

West Point Current Status and Future Work
Motion 14813. Section C

*Excerpted from: **West Point Quarterly Report Q4 2017: West Point Treatment Plant Progress Report, Implementation Plan for AECOM Recommendations and Requirements of the Washington State Department of Ecology's Administrative Order, and Staff Retention at West Point and Staff Reporting Tool**, Prepared in accordance with Motion 14813, Section C, Ordinance 18627 and Ordinance 18628, January 2018*

Significant progress was made during the fourth quarter 2017 towards bringing West Point to full system operation with permanent equipment. The repair and replacement of equipment destroyed by the emergency flood event is nearing completion with work wrapping up in all areas of the recovery effort, including restoration of permanent power. Restoration of the secondary treatment system at West Point was completed in April and by May 9, 2017, the plant was again operating and complying with all required permit conditions. The primary and secondary treatment systems, including the digesters, dewatering and solids handling, are all operating, and treating wet-weather flows.

Major work now completed for the repair and restoration of the plant's full function includes the following:

- Repaired, replaced, and tested all but one of 97 flooded pumps
- Replaced all 25 flooded electrical transformers
- Replaced or repaired all 151 damaged electric motors
- Replaced all 200 flooded electrical motor control centers
- Repaired or replaced all 125 electrical panels
- Replaced and rebuilt all of the 125 flooded local electrical control stations
- Dried and tested 100 percent of the miles of flooded electrical conduit and conductors
- Disinfected and replaced more than 2000 flooded light fixtures, including exit signage
- Replaced 100 percent of the more than 1200 flooded outlets and switches
- Replaced or rebuilt 99 percent of more than 200 flooded solenoids
- Inspected, tested, and repaired or replaced 99 percent of 125 flooded instruments
- Replaced all of the miles of flooded insulation
- Replaced all six of the flooded ovens controls (the automated system controls) for odor control
- Replaced the four flooded ovens controls for solids handling
- Completed "cut-over" to permanent electrical motor control centers to operate all systems
- Replaced one air-handler fan that failed after installation, now back in service
- Balanced air flow (via air handling units) throughout the plant galleries
- Restored permanent power to all three of the plant's Boilers

Major work scheduled for completion in 2018 includes the following:

- Complete installation of three environment control panels (HVAC control panels)
- Modify Boiler 2 to switch over to permanent propane and methane dual gas fuel source (currently running on temporary propane only)
- Tune Boilers 1 and 3 to operate at 100 percent of designed capacity (for heating secondary treatment tanks)
- Complete the replacement of 25 temporary doors with permanent doors
- Finish Digester Tunnel air handling unit installation and start-up, including the associated pneumatic controls and hot water circulation pump
- Reconstruction of the flooded employee equipment locker room
- Balancing air flow (via air handling units) in the Solids processing basement

Contracts Utilized and Contracted Expenditures during the Previous Quarter

Attachment A to this report shows the contracts entered into by firm and the major category of service provided (e.g., electrical contractor, safety supplies). Table 2 on Attachment A lists contracts specifically procured under the waiver extended by Motion 14813, while Table 3 shows contracts utilized that were procured under normal contracting requirements. Attachment A also shows the amount committed and the amount paid in the fourth quarter 2017 and life to date (LTD).

Project Expenditures to Date and Anticipated Expenditures

The total restoration project expenditures for the fourth quarter 2017 (October-December) were approximately \$2.5 million. As shown in Table 1 of Attachment A, both the fourth quarter 2017 and life to date (LTD) totals are reported. This amount

includes the invoices paid to date for each major category of contract and materials or equipment, whether purchased directly by WTD or through a contractor, along with King County labor costs through December 1 which is the latest pay period available. In total, \$19.2 million has been spent to date on restoration efforts.

Project expenditures anticipated for the first quarter 2018 are shown in Table 1. Because of the uncertainty associated with estimating future costs of an emergency restoration of this magnitude, an expected low and high cost estimate for first quarter 2018 expenditures is provided to more realistically account for this variability. Relative to initial forecasts of the total restoration cost estimate there is a favorable downward trend in costs suggesting the total cost will be closer to the low end of the estimate. For the final total cost of restoration, the current updated full cost estimate for all work is anticipated to be less than \$26 million.

Status of Insurance Claims

Immediately following the February 9 flooding, WTD began working with King County's Office of Risk Management Services and Marsh LLC, WTD's insurance broker, to initiate the insurance claims process. WTD has insurance coverage up to

\$25 million from FM Global with a \$250,000 deductible and \$75 million (from \$26 million in losses up to \$100 million) from excess insurance carriers.

WTD is receiving insurance reimbursements as it submits the required documentation to demonstrate the costs that have been incurred for restoration. Through December 31, 2017, FM Global reimbursed WTD a total of \$12.5 million.

Summary of Procurement Actions Anticipated Under Waiver Authority

As previously described, the list of contracts obtained under the waiver is displayed on Table 2 of Attachment A. These emergency contracts allowed WTD to begin cleaning and restoration work immediately after the flooding event in order to fully restore treatment capabilities at the plant in the shortest time possible. No new contracts using the waiver exemption from competitive bidding requirements are expected for this effort in future work.

Summary of Actions Taken to Obtain Competitive Procurements and Comply with Standard Contracting Requirements

As noted in Attachment A, WTD utilized several existing contracts that were obtained under normal procurement policy (i.e., did not use the waiver as authorized under Motion 14813) to perform the work. These contracts were in place prior to the emergency waiver and, therefore, in compliance with competitive contracting requirements. The waiver allowed WTD to hire contractors without going through the competitive bid process to expeditiously begin restoration work. As directed by the King County Council, the new contracts under the waiver do include most standard contracting requirements under King County Code (referenced in Motion 14813).

Specifically, the existing and new contracts for West Point restoration comply with King County Code sections relating to minimum wage, 12.16 relating to nondiscrimination, 12.17 relating to unfair contracting practices, 12.17 relating to unfair employment practices, and 12.19 relating to nondiscrimination in benefits.

To further King County's equity and social justice goals, WTD is encouraging contractors to utilize Small Contractor and Supplier (SCS) firms while still working to meet schedule requirements. An example of this is the inclusion of a total of six qualified SCS firms as subconsultants to the Engineering Services (CH2M as prime) and Construction Management (Jacobs as prime) contracts obtained under the Motion's waiver exemption. These six firms have a total of \$760,000 allocated to them in the contract budgets. Several other SCS firms are also participating in the recovery effort.

WTD also is requesting that all contractors and consultants selected under the waiver exemption provide information on their use of SCS firms through the County's procurement database. To date, \$561,000 has been paid to the SCS firms subcontracted under just the CH2M and Jacobs contracts cited earlier.

Moving forward, WTD will continue to use the normal competitive bid process to the greatest extent possible for any newly identified work not already covered by an existing contract. As Attachment A shows, the majority of work is being performed by firms who qualified under normal competitive processes. Small purchase amounts from competitively bid contracts are summarized in the last line of Table 3 in Attachment A for brevity and there are dozens of firms utilized in such purchases, all of them competitively bid. This competitive procurement and utilization of the other firms listed under Table 3 comprise the vast majority of the firms supporting the restoration efforts at West Point.

As plant operations have been successfully brought back online, two waiver-eligible projects were selected to be competitively procured in 2018 in an effort to further execute work under standard contracting requirements. These projects are the replacement of the 25 damaged gallery doors and reconstruction of the flooded employee equipment locker room. These two projects will total approximately \$1,000,000 in new contracts.

Cost Tables for West Point Treatment Plant Report (Motion 14813)

Table 1:

West Point cleanup costs:						
	2017 Q4	Life to Date LTD	forecast low expend. 2018 Q1	forecast high expend. 2018 Q1	forecast low LTD through 2018 Q1	forecast high LTD through 2018 Q1
Total contracted	\$ 2,251,807	\$ 15,433,121	\$ 1,351,084	\$ 3,316,853	\$ 16,784,205	\$ 18,749,974
Total King County labor	\$ 221,955	\$ 3,285,343	\$ 133,173	\$ 266,346	\$ 3,418,516	\$ 3,551,689
Total materials/equip. (direct purchase. other)	\$ 32,112	\$ 433,097	\$ 25,689	\$ 38,534	\$ 458,787	\$ 471,631
Total	\$ 2,505,874	\$ 19,151,561	\$ 1,509,946	\$ 3,621,733	\$ 20,661,508	\$ 22,773,294

Table 2:

Contract costs: Contracts procured under emergency waiver

Vendor Name	Contract #	Type of work	Current Total \$ Authorized	Current Total \$ Committed *	Paid 2017 Q4	Paid LTD
Burke Electric	C001148C17	Electrical Contractor	\$5M	\$ 2,437,891	\$ 91,189	\$ 1,216,569
Dutton Electric	C001149C17	Electrical Contractor	\$5M	\$ 3,115,578	\$ 806,011	\$ 2,111,136
Valley Electric	C001150C17	Electrical Contractor	\$5M	\$ 3,001,764	\$ 130,855	\$ 1,309,667
Hawk Mechanical	C001151C17	Mechanical Contractor	\$5M	\$ 4,420,500	\$ -	\$ 2,826,392
CH2M Hill	E00484E17	Planning & Engineering Services	\$5M	\$ 3,089,493	\$ 444,739	\$ 2,527,289
Jacobs	P00216P17	Construction Management	\$5M	\$ 873,251	\$ 48,259	\$ 811,502
Subtotal:			\$30M	\$ 16,938,477	\$ 1,521,053	\$ 10,802,555

* Note: Total \$ Committed is the contractual "Not to Exceed" value of work orders issued, and is not a guarantee of final contract payout (cost).

Table 3:

Contract costs: Contracts procured under Normal procurement requirements (not via emergency waiver)

Vendor Name	Contract #	Type of work		Current Total \$ Committed	Paid 2017 Q4	Paid LTD
CH2M	E00159E09	Assessment Engineering & Cost Estimating		\$ 110,905	\$ 14,209	\$ 110,905
Aerzen USA Corporation	Multiple Purchase Orders (PO)Issued	Centrifugal blower package		\$ 122,320	\$ -	\$ 122,320
Applied Industrial Technologies, Inc.	Multiple POs Issued	Bearings, belts and related items		\$ 19,500	\$ 639	\$ 19,500
APSCO, LLC	5578958	Pumps, Parts & Service		\$ 21,467	\$ 9,668	\$ 21,467
Ballard Transfer	Multiple POs Issued	Equipment load and delivery		\$ 13,190	\$ 8,970	\$ 13,190
Beaver Equipment Specialty CO, Inc.	5939697	Wastewater equipment		\$ 43,383	\$ 43,383	\$ 43,383
		Technical Services For West Point Treatment				
Brown and Caldwell, Inc.	5959166	Plant Assessment		\$ 217,763	\$ 217,763	\$ 217,763
Cole Industrial, Inc.	Multiple POs Issued	Boiler		\$ 133,500	\$ -	\$ 133,500
Day Wireless Systems, Inc.	Multiple POs Issued	Portable radios		\$ 66,716	\$ 7,772	\$ 66,716
Delta Electric Motors, Inc.	5851106	Motor		\$ 259,343	\$ 4,782	\$ 259,343
Electrical Reliability Services, Inc.	Multiple POs Issued	Electrical equipment diagnostics		\$ 12,929	\$ 2,305	\$ 12,929
Ferguson Enterprises, Inc.	480020	Plumbing parts/supplies		\$ 53,311	\$ 23,943	\$ 53,311
Flohawks/Skagit Transportation	525799	Sludge hauling		\$ 290,858	\$ -	\$ 290,858
Fluid Components International	Multiple POs Issued	Flow meters and related services		\$ 15,293	\$ -	\$ 15,293
Grainger	5739895	Supplies		\$ 130,378	\$ 13,060	\$ 130,378
Granich Engineered Products, Inc.	Multiple POs Issued	Pumps and related equipment		\$ 13,862	\$ -	\$ 13,862
Graybar Electric Company	5443005	Electrical and electronic supplies		\$ 13,666	\$ -	\$ 13,666
Hach Company	Multiple POs Issued	Turbidity meters & chlorine analyzers		\$ 13,116	\$ -	\$ 13,116
HDR Engineering, Inc.	5707708	Design and Technical Review Services		\$ 273,294	\$ 243,807	\$ 243,807
Industrial Boiler Service, Inc.	5921638	Boiler service and repair		\$ 41,648	\$ -	\$ 41,648
		JWC proprietary equipment, parts and services				
JWC Environmental	5809030	(Grinder repair)		\$ 32,397	\$ 20,684	\$ 32,397
Marsh Risk Consulting	5925418	Forensic accounting and claims services		\$ 144,327	\$ 8,798	\$ 144,327
Micro Motion, Inc.	Multiple POs Issued	Electronic control equipment		\$ 36,111	\$ -	\$ 34,587
Motion and Flow Control Products, Inc.	5617876	Hoses and fittings		\$ 42,588	\$ 16,096	\$ 42,588
National Safety, Inc.	Multiple POs Issued	Safety supplies		\$ 44,686	\$ 456	\$ 44,686
Nelson Petroleum	5422698	Lubricants		\$ 10,087	\$ -	\$ 10,087
North Coast Electric Company	5401608	Electric supplies		\$ 60,805	\$ 165	\$ 60,805
NRC Environmental Services	5921053	Site cleanup & disinfection		\$ 851,536	\$ -	\$ 851,536
Pacific Mobile	5943625	Temporary facilities		\$ 41,404	\$ 6,826	\$ 41,404
Pacific Power Group, LLC	222872	Low Emission Diesel Engine Generator Sets		\$ 44,460	\$ -	\$ 44,460
Paramount Supply CO, Inc.	Multiple POs Issued	ASCO valves & related parts		\$ 26,840	\$ 153	\$ 26,840
PCE Pacific, Inc.	Multiple POs Issued	Process control supplies		\$ 25,315	\$ 11,812	\$ 25,315
PumpTech, Inc.	5890559	Pumps		\$ 44,506	\$ 903	\$ 44,506
Recology Cleanscapes, Inc.	5540200	Waste disposal/garbage pick-up		\$ 10,639	\$ -	\$ 10,639
Red Hawk Fire & Security (CA), LLC	5492659	Fire Alarm Equipment		\$ 62,983	\$ -	\$ 62,983
Rosemount, Inc.	Multiple POs Issued	Measurement equipment		\$ 48,785	\$ -	\$ 48,785
Seattle Public Utilities	5412501	Water		\$ 451,197	\$ -	\$ 451,197
Stellar Industrial Supply	Multiple POs Issued	Industrial items (small tools/supplies)		\$ 19,309	\$ 152	\$ 19,309
Value Management Strategies, Inc.	Multiple POs Issued	Consulting		\$ 79,764	\$ 36,572	\$ 79,764
Walashek Industrial & Marine	Multiple POs Issued	Boiler		\$ 561,413	\$ -	\$ 561,413
Multiple Vendors (each < \$10,000)		Various Miscellaneous purchases		\$ 155,982	\$ 37,836	\$ 155,982
Subtotal:				\$ 4,661,577	\$ 730,754	\$ 4,630,566

Notes (see below)
1

2

Notes for Table 3

- 1. Existing contract bid normally (not under waiver) - Authorized limit is for tasks related to emergency
- 2. Existing King County Solid Waste Emergency Cleanup Work Order Contract