abstracting and negotiations for land rights shall be provided by the OWNER, unless the OWNER requests, and the ENGINEER agrees to provide those services. In the event the ENGINEER is requested to provide such services, the ENGINEER shall be additionally compensated as set out in Section D hereof, unless this task is identified and included in the proposed scope of work herein.
- 6. The ENGINEER will furnish additional copies of the Drawings, Specifications and Contract Documents as required by prospective bidders, materials suppliers, and other interested parties, but may charge them for the reasonable cost of such copies. Upon award of each contract, the ENGINEER will furnish to the OWNER three sets of the Drawings, Specifications and Contract Documents for execution. The cost of these sets shall be included in the basic compensation paid to the ENGINEER. Drawings and Specifications as instruments of service are and shall remain the property of the ENGINEER whether the project for which they are made is executed or not. They are not to be used by the OWNER on other projects or extensions to this project except by agreement in writing and with appropriate compensation to the ENGINEER.
- 7. The ENGINEER will require prospective contractors to file an approved Pre-qualification Form with the Oregon Department of Transportation and will require a Bid Bond not to exceed 10% in the Bidding Documents to secure the Bid.
- 8. The ENGINEER will attend the bid opening and tabulate the bid proposals, make an analysis of the bids, make recommendations for awarding contracts for construction.
- 9. The ENGINEER will assist in the Preconstruction Conference, and will review and approve, for conformance with the design concept, any necessary shop and working drawings furnished by Contractors.
- 10. The ENGINEER will interpret the drawings and specifications to protect the OWNER against defects and deficiencies in construction on the part of the Contractor. The ENGINEER will not, however, guarantee the performance of any Contractor. Planning and design of the project and construction engineering services shall be accomplished with due diligence and in conformance with accepted industry standards of the practice of professional engineering.
- 11. The ENGINEER will provide general engineering review of the work of the contractors as construction progresses to assure conformance with the design concept.
- 12. The ENGINEER will establish baselines and grades for locating the work together with a suitable number of bench marks adjacent to the work as shown in the Contract Documents.
- 13. The ENGINEER, as representative of the OWNER during the construction phase, shall advise and consult with the OWNER and all of the OWNER'S instructions to the Contractor shall be issued

- through the ENGINEER. The ENGINEER shall have the authority to act on behalf of the OWNER to the extent provided in this Agreement.
- 14. Unless otherwise requested by the OWNER in writing, the ENGINEER will not provide Resident Construction Inspection. The ENGINEER'S undertaking construction inspection hereunder shall not relieve the Contractor of Contractor's obligation to perform the work in conformity with the Drawings and Specifications and in a workmanlike manner; shall not make the ENGINEER an insurer of the Contractor's performance; and shall not impose upon the ENGINEER any obligation to see that the work is performed in a safe manner.
- 15. The ENGINEER will review the Contractor's applications for progress and final payment and, when approved, submit same to the OWNER for payment.
- 16. The ENGINEER will prepare and review necessary contract Change Orders on a timely basis for consideration of approval by the OWNER.
- 17. The ENGINEER and a representative of the OWNER will make an inspection of the project or project element to determine the status of completion. The ENGINEER may issue a Certificate of Substantial Completion consistent with the General Conditions of the Construction Contract Documents.
- 18. The ENGINEER will provide the OWNER with one set of reproducible record drawings and two sets of prints at no additional cost to the OWNER. Such drawings will be based upon construction records provided by the Contractor during construction, as specifically required in the Construction Contract, and reviewed by the ENGINEER, and from the ENGINEER'S construction data.
- 19. If State statutes require notices and advertisements of final payment, the ENGINEER shall assist in their preparation.
- 20. The ENGINEER will be available for site visits to furnish engineering services and consultations necessary to correct unforeseen project operation difficulties for a period of one year after the date of Statement of Substantial Completion of the facility. The ENGINEER will assist the OWNER in performing a review of the project during the 11th month after the date of initiation of the 12 month warranty period.

SECTION B - COMPENSATION FOR ENGINEERING SERVICES

1. The OWNER shall compensate the ENGINEER for services in accordance with the following schedule:

Design Engineering:

- One Hundred Seven Thousand and No/100 Dollars (\$107,000)

Design phase work will be scheduled to limit expenditures in Fiscal Year 2006 - 2007 to \$50,000, with the remaining efforts to be billed in Fiscal Year 2007 - 2008.

Construction Engineering:

- Sixty Four Thousand and No/100 Dollars (\$64,000)

Construction phase work will be scheduled for expenditures in Fiscal Year 2008 - 2009.

- 2. The compensation for the above Engineering Services shall be as follows:
 - a. Design Services shall include items A-1 through A-5.
 - b. Billings shall be submitted monthly by the ENGINEER for Design Services during the previous month. Payments shall be made for these billings within 30 days. Billings shall be based on percent of completion for pre-design and Design services. The ENGINEER will provide a status report with the billing as requested.
 - c. Construction Engineering Services and Construction Inspection shall include items A-6 through A-20 and shall be billed by the ENGINEER on an hourly basis. The total shall not exceed the budget figures under Article B.1 above without the express written authorization of the OWNER.
 - d. Where hourly rates are used, they shall be in accordance with the Standard Hourly Rate Schedule, attached herewith and referenced Exhibit B.
 - e. In the event of multiple construction contracts, the ENGINEER may negotiate revised figures under Article B.1.
- 3. The budget figures shown above shall not be exceeded except by express written authorization of the OWNER.
- 4. Billings for Engineering Services shall be submitted in a format consistent with the payment provisions and format of the Agreement.

SECTION C - RESIDENT CONSTRUCTION INSPECTION

If the OWNER requests the ENGINEER to provide Resident Construction Inspection, the ENGINEER will, prior to the Preconstruction Conference, submit a resume of the Resident Inspector's qualifications, anticipated duties and responsibilities for approval by the OWNER. The OWNER agrees to pay the ENGINEER for such services in accordance with the "Inspector" rate schedule set out in Exhibit B. The ENGINEER will render to OWNER for such services performed hereunder during such period, the same to be due and payable by the OWNER to the ENGINEER on or before the 10th day of the following period. A separate agreement shall be negotiated for Resident Construction Inspections Services setting out estimated hours required and maximum estimated fees and charges.

SECTION D - ADDITIONAL ENGINEERING SERVICES

In addition to the foregoing being performed, the following services may be provided UPON WRITTEN AUTHORIZATION OF THE OWNER.

1. Financial feasibility or other special studies.

- 2. Record boundary surveys or other similar surveys, excepting surveys required to locate the construction project, or as identified in the scope of work.
- 3. Laboratory tests, borings, specialized geological, soil, hydraulic, or other studies recommended by the ENGINEER.
- 4. Record property surveys, detailed descriptions of sites, maps, drawings, or estimates related thereto; assistance in negotiating for land and easement rights.
- 5. Necessary data and filing maps for storm water discharge permits, water rights, adjudication, and litigation.
- 6. Redesigns not initiated by the ENGINEER after final Plans and Specifications have been approved by the OWNER, except redesigns to reduce the project cost to within the funds available.
- 7. Appearances before courts or boards on matters of litigation or hearings related to the project and providing services as an expert witness in connection with any public hearing, arbitration proceeding, or the proceedings of a court of record.
- 8. Preparation of Environmental Assessments or Environmental Impact Statement (E.I.S.).
- 9. Performance of detailed staking necessary for construction of the project in excess of the control staking set forth in Section A-12.
- 10. Preparing documents for alternate bids requested by Design phase work will be scheduled to limit expenditures in Fiscal Year 2007 to \$50,000, with the remaining efforts to be billed in Fiscal Year 2008, the OWNER.
- Providing consultation concerning replacement of any work damaged by fire or other cause during construction, and furnishing professional services of the type set forth as previously mentioned in this Agreement as may be required in connection with the replacement of such work.
- 12. Providing professional services made necessary by the default of the Contractor in the Construction Contract.
- 13. Providing construction engineering and inspection services after the construction contract time has been exceeded.

Unless identified as included in the proposed scope of work herein, payment for the services specified in this Section D shall be as agreed in writing prior to commencement of the work. The ENGINEER will render to OWNER for such services an itemized bill, once each month, for compensation for services performed hereunder during such period, the same to be due and payable by OWNER to the ENGINEER within 30 days.

SECTION E - OWNER'S RESPONSIBILITIES

1. The OWNER shall provide full information regarding his requirements for the project.

- 2. The OWNER shall designate, when necessary, a representative authorized to act in his behalf with respect to the project. The OWNER or his representative shall examine documents submitted by the ENGINEER and shall render decisions pertaining thereto promptly, to avoid unreasonable delay in the progress of the ENGINEER'S work.
- 3. The OWNER shall furnish all pertinent existing mechanical, chemical or other laboratory tests, inspections and reports as required by law or the Contract Documents, and which may impact the design.
- 4. The OWNER shall furnish such legal, accounting and insurance counseling services as may be necessary for the project, and such auditing services as he may require to ascertain how or for what purposes the CONTRACTOR has used the moneys paid to him under the Construction Contract.
- 5. If the OWNER observes or otherwise becomes aware of any fault or defect in the project or non-conformance with the Contract Documents, he shall give prompt oral notice with written confirmation thereof to the ENGINEER.
- 6. The OWNER shall furnish information required of him as expeditiously as necessary for the orderly progress of the work.

SECTION F - SPECIAL PROVISIONS

The following is agreed to by both parties:

- 1. That the OWNER reserves the right to request replacement of any Resident Inspector(s) furnished by the ENGINEER or to furnish the Resident Inspector(s) from the OWNER'S own forces, subject to the approval of the ENGINEER regarding the qualifications of the Resident Inspector(s). If the OWNER furnishes the Resident Inspector(s), the OWNER agrees that the Resident Inspector(s) will be under the direction and supervision of the ENGINEER.
- 2. That the OWNER shall pay for advertisement for bids, building or other permits, licenses, technical review fees, etc., as may be required by local, State or Federal authorities, and shall secure the necessary land easements and rights-of-way.
- 3. The ENGINEER will endeavor to assure compliance of his work with applicable State and Federal requirements.
- 4. That insofar as the work under this Agreement may require, the OWNER shall furnish the ENGINEER all existing maps, field survey data, grades and lines of streets, pavements, and boundaries, rights-of-way, and other surveys presently available, which will be returned upon project completion. ENGINEER will provide the OWNER a copy of survey notes establishing bench marks and location of improvements.
- 5. That if the engineering work covered in this Agreement has not been completed on or after the expiration of a Twelve(12) month period from the date of execution of this Agreement, the OWNER or ENGINEER may, at the option of either, on written notice, request a renegotiation of Sections B, C, and D (providing for the compensation to be paid the ENGINEER for services rendered) to allow for changes in the cost of services. Such new schedule of compensation is to apply only to work performed by the ENGINEER after delivery date of such written notice.

- 6. That this Agreement is to be binding on the heirs, successors and assigns of the parties hereto and is not to be assigned by either party without first obtaining the written consent of the other. At least fifteen (15) days shall be allowed for such consent.
- 7. Attorney's fees: In the event a suit, arbitration or other legal action is required by either the OWNER or the ENGINEER to enforce any provision of this Agreement, the prevailing parties shall be entitled to all reasonable costs and reasonable attorney's fees upon litigation or upon appeal.

8. Termination

- a. This Agreement may be terminated in whole or in part in writing by either party in the event of substantial failure by the other party to fulfill its obligations under this Agreement through no fault of the terminating party, provided that no termination may be effected unless the other party is given (1) not less than ten (10) calendar days' written notice (delivered by certified mail, return receipt requested) of intent to terminate, and (2) an opportunity for consultation with the terminating party prior to termination.
- b. The Agreement may be terminated in whole or in part in writing by the OWNER for its convenience, provided that the ENGINEER is given (1) not less than ten (10) calendar days' written notice, (delivered by certified mail, return receipt requested) of intent to terminate, and (2) opportunity for consultation with the terminating party prior to termination.
- c. If termination for default is effected by the OWNER an equitable adjustment in the price provided for in the Agreement shall be made, but (1) no amount shall be allowed for anticipated profit on unperformed services or other work, and (2) any payment due to the ENGINEER at the time of termination may be adjusted to cover any additional costs to the OWNER because of the ENGINEER'S default. If termination for default is effected by the ENGINEER, or if termination for convenience is effected by the OWNER, the equitable adjustment shall include a reasonable profit for services or other work performed. The equitable adjustment for any termination shall provide for payment to the termination, in addition to termination settlement costs reasonably incurred by the ENGINEER relating to commitments which had become firm prior to the termination.
- d. Upon receipt of a termination action under paragraphs a. or b. above, the ENGINEER shall (1) promptly discontinue all affected work (unless the notice directs otherwise), and (2) deliver or otherwise make available to the OWNER reproducible data, drawings, specifications, reports, estimates, summaries and such other information and materials as may have been accumulated by the ENGINEER in performing this Agreement whether completed or in process.
- e. Upon termination under paragraphs a. or b. above, the OWNER may take over the work and may award another party a contract to complete the work under this Agreement.
- f. If, after termination for failure of the ENGINEER to fulfill contractual obligations, it is determined that the ENGINEER had not failed to fulfill contractual obligations, the termination shall be deemed to have been for the convenience of the OWNER. In such event, adjustment of the Agreement price shall be made as provided in paragraph c. of this clause.

- 9. The ENGINEER agrees to insure, hold harmless and indemnify the OWNER against all claims, damages, losses and costs, including costs of defense, arising out of the negligent performances of engineering services under this Agreement. OWNER may make claim under applicable law against ENGINEER or ENGINEER'S insurance carriers for any loss, damage or cost arising out of ENGINEER'S negligent performance of services under this Agreement.
- 10. The ENGINEER agrees to acquire and maintain for the duration of this Agreement, Professional Liability Insurance in the nominal amount of \$1,000,000. The ENGINEER further agrees to obtain and maintain, at the ENGINEER'S expense, such insurance as will protect the ENGINEER from claims under the Worker's Compensation Act and such comprehensive general liability insurance as will protect the OWNER and the ENGINEER from all claims for bodily injury, death, or property damage which may arise from the performance by the ENGINEER or by the ENGINEER'S employees of the ENGINEER'S functions and services required under this Agreement.
- 11. The ENGINEER will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The ENGINEER will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin, such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; lay off or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
- 12. ENGINEER covenants that he presently has no interest and shall not acquire interest, direct or indirect, which would conflict in any manner or degree with the performance of his services under this Agreement. Any interest on the part of the ENGINEER or his employees must be disclosed to the OWNER.
- 13. INDEPENDENT CONTRACTOR. It is agreed that ENGINEER is providing the services hereunder as an independent contractor and not as an employee of OWNER.
 - OWNER shall have no right to control the manner of the performance of the services, but may place restrictions on ENGINEER relating to use of OWNERS premises. As an independent contractor, ENGINEER shall not be eligible to receive benefits otherwise provided to employees of the OWNER.
- 14. The records and documents with respect to all matters covered by the Agreement shall be subject at all times to inspection, review or audit by the OWNER, County, Federal or State officials so authorized by law during the performance of this contract. Required records shall be retained for a period of three (3) years after termination of this Agreement
- 15. No member or delegate to the Congress of the United States and no Resident Commissioner or City Official shall be admitted to any share or part of this Agreement or to any benefit that may arise hereunder.
- 16. This CONTRACT shall be construed according to the laws of the Sate of Oregon. Any litigation between the OWNER and the ENGINEER or out of work performed under this CONTRACT shall occur, if in the state courts, in the Clackamas County Court having jurisdiction thereof, and if in the federal courts, in the United States District Court for the District of Oregon.

17. This Agreement, including Exhibits A and B, represents the entire integrated agreement between the OWNER and the ENGINEER and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both the OWNER and ENGINEER.

IN WITNESS WHEREOF, the parties hereto have executed, or caused to be executed by their duly authorized officials, this Agreement in duplicate on the respective dates indicated below.

OWNER: CITY OF CANBY	ENGINEER: CURRAN-McLEOD, INC.
SIGNATURE: Melocy Thompson	SIGNATURE: (PM)
Miles	NAME: CURT MCLEOO
TITLE: Mayor	TITLE: PRINCIPAL
DATE: 5/16/2007	DATE: 5/17/07

June 15, 2006

CURRAN-MOLEOD, INC. CONSULTING ENGINEERS 6655 S.W. HAMPTON STREET, SUITE 210 PORTLAND, OREGON 97223

Mr. Darvin Tramel City of Canby 182 North Holly Street Canby, OR 97013

RE: CANBY WASTEWATER TREATMENT PLANT PHASE III WASTEWATER TREATMENT IMPROVEMENTS

Dear Darvin:

Attached is a draft contract for your review and a task plan for the 2006-07 budget year for Phase III improvements to the Wastewater Treatment Plant. This letter discusses each improvement so you can better define or revise the scope as needed. This task plan is undertaking a portion of the SDC listings that Ray will be proposing in his SDC update this spring.

Our office has been involved in planning or design of all of these projects over the past decade and this work would fall under the Engineering RFP solicited by the city in 1993. As a result, the City is allowed to enter into a direct contract for the professional services under ORS 279C.115 without an RFP process. We would recommend that the City execute a new contract for this additional work and the work can proceed immediately. The work scope includes the following items:

Canby Wastewater Treatment Plant 2006-07 PLANT IMPROVEMENTS

	FACILITY IMPROVEMENT PROJECT	ESTIMATED CONSTRUCTION COST	Engineering		TOTAL
			DESIGN	CONSTR	ESTIMATED COST
1	Secondary Scum Pump Station	\$35,000	\$1,000	\$4,000	\$40,000
2	Effluent Filtration Equipment	232,000	4,000	14,000	250,000
3	RV Waste Receiving Station	87,000	14,000	4,000	105,000
4	Effluent Disinfection facilities	258,000	34,000	18,000	310,000
5	Sludge Drying & Storage	1,322,000	54,000	24,000	1,400,000
	TOTAL PROJECT COSTS	\$1,934,000	\$107,000	\$64,000	\$2,105,000

1. Secondary Scum Pumping Station:

This station will isolate the scum drain lines from the headworks and permit wasting scum directly to the WASH tank. We anticipate a single submersible pump with overflow to the headworks. Piping will interconnect with the wasting line which is only a few feet north of the existing scum manhole D6. Plans for this project were completed in 2002 and are in a form acceptable to bid.

Mr. Darvin Tramel June 15, 2006 Page 2

2. Effluent Filtration Equipment:

The 2002 plant improvements constructed the effluent filtration facilities with room to add a second unit. This project will include integrating the controls and purchasing the second disc filter for the existing basin. The design will analyze and most likely convert the new unit (or both units) to the new deep pile fabric. Engineering costs are primarily to incorporate the specifications into a bid document.

3. RV Waste Receiving Station:

This will include an access controlled structure with combination RV discharge area and adjacent drying beds for catch basin and street sweeping debris storage and dewatering. The facility is anticipated to be parallel facilities with concrete block walls and metal roof to match the shops design. The station will be monitored with CCTV equipment with display in the WWTP office, and swipe pad or keypad for entrance. Swipe pad will record date, time and discharger's name and address, and if the information is in compliance with rules, the swipe pad will open the access gate to permit discharge.

This structure will need to coordinate with the existing drying beds at the City shops. Our preliminary concept to center on the existing access gate may require the removal of large trees and relocation of the existing drying beds and associated plumbing. Alternatively, this entire facility may be best located just inside the City gate and adjacent to the existing facility.

Design work will require structural calculations for building permits.

4. Effluent Disinfection Improvements:

This scope of work is to complete the pre-design work, design and construction of an updated UV disinfection system. The existing system was installed in 1994. The engineering work scope was quantified in our correspondence to you last year and is essentially unchanged and includes:

- Estimate projected 20 year wet weather flows (peak instantaneous and daily maximum) from existing flow records and projected population growth
- Review discharge monitoring report records for effluent quality and UV transmittance.
- Evaluate the existing UV disinfection system channel structural design and level control system suitability for projected 20 year design flows. Evaluate system for design short comings and quantify corrective measures if needed.
- Evaluate existing and future power demands/needs by UV system based on 20 year design life of a new/upgraded UV system.
- Evaluate the feasibility, cost effectiveness and long term reliability of retrofitting the existing UV disinfection control and power distribution system with new components.

Mr. Darvin Tramel June 15, 2006 Page 3

- Evaluate alternatives to retro-fitting existing UV disinfection system with alternative systems. This would include consideration and evaluation of open channel horizontal and vertical low or medium pressure systems by manufacturers that could adapt to the existing channel configuration, most typically Trojan; and enclosed piped UV disinfection systems such as Aquionics.
- Identify programming modifications required to integrate proposed control changes into existing SCADA system.
- Prepare the pre-design report and submit to DEQ for approval.
- Upon approval of DEQ, provide engineering for civil, mechanical, and electrical drawings and specifications to implement recommended improvements.
- Submit UV system plans to DEQ for review and approval. Provide technical assistance to City of Canby during construction.

We have solicited an estimate from Trojan for their low pressure, medium intensity lamp system, with a capacity of 7 MGD peak. This will include two banks of 32 lamps for a total of 64 lamps. Total equipment cost was \$170,000.

5. Sludge Drying & Storage Improvements

This project is intended to facilitate the increased sludge processing demands by providing a 90% dry, granular, Class 'A' waste product and includes expansion of the storage facility to provide onsite storage. Due to the large volume produced annually, the equipment estimates provided by the manufacturer's rep was over \$1.0 million.

This project will include a pre-design report to address sizing, site layout and cost effectiveness. Tentatively, we have sized the unit based on 500 dry tons per year in 2006 escalating to 1,000 dry tons by 2026. This is a reduction from the number the tons processed last year as a result of 20 to 25% of the processed sludge was lime solids. The application of lime will not be required with the dryer.

The design anticipates placing the unit in the open bay of the dewatered sludge building and extending the building north to provide for additional dried sludge storage. The exhaust scrubber will be located west of the bay and outside of the building. We anticipate reusing the Seepex pump system. If we continue to have consistency problems that hinder conveying the solids into the dryer, we can replace the Seepex equipment with a conveyor in a later project.

This will require a 2 wet ton per hour unit, which will run on average 20 plus hours a week today and 40 hours a week in 20 years. The unit requires 105 hp of electrical supply and sufficient gas service to provide approximately 50 therms per day in year one. The installed equipment cost is roughly estimated at \$1,100,000. Monthly operating costs for gas and electricity only will be approximately \$2,000.

Mr. Darvin Tramel June 15, 2006 Page 4

Gas and electrical power supplies are a difficult task. Gas must simply be piped to the BFP Building for this application. Electrical power can come from several locations but will require trenching either from the Power Distribution Building or the New Blower Building to the BFP building. The magnitude of these electrical demands exceed the spare capacities of the existing BFP building.

SCHEDULING AND PRICING

All of these project tasks are independent of weather conditions and can be initiated at any time. We anticipate design efforts, if you elect to do all listed tasks, will be approximately six months. Construction efforts will depend upon delivery schedules, with the UV and drying equipment being the longest lead time at 18 to 24 months.

All design efforts are fixed cost that include the preparation of design plans and specifications through DEQ approval. The construction phase efforts are on an hourly basis as you determine are needed and also include revisions to the operation & maintenance manuals. Total engineering costs are low relative to the construction cost, however, there are three large equipment purchases that imbalance this figure. Total engineering costs are estimated at slightly over 8%. Total project cost for all of these Phase III tasks is estimated at \$2,105,000.

Material costs have been very volatile due to the world events. Construction costs are similarly volatile due to the material pricing. Metals have been especially impacted, such as copper rising three-fold in the past two years. The result is that estimating construction costs is difficult and material quotes are only held a short time. We need to maintain sufficient reserves to allow for contingencies for all work. You may also want to postpone one or more tasks pending budget availability.

Let me know your thoughts on the work scope and scheduling. If you have questions, please call.

Very truly yours,

CURRAN-McLEOD, INC.

Curt J. McLeod, P.E.

cc: John Williams

enclosure

STANDARD HOURLY RATES

Effective March 1, 2007

Senior Principal Engineer	\$ 120.00
Principal Engineer/Manager	110.00
Project Engineer/Project Manager	100.00
Design Engineer	92.00
Design Technician	70.00
Graphics Technician	55.00
Word Processing	50.00
Resident Project Representative	60.00

REIMBURSABLE EXPENSES

Reproduction expenses are at cost.

Auto expenses reimbursed at 48.5¢ per mile.

Per diem expense at cost.

CURRAN-McLEOD, INC., Consulting Engineers