

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 25-5514 OF THE METRO COUNCIL ACTING AS THE METRO CONTRACT REVIEW BOARD FOR THE PURPOSE OF AUTHORIZING AN EXEMPTION TO THE COMPETITIVE BIDDING PROCEDURES AND AUTHORIZING PROCUREMENT OF CONSTRUCTION MANAGER/GENERAL CONTRACTOR SERVICES BY COMPETITIVE REQUEST FOR PROPOSALS FOR INSTALLATION OF A PERMANENT STORMWATER TREATMENT SYSTEM AT THE METRO CENTRAL TRANSFER STATION

Date: July 07, 2025
Department: Capital Asset Management
(CAM) - Construction Project Management
Office (CPMO)
Meeting Date: September 18, 2025

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Length: 30 min

ISSUE STATEMENT

Metro Local Contract Review Board is asked to consider approving Resolution 25-5514 to authorize an exemption to the competitive bidding procedures and authorizing procurement of a construction manager and general contractor ("CM/GC").

The Resolution 25-5514 and Exhibit A to that Resolution ("Findings") describe the specialized nature of this project. Based on the findings, the Metro procurement manager believes that a value-based selection process is more appropriate than a traditional, competitive bid (which solely considers lowest bid price). CPMO staff concur.

ACTION REQUESTED

Approve the recommendation to authorize the alternative procurement of Construction Manager General Contractor services by a competitive Request for Proposals (RFP) for the installation of a permanent stormwater treatment system at the Metro Central Transfer Station. This will allow Metro to consider cost as well as the contractor's experience and expertise in completing similar projects to select the most qualified contractor for the project.

IDENTIFIED POLICY OUTCOMES

A value-based selection process will enable WPES to procure the most qualified contractor to aid in the compliance of their stormwater permit requirements, site operations needs and logistics, and meet timelines that are dependent on weather and stormwater permit requirements. An integrated design and construction team will also advance the goal of being efficient and effective with limited budget.

POLICY QUESTION(S)

None

OPTIONS FOR COUNCIL TO CONSIDER

- Adopt Resolution 25-5514 approving the exemption from competitive bidding in favor of CM/GC project delivery method.
- Do not adopt Resolution 25-5514, resulting in staff procuring a contractor using the traditional Invitation to Bid procurement process.

STAFF RECOMMENDATION

For this project the Metro Procurement Manager believes that a value-based selection process for a Construction Manager General Contractor is more appropriate than a traditional, design-bid-build procurement process. An alternative qualifications-based procurement method, RFP, enables Metro to specifically request and qualitatively evaluate proposers' prior experience with the unique parameters of this project including experience with occupied, operational sites; demonstrated successes with compressed schedules; cost control; limited staging space and phased construction.

Metro can also evaluate proposers' approaches to Certification Office of Business Inclusion and Diversity (COBID) subcontractor outreach and partnership as well as workforce diversity. This delivery method offers a better opportunity for public agencies to increase the use of COBID firms in sub-contracting opportunities.

STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION

- **Known Opposition:** None
- **Legal Antecedents:** LCRB Rule 49-0620(1), 49-0130, and 49-0690; Oregon Revised Statutes 279C.335 and ORS 279C.337.
- **Anticipated Effects:** The public procurement process will be open and competitive, and items other than cost will be considered in the awarding of the contract. Increased use of COBID subcontractors is anticipated.
- **Budget Impacts:** The RFP process offers safeguards for schedule and cost control of the project, including early involvement by construction contractor in the design process, as well as reducing impact from change orders.

BACKGROUND

Metro Central Transfer Station discharges stormwater under a 1200-Z National Pollutant Discharge Elimination System (NPDES) general industrial stormwater discharge permit ("1200-Z Permit") issued by the Oregon Department of Environmental Quality (ODEQ). Metro Central Transfer Station requires coverage under the 1200-Z Permit because of the Standard Industrial Classification (SIC) code assigned to the facility and the potential exposure of contaminants to stormwater from site operational activities.

The 1200-Z Permit requires Metro to collect stormwater samples four times per year to demonstrate compliance with the 1200-Z Permit's statewide and sector-specific benchmark parameters and impairment pollutant concentrations established by the 1200-Z Permit. Metro exceeded its 1200-Z Permit's geometric mean benchmarks between 2012 and 2014, requiring Metro to design a Tier II corrective action per the 1200-Z Permit.

In 2015, Metro retained an engineer to design a Tier II corrective action to bring stormwater discharges back into compliance. Between 2016 and 2020, the media filtration system improved stormwater discharge quality; however, high amounts of nutrients in the stormwater caused bacterial growth and continuous fouling of treatment system filters. The fouling resulted in a substantial reduction in stormwater treatment rates and required frequent and costly filter replacements and system maintenance. The stormwater treatment system equipment vendor attempted to make improvements to the system, but Metro and the vendor were unable to identify an acceptable solution that would substantially improve the performance of the system and reduce maintenance and consumable replacement costs.

Based on additional stormwater treatability studies and recommendations from environmental consultants starting in 2020, Metro elected to modify the Tier II corrective action and install a temporary electrocoagulation (“EC”) stormwater treatment system and pilot test its efficacy. After all necessary approvals, the new temporary stormwater treatment system was installed in June 2023.

The temporary EC stormwater treatment system pilot test has demonstrated that the tested EC system technology can treat Metro Central Transfer Station stormwater effectively with lower maintenance and consumable costs.

To ensure that the temporary EC stormwater treatment system was the best and most economical technology for the site, in October 2024, CMPO retained a stormwater engineer to further evaluate stormwater treatment options for Metro Central Transfer Station. Based on the results of the evaluation, site limitations, and the success of the temporary EC system, the engineer recommended that Metro proceed with a permanent EC system to maintain the treatment efficacy that has been observed from the leased system to avoid the need and cost for field testing alternative technologies. Staff recommends that this system be procured with an alternate procurement (CM/GC) process.

A CM/GC project delivery method, wherein the General Contractor partners with the Professional Design Team and Metro Project Manager, is beneficial to Metro because it provides early contractor input regarding design constructability, permitting, project phasing, equipment, equipment connectivity, material staging areas, construction access, and scheduling. Specifically for this project, the CM/GC project delivery is preferred due to the project’s need for careful integration of physically constructed elements, mechanical systems, electronic systems, and control and communication systems while working at a site with considerable operational constraints and specific timing needs.

Special CM/GC coordination is necessary to ensure that the delivered project will:

- Consider the known and tested stormwater treatment technology and install the components so they operate as successfully as the pilot-tested EC system.
- Install a stormwater treatment system with low operational, maintenance, and consumable costs.
- Install a stormwater treatment system within a short time window so that Metro Central Transfer Station can continue to maintain compliance with and meet its 1200-Z Permit obligations and minimize potential Permit violations.
- Install a stormwater treatment system that operates effectively with existing built and pre-treatment infrastructure and equipment.

- Ensure that existing and new elements and components are all compatible and constructable at the time of design leading to fewer change orders and reduced loss of time in the field.
- Ensure adequate and integrated phasing of all project elements to minimize disruptions to operations and both commercial and public haulers using the station.
- Ensure that schedule will be met and contingencies are in place for unforeseen circumstances to complete construction during dry weather months.

The CM/GC project delivery method also helps Metro staff better understand construction costs early in the design process and refine estimates throughout design with all parties agreeing upon a Guaranteed Maximum Price (GMP) prior to the start of construction. The use of CM/GC's GMP avoids project delays and expensive change orders, helps to reduce liability and revenue risks to Metro, and provides a foundation of cooperation upon which a high-quality result may be achieved, on schedule and on budget.