



**CITY OF HILLSBORO UTILITIES COMMISSION
PRELIMINARY AGENDA
Tuesday, November 8, 2016**

1:30 PM

Hillsboro Civic Center conference room C207

Public Meeting

150 E. Main Street

Assistive Listening Devices (ALD) and sign language interpreters are available, at no cost, and can be scheduled for this meeting. Please provide at least 72 hours notice prior to the meeting. To obtain these services, call (503) 681-6100 or TTY (503) 681-6284.

ALL TESTIMONY IS ELECTRONICALLY RECORDED.

Call to order at 1:30 p.m.

CALL TO ORDER

1. **CONSENT AGENDA** (The entire Consent Agenda is normally considered in a single motion. Any Commissioner may request that an item be removed for separate consideration.)
 - A. Approve regular meeting minutes from October 11, 2016.
 - B. Approve special meeting minutes from October 18, 2016.

2. **UNFINISHED BUSINESS**
 - A. None scheduled.

3. **NEW BUSINESS**
 - A. Consider approval of contract with HDR for real estate services. *Staff Report – David Kraska*

 - B. Consider approval of contract with Northwest Pipe for pipe pre-purchase for PLW 1.1. *Staff Report – David Kraska*

4. **DISCUSSION ITEMS** (These items may result in actions by the Commission.)

- A. Review of JWC Draft Curtailment Plan. *Staff Report – Tacy Steele*
- B. Director’s Report. *Staff Report – Kevin Hanway*

5. **COMMUNICATIONS AND NON-AGENDA ITEMS**

This is an opportunity for members of the public to address the Utilities Commission, and for staff to deliver to the Commission other communications that have been received from the public.

- A. None scheduled.

6. **ADVICE/INFORMATION ITEMS**

- A. The next Utilities Commission meeting is scheduled for 1:30 p.m. on December 13, 2016, at the Civic Center in Room C207.
- B. The next regular JWC and BRJOC meetings are scheduled on Friday, January 13, 2017, at the Civic Center. The BRJOC meeting will be held at 12:30 p.m. in Room 113B with the JWC meeting immediately following.

**CITY OF HILLSBORO
UTILITIES COMMISSION
MINUTES**

**Civic Center
Conference Room 207**
1:30 p.m.
150 E. Main St.

October 11, 2016
Tuesday
Public Meeting

COMMISSIONERS: John Godsey, John Rosenberger and David Judah

STAFF: Kevin Hanway, Rob Dixon, Mellisa Franklin, Niki Iverson, Sophia Hobet, Enrique Vega, Tyler Wubbena, Tacy Steele, Michelle Wareing, Andy Smith and Carrie Dale

OTHERS: Gary Zurbrugg

ALL TESTIMONY IS ELECTRONICALLY RECORDED.

Call to order at 1:30 p.m.

CALL TO ORDER

1. **CONSENT AGENDA** (The entire Consent Agenda is normally considered in a single motion. Any commissioner may request that an item be removed for separate consideration.)
 - A. Approve regular meeting minutes from Tuesday, September 13, 2016.
 - B. Approve special meeting minutes from Thursday, September 29, 2016.

Motion made by Rosenberger, seconded by Judah, to approve the consent agenda as presented. The motion was passed unanimously with Commissioners Godsey, Rosenberger and Judah all voting in favor.

2. UNFINISHED BUSINESS

- A. None scheduled.

3. NEW BUSINESS

- A. This agenda item has been deleted.

Hanway stated Agenda Item A was a duplicate of Agenda Item D, and has been removed.

- B. Consider award of master services agreement to CH2M. *Staff Report – Kevin Hanway*

Hanway stated it is common practice to use a master services agreement for on-call services on a pre-qualified contract. Although the Department has not used them in the past, it is apparent that using one now could be beneficial for the WWSP project.

Hanway stated CH2M was selected through TVWD's process. The terms state no individual task order would exceed \$250,000.00. However, there could be multiple task items exceeding that amount over the length of the project. Hillsboro Water commits to report to the Commission the status of the contract as it changes.

Rosenberger asked if this was the subject of the recent RFP for a two year agreement, which could be extended for another three years; and if so, what are the chances that it would not be extended. Hanway confirmed that it is the agreement in question, and noted the agreement would be executed with the assumption that it will be extended to five years, as CH2M has a record of performing very well for the Department.

Judah asked for an example the types of tasks which might be requested under this contract. Wubbena responded that the tasks most likely to be requested would include corrosion control coordination. Iverson added that on-call expertise will be needed as permitting agencies bring up issues or concerns. She said as an example, in Wilsonville, the project will be crossing a major BPA transmission line and sub stations which require protections around a magnetic field.

Motion made by Rosenberger, seconded by Judah to approve the award of master services agreement to CH2M. The motion was passed unanimously with Commissioners Godsey, Rosenberger and Judah all voting in favor.

- C. Consider approval of contract with CH2M for professional services on PLM 5.0. *Staff Report – Dave Kraska and Tyler Wubbena*

Hanway referenced the map provided in the staff report, and highlighted the segment of the WWSP between Beef Bend Rd, along Roy Rogers and Scholls Ferry Rd. to the intersection with Farmington Rd. He said CH2M's initial bid was \$13 million, however, program staff negotiated the bid to \$10.1 million. He indicated the contract includes an escalation reserve of \$578,000.00, to allow for contingency and inflation between the bid process and the actual six to seven year work period. Rosenberger asked if this includes the purchase of the pipe for the project. Wubbena responded that it is for engineering design services and assistance during the bidding and construction phase, and does not include the pipe purchase.

Motion made by Rosenberger, seconded by Judah to approve the contract with CH2M for professional services on PLM 5.0. The motion was passed unanimously with Commissioners Godsey, Rosenberger and Judah all voting in favor.

- D. Consider forwarding recommendation to City Council for approval of IGA with Washington County and TVWD for funding and construction of transportation and water infrastructure improvements. *Staff Report – Kevin Hanway*

Hanway referred to the exhibit showing the section pipe that would be covered in this agreement. He said the pipe starts at the north terminus of 124th St. project along Tualatin Sherwood Rd., through Sherwood to the Roy Rogers intersection with Scholls Ferry Rd. The MOU sets the framework for all six pipe segments to be designed and built in coordination with Washington County road projects.

Hanway said there will be a separate IGA for each segment, and this sets the example for how costs will be allocated and shared. Each partner recognizes the cost savings and the reduction of impact on the community, the joint efforts will have. In this agreement, the WWSP pays for road restoration costs. This shared cost program is estimated to net \$1 million or more in savings. Hanway stated staff recommends the IGA be forwarded to City Council.

Motion made by Rosenberger, seconded by Judah, to forward recommendation to City Council for approval of IGA with Washington County and TVWD. The motion was passed unanimously with Commissioners Godsey, Rosenberger and Judah all voting in favor.

4. DISCUSSION ITEMS (These items may result in actions by the Commission.)

A. Financial Report. *Staff Report – Kevin Hanway*

Hanway reported that revenue for September almost met projections. He referred to the Water SDC fund section of the report which shows \$405,000.00 in SDC's during the first quarter of the fiscal year are below expectations. Hanway explained that with South Hillsboro moving forward, the number of permits issued should help improve that number. The SDC increase takes place March 1, 2017, and will further help close the gap.

B. Summer Activities. *Staff Report – Tacy Steele*

Steele stated Amy Geerling is now the coordinator for most of the Department's summer events. She said in addition to the usual summer events such as Pix on the Plaza, the Department was invited to participate in the Orenco Plaza grand opening. The contributions to these events cost staff time and some giveaways. The Department partnered with the Parks Department by donating the water needed for the temporary ice-skating rink in Orenco Station in December.

Hillsboro also participates as a partner of the JWC at the Washington County Fair, dividing the cost among the JWC partners. Fair attendance is approximately 10,000 and most attendees visit the JWC booth to fill their water bottles at the Hometown Tap and receive educational materials. She stated two JWC Hometown Taps were utilized at the Airshow.

Rosenberger asked if the Department participates in the in-school conservation program. Steele confirmed that the Department does participate in school conservation program. She said the Consortium sponsors one show for each agency per year, the Department offers additional shows and participates in the annual Children's Clean Water Festival.

Last summer the Department also promoted conservation due to the drought conditions, and this summer responded to lead concerns with education and a residential lead testing program.

C. Director's Report. *Staff Report – Kevin Hanway*

Commissioner Rosenberger provided an overview of the highlights from the Consortium meeting. He shared an executive summary on a water use study which showed how conservation efforts are working across the country and in Portland. Rosenberger stated the Consortium's annual budget preparation includes a conservation program, coordination and emergency preparedness. In response to the State's resiliency plan and because of the success of the conservation program, the 2017 budget will focus more on emergency preparedness. Without Metro and Wilsonville's membership and with less budget carry-forward, some program cuts and a dues increase are necessary in next year's budget. An increase of two to six percent will be included in February's budget proposal.

Hanway reminded the Commission of a special UC meeting to be held on Tuesday, October 18, 2016 at 1:00. He said the agenda packet will be provided at the JWC meeting on Friday, October 14, 2016.

Hanway stated effective October 1st, the Department's three meter reader positions were transferred to the Finance Department. This change will be reflected in the FY 2017 budget.

Hanway highlighted agenda topics for the November 2016 meeting.

5. COMMUNICATIONS AND NON-AGENDA ITEMS

This is an opportunity for members of the public to address the Utilities Commission, and for staff to deliver to the Commission other communications that have been received from the public.

A. None scheduled.

6. ADVICE/INFORMATION ITEMS

A. The next regular JWC and BRJOC meetings are scheduled on Friday, October 14, 2016, at the Civic Center. The BRJOC meeting will be held at 12:30 p.m. in Room 113B with the JWC meeting immediately following.

B. The next Utilities Commission meeting is scheduled for 1:30 p.m. on November 8, 2016, at the Civic Center in Room C207.

There being no further business to come before the Commission, the meeting adjourned at 2:35 p.m.

Chairman: _____

ATTEST: _____
Secretary

**CITY OF HILLSBORO
UTILITIES COMMISSION
MINUTES**

Civic Center
Conference Room 333
1:00 p.m.
150 E. Main St.

October 18, 2016
Tuesday
Special Meeting

COMMISSIONERS: John Godsey, David Judah and John Rosenberger

STAFF: Kevin Hanway, Tyler Wubbena, Niki Iverson, Tacy Steele and Tonya Bilderbeck

OTHERS: David Kraska, WWSP

ALL TESTIMONY IS ELECTRONICALLY RECORDED.

Call to order at 1:00 p.m.

CALL TO ORDER

1. EXECUTIVE SESSION

- A. Consider convening into Executive Session under:
 - 1. ORS 192.660(2)(e) for deliberation with persons designated by the governing body to negotiate real property transactions.
- B. Take action(s) related to Executive Session, if needed.

Motion by Rosenberger, seconded by Judah, to direct staff to proceed as discussed in Executive Session. The motion was passed unanimously with Commissioners Godsey, Judah and Rosenberger all voting in favor.

2. ADVICE/INFORMATION ITEMS

- A. The next Utilities Commission meeting is scheduled for 1:30 p.m. on November 8, 2016, at the Civic Center in Room C207.

There being no further business to come before the Commission, the meeting adjourned at 1:45 p.m.

Chairman: _____

ATTEST: _____
Secretary



STAFF REPORT

To: Utilities Commission

From: Kevin Hanway, Director

Date: November 4, 2016

Re: Agenda Item 3A – Consider approval of contract with HDR for real estate services

Staff Recommendation:

Approve award to HDR Engineering, Inc.

Cost:

Maximum contract amount \$2,125,000.
Hillsboro cost share \$850,000.

Budget:

1. FY 2016-17 WWSP Budget \$12,700,000
2. The Fund Source will be the Water SDC Fund.

Attachments:

1. Summary Memorandum
2. Exhibit A – Statement of Work
3. Exhibit B – Fee and Rates
4. Professional Services Agreement

Background:

The Willamette Water Supply Program, in which Hillsboro is a participant, will need to acquire property for a variety of purposes, including acquisition in fee title of sites for new facility structures, easements for construction and operation of pipelines, and rights of entry. The large number of transactions involved, the need to conduct effective negotiations, and the need to assure that all aspects of the transactions are conducted in accordance with statutory and regulatory requirements all support a conclusion that the Program should contract for provision of these services by professionals with demonstrated expertise in real estate acquisition for public bodies.

The proposed contract with HDR Engineering, Inc., provides for an initial agreement term of two-years. Based on the Program's estimate of the type and number of activities to be performed by HDR during that two-year period, the estimated fee for the initial agreement term is \$682,640. The contract permits up to four extensions for additional two-year terms, for a maximum term of ten years. The maximum authorized contract amount for the ten-year term is \$2,125,000.

Under the Program Agreement with Tualatin Valley Water District, Hillsboro is allocated a cost share of 39.69%.

Additional detail is provided in the attached report from the WWSP Program Director.

Willamette Water Supply

Our Reliable Water

Date: November 2, 2016

To: Kevin Hanway, Water Department Director

From: David Kraska, P.E., Program Director

cc: Mark Knudson, TVWD CEO

Re: Consider Approval of Contract with HDR Engineering, Inc. for Real Estate Support Services for the Willamette Water Supply Program Project

SUMMARY OF PROPOSALS AND ANALYSIS PERFORMED

A Request for Proposal (“RFP”) was published on July 15, 2016 to firms with experience providing real estate acquisition and relocation services that meet the minimum qualification requirements established in the RFP. Three proposals in response to the RFP were received from the following firms:

- Epic Land Solutions, Inc.
- HDR Engineering, Inc.
- Universal Field Services, Inc.

The evaluation committee included the following individuals: David Kraska, Todd Perimon, Jill Chomycia, Bill Van Derveer, and Lyman Ho. The proposals were evaluated scored using criteria established in the RFP, which included:

Criteria	Weighting
Firm Experience and Qualification	15
Key Staff and Team Qualifications, including: Project manager Senior Real Property Agent Real Property Agent Appraisers Relocation Specialist Title Company	35
Project Understanding and Approach	30
Proposed Fee (initial two-years)	20
Total	100

The proposal evaluation process resulted in shortlisting two firms with the highest combined scores for technical and proposed fee. HDR Engineering, Inc. and Universal Field Services, Inc.

were invited to participate in a formal interview to further describe their proposed key staff and approach to delivering the work. The interview panel included the evaluation committee members listed above, as well as Skip Henkel. The interview included a presentation from each respondent and responses to questions asked by the evaluation committee. Respondents also completed an activity, which included a hypothetical land owner scenario. The activity provided the evaluation committee an opportunity to observe the proposed project manager’s leadership, team cohesion, and strategic planning. The interview responses were scored using the following criteria:

Activity	Score
Presentation	10
Question and Answer	25
Activity	15
Total	50

At the conclusion of the evaluation process, HDR was the highest-ranked firm based on a combined score for qualifications, key staff, technical approach, proposed fee, and interview response.

SCOPE OF SERVICES

The selected contractor will provide services to acquire real estate for the Willamette Water Supply Program (“WWSP”) including, but not limited to:

- Prepare and continuously maintain an inventory of all required property interests
- Assist with obtaining rights of entry
- Obtain title reports
- Perform, review, and provide recommendations for formal appraisals
- Review Administrative Determination of Just Compensation or Minimum Payment Appraisal completed by WWSP staff
- Perform negotiations with property owners
- Relocation coordination
- Closing coordination
- Condemnation support

AGREEMENT PRICE

The initial Agreement Price is \$682,640. That initial Agreement Price is based on assumptions provided by the WWSP in the RFP regarding the estimated services for acquisition of rights-of-entry and temporary and permanent easements anticipated for an initial two year period. The amount requested for authorization for the ten-year duration of the Program is \$2,125,000, which is based on the WWSP Master Program Baseline Budget for Real Estate Support Services and the initial Agreement Price. Adjustments to the authorized amount, if necessary due to updates in estimated quantities, would be subject to review and approval processes in accordance with the WWSP Management Authority Matrix (MAM).

<i>Initial Agreement Price</i>	\$682,640
<i>Total Amount Authorized</i>¹	\$2,125,000

¹Total Amount Authorized based on the WWSP Master Program Baseline Budget for Real Estate Support Services.

AGREEMENT EFFECTIVE PERIOD

The initial term of the Agreement shall be effective through November 30, 2018 with options to extend up to four (4) times for two (2) year terms, for a total of ten (10) years (including initial term) at the Owners’ discretion.

ATTACHMENTS

1. Exhibit A – Statement of Work
2. Exhibit B – Fee and Rates
3. Professional Services Agreement

EXHIBIT A – STATEMENT OF WORK (SOW)
Willamette Water Supply Program
Real Estate Support Services

1.0 Introduction

Tualatin Valley Water District (“District”) and the City of Hillsboro (“Hillsboro”), collectively referred to as (“Owners”), are contracting with HDR Engineering, Inc. (“Consultant”) to provide real estate acquisition and relocation services for the Willamette Water Supply Program (“WWSP”) as described herein.

2.0 Background

The WWSP is a drinking water infrastructure program that will provide Owners with a seismically resilient water supply, designed to meet future demand and will provide redundancy in case of an emergency event. The WWSP includes more than thirty (30) miles of transmission pipelines, ranging from 36-inches to 66-inches in diameter from the Willamette River Water Treatment Plant (WRWTP) in Wilsonville, Oregon, north to the District service area, Hillsboro, Oregon and Beaverton, Oregon. The WWSP also includes constructing finished water storage tanks (terminal storage) and an expansion of the WRWTP, including fish screen replacements at the existing intake facility. For additional history and information, visit www.ourreliablewater.org.

3.0 Scope and Deliverables

Consultant shall provide project management services to deliver real estate acquisition and relocation services as described herein. Consultant’s services shall be provided for real estate identified by Owners for acquisition in fee, for temporary or permanent easement acquisition, or for acquisition via a similar transaction, and located within Washington or Clackamas counties, Oregon. Owners shall establish priorities for Consultant’s services. Acquisition and Relocation procedures should generally follow the procedures of the Oregon Department of Transportation, however because WWSP is not considered a federally funded project, Consultant should be prepared to provide Owners with advice concerning alternatives that are available which provide equal or more effective and efficient methods of acquiring needed land rights for WWSP.

For the entire WWSP there are approximately two (2) acquisitions in fee title, two-hundred seventy-five (275) permanent easements, and two-hundred (200) temporary easements. Within the first two (2) years following notice-to-proceed Consultant shall assume two (2) acquisitions in fee title, seventy-five (75) permanent easements, and sixty (60) temporary easements. Owners may modify quantities as deemed appropriate by Owners.

EXHIBIT A – STATEMENT OF WORK (SOW)
Willamette Water Supply Program
Real Estate Support Services

- 3.1 Project Management and Reporting – Consultant shall prepare for and participate in periodic (approximately biweekly) progress meetings with WWSP personnel and, when appropriate, WWSP legal counsel. At least three (3) business days in advance of each meeting, Consultant shall distribute a draft agenda. Up to two (2) Consultant personnel, including the Project Manager, shall participate in each progress meeting, which will typically be held at the WWSP Program Management Office in Beaverton, Oregon. Within three (3) business days of each progress meeting, Consultant shall submit summary notes for that meeting. Consultant shall prepare and submit a monthly progress report summarizing accomplishments during the preceding month, planned activities for the upcoming three (3) months, Consultant’s schedule and financial performance and forecasts, and proposed actions to address emerging issues.
- 3.2 Consultant shall review and provide recommendations to the WWSP Real Estate and Easement Plan provided by Owners.
- 3.3 Consultant shall prepare and continuously maintain an inventory of all required property interests. Such inventory shall be available for regular status updates and reporting. The parcel inventory shall include, but is not limited to:
- WWSP work package
 - Tax lot identification
 - Ownership information
 - Form of property interest required by WWSP
 - Date required for completed transaction
 - Schedule and status of Consultant’s activities to achieve completed transaction

Drawings and Descriptions- Owners’ engineer will provide Consultant right of way engineering maps including, drawings and legal descriptions for each acquisition. Parcel mapping, drawings and descriptions will be obtained prior to right of way acquisition start date for each parcel.

- 3.4 Rights of Entry – Upon request by Owners, Consultant shall make contact with owners of specified properties to request a right of entry needed to perform field survey, physical inspection, geo-technical, cultural, and other activities that may be needed to advance planning, permitting, or design work for the WWSP. Such contact shall be by electronic, written, voice, or personal contact and in compliance with established WWSP outreach procedures. Such contact may be in conjunction with WWSP public involvement personnel and in that case, this task shall be in support of such activities. Consultant shall maintain and submit to Owners logs or information related to property owner interaction.
- 3.5 Title Work – Upon request by Owners, Consultant shall coordinate with a bona fide title company doing business in Washington and Clackamas counties, Oregon to obtain title reports including, but not limited to Ownership and Encumbrance reports, Title Commitments, Title Insurance, partial releases or joinders, and other activities needed to obtain clear title on acquired interests in real property. Consultant shall make recommendations on the need for and amount of a title insurance policy.

EXHIBIT A – STATEMENT OF WORK (SOW)
Willamette Water Supply Program
Real Estate Support Services

All funds paid for a title commitment shall be credited towards the purchase of a title insurance policy in the amount of compensation paid for such interest in land or a minimum amount of insurance if compensation paid is less.

General Information Notices – Consultant shall prepare general information notices for any impacted property and send to landowners and occupants by mail. Consultant shall document the date general information notices are mailed.

- 3.6 Appraisals – Under the direction and request of legal counsel, Consultant shall provide services from an accredited appraiser licensed to perform appraisal work in accordance with Uniform Standards of Professional Appraisal Practice (USPAP), Oregon Department of Transportation Right of Way Manual, and the laws of the State of Oregon related to eminent domain. Consultant’s appraiser shall prepare and deliver narrative appraisal reports as requested by the WWSP Program Delivery and Real Estate Manager on specific properties or interests in real property on specific properties. Consultant’s Appraisers shall send, a statutory 15-day inspection letter to each impacted landowner by mail. Consultant shall document the date statutory inspection letters are mailed.
- 3.7 Under the direction and request of legal counsel, Owners’ shall prepare an Administrative Determination of Just Compensation or Minimum Payment Appraisal in accordance with the Oregon Department of Transportation Right of Way Manual for uncomplicated acquisitions as needed for the WWSP. Consultant shall review to ensure quality and consistency in offers to any property owner.
- 3.8 Under the direction and request of legal counsel, Consultant’s appraiser shall prepare and deliver a basic data report on a semi-annual basis which may be used by the WWSP Program Delivery and Real Estate Manager to prepare an Administrative Determination of Just Compensation or Minimum Payment Appraisal. The basic data report shall contain sufficient information on confirmed sales to adequately document and base an Administrative Determination of Just Compensation or Minimum Payment Appraisal on any qualifying property within the Project’s impacted area.
- 3.9 Under the direction and request of legal counsel, Consultant shall provide recommendations as to the acceptance, rejection, or formal review of any appraisal report submitted. Such formal review may be made by an independent review appraiser if necessary.
- 3.10 If any submittal of a value opinion from the property owner is made, the Consultant shall coordinate a review and facilitate a formal recommendation to legal counsel and the WWSP Program Delivery and Real Estate Manager as to the acceptance or rejection of any such opinion.
- 3.11 Negotiations – Consultant shall make initial contact with property owners, in coordination with WWSP personnel if so directed, and identify criteria needed for a successful acquisition. Such criteria shall include, but not be limited to:

EXHIBIT A – STATEMENT OF WORK (SOW)
Willamette Water Supply Program
Real Estate Support Services

- Identify contact information for any owner, tenant, or person having a legal right to be compensated or relocated from the subject property.
 - Identify any unique characteristic of the property including, but not limited to, property boundaries, neighbor issues, pets, children, relatives, etc.
 - Identify owner's opinion of value and other criteria that may have an influence on value.
 - Support efforts and develop documents to secure properties during periods of due diligence including: rights of first refusal, purchase option agreements, or other appropriate instruments.
- 3.11.2 Consultant shall make offers to property owners (approved in writing by the WWSP Program Delivery and Real Estate Manager) based on value findings, appraisals or counter offers; and shall negotiate terms suitable to both WWSP and property owners in order to consummate a mutually agreeable transaction.
- 3.11.3 Consultant shall make a final offer, if needed, to document impasse sufficiently to satisfy legal requirements related to condemnation.
- 3.11.4 Consultant shall prepare documents needed for settlement with WWSP Program Delivery and Real Estate Manager and property owner.
- 3.12 Relocation – Under the direction and request of legal counsel, Consultant shall provide Relocation Planning and Relocation support for any property owner, occupant, or tenant when such services as a result of the WWSP's acquisition activities. Such support shall use the federal Uniform Act as a basis for the planning, eligibility, notices, documentation and verification of relocation activities. Consultant shall assist WWSP Program Delivery and Real Estate Manager in determining the proper criteria for any appeal activities related to the Relocation Services. Relocation Studies and claims will be approved by Owners prior to presentation to displacees. Owners shall approve or provide comments back to Consultant within five (5) business days, unless additional time is necessary for approval by Owners.
- 3.13 Real Estate Closings – Consultant shall provide coordination with the title company on all closings including WWSP approvals, documents, releases, costs, request for funds, timing, and needed authorities required to close a transaction.
- 3.13.1 Consultant shall manage and attend the closings if required by the WWSP Program Delivery and Real Estate Manager.
- 3.13.2 Consultant shall assist in the coordination to obtain releases or joinders needed for the WWSP to obtain clear title or interests in any real property acquired for the WSSP.
- 3.14 Condemnation – Consultant shall provide condemnation support including preparation, briefings, testimony, contact records, files, and other documentation as needed for condemnation litigation or other legal requests in coordination with Owners' legal counsel.
- 3.15 Files – Consultant shall maintain files containing at a minimum:
- Contact information

EXHIBIT A – STATEMENT OF WORK (SOW)
Willamette Water Supply Program
Real Estate Support Services

- Log of contacts including participants and summaries of discussions, issues, resolutions, etc.
- Title work, valuation materials, environmental reports, written agreements, recorded conveyances, releases, etc.
- Title policies, administrative settlement recommendation and all payments related to the acquisition of an interest in the property.

Consultant shall provide an electronic/digital copy, and hard copy of such files to the WWSP within thirty (30) calendar days following the closing of the acquisition. Consultant shall provide interim copies of files upon request by the WWSP Program Delivery and Real Estate Manager.

3.16 Deliverables

Consultant shall use WWSP's Project Management Information System's (e-Builder). Access to e-Builder is controlled by the WWSP Project Controls Team. Unless indicated otherwise, Consultant will be issued up to three (3) user licenses; the license requirements for e-Builder state that each user is a named user. Each user will be set up with access to the appropriate project(s) and to the required modules with e-Builder. Training on e-Builder and the processes will be provided by the WWSP.

Consultant will use e-Builder for archiving record documents by parcel, and for the exchange and storage of project information. All deliverables listed below shall be electronically submitted through e-Builder for logging and tracking. Consultant shall appoint a Document Manager and one alternate as a single point-of-contact for managing documents within e-Builder. Each document received or sent shall be filed in e-Builder in accordance with business, legal, and regulatory requirements. e-Builder will be used to record and sort by the type of document (e.g. appraisal, title report), date received, brief description, status (e.g. draft, final), and assigned action and date due (if action is required).

Consultant shall provide the following deliverables:

- Progress Meeting Agendas and Summaries
- Monthly Progress Reports
- Property Interest Inventory
- Property Owner Interaction Logs
- Rights of Entry (if requested)
- Title Reports and Analysis of encumbrances Work
- Value Estimates
- Appraisals and Appraisal Reviews
- Basic Data Reports
- Negotiation (Offers, Recommendations)
- Relocation Studies and Claims
- Closing Support
- Condemnation Support

**EXHIBIT A – STATEMENT OF WORK (SOW)
Willamette Water Supply Program
Real Estate Support Services**

- File Delivery

The format (hardcopy, PDF, etc.) and quantity for each electronic and printed deliverable shall be specified by the WWSP Program Delivery and Real Estate Manager.

4.0 Resource Requirements

Consultant is responsible for providing the necessary personnel and equipment to perform the Work described herein in accordance with the existing Agreement Documents.

5.0 Key Personnel

Consultant’s personnel and subconsultants listed below are considered essential to the Work being performed hereunder. Prior to diverting any of the specified individuals to other projects or in the event a key personnel terminates his/her employment, Consultant shall notify the identified Owners’ Representative in advance and shall submit justification, including proposed substitutions, in sufficient detail to permit evaluation of the impact on the Program. No diversion or substitution of key personnel or subconsultants shall be made by Consultant without written consent from the Owners. Owners reserve the right to require replacement of key personnel at the sole discretion of Owners.

Name	Title
Leigh Enger	Project Manager
Kari Lowe	Delivery Manager
Janine Kidd	Senior Real Property Agents
Hannah Halpenny	Real Property Agent
Caleb Stephens	Real Property Agent
Anna Michalski	Real Property Agent
Patti Denman	Appraiser(s)
Kari Lowe	Relocation Specialist
Jennifer Davis	Right of Way Technician
Chelsea Hickok	Right of Way Technician
Title Company	First American Title

6.0 Owners’ Representative

Mr. Todd Perimon has been designated as the Owners Representative for this Agreement. Mr. Perimon may be reached at 503-941-4564 or by email: todd.perimon@twwd.org.

EXHIBIT B – Fee and Rates
Willamette Water Supply Program
RFP-PGM-0600516 Real Estate Acquisition and Relocation Services

Consultant: HDR Engineering, Inc.

Item No.	Activity	Activity Description	Unit	Quantity	Unit Price	Total Price
1	Project Manager	Hourly rate includes directing Consultant and subconsultant staff for completing the Work, attending meetings with Owners, reviewing monthly reports and invoices, supporting rights-of entry, title work, value estimates, appraisals, value findings, negotiations, relocation, real estate closings, and condemnation. (Tasks 3.1 - 3.16)	Hourly	1040	\$ 135.00	\$ 140,400.00
2	Senior Real Property Agent	Hourly rate includes attending meetings with Owners, preparing monthly reports and invoices, supporting rights-of entry, title work, value estimates, appraisals, value findings, negotiations, relocation, real estate closings, and condemnation. (Tasks 3.1 - 3.16)	Hourly	2600	\$ 109.00	\$ 283,400.00
3	Appraisal Report	Unit price includes all time and materials necessary for preparing an appraisal report for each property as requested by Owners. (Tasks 3.6, 3.16). (Allowance amount is based on 25 Appraisal Reports at \$2000 each, as quoted by Consultant.)	Allowance	1	\$ 50,000.00	\$ 50,000.00
4	Administrative Determination of Just Compensation/ Minimum Payment Appraisal	Unit price includes all time and materials necessary for reviewing an Administrative Determination of Just Compensation and Minimum Payment Appraisal for each property as requested by Owners. (Tasks 3.7, 3.16)	Hourly	100	\$ 76.00	\$ 7,600.00
5	Basic Data Report	Unit price includes all time and materials necessary for preparing a semi-annual Basic Data Report incorporating confirmed sales that may be used as a basis for preparing an Administrative Determination of Just Compensation or Minimum Payment Appraisal. (Tasks 3.8, 3.16)	Each	4	\$ 100.00	\$ 400.00
6	Title Report	Unit price includes all time and materials for preparing title reports, including ownership and encumbrance reports, title commitments, title insurance, partial releases or joinders, and other activities for a clear title. (Tasks 3.5, 3.16) (Allowance amount is based on 200 Title Reports at \$250 each, as quoted by Consultant.)	Allowance	1	\$ 50,000.00	\$ 50,000.00
7	Real Property Agent	Hourly rate includes supporting negotiations for acquisition of real estate property. (Tasks 3.10, 3.13, 3.16)	Hourly	400	\$ 76.00	\$ 30,400.00
8	Relocation Specialist	Hourly rate includes performing relocation planning and support activities. (Task 3.11)	Hourly	200	\$ 109.00	\$ 21,800.00
9	Right of Way Tech	Hourly rate includes preparing monthly reports and invoices, preparing and hard copy and digital files for each property. (Tasks 3.1, 3.14, 3.16)	Hourly	1040	\$ 66.00	\$ 68,640.00
10	Other Direct Costs	Owners shall reimburse Consultant for other direct costs (ODCs) without mark ups to include title insurance policies, travel (in accordance with Exhibit H), courier services, and mail/postage.	Allowance	1	\$ 30,000.00	\$ 30,000.00
Total					\$	682,640.00

1. Consultant's monthly invoice shall track and allocate actual hours, unit price tasks and allowances to one of the following categories: Water Treatment Plant (WTP), Pump Station (PS), Reservoir (RES), Pipeline Main (PLM), Pipeline East (PLE), Pipeline West (PLW), or other specific categories identified by Owners. Actual costs not specific to one of these categories (e.g., monthly invoices and reporting) shall be allocated to program wide.
2. It is understood that the quantities stated in connection with the price schedule are approximate only and payment shall be made on the unit prices named for the actual quantities commensurate with completed Work.

Willamette Water Supply *Our Reliable Water*

PROFESSIONAL SERVICES AGREEMENT

WILLAMETTE WATER SUPPLY PROGRAM

REAL ESTATE SUPPORT SERVICES

CONTRACT NUMBER: 2017-004

**Between
Tualatin Valley Water District
City of Hillsboro**

And

HDR Engineering, Inc.

TABLE OF CONTENTS

1.	EFFECTIVE DATE AND DURATION OF AGREEMENT	1
2.	PERFORMANCE OF WORK	1
3.	AGREEMENT PRICE	2
4.	COMPENSATION	2
5.	PAYMENT	2
6.	AGREEMENT DOCUMENTS	3
7.	CHANGES TO AGREEMENT	4
8.	QUALIFICATIONS	4
9.	INDEPENDENT CONTRACTOR	4
10.	SUBCONTRACTOR AND SUBCONSULTANTS	5
11.	CONFIDENTIALITY	5
12.	OWNERS FURNISHED DATA	5
13.	SUCCESSORS AND ASSIGNS	5
14.	THIRD-PARTY BENEFICIARIES	6
15.	COMPLIANCE WITH APPLICABLE LAW	6
16.	INSURANCE	7
17.	INDEMNIFICATION	9
18.	RECORD KEEPING	10
19.	ACCESS TO RECORDS	10
20.	FOREIGN CONTRACTOR	10
21.	GOVERNING LAW; JURISDICTION; VENUE	10
22.	OWNERSHIP OF WORK PRODUCT; LICENSE	10
23.	CORRECTION OF ERRORS AND OMISSIONS	11
24.	SUSPENSION, DELAY OR INTERRUPTION OF WORK	11
25.	TERMINATION	11
26.	NOTICE	12
27.	NON-APPROPRIATION OF FUNDS	13
28.	ATTORNEY FEES	13
29.	SEVERABILITY	13
30.	SURVIVAL OF COVENANTS	14
31.	FORCE MAJEURE	14
32.	WAIVER	14
33.	MERGER	14
34.	MEDIATION	14
35.	DUTY TO DISCLOSE	14
36.	ENTIRE AGREEMENT	15
37.	COUNTERPARTS; COPIES OF SIGNATURES	15

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is effective on the date of the Agreement's execution by and between Tualatin Valley Water District, a domestic water supply district organized under ORS Chapter 264 ("District"), and the City of Hillsboro, a municipal corporation ("Hillsboro") (hereafter, collectively referred to as "Owners"), and HDR Engineering, Inc. ("Consultant"), 1001 SW 5th Avenue Suite 1800, Portland, Oregon, 97204. All of the collectively referred to as "Party" or "Parties."

RECITALS

Owners require the services of an individual or entity with the particular training, ability, knowledge and experience possessed by Consultant for providing Real Estate Support Services for the Willamette Water Supply Program.

The Parties agree that Consultant shall provide Owners with such services subject to certain conditions.

The Parties agree to set forth the terms and conditions of their agreement in this Professional Services Agreement.

AGREEMENT

1. EFFECTIVE DATE AND DURATION OF AGREEMENT

This Agreement shall become effective on the date of the Agreement's execution by Owners. Unless earlier terminated, this Agreement shall remain in full force and effect until November 30, 2018. Owners may extend this Agreement for up to four (4) times, for two (2) year terms each, for a total of (10) years through written amendment. Expiration of this Agreement shall not extinguish or prejudice Owners' rights to enforce the Agreement with respect to breach or default or defective performance that has not been cured.

2. PERFORMANCE OF WORK

2.1. Consultant shall perform the required work outlined in Exhibit A – Statement of Work ("Work"), the terms of which are incorporated by reference as though fully set forth, including providing such advice, recommendations and information as requested by Owners.

2.2. Consultant agrees to perform services with the same degree of care, skill and diligence normally employed by Consultants performing the same or similar services and shall require that subcontractors and subconsultants, if any, have the level of skill in the area commensurate with the requirements of the Work to be performed. Consultant shall re-perform any Work not meeting this standard without additional compensation.

3. AGREEMENT PRICE

3.1. Owners shall pay Consultant for Work completed in accordance with this Agreement, inclusive of all costs, as set forth in Exhibit B – Fee and Rates (“Agreement Price”). The Agreement Price shall not exceed Six Hundred Eighty-Two Thousand, Six Hundred Forty Dollars and No Cents (\$682,640.00), unless authorized by Owners in accordance with Section 7 of this Agreement.

4. COMPENSATION

4.1. Labor rates include all direct project costs associated with labor, profit, and, overhead expenses (including, but not limited to, taxes, insurance, office costs, telephones and cellular phones, computers, software, computer support, copiers, facsimiles, printers, other miscellaneous office costs, and other fringe benefits).

4.2. The Parties agree labor rates and unit pricing shall be used for the initial two (2) year term of the Agreement, including any amendments. Labor and unit pricing rates shall be reviewed by the Parties for mutual agreement, if the Agreement is extended for additional terms at Owners discretion.

4.3. It shall be the responsibility of Consultant to efficiently manage labor, subconsultants, and other resources in order to control costs, at or below the Agreement Price. Consultant agrees that fee for each task included on Exhibit B – Fee and Rates shall not be exceeded or modified unless authorized by Owners through a written Amendment. Reallocation of hours, fees, or costs between tasks by Consultant without an Amendment, is not allowed

4.4. Consultant shall be reimbursed by Owners for Other Direct Costs (ODCs) and allowance items in accordance with Exhibit B – Fee and Rates without mark ups from Consultant. ODC’s shall include travel, title insurance policies, and courier/mail services. All travel costs shall be reimbursed in accordance with Exhibit H – WWSP Travel Reimbursement Policy.

5. PAYMENT

5.1. Once each month, on or before the 10th day of the month, Consultant shall prepare and submit an invoice in a manner acceptable to Owners’ Representative for Work completed since the preceding payment period.

5.2. Original invoices shall be submitted through e-Builder in a format that cannot be altered.

5.3. Each invoice shall include a monthly report as described in Exhibit A – Statement of Work.

- 5.4. Owners' Representative within ten (10) days of receipt of each invoice will indicate in writing their acceptance or return the invoice indicating in writing the reasons for refusing to accept the invoice.
- 5.5. If Owners have a good-faith dispute regarding payment to Consultant, the Parties will use their best efforts to resolve the dispute between themselves. However, if such a dispute arises, Consultant may not stop or delay in any manner its Work pursuant to this Agreement. Owners' are committed to paying invoices within the terms of the Agreement for undisputed amounts. Owners' will not pay any late charges or service charges that may be incurred by Consultant or its Subconsultants due to late or disputed payments. Payment terms are Net 30 upon receipt of a complete and accurate invoice.
- 5.6. Owners will provide a Quarterly Spend Report for Consultant to complete and submit (Exhibit F – Consultant Spend Report Template) which includes, at a minimum, the following information:
- Total amount spent by Consultant and each Subcontractor, Subconsultant, vendor, and supplier for the quarter;
 - Subcontractor/Subconsultant name, address and type of service(s) provided;
 - Other business attributes that may be required by Owners.
- Owners reserve the right to withhold payment, without incurring additional expense from Consultant, if Consultant fails to submit the report within fifteen (15) days of the end of a calendar quarter.

6. AGREEMENT DOCUMENTS

The documents which comprise the entire Agreement between Owners and Consultant concerning the Work consist of the following, all of which are incorporated into and form the entire Agreement ("Agreement Documents"):

- 6.1. Exhibit A – Statement of Work;
- 6.2. Exhibit B – Fee and Rates;
- 6.3. Exhibit C – Confidentiality Agreement;
- 6.4. Exhibit D – Consultant Solicitation Response and documentation submitted prior to execution of this Agreement;
- 6.5. Exhibit E – Not applicable;
- 6.6. Exhibit F – Consultant Spend Report Template;
- 6.7. Exhibit G – Insurance Certificates;
- 6.8. Exhibit H – WWSP Travel Reimbursement Policy;
- 6.9. Notice(s) to Proceed;
- 6.10. Amendments issued after the Effective Date of this Agreement not attached hereto.

7. CHANGES TO AGREEMENT

- 7.1. Neither this Agreement, including any of the Agreement Documents shall be waived, altered, modified, supplemented, extended or amended, in any manner whatsoever, except by written amendment, executed by both Parties. Owners shall not be liable for payment of any additional work performed by Consultant not previously authorized by Owners through a work change directive or written amendment.
- 7.2. Potential scope and/or cost changes shall be detailed and documented by Consultant. Consultant shall provide Owners a Change Notice through e-Builder within seven (7) days of an occurrence, when, in Consultant's opinion, the occurrence may result in changes to the Work, Agreement Price, or Agreement Times. Consultant shall provide supporting documentation within thirty (30) days of submitting a Change Notification, or as mutually agreed to by Consultant and Owners. Owners will evaluate and either accept or deny requests within seven (7) days. Cost reimbursement will not be granted for changes if Consultant did not provide written notice as described herein or for scope that reasonably should have been included by Consultant for a complete and comprehensive Project.

8. QUALIFICATIONS

All services shall be performed by qualified personnel as required by the State of Oregon to perform said services and as designated in Consultant's Proposal. Consultant is responsible for obtaining all assumed business registrations or professional occupation licenses required by state or local law.

9. INDEPENDENT CONTRACTOR

- 9.1. During the Term of this Agreement, Consultant shall act at all times as an independent contractor and shall have the responsibility for and control over the details and means of performing the Work. Consultant acknowledges it has the duty to provide continuous, adequate supervision of its personnel, subconsultants and subcontractors, if any. Nowhere in this Agreement shall it be construed or implied that Consultant or any of its subconsultants, subcontractors, affiliates, employees, agents, or representatives are employees, representatives, are agents of Owners. Consultant shall be subject to the direction of Owners only with respect to Exhibit A - Statement of Work and the general results required by this Agreement. Consultant acknowledges and agrees that it is not entitled to indemnification by the Owners or the provision of a defense under ORS 30.285 and waives any right thereto.
- 9.2. Consultant shall not make any commitment nor incur any charge or expense in Owners' name, or binding on the Owners, without the prior written approval of Owners. Consultant shall be solely responsible for payment of salaries, wages,

payroll taxes, unemployment benefits or any other form of compensation or benefits to Consultant or any of Consultant's employees, agents, subconsultants, subcontractors or other personnel performing, directly or indirectly, the Work specified herein. Further, it is expressly understood and agreed that neither Consultant nor Consultant's employees, agents, subconsultants, subcontractors or other personnel shall be entitled to any Owners' payroll, insurance, unemployment, Worker's Compensation, retirement or any other benefits whatsoever.

10. SUBCONTRACTOR AND SUBCONSULTANTS

10.1. Consultant may retain subcontractors and subconsultants to carry out the Work outlined in this Agreement. Owners reserve the right to approve all subcontractors and subconsultants prior to their use by Consultant. There shall be no relationship, fiduciary or otherwise, between Owners and the subcontractors and subconsultants hired by Consultant.

10.2. Consultant shall ensure all Work performed for Consultant by a subcontractor or subconsultant will be pursuant to an appropriate agreement between Consultant and the subcontractor or supplier, which specifically binds the subcontractor and subconsultants the applicable terms and conditions of this Agreement, including the confidentiality provisions, in writing.

11. CONFIDENTIALITY

Owners shall provide Consultant with confidential information for the purposes this Agreement. No reports, information and data given to Consultant or prepared or assembled by Consultant under this Agreement shall be made available to any individual or organization by Consultant without the prior written approval of Owners, a court order or governmental investigation. Consultant shall agree to and sign a Confidentiality Agreement and shall have all subcontractors and subconsultants agree to and sign a Confidentiality Agreement for documents related to this Agreement.

12. OWNERS FURNISHED DATA

Owners shall provide to Consultant data required for performance of the Work. However, nothing herein shall relieve Consultant from making such independent review and verification of information provided as necessary to meet Consultant's standard of care as set forth in Section 2.

13. SUCCESSORS AND ASSIGNS

Each Party binds itself, and any partner, successor, executor, administrator, or assign to this Agreement. The Consultant shall not assign, or transfer their interest or obligation hereunder in this Agreement without the written consent of the Owners. Any attempted assignment or transfer for this Work without written consent of the Owners shall be void.

14. THIRD-PARTY BENEFICIARIES

There are no third party beneficiaries.

15. COMPLIANCE WITH APPLICABLE LAW

15.1. Generally

Consultant shall keep itself fully informed of and shall fully comply with all federal, state, regional, and local laws, rules, regulations, ordinances, and orders pertaining in any manner to this Agreement and the rules, regulations and orders of any agency or authority having jurisdiction over the Work under this Agreement or persons employed or engaged therein. Consultant shall pay all taxes, including federal, state, regional, county, and city taxes, and taxes of any other governmental entity, applicable to the services performed or materials provided under this Agreement. All permits, licenses, and fees necessary for prosecution and completion of the Work shall be secured and paid for by Consultant, unless otherwise specified by Owners.

The following paragraphs include, without limitation, the standard contract clauses that are required in every public contract in accordance with the Oregon Revised Statutes Chapter 279B and the provisions of ORS 279B.220, 279B.225, 279B.230 and 279B.235. As such, these paragraphs are applicable, to the extent they apply, to this Agreement. This Agreement shall include by reference any other standard contract clauses required by federal, state, and local laws, ordinances, and regulations.

15.2. Prompt Payment

Consultant shall promptly pay as due all of its obligations arising out of or in connection with the Work, including, but not limited to, payments (1) to all persons supplying to Consultant labor, equipment, services, or materials for the performance of the Work; (2) of all contributions or amounts due the Industrial Accident Fund from Consultant or any subcontractor or subcontractor incurred in the performance of the Work; and (3) to the Department of Revenue of all sums withheld from employees under ORS 316.167.

15.3. Hours of Labor

Consultant shall pay employees at least time and a half pay for all overtime in excess of forty (40) hours in any one (1) week and legal holidays described in ORS 279B.020, except for individuals who are excluded under ORS 653.010 to 653.261 or under 29 U.S.C. 201 to 209 from receiving overtime.

15.4. Workers' Compensation

All employers, including Consultant, that employ subject workers who work under this Agreement in the state of Oregon shall comply with ORS 656.017 and provide the required Workers' Compensation coverage, unless such employers are exempt under ORS 656.126. Consultant shall ensure that each of its subcontractors and subconsultants comply with these requirements.

15.5. Prompt Payment for Medical Services

Consultant shall promptly make payment, as due, to any person, co-partnership, association, or corporation furnishing medical, surgical, or hospital care services or other needed care and attention, incident to sickness or injury, to the employees of Consultant, of all sums that Consultant agrees to pay for the services and all moneys and sums that Consultant collected or deducted from the wages of employees under any law, contract, or agreement for the purpose of providing or paying for the services.

15.6. Compliance with Laws/Tax Laws

Consultant shall comply with all applicable federal, state, and local laws, statutes, codes, regulations, rules, orders, and rulings including, without limitation, those governing labor, materials, equipment, construction procedures, safety, health, sanitation, and the environment. Consultant agrees to indemnify, hold harmless, reimburse, and defend Owners from and against any penalties or liabilities arising out of violations of such obligations by Consultant or its subcontractors, subconsultants or suppliers at any tier.

Without limiting the generality of the foregoing, Consultant expressly agrees to comply with the following laws, regulations and executive orders to the extent they are applicable to the Agreement: (i) Titles VI and VII of the Civil Rights Act of 1964, as amended; (ii) Section 503 and 504 of the Rehabilitation Act of 1973, as amended; (iii) the Americans with Disabilities Act of 1990, as amended; (iv) Executive Order 11246, as amended; (v) the Health Insurance Portability and Accountability Act of 1996; (vi) the Age Discrimination in Employment Act of 1967, as amended, and the Age Discrimination Act of 1975, as amended; (vii) the Vietnam Era Veterans Readjustment Assistance Act of 1974, as amended; (viii) ORS Chapter 659, as amended; (ix) all applicable regulations and administrative rules established pursuant to the foregoing laws; and (x) all other applicable requirements of federal, state and local rules and regulations., which are incorporated as required by law.

15.7. Recycled Materials

Consultant, in performance of the Work under this Agreement, shall use recycled paper as defined in ORS 279A.010 (1) (ee), recycled PETE products as defined in ORS 279A.010 (1) (ff), and other recycled plastic resin products to the maximum extent economically feasible.

15.8. Liens

Consultant shall not permit any lien or claim to be filed or prosecuted against the state or a county, school district, municipality, municipal corporation, or subdivision thereof on account of any labor or materials furnished.

16. INSURANCE

Consultant shall provide to Owners certificates of insurance prior to beginning any Work under the Agreement Documents and shall maintain in full force and effect for the term

of this Agreement, at Consultant’s expense; commercial general liability insurance, automobile liability insurance, and professional liability insurance as described in the table below.

<p><u>Workers Compensation</u></p>	<p>Statutory Limits for states where work is performed and/or where benefits can be claimed (if applicable).</p>
<p><u>Employers Liability</u></p>	<p>\$1,000,000 – Each Occurrence \$1,000,000 – Disease: Each Employee \$1,000,000 – Disease: Policy Limit</p>
<p><u>Commercial General Liability</u></p> <ul style="list-style-type: none"> • Specifically including (or not excluding) and not limited to coverage for premises & operations, products & completed operations, contractual liability, independent contractors, offsite operations and storage 	<p>\$1,000,000 – Each Occurrence \$2,000,000 – Policy Aggregate for the Project</p>
<p><u>Automobile Liability</u></p> <ul style="list-style-type: none"> • All owned, hired and non-owned vehicles. 	<p>\$1,000,000 – Each Occurrence, property damage / bodily injury Combined Single Limit (“CSL”)</p>
<p><u>Umbrella or Excess Liability</u></p> <ul style="list-style-type: none"> • Excess of the primary Commercial General Liability, Automobile Liability. 	<p>When required, in an amount appropriate for the excess of the primary Commercial General Liability, Automobile Liability.</p>
<p><u>Professional Liability</u></p>	<p>\$1,000,000 – Each Occurrence (or claims made) \$2,000,000 – Policy Aggregate for the Project</p>

Other Requirements

- Consultant shall require carrier(s) to provide (30) Days written notice to Owners prior to any cancellation, except for non-payment, which shall be the number of days for notice set forth in the policy.
- Consultant shall provide (30) Days written notice to Owners prior to any material reduction or modifications.
- Consultant’s insurance is primary and insurance held by Owners is excess and non-contributory.
- If Consultant does not comply with this provision, Owners may, in addition to any other remedies it may have, terminate this Agreement, subject to any provision of this Agreement.

Consultant shall name District, its members, officers, boards, agents and employees and the City of Hillsboro, the Hillsboro Utilities Commission, its members, officers, boards, agents and employees as additional named insureds on the automobile, general liability policies of insurance for Consultant's negligent acts. The policy shall be issued by a company authorized to do business in the State of Oregon and shall protect Consultant against liability for contractual liability. Consultant shall provide District and the City of Hillsboro a copy of an endorsement of the policy(s) that demonstrates compliance with this Section.

Owners prefer all insurance coverage to be written on an “occurrence” basis. But if any of the required liability insurance is on a “claims made” basis; “tail” coverage will be required at expiration of this Agreement and completion of all Work for a duration of twenty-four (24) months. Consultant shall furnish certification of “tail” coverage as described or continuous “claims made” liability coverage for twenty-four (24) months following Agreement expiration. Continuous “claims made” coverage will be acceptable in lieu of “tail” coverage provided its retroactive date is on or before the effective date of the Agreement. If Continuous “claims made” coverage is used, Consultant shall be required to keep the coverage in effect for a duration of not less than twenty (24) months from the expiration date of the Agreement. This will be a condition of the final acceptance of Work or services.

17. INDEMNIFICATION

Consultant shall indemnify, defend, save and hold harmless District, its members, officers, boards, agents and employees, Hillsboro, its members, officers, boards, agents and employees, MWH Americas, Inc., its members, officers, boards, agents and employees, and Carollo Engineers, Inc., its members, officers, boards, agents and employees against all liability, claims, suits or actions of whatsoever nature, loss or expenses, fees (including, but not limited to, attorney, engineer, architect, other professionals and court costs) and against all claims, actions or judgments based upon or arising out of damage, injury or death to persons or property to the extent caused by any negligent act or omission by the Consultant. Consultant shall obtain similar indemnification for anyone acting on Consultant's behalf in connection with, or

incidental to, this Agreement for the Work to be performed hereunder for that person or entity's negligence. Provided, however, that nothing herewith shall be construed to require indemnification of the District and Hillsboro, MWH Americas Inc. or Carollo Engineers Inc. to the extent attributable to their own negligence. In addition, Consultant expressly agrees to defend, indemnify and hold Owners, their elected and appointed officials, officers, agents, employees and volunteers, MWH Americas, Inc., and Carollo Engineers, Inc., against all liability, claims, suits, actions, loss or expenses, including attorney fees, arising out of or related to any claims that the Work, the Work Product, or any other tangible or intangible items delivered to Owners by Consultant may be the subject of protection under any state or federal intellectual property law or doctrine, or the Owners' use thereof, infringes any patent, copyright, trade secret, trademark, trade dress, mask work, utility design or other proprietary right of any third party.

18. RECORD KEEPING

Consultant shall maintain all fiscal records relating to this Agreement in accordance with generally accepted accounting principles for a minimum of three (3) years following final payment, except as required longer by law.

19. ACCESS TO RECORDS

Consultant agrees that Owners and their authorized representatives shall have access to all books, documents, papers and records of the Consultant that are directly related to the Agreement for the purpose of making any audit, examination, copies, excerpts and transcripts.

20. FOREIGN CONTRACTOR

If Consultant is not domiciled in or registered to do business in the State of Oregon, Consultant shall promptly provide to the Oregon Department of Revenue and the Oregon Corporation Division all information required by those agencies relative to this Agreement. Consultant shall demonstrate its legal capacity to perform these services in the State of Oregon prior to entering into this Agreement.

21. GOVERNING LAW; JURISDICTION; VENUE

This Agreement shall be governed and construed in accordance with the laws of the State of Oregon without resort to any other Jurisdiction's conflict of laws, rules or doctrines. The venue shall lie in the Circuit Court of the State of Oregon for the County of Washington. If Federal jurisdiction and venue is established, venue shall lie in the United States District Court in Portland, Oregon.

22. OWNERSHIP OF WORK PRODUCT; LICENSE

All work products of Consultant that result from this Agreement ("Work Products") are the exclusive property of Owners. If any of the Work Products contain intellectual property of Consultant that is or could be protected by federal copyright, patent or trademark laws or state trade secret laws, Consultant hereby grants Owners a

perpetual, royalty-free fully paid, non-exclusive and irrevocable license to copy, reproduce, deliver, publish, perform, dispose of, use and re-use, in whole or in part, and to authorize others to do so, all such Work Products and any other information, designs, plans, or information provided or delivered to Owners or produced by Consultant under this Agreement. The Parties expressly agree that all works produced pursuant to this Agreement are works specifically commissioned by Owners and that Consultant shall obtain written permission from Owners before publishing, displaying or using any Work or Work Products resulting from this Agreement.

All original written material and other documentation, including background data documentation, and staff work that is preliminary to final reports, originated and prepared for Owners under the Agreement Documents, shall be the exclusive property of Owners. Consultant will not use any written or other materials developed for Owners under the Agreement Documents in developing materials for others, except as may be specifically provided in writing to the contrary.

This Agreement shall not preclude Consultant from independently developing materials which may be similar to materials developed pursuant to the Agreement Documents.

23. CORRECTION OF ERRORS AND OMISSIONS

Consultant shall perform such additional work as may be necessary to correct errors in the Work required under this Agreement without undue delays and without additional cost to Owners.

24. SUSPENSION, DELAY OR INTERRUPTION OF WORK

Owners may suspend, delay, or interrupt all or part of the Work being performed by Consultant for Owners' convenience. In the event of suspension, delay or interruption of work, Owners shall compensate Consultant per the agreed upon compensation rates for Work satisfactorily performed to the date of suspension, delay or interruption of Work.

25. TERMINATION

This Agreement may be terminated at any time by mutual consent of both Parties, or by Owners upon thirty (30) days written notice, or upon ten (10) days written notice for breach of this Agreement. Notice shall be provided as outlined in Section 26.

25.1. Termination for Cause

If Consultant materially breaches this Agreement, Owners will notify Consultant in writing and allow Consultant to cure any breach or to submit a plan to cure such breach within five (5) days of such written notice. If Consultant's breach remains uncured five (5) days following written notice of said breach by Owners, or Owners have not accepted Consultant's proposed plan to cure the breach within a reasonable

time, Owners may immediately terminate this Agreement upon written notice specifying in writing the effective date thereof.

25.2. Termination for Convenience

Owners may terminate this Agreement at any time upon thirty (30) days' written notice specifying the effective date thereof, if Owners determine that such termination is in Owners' best interest.

25.3. Termination Costs

After receipt of written notification that this Agreement has been terminated, Consultant shall incur no further costs other than reasonable termination costs associated with current activities related to this Agreement. In the event of termination, Consultant's sole remedy shall be a claim for the sum designated for Work completed and accepted by Participant and related closeout costs, such as terminating contracts with subcontractors and subconsultants, less previous amounts paid and offset for any claim or claims which the Owners have against Consultant. If previous amounts paid to Consultant exceed the amount due to Consultant, Consultant shall pay any excess to Owners within thirty (30) days of the termination effective date.

25.4. Ownership of Work Product

In the event of termination, all finished and unfinished deliverables prepared by Consultant pursuant to this Agreement shall become the sole property of Owners. Consultant shall be compensated in accordance with this Agreement for all work performed in accordance with this Agreement up to the effective date of termination.

25.5. Right to Set-Off and Other Remedies

Termination shall not relieve Consultant from liability to Owners for damages sustained as the result of Consultant's breach of this Agreement; and Owners may withhold funds otherwise due under this Agreement or any other Agreement Owners may have with Consultant, regardless of subject matter, in lieu of such damages, until such time as the exact amount of damages, if any, has been determined.

If this Agreement is terminated for cause as provided herein and it is subsequently determined that Owners' termination of this Agreement for cause was improper, then the termination for cause shall be considered to be a termination for convenience and the procedures of this Agreement related to a termination for convenience shall apply.

26. NOTICE

All legal notices, demands, or other documents or instruments required or permitted to be served upon either Party hereto shall be in writing and shall be deemed duly served when delivered in person or mailed by United States First Class mail, postage prepaid addressed to the Parties at the addresses stated below:

If to Owners:

Tualatin Valley Water District
Mark Knudson, CEO
1850 SW 170th Avenue
Beaverton, Oregon 97003

City of Hillsboro
Kevin Hanway
Water Department Director
150 E. Main Street
Hillsboro, Oregon 97123

Willamette Water Supply Program
David Kraska
Program Director
1850 SW 170th Avenue
Beaverton, Oregon 97003

If to Consultant:

HDR Engineering, Inc.
Dave Moyano
Vice President
1001 SW 5th Avenue Suite 1800
Portland, Oregon 97204

27. NON-APPROPRIATION OF FUNDS

The continuance of this Agreement is contingent upon the appropriation of funds by Owners to fulfill the requirements of the Agreement. If Owners fail to appropriate sufficient monies to provide for the continuance of the Agreement, or if such appropriation is reduced to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, the effect of such reduction would provide insufficient monies for the continuation of the Agreement, the Agreement shall terminate on the date of the beginning of the first fiscal year for which the funds are not appropriated, unless sooner terminated under Section 25.

28. ATTORNEY FEES

If a suit or action is filed to enforce any of the terms of this Agreement, the prevailing party shall be entitled to recover from the other party, in addition to costs and disbursements provided by statute and expert witness fees, any such amount which a court, including any appellate court, may adjudge reasonable as attorney fees.

29. SEVERABILITY

The Parties agree that if any term or provision of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if the Agreement did not contain the particular term or provision held to be invalid.

30. SURVIVAL OF COVENANTS

The covenants of this Agreement shall survive the expiration or termination of this Agreement with respect to compensation, payment, confidentiality, appropriation of funds, record keeping, access to records, and indemnification.

31. FORCE MAJEURE

Neither Owners nor Consultant shall be held responsible for delay or default caused by fire, flood, strikes, riot, acts of God, acts of government, or war where such cause was beyond, respectively, Owners' or Consultant's reasonable control.

32. WAIVER

The failure of Owners to enforce any provision of this Agreement shall not constitute a waiver by Owners of that or any other provision.

33. MERGER

This Agreement and attached exhibits constitute the entire agreement between the Parties.

34. MEDIATION

Should any dispute arise between the Parties to this Agreement, it is agreed that such dispute will be submitted to a mediator prior to any litigation, and the Parties hereby expressly agree that no claim or dispute arising under the terms of this Agreement shall be resolved other than first through mediation and, only in the event said mediation efforts fail, through litigation. The Parties shall exercise good faith efforts to select a mediator who shall be compensated equally by both Parties. Mediation will be conducted in Portland, Oregon, unless both Parties agree in writing otherwise. Both Parties agree to exercise good faith efforts to resolve disputes covered by this Section through this mediation process. If party requests mediation and the other party fails to respond within ten (10) days, or if the Parties fail to agree on a mediator within ten (10) days, a mediator shall be appointed by the presiding judge of the Washington County Circuit Court upon the request of either party. The Parties shall have any rights at law or in equity with respect to any dispute not covered by this Section.

35. DUTY TO DISCLOSE

For agreements with a dollar value in excess of Two Hundred Fifty-Thousand Dollars (\$250,000.00), Consultant shall disclose to Owners at any time during the term of this Agreement; any debarment, criminal conviction, or civil penalty from a court or regulatory agency or civil judgment ("Sanctions") against Consultant. Consultant shall provide an explanation as to why such actions, errors or omissions that form the basis for the sanctions do not have an adverse impact on Consultant's responsibility and ability to perform the Work. Consultant shall also provide documentation of actions taken to assure that such actions, errors, or omissions will not recur.

36. ENTIRE AGREEMENT

This Agreement with all referenced exhibits, appendices or attachments represents the entire understanding of the Owners and Consultant as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered herein. This Agreement may not be modified or altered except by written amendment signed by both Parties.

37. COUNTERPARTS; COPIES OF SIGNATURES

This Agreement, Amendments, or Work Change Directives may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Executed signature pages may be delivered using pdf or similar file type transmitted via electronic mail, cloud based server, e-signature technology or other similar electronic means.

IN WITNESS WHEREOF, the Parties have executed this Agreement effective the day and year first above written.

TUALATIN VALLEY WATER DISTRICT

CITY OF HILLSBORO

By: Mark Knudson
CEO

By: Kevin Hanway
Water Department Director

Date: _____

Date: _____

CONSULTANT

By: Dave Moyano
Vice President

Date: _____

**APPROVED AS TO FORM
TUALATIN VALLEY WATER DISTRICT**

[Signature]

By: Clark Balfour

Date: _____



STAFF REPORT

To: Utilities Commission

From: Kevin Hanway, Director

Date: November 4, 2016

Re: Agenda Item 3B – Consider approval of contract with Northwest Pipe for pipe pre-purchase for PLW 1.1

Staff Recommendation:

Approve award to Northwest Pipe Company.

Cost:

\$1,020,140

Hillsboro cost share \$408,056. (Hillsboro cost share subject to adjustment upon completion of PLW 1 final design.)

Budget:

1. FY 2016-17 WWSP Budget \$12,700,000
2. The Fund Source will be the Water SDC Fund.

Attachments:

1. Summary Memorandum
2. Contract
3. Exhibit A – Statement of Work
4. Exhibit B – Schedule of Values
5. Copies of Bids Received (non-responsive bid excluded)
 - a. Ameron International Corporation
 - b. Northwest Pipe Company

Background:

Thorough information on the PLW 1.1 project and on the need to purchase pipe before awarding a construction contract is provided in the attached report from the WWSP Program Director. Under the Program Agreement between Tualatin Valley Water District and Hillsboro, cost shares for the design and construction of Program facilities are allocated between the partners based on their shares of capacity in the facilities. The standard Hillsboro cost share is 39.69%. However, final capacity shares in the PLW 1 pipeline will not be determined until final design of the complete PLW 1 is completed. An adjustment of cost share allocations may be necessary if the final capacity shares in this pipeline segment differ from the Agreement's standard cost share allocations.

Date: November 2, 2016

To: Kevin Hanway, Water Department Director

From: David Kraska, P.E., Program Director

cc: Mark Knudson, TVWD CEO

Re: Consider Approval of Contract with Northwest Pipe Company for Owner Provided Pipe and Fittings for PLW_1.1 of the Willamette Water Supply System

SOLICITATION PROCESS AND BID ANALYSIS

To meet Newland Communities' construction schedule for the South Hillsboro development, the WWSP concluded that a pre-purchase of pipe was necessary. Accordingly, an early design package to support pipe procurement was included in the engineer of record's scope of services for PLW_1.0. An Invitation to Bid ("ITB") was published on September 21, 2016 requesting bids from suppliers of large diameter pipe that met the qualification requirements in the specifications.

The design of PLW_1.1 continues to progress at an accelerated pace to minimize potential schedule impacts to construction that is underway by Newland Communities. At the time that the ITB was published, the design had not progressed to the point where a final decision had been made on the pipe wall thickness to address seismic design requirements. The ITB included bid alternates for incremental increases to the pipe wall thickness, preserving WWSP's option to select an increased wall thickness if necessary to accommodate the final seismic design. The approach of including bid alternates was selected to: (1) maintain the schedule for selecting and awarding a pipe supplier; and (2) secure pricing of bid alternates in a competitive environment rather than potentially negotiating a change order (to a pipe wall thickness different from what had been specified in the ITB) after the contract was awarded.

During the bidding period, the engineer of record was finalizing seismic design aspects for the PLW_1.1 pipe and associated pipe wall thickness. Final determinations for the required pipe wall thickness were to be confirmed after the bids were received and prior to contract award.

Three bids in response to the ITB were received prior to the deadline and two of those bids were opened during the public bid opening on October 13, 2016. Bids were received from the following pipe suppliers:

- Ameron International Corporation
- Northwest Pipe Company
- Mid America Pipe Fabricating & Supply Company (this non-responsive bid was not opened)

Northwest Pipe Company was identified as the apparent low bidder at the bid opening based on the lowest base bid amount. All responsive bids were further evaluated by the WWSP staff and the engineer of record to identify errors or ambiguities and confirm that the pipe suppliers meet the qualification requirements. Upon completion of the engineer of record’s seismic design, it was determined that no bid alternates were necessary for inclusion in the contract. A Notice of Intent to Award a contract was issued to Northwest Pipe Company on October 25, 2016.

SCOPE OF SERVICES

This purchase includes approximately 2,442 linear feet of forty-eight inch (48-inch) welded steel water transmission pipeline, including all fabricated fittings and specials for section PLW_1.1 of the Willamette Water Supply Program (“WWSP”). The selected pipe supplier shall provide the following:

- Prepare and submit shop drawings and other submittals;
- Fabricate, line and coat, and test all pipe; and
- Deliver pipe to jobsite.

PROPOSED CONTRACT PRICE

The Contract Price for this contract is \$1,020,140.

PLW_1.1 PIPE FABRICATION AND DELIVERY SCHEDULE

The schedule milestones described in the table below are contractual milestone dates. Pipe and fittings for PLW_1.1 are to be provided in two packages: Package 1 and Package 2. Package 1 includes pipe and fittings for the open cut portion of the project. Package 2 includes pipe and fittings for the trenchless crossing portion of the project.

Task/Deliverable Description	Completion Date
Notice to Proceed	On Or Before November 10, 2016
Fabrication Plan, Coating Manufacturer/Applicator Qualifications, Certification of Conformance to Standards, Quality Assurance Plan and Weld Procedures Submittals to Owners Package 1 and 2 to be submitted together	November 23, 2016

Task/Deliverable Description	Completion Date
Fabrication Plan, Coating Manufacturer/Applicator Qualifications, Certification of Conformance to Standards, Quality Assurance Plan and Weld Procedures Submittals approved by the Owners Package 1 and 2 to be approved together	November 29, 2016
Submittal for certifications for the Steel products	December 21, 2016
Approved Submittal for certifications for the Steel products	December 30, 2016
Package 1:	
Pipe Fabrication Detail Submittal for Package 1 to Owners	December 2, 2016
Approved Pipe Fabrication Detail Submittal for Package 1 Fabrication allowed to begin for Package 1	December 30, 2016
Pipe fabrication complete for Package 1 Coordination with Owners' contractor for delivery to site	January 30, 2017
Delivery of pipe for Package 1 to jobsite complete	March 7, 2017 ¹
Package 2:	
Pipe Fabrication Detail Submittal for Package 2 to Owners	December 2, 2016
Approved Pipe Fabrication Detail Submittal for Package 2 Hold fabrication for Package 2 to allow for Owners' contractor input	December 30, 2016
Owners to resubmit Pipe Fabrication Detail Submittal for Package 2 with Owners' contractor's comments included in resubmittal	February 17, 2017
Approved Fabrication Detail Submittal for Package 2 Fabrication allowed to begin for Package 2	March 10, 2017
Pipe fabrication complete for Package 2 Coordination with Owner's contractor for delivery to site	April 10, 2017
Delivery of pipe for Package 2 to jobsite complete	May 15, 2017 ¹

¹ Liquidated Damages of \$10,000 per day may be imposed if the Supplier does not achieve the pipe delivery Completion Dates indicated.

ATTACHMENTS

1. Draft Contract
2. Exhibit A – Statement of Work
3. Exhibit B – Schedule of Values
4. Copies of Bids Received (non-responsive bid excluded)
 - a. Ameron International Corporation
 - b. Northwest Pipe Company

WILLAMETTE WATER SUPPLY SYSTEM CONTRACT

CONTRACT 2017-005

Tualatin Valley Water District
1850 SW 170th Ave.
Beaverton, OR 97003

City of Hillsboro
150 E. Main Street
Hillsboro, Oregon 97123-4028

This Contract is made and entered into by and between Tualatin Valley Water District (“District”), a Domestic Water Supply District organized under the laws of the State of Oregon and the City of Hillsboro (“Hillsboro”), a municipal corporation organized under the laws of the State of Oregon (collectively “Owners”) and Northwest Pipe Company, an independent contractor (“Supplier”) as follows:

1. PROJECT. Supplier's submitted a bid in response to the Bidding Documents issued by Owners pursuant to supplying steel pipe, fittings and specials for the Project known as the Willamette Water Supply System (“WWSS”); Section PLW_1.1 and, was awarded the bid. Supplier shall provide the Work and Materials for which the bid was awarded to Supplier as further defined in the Standard Terms and Conditions attached hereto and identified in the Contract Documents listed in Exhibit A. Supplier shall provide the Work and Materials as requested by Owners until completion of the Project, unless terminated earlier pursuant to the Contract Documents.

2. SCOPE OF WORK. Supplier shall perform Work for Owners described in the Contract Documents and summarized as follows:

Fabricate and deliver approximately 2442-linear feet of 48-inch diameter, welded steel pipe and fittings for PLW_1.1.

SEE EXHIBIT A STATEMENT OF WORK FOR FURTHER DESCRIPTION

3. COMPENSATION. In consideration of the Work provided hereto, Owners agrees to pay Supplier the sum of: One Million, Twenty Thousand, One Hundred Forty Dollars and No Cents (\$1,020,140.00). Each invoice shall be accompanied by supporting documentation as required by Owners per of the Standard Terms and Conditions incorporated herein by reference.

SEE EXHIBIT B FOR THE CONTRACT AMOUNT BREAKDOWN

4. TERM OF CONTRACT. The term of this Contract shall commence on the date executed by Owners and shall expire upon July 31, 2017, unless extended by change order issued Owners or terminated pursuant to the terms of this Contract.

THIS CONTRACT INCORPORATES ALL STANDARD TERMS AND CONDITIONS ATTACHED HERETO, THE PLANS AND SPECIFICATIONS FOR THE PROJECT AND ALL OTHER CONTRACT DOCUMENTS. SUPPLIER AGREES IT HAS RECEIVED THE FULL SET OF CONTRACT DOCUMENTS.

IN WITNESS WHEREOF, the parties have caused this Contract to be executed by their duly-authorized agents as of the dates written below.

TUALATIN VALLEY WATER DISTRICT

CITY OF HILLSBORO:

[Signature]

[Signature]

By: Mark Knudson
Title: CEO
Date: _____

By: Kevin Hanway
Title: Water Department Director
Date: _____

SUPPLIER

[Signature]

By: _____
Title: _____
Date: _____

APPROVED AS TO FORM TUALATIN VALLEY WATER DISTRICT

[Signature]

By: Clark Balfour
Date: _____

STANDARD TERMS AND CONDITIONS

1. Definitions

The following terms shall have the meanings set forth below:

- (a) "Bidding Documents" means the advertisement or invitation to bid, instructions to bidders, bid security form, if any, the bid form with any supplements, proposed Contract Documents, and all addenda.
- (b) "Contract Documents" means the Contract and all supporting documents for Contract Number 2017-005 dated on or about November 10, 2016 ("Contract") and awarded pursuant to the invitation to bid ITB-PLW-0300916 on the Project, any and all purchase orders issued pursuant to the Contract, these general terms and conditions, any special terms and conditions, all addenda, change orders and modifications to the Contract, and all referenced attachments.
- (c) "Designated Site" means the Project site designated in the Contract Documents; or, that may otherwise be identified from time to time by Owners at their sole discretion.
- (d) "Laws and Regulations" means any and all applicable state, federal and local laws, rules, regulations, ordinances, codes, and orders of any and all governmental bodies, agencies, authorities, and courts having jurisdiction.
- (e) "Materials" shall mean the goods, deliverables, software, machinery, equipment, supplies and materials related to, ordered for or incorporated into the Project referenced in the Contract Documents
- (f) "Placed into Service" means the day Work is installed and connected to and begins providing water transfer services for the Willamette Water Supply System.
- (g) "Project" means the supply of steel pipe fabrication, fittings and specials, and delivery for the Willamette Water Supply System ("WWSS") Section PLW_1.1 Pipe Procurement as further described in the Contract Documents.
- (h) "Supplier" means the vendor or Supplier set forth in the Contract Documents.
- (i) "Owners" mean Tualatin Valley Water District ("District"), a Domestic Water Supply District organized under the laws of the State of Oregon, with its principal place of business at 1850 SW 170th Ave. Beaverton, OR 97003 and the City of Hillsboro ("Hillsboro"), a municipal corporation organized under the laws of the State of Oregon, with a principal place of business at 150 E. Main Street Hillsboro, OR 97123-4028.
- (j) "Work" means all Materials, maintenance, construction, labor, equipment and services related to, ordered for or incorporated into the Project referenced in the Contract Documents, including any Work a similarly situated Supplier would reasonably infer as necessary to perform the scope of work forth in the Contract Documents.
- (k) "Work Product" means, without limitation, all designs, discoveries, creations, works, devices, masks, models, work in progress, deliverables, inventions, products, computer programs, procedures, improvements, developments, drawings, notes, documents, business processes, information and materials made, conceived or developed by Supplier alone or with others which result from or relate to the Work performed hereunder. Standard Materials manufactured by Supplier and sold to Owners without having been designed, customized or modified for Owners do not constitute Work Product.

2. Acceptance of Contract

In addition, any acceptance of a purchase order or shipment of Materials pursuant to a purchase order issued under the Contract Documents or the commencement of performance of the Contract Documents, whichever occurs first, shall also constitute Supplier's unqualified acceptance of the terms, delivery date and specifications of such purchase order, whether or not Supplier otherwise signs the Contract.

3. Examination

Supplier acknowledges that it has investigated and satisfied itself as to the nature and location of the Work and Project, the general and local conditions, including but not limited to those bearing upon transportation, disposal, handling and storage of materials, availability of materials, labor, water, electric power, and roads, and uncertainties of river stages, or similar physical conditions at the Project site, the conformation of the ground, existing facilities and improvements, the character of equipment, and facilities needed preliminary to and during the prosecution of the Work, and assumes the risk thereof. Supplier has further satisfied itself as to the hazards likely to arise from weather conditions.

4. Time is of the Essence

Time is of the essence. If the Work is not completed by the designated time set forth in the Contract Documents or as after the Effective Date of the Agreement in accordance with Section 17 "Changes" and Section 37 -Waiver of Consequential Damages/Liquidated Damage, Owners reserve the right without liability, in addition to its other rights and remedies (including the right to impose liquidated damages as specified in this Contract), to terminate this Contract and to purchase substitute Materials or obtain substitute Work from another entity, contractor or supplier and seek equitable relief or damages, including any delay damages, consequential damages, increased costs in Materials or Work, extra administrative expenses and labor, extra general expenses, interest or carrying costs, legal expenses and other losses incurred by Owners.

5. Shipment; Risk of Loss

A complete packing list shall be enclosed with all shipments describing the contents of each shipment, package or container showing the items shipped, weight, quantity and Contract number and Purchase Order. Supplier shall mark containers or packages with necessary lifting, loading, and shipping information, including the Owners' Contract number and Purchase Order, dates of shipment, and names and addresses of consignor and consignee. Delivery shall be F.O.B. Owners' Designated Site. Title, and the risk of loss to Materials shall remain with Supplier while Materials are located upon or are stored at Supplier's facilities and while in transit; and, will pass to Owners upon Owners' receipt and acceptance at the Designated Site. Supplier shall not substitute Materials or ship more than the quantity of Materials ordered without express written authority from Owners. If, in order to comply with Owners' required delivery date(s), it becomes necessary for Supplier to ship by a more expensive way than specified in the Contract Documents, any increased transportation costs resulting therefrom shall be paid for by Supplier unless the necessity for such rerouting or expedited handling has been caused by Owners failure to comply with the Contract Documents.

6. Stop Work Order

Supplier shall stop Work for up to ninety (90) days in accordance with the terms of any written notice to stop Work received from Owners, or for such longer period of time as the parties may agree in writing, and shall take all reasonable steps to minimize the incurrence of costs allocable to the Work covered by the Contract Documents during the period of Work stoppage. Within such ninety (90) day period, Owners shall either terminate or continue the Work by written notice to Supplier. In the event of a continuation, an equitable adjustment may be made in accordance with Section 17 "Changes", to the price, delivery schedule, or other provision affected by the Work stoppage, if applicable, provided that the claim for equitable adjustment is made in writing within ten (10) days after notice of such continuation.

7. Inspection/Testing

Payment for any Work supplied hereunder shall not constitute acceptance thereof. Owners shall have the right to inspect Work and to reject any or all of Work which are in Owners' judgment defective or nonconforming. An inspection or testing by Owners is only intended to allow Owners to become generally familiar with the progress and general quality of the portion of the Work completed, and to determine, in general, if the Work observed is being performed in a manner consistent with Contract Documents. However, such an inspection or test shall not be deemed an exhaustive inspection or test to check the quality of the Work to be free from defects. Work rejected, including Materials supplied in excess of quantities called for herein, may be returned to Supplier at Supplier's expense; and, in addition to Owners' other rights, Owners may charge Supplier all expenses of unpacking, examining, repacking and reshipping Materials. In the event Owners receives defective or nonconforming Work, Owners reserve the right to require replacement, as well as payment of damages and consequential damages. Nothing contained in the Contract Documents shall relieve Supplier from the obligation of testing, inspection and quality control. Owners' use of a portion of the Work for testing shall not constitute acceptance of the Work. Nonconforming Materials will be returned to Supplier and risk of loss will pass to Supplier upon Owners' delivery to the common carrier.

8. Invoicing/Payment

Once each month, on or before the 10th day of the month, Supplier shall prepare and submit a pay application. Owners' within ten (10) days of receipt of each invoice will indicate in writing their acceptance or return the invoice indicating in writing the reasons for refusing to accept the invoice. Payment of undisputed pay applications at the prices stipulated herein is due and payable Net Thirty (30) days from Owners' receipt of a complete and accurate pay application for Work accepted by Owners. Each pay application shall be accompanied by supporting documentation as required by Owners, including without limitation conditional waivers of bond claims for all Work performed through the date covered by the pay application. Pay applications will be prepared in a manner acceptable to Owners by Supplier. Pay applications shall be emailed to the address(s) listed below and shall be in a protected format that cannot be altered.

WWSP Project Controls
wwsp@tvwd.org

Five percent (5%) of the amount shown to be due Supplier on each invoice shall be withheld for Work required by the Agreement Documents as retainage. Upon final completion and acceptance of the Work Owners shall pay Supplier the amount of the withheld retainage.

9. Late Payment

Owners are committed to paying pay applications within the terms of the Contract Documents and ORS 279C.570. Owners will not pay any late charges or service charges that may be incurred due to late payment, except as provided in ORS 279C.570 when applicable.

10. Limitations of Action

The Project is a multiphase project, with Materials to be fabricated and delivered by Supplier to be placed in service by others in the near and distant future. The performance and quality of the Work will not be known until the Work is Placed into Service, which may occur as late as June 2026 and thereafter. Notwithstanding any Oregon statutes, rules or case law to the contrary, Supplier agrees that the running of any applicable Statute of Limitations or Statute of Ultimate Repose, regardless of legal theory, is hereby tolled to date no earlier than the date the Work is Placed into Service; and, the running of any applicable Statute of Limitations or Statute of Ultimate Repose shall not commence until Owners discover or reasonably should have discovered any breach, failure to perform, nonconformity or defect in the Work, injury to person or property or other cause of action after the Work is Placed into Service, regardless of the date Materials or Work are delivered to a Designated Site. Supplier hereby waives and releases, and agrees it will never assert, any defenses, arguments, rights and remedies suggesting that an applicable Statute of Limitations or Statute of Ultimate Repose commenced on a date earlier than the date the Work is Placed into Service. Supplier acknowledges that Owners are entering into this Contract in reliance upon the representations, statements and promises of Supplier in this section.

11. Confidentiality

(a) Supplier acknowledges that Owners are public entities subject to the provisions of the Oregon Public Records Act. Supplier acknowledges that it has been or may be exposed to confidential or proprietary information, oral or written, ("Confidential Information"), including, but not limited to customer information, financial and business information (including, without limitation, revenues, expenses, taxes and contracts), partner relationships, patents, trade secrets, technical processes, formulae related to products and services, pricing and any device, technique or compilation of information used in Owners business. Supplier agrees that it shall not use, commercialize or disclose such Confidential Information to any person or entity, except to its own employees having a "need to know in order to perform the Work." Supplier may only disclose Confidential Information to third parties upon prior written approval by Owners, and shall comply with Owners conditions in making such disclosure. Supplier shall use at least the same degree of care in safeguarding Confidential Information as it uses in safeguarding its own confidential information, but in no event less than reasonable care. Nothing is intended to or shall grant Supplier an ownership right, a license or other right of any nature to use Confidential Information unless expressly provided herein. Furthermore, Supplier shall burn, pulverize, or shred papers and destroy or erase all electronic media that contain Owners' customer information upon termination of this Agreement or completion of the Work, whichever is sooner, or such other time(s) as may be specified in Exhibit A2-Statement of Work so that such Confidential Information cannot practically be read or reconstructed. Owners has the right, but not the obligation, to audit Supplier compliance with this Section 10 (Confidentiality) by providing Supplier written notice twenty-four (24) hours in advance of such audit.

(b) The Supplier shall hold such information confidential to the extent provided by law and shall not engage in any use or disclosure of such information not expressly provided for in the Contract Documents. In the event Supplier receives a request or subpoena for such Confidential and/or proprietary Information from a third party, notice thereof shall promptly be given to Owners. The Supplier shall take all reasonable steps to prevent any unauthorized possession, use, transfer or disclosure of such Confidential Information. Should Supplier learn of any such unauthorized possession, use, transfer or disclosure, it shall promptly notify Owners. If requested, by Owners, Supplier shall deliver to the other party all Confidential Information (including all copies) disclosed to it with respect to the Contract Documents.

(c) The disclosure provisions of this section shall not apply to information that a) Supplier had in its possession prior to disclosure by the other party; b) becomes public knowledge through no fault of Supplier; c) Supplier lawfully acquires from a third party not under an obligation of confidentiality to the disclosing party; or d) is required to be disclosed by court order.

12. Independent Contractor

Supplier understands and agrees that Supplier and Supplier's employees, agents, subcontractors or other personnel are not Owners' employees. Supplier shall be solely responsible for health and safety of employees in the work place, payment of salaries, wages, payroll taxes, unemployment benefits or any other form of compensation or benefits to Supplier or any of Supplier's employees, agents, subcontractors or other personnel performing, directly or indirectly, the Work specified herein. Further, it is expressly understood and agreed that neither Supplier nor Supplier's employees, agents, subcontractors or other personnel shall be entitled to any Owners' payroll, insurance, unemployment, Worker's Compensation, retirement or any other benefits whatsoever. Supplier will remain objective at all times and shall have no conflicts of interest. A conflict of interest exists when there is any personal or financial relationship that could influence or be perceived to influence the representation or conduct of business for, or on behalf of, Owners. Any conflict of interest or potential conflict of interest will be reported to Owners in writing within fifteen (15) calendar days from the date of discovery of the conflict of interest/potential conflict of interest. Supplier shall send the written notice of conflict of interest/potential conflict of interest to the Owners.

13. Warranty

(a) Supplier expressly represents and warrants that: (i) all Work furnished under the Contract Documents shall be completed in a professional, workmanlike manner, with the degree of skill and care that is

required by current, good and sound procedures; (ii) the Work shall conform to all specifications and shall be free from defects in material or workmanship; (iii) all Work furnished hereunder will be merchantable, and will be safe and appropriate for the purpose for which Work of that kind are normally used; (iv) all Materials will be new and will not be used or refurbished; and (v) Supplier has all necessary right, power and authority to enter into this Contract. Supplier knows the particular purpose for which Owners intends to use the Work; so, Supplier warrants that such Work will be fit for such particular purpose. Inspection, testing, acceptance or use of the Work furnished hereunder shall not affect the Supplier's obligation under this warranty and such warranties shall survive inspection, testing, acceptance and use. If the Materials include hazardous materials, Supplier represents and warrants that Supplier understands the nature of any hazards associated with the manufacture, handling and transportation of such hazardous materials.

(b)Supplier's warranty shall run to Owners, its successors, assigns and customers, and users of the Work for a period of ten (10) years from the date substantially complete by the installing contractor, according to those contract documents. Supplier agrees to replace or correct defects of any Work not conforming to the foregoing warranty promptly without expense to Owners, when notified in writing of such nonconformity by Owners, provided Owners elects to provide Supplier with the opportunity to do so. In the event of failure of Supplier to correct defects or replace nonconforming Work promptly, Owners. For non-compliance after reasonable notice to Supplier, Owners may make such corrections or replace such Work and charge Supplier for the cost incurred by Owners in doing so.

14. Indemnification

To the fullest extent permitted by law, Supplier shall indemnify, defend and hold harmless Owners and their respective representatives, members, officers, boards, agents, contractors, agents, design professionals, and employees, including without limitation, MWH Americas, Inc., and Carollo Engineers, Inc. and their respective representatives, shareholders, officers, directors, agents and employees from and against any and all losses, damages, attorney's fees, expert fees, litigation expenses, injuries, claims, cause or causes of action, or any liability of any kind whatsoever related to, arising out of or in connection with the Work provided by Supplier, including, without limitation, (i) any claim based on the death or bodily injury to any person, destruction or damage to property, or contamination of the environment and any associated cleanup costs, (ii) any claim based on the negligence, omissions or willful misconduct of Supplier or any of its employees, consultants or agents, and (iii) any claim by a third party against Owners alleging that the Work, the results of such Work, or any other products or processes provided under the Contract Documents, infringe a patent, copyright, trademark, trade secret or other proprietary right of a third party; provided, however, that if the Work performed is construction, then Supplier's obligations under this entire paragraph are limited to the extent of the fault attributed to such acts or omissions of Supplier or any of Supplier's employees, consultants, agents, subcontractors, any subcontractor's subcontractor, or other person or entity employed directly or indirectly by any of them, and anyone for whose acts they may be liable.

15. Limitation of Liability

Owners liability on any claim of any kind for any loss or damage arising out of, in connection with or resulting from the Contract Documents or from the performance or breach thereof shall in no case exceed the price allocable to the Contract covering the Work that which gives rise to the claim. Owners shall not be liable for penalties of any kind. Any action resulting from any breach on the part of Owners as to the Work hereunder must be commenced within one (1) year after the cause of action has accrued. Nothing in the Contract Documents shall be interpreted to limit or prevent the protections afforded to Owners under common law, regulatory or statutory immunity defenses.

16. Insurance/Bonds.

Supplier agrees to maintain at its own expense all legally required insurance for its premises, associates, and employees. The insurance company providing any of the insurance coverage required herein shall have a Rating and a Financial Strength satisfactory to Owners; and, shall be subject to approval by Owners in their sole discretion.

Supplier shall maintain the following insurance with limits not less than as follows:

<u>Workers Compensation</u>	Statutory Limits for states where work is performed and/or where benefits can be claimed.
<u>Employers Liability</u>	\$1,000,000 – Each Occurrence \$1,000,000 – Disease: Each Employee \$1,000,000 – Disease: Policy Limit
<u>Commercial General Liability</u> <ul style="list-style-type: none">Specifically including (or not excluding) and not limited to coverage for premises & operations, products & completed operations, contractual liability, independent contractors, offsite operations and storage, bodily injury, property damage, fire legal liability. *Completed operations coverages shall remain effective for a period of ten (10) years after the date of substantial completion by the installing contractor.	\$2,000,000 – Each Occurrence \$4,000,000 – Policy Aggregate
<u>Automobile Liability</u> <ul style="list-style-type: none">All owned, hired, and non-owned vehicles.	\$1,000,000 – Each Occurrence, property damage / bodily injury Combined Single Limit (“CSL”)
<u>Umbrella or Excess Liability</u> <ul style="list-style-type: none">Excess of the primary Commercial General Liability, Automobile Liability.	When required, in combination with the primary policy to meet the requirements for Commercial General Liability and/or Automobile Liability.

Other Requirements

- Owners shall be named as an Additional Insured under the Commercial General Liability and Automobile Liability policies.
- The Commercial General Liability Insurance cannot be endorsed to exclude the perils of explosion, collapse, and underground exposures without the specific written approval of the Owners.
- Supplier shall require carrier(s) to provide (30) days written notice to Owners prior to any cancellation, except for non-payment, which shall be the number of days for notice set forth in the policy.
- Supplier shall provide (30) days written notice to Owners prior to any material reduction or modifications.
- Supplier insurance is primary and insurance held by Owners is excess and non-contributory.
- If Supplier does not comply with this provision, Owners may, in addition to any other remedies it may have, terminate this Agreement, subject to any provision of this Agreement.

When Supplier delivers the executed Contract to Owners, Supplier will also deliver a certificate of insurance with respect to each required policy to be provided by Supplier under this Section. All endorsements shall be attached to the certificates of insurance when submitted to Owners. A certified, true and exact copy of each of the project specific insurance policies (including renewal policies) required under this Section shall be provided to Owners if so requested.

Supplier shall promptly deliver to Owners a certificate of insurance with respect to each renewal policy, as necessary to demonstrate the maintenance of the required insurance coverage for the terms specified in the Contract Documents. Such certificate shall be delivered to the Owners not less than thirty (30) days prior to the expiration date of any policy and bear a notation evidencing payment of the premium thereof.

There shall be no recourse against Owner for the payment of premiums or other amounts with respect to the insurance required from Supplier under this Section.

To the extent damages caused by a casualty are covered by property insurance during construction, Owners and Supplier waive all rights against each other and against their design professionals, contractors, consultants, agents and employees of the other for damages, except such rights as they may have to the proceeds of such insurance as set forth in the Contract Documents.

17. Changes

Owners may at any time, by written notice to Supplier, without notice to sureties or assignees, make changes within the general scope of the Contract Documents by change order. Subject to Section 20 "Appropriation of Funds", if any such change causes a significant increase or decrease in the cost of, or the time required for, performance of any part of the Contract Documents, there may be an equitable adjustment in the price and/or delivery schedule, and the Contract Documents will be modified accordingly upon mutual written agreement by authorized representatives of the Owners and Supplier. Any claim for an equitable adjustment by Supplier must be submitted in writing to Owners within ten (10) days from the date of notice of the change. Failure to agree to any adjustment shall be resolved in accordance with Section 19 "Dispute Resolution"; however, nothing contained in this provision shall excuse Supplier from proceeding without delay in the performance of the Contract Documents as changed pending resolution under Section 19.

18. Force Majeure

Neither party shall be liable for delays in performing its obligations to the extent the delay is caused by an unforeseeable events beyond its reasonable control, without fault or negligence of that party, including natural disasters, labor strikes, riots, wars, terrorism, floods, fires, explosions, or acts of nature.

19. Dispute Resolution

If a dispute arises between the parties relating to the Contract Documents, the following procedure shall be followed:

(a) The parties shall hold a meeting promptly, but in no event later than thirty (30) calendar days from the initial written notice of the dispute, attended by persons with decision-making authority regarding the dispute, to attempt in good faith to negotiate a resolution of the dispute; provided, however, that no such meeting shall be deemed to vitiate or reduce the obligations and liabilities of the parties thereunder or be deemed a waiver by a party hereto of any remedies to which such party would otherwise be entitled thereunder unless otherwise agreed to by the parties in writing.

(b) If, within thirty (30) calendar days after such meeting, the parties have not succeeded in negotiating a resolution of the dispute, they agree to submit the dispute to non-binding mediation and to bear equally the costs of the mediation.

(c) The parties will jointly appoint a mutually acceptable mediator. If they fail to do so within twenty (20) calendar days from the conclusion of the negotiation period, they shall each select a mediator. The two mediators will then appoint a third mediator who shall, as the sole mediator, conduct a mediation for the parties. Mediation will be conducted in Portland, Oregon, unless both parties agree in writing otherwise.

(d) The parties agree to participate in good faith in the mediation and negotiations related thereto for a period of thirty (30) calendar days. The substantive and procedural law of the State of Oregon shall apply to the proceedings. If the parties are not successful in resolving the dispute through mediation, then the parties shall be free to litigate the matter.

20. Appropriation of Funds

Performance of Owners' obligations under the Contract Documents are expressly subject to appropriation of funds by the City Council of the Hillsboro and the Board of District. In the event that funds are not appropriated in whole or in part sufficient for performance of Owners obligations under the Contract Documents, or appropriated funds may not be expended due to spending limitations, then this Contract shall thereafter become null and void by operation of law, and Owners shall thereafter have no liability for compensation or damages to Supplier for Work in excess of Owners authorized appropriation for the Project under Contract Documents or the applicable spending limit, whichever is less. In no event shall Supplier have any claim to recover lost profits or consequential damages as a result of lack of appropriation of funds or spending limits; and, Supplier may only recover the cost of Work performed. Owners shall notify Supplier as soon as reasonably possible in the event of non-appropriation or in the event a spending limitation becomes applicable. The funds appropriated for the Contract Documents are equal to or exceed the Contract amount for the year in which the Contract Documents were awarded. For Work to be completed in subsequent fiscal years, if any, Owners will notify Supplier of the non-appropriation of funds for such Work. Supplier and Owners agree and acknowledge as a part of the Contract Documents, that no change order or other form or order or directive may be issued by Owners which requires additional compensable Work to be performed, which Work causes the aggregate, payable under the Contract Documents to exceed the amount appropriated for Project under the Contract Documents, unless Supplier has been given a written assurance by Owners that lawful appropriations to cover the cost of the additional Work have been made or unless such Work is covered under a remedy-granting provision in the Contract Documents.

21. Termination for Cause

In the event Supplier fails to perform any term or condition hereof ("Default") and the Default continues for a period of seven (7) days after Owners has given Supplier written notice thereof, then Owners may, at its sole discretion, terminate this Contract or any part hereof for cause. Default shall include, but not be limited to, late deliveries, deliveries of Materials which are defective or which do not conform to the Contract Documents, and failure to provide Owners, upon request, of reasonable assurances of future performance. In the event that this Contract is terminated in accordance with the foregoing, Owners may take possession of any Work and may complete any Work by whatever means Owners may select. The cost of completing said Work shall be deducted from the balance which would have been due to Supplier had the Contract not been terminated and Work completed in accordance with the Contract Documents. Supplier may terminate this Contract upon written notice to Owners if Owners fails to pay Supplier within sixty (60) days after Supplier notifies Owners that payment is past due.

22. Termination for Convenience

Owners reserves the right to terminate this Contract upon five (5) days written notice or any part hereof for its sole convenience. In the event of such termination, Supplier shall immediately stop all Work hereunder, and shall immediately cause any of its suppliers or subcontractors to cease such Work. Supplier shall be paid a percentage of the Contract price reflecting the percentage of the Work completed and accepted by Owners prior to the effective date of termination, plus actual and reasonable direct costs resulting from termination, which shall not include consequential damages, general overhead costs or the loss of anticipated profits or revenue. Supplier shall not be paid for any Work done after receipt of the notice of termination, or for any costs incurred by Supplier's suppliers or subcontractors which Supplier could reasonably have avoided.

23. Ownership of Work Product.

All Work Product shall at all times be and remain the sole and exclusive property of Owners. Supplier hereby agrees to irrevocably assign and transfer to Owners and does hereby assign and transfer to Owners all of its worldwide right, title and interest in and to the Work Product including all associated intellectual property rights. Owners will have the sole right to determine the treatment of any Work Product, including the right to keep it as trade secret, execute and file patent applications on it, to use and disclose it without prior patent application, to file registrations for copyright or trademark in its own name or to follow any other procedure that Owners deems appropriate. Supplier agrees: (i) to disclose promptly in writing to Owners all Work Product in its possession; (ii) to assist Owners in every reasonable way, at Owners' expense, to secure, perfect, register, apply for, maintain, and retain for Owners' benefit all copyrights, patent rights, mask work rights, trade secret rights, and all other proprietary rights or statutory protections in and to the Work Product in Owners' name as it deems appropriate; and (iii) to otherwise treat all Work Product as Owners' Confidential Information as described above. These obligations to disclose, assist, execute and keep confidential survive the expiration or termination of this Contract. All tools and equipment supplied by Owners to Supplier shall remain the sole property of Owners.

24. Non-Discrimination

Owners are committed to equal employment opportunity for all and maintains and implements equal opportunity and affirmative action where necessary in all of its daily operations. Owners' policy is that no person shall be discriminated against because of race, color, national origin or ancestry, sex, age, religious convictions, veteran status, disability or political beliefs. Supplier shall comply with all Federal and State nondiscrimination laws and have an equal employment opportunity policy. Supplier shall also comply with Owners' Equal Employment Opportunity Affirmative Action policies regarding nondiscrimination and harassment, which includes sexual harassment, in the conduct of its business while on Owners' property and/or interacting with Owners' employees. Supplier will cooperate with Owners in using Supplier's best efforts to ensure that disadvantaged business enterprises are afforded the full opportunity to compete for subcontracts or Work under the Contract Documents.

This Supplier and subcontractor(s) shall abide all regulations, including the requirements of 41 CFR §§ 60- 1.4(a), 60-300.5(a), and 60-741.5(a) and any amendments thereto, that prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, national origin, protected veteran status or individuals with disability.

25. Audit

Supplier shall maintain accurate documents, papers and records of all invoices, costs of Work and payments made by Owners hereunder and related to the Work in accordance with recognized accounting practices, and as required by state and local laws, rules and regulations, and in a format that will permit an audit, for a period of three (3) years after payment of the last invoice in connection with the Contract Documents or resolution of a claim, whichever is later. Such records shall be open to reasonable inspection and subject to audit and/or reproduction, during normal working hours, by Owners or its authorized representative.

26. Severability

Any provision or part of the Contract Documents held to be void or unenforceable under any Law, Rule or Regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon the parties who agree that the Contract shall be reformed to replace such stricken provision with a new provision or interpretation that comes as close as possible to expressing the intention of the stricken provision in compliance with local, State and Federal Laws, rules and regulations.

27. Assignment

Supplier shall not assign or transfer any part of the Contract Documents without the written consent of Owners, whose consent may be withheld in their sole discretion. Any other attempt to transfer or assign is void. Owners may assign the Contract Documents to a Prime Contractor now or in the future, including any warranty rights, obligations, and remedies.

28. Compliances.

In performing or providing Work hereunder, Supplier shall comply with all Federal, State and local laws, rules and regulations as well as technical standards or specifications issued by Owners. Supplier must qualify for and obtain any required licenses and permits prior to commencing Work.

29. Security Compliance

Supplier agrees that Supplier, all Supplier personnel, and all subcontractors shall comply with all of Owners' then current security policies, rules, procedures, and guidelines when at Owners' locations and/or when accessing any Owners network.

30. Governing Law

The Contract Documents shall be construed in accordance with the laws of the State of Oregon without reference to conflicts of laws. In the event of litigation, the venue for any litigation shall be in the County for Washington, State of Oregon.

31. Survival of Obligations

All terms and provisions one reasonably would expect to survive the termination or completion of the Contract Documents, including without limitation, representations, indemnifications, warranties, ownership of work products, licenses, promises regarding protection of Confidential Information, and guarantees made in, required by, or given in accordance with the Contract Documents will survive the payment, completion, and acceptance of Work, or termination or completion of the Contract.

32. Setoff

All claims for money due or to become due from Owners shall be subject to deduction or set off by Owners by reason of any counterclaim arising out of this or any other transaction with Supplier.

33. Non-Exclusive Contract

This is not an exclusive Contract. Owners are free to engage others to perform Work, subject to any applicable public contracting or bidding rules.

34. No Publicity

Supplier shall not advertise or promote using the name or description of Owners or the Project, without prior written consent of Owners, which may be withheld in Owners sole discretion.

35. Price Warranty

Supplier warrants that the prices and rates stated herein represent currently established prices and rates and are no higher than would be charged to any other customer, whether commercial or a United States agency of local, state or federal government, for similar services in like quantities.

36. Waiver

Owners' failure to insist on performance of any of the terms or conditions herein or to exercise any right or privilege or Owners' waiver of any breach hereunder shall not thereafter waive any other terms, conditions, or privileges, whether of the same or similar type.

37. Waiver of Consequential Damages/Liquidated Damages

In no event shall Owners be liable to Supplier or any third party for any incidental, indirect, special or consequential damages arising out of, or in connection with, the Contract Documents, whether or not Owners was advised of the possibility of such damage. Supplier agrees that a delay in the delivery of Materials will cause Owners to suffer financial loss. Supplier and Owners agree it is difficult to anticipate and arrive at a precise measurement of delay damages. As such, Supplier agrees to pay, or Owners may withhold, liquidated damages in the amount of ten thousand dollars (\$10,000) per day for every calendar day delivery to the jobsite for Package 1 Materials or Work is materially delayed beyond the date described in Table 4-1 of Exhibit A – Statement of Work. Further, Supplier agrees to pay, or Owners may withhold, liquidated damages in the amount of ten thousand dollars (\$10,000) per day for every calendar day delivery to the jobsite for Package 2 Materials or Work is materially delayed beyond the date described in Table 4-1 of Exhibit A – Statement of Work. Supplier acknowledges that the liquidated damage rate is a reasonable estimate of potential damages, including without limitation potential increased costs for third party services, carrying costs and rates. Supplier agrees that the liquidated damages rate is the best estimate of the Owner's damages per day as a result of a delay and is not a penalty.

38. Entire Agreement

The Contract Documents constitutes the entire agreement between the parties and supersedes all previous written or oral communications, understandings, and agreements between the parties unless specifically stated herein. The terms and conditions of the Contract Documents shall prevail notwithstanding any variance with the terms and conditions of any acknowledgement or other document submitted by Supplier. The parties specifically agree that any language or provisions contained on Supplier's web site shall be of no force and effect and shall not in any way supersede, modify, supplement or amend the Contract Documents. The Contract Documents may only be amended by a written agreement signed by both parties in accordance with Section 17. Email and all other electronic (including voice) communications from Owners in connection with the Contract Documents are for informational purposes only. No such communication is intended by Owners to constitute either an electronic record or an

electronic signature, or to constitute any agreement by Owners to conduct a transaction by electronic means. Any such intention or agreement is hereby expressly disclaimed.

39. Counterparts; Copies of Signatures

The Contract, change orders, and work change directives may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Executed signature pages may be delivered using pdf or similar file type transmitted via electronic mail, cloud based server, e-signature technology or other similar electronic means.

EXHIBIT A – STATEMENT OF WORK (SOW)
Willamette Water Supply Program
PLW_1.1 Fabricated Pipe and Fittings

1.0 Introduction

Tualatin Valley Water District (“District”) and the City of Hillsboro (“Hillsboro”), collectively referred to as (“Owners”), are contracting with Northwest Pipe Company (“Supplier”) to fabricate, line and coat, test, store (short term), and deliver welded steel pipe and fittings for the PLW_1.1 section of the Willamette Water Supply System (“WWSS”) as described herein.

2.0 Background

The Willamette Water Supply Program (“WWSP”) was formed by Owners to deliver the WWSS. The WWSS is a drinking water infrastructure program that will provide Owners with a seismically resilient water supply, designed to meet future demand and will provide redundancy in case of an emergency event. The WWSS includes more than thirty (30) miles of transmission pipelines, ranging from 36-inches to 72-inches in diameter from the Willamette River Water Treatment Plant (“WRWTP”) in Wilsonville, Oregon, north to Hillsboro, Oregon and Beaverton, Oregon. The WWSS also includes constructing finished water storage tanks (terminal storage) and an expansion of the WRWTP, including fish screen replacements at the existing intake facility. For additional history and information, visit www.ourreliablewater.org.

The WWSS has been divided into work packages including several pipeline sections (Attachment 3). Stationing for PLW_1.1 section is shown in the drawings included as Attachment 2. PLW_1.1 includes the construction of a 48-inch water transmission pipeline and associated turnouts for water delivery.

3.0 Task and Deliverables

Supplier shall provide approximately twenty four hundred forty-two (2,442) linear feet of forty-eight inch (48-inch) steel water transmission pipeline, including all fabricated fittings and specials as shown and described in Attachments 1 and 2. PLW_1.1 will be split into two separate packages (Package 1 and 2) to accommodate input from the Owners’ contractor for Package 2 and allow discrete delivery (shipping to the project site) for the two different types of installation. Package 1 will include pipe, fittings and specials on the open cut sections of the project. Package 2 will include pipe associated with trenchless crossing and another open cut portion of the work as described in Section 3.2. The two pipeline packages will have separate submittals, fabrication schedules, and delivery and storage milestones as identified in Table 4-1.

Supplier shall perform the following services (Work):

1. Prepare and submit shop drawings and other submittals required in the Contract Specifications;
2. Fabricate, line and coat, and test all pipe, fittings and specials per the Contract Documents, as defined in the Drawings and Specifications;
3. Storage of fabricated pipe, fittings, and specials;
4. Delivery of fabricated pipe, fittings, and specials as coordinated with Owners’ contractor at a location not exceeding one (1) mile from the project site.

EXHIBIT A – STATEMENT OF WORK (SOW)
Willamette Water Supply Program
PLW_1.1 Fabricated Pipe and Fittings

3.1 Prepare and Submit Shop Drawings and Other Submittal Items

Supplier shall prepare and submit pipeline lay drawings, product data, shop drawings, product schedules, and other submittals as required by the Specifications for review and approval by Owners. Submittals that do not have all the information required to be submitted, including deviations, are not acceptable and will be returned to Supplier without review. Supplier shall not procure steel pipe materials (e.g., coil, plate, and miscellaneous schedule pipe) or begin manufacturing/fabrication until the required submittals are approved in writing by Owners.

Supplier shall submit the specified information as an electronic file in searchable PDF format. Submittal drawings shall be prepared in 11X17 format to facilitate scanning and printing. Include a submittal transmittal form with each file. Transmittal forms shall include specification number, specification description including section number/reference, submittal revision number, and date submitted. Owners will return each submittal with one of the following actions:

1. NO EXCEPTIONS TAKEN – Supplier may begin to implement the work method or incorporate the material or equipment covered by the submittal
2. MAKE CORRECTIONS NOTED – Supplier may begin implementing the work method or incorporating the material and equipment covered by the submittal in accordance with the noted corrections
3. REVISE AND RESUBMIT – Supplier shall not undertake Work covered by its submittal until it has been revised, resubmitted and returned marked either NO EXCEPTIONS TAKEN or MAKE CORRECTIONS NOTED

Owners' review of submittals shall not exceed five (5) working days from date of receipt of the submittals. Supplier shall revise and resubmit submittals within five (5) working days from receipt of comments from Owners. Working days exclude 11/24/16, 11/25/16, 12/23/16, 12/26/16 and 1/2/17.

All submittals shall be submitted to Owners' Document Management System and Owners' Project Manager concurrently at the email addresses below. Submittals received after 1:00 PM (Pacific Standard Time) will be processed the next business day for review by Owners.

Submit submittals to: PLW_1.0@docs.e-builder.net and CHart@carollo.com

3.2 Welded Steel Pipe and Fittings

Supplier shall fabricate and deliver welded steel pipe, fittings and specials in accordance with the Contract Documents, including the Drawings and Specifications. Supplier's costs shall include all materials, labor, fabrication, storage, insurance, transportation, delivery, profit, and overhead for completing the work. All casing pipe, nuts, bolts, and gaskets will not be included in this procurement.

Pipeline will be split into two separate Packages to accommodate work requirements for the complete PLW_1.1 project. These packages are defined as follows:

EXHIBIT A – STATEMENT OF WORK (SOW)
Willamette Water Supply Program
PLW_1.1 Fabricated Pipe and Fittings

Package 1:

Package 1 will consist of pipe, fittings, and specials for the pipeline as described from Sta. 1216+46.41 to Sta. 1235+73.17 (on the south side of Tualatin Valley Highway). This pipe is for a majority of the open cut sections of the project.

Package 2:

Package 2 will consist of pipe, fittings, and specials for the pipeline in the tunneled crossing of Tualatin Valley Highway and the open cut section from Sta. 1235+73.17 to Sta. 1240+85.17 (on the north side of Tualatin Valley Highway). No fabrication work (including rolling cylinders) shall take place until approval to start fabrication is provided in accordance to milestones in Table 4-1.

Each of these Pipeline Packages has separate submittal, fabrication, delivery, and storage milestones.”

3.3 Delivery to Site and Storage Requirements

Owners' contractor shall coordinate with Supplier the delivery of pipe and fittings to the PLW_1.1 site. Supplier shall deliver to a location (to be determined) not exceeding 1 mile from project site:

SW Cornelius Pass Road at Tualatin Valley Highway
Hillsboro, Oregon

At the time of delivery to the project site, Owners' contractor shall be responsible for inspecting and accepting the pipe and fittings prior to off-loading. Pipe or fittings damaged prior to offloading shall be repaired immediately by Supplier onsite or at the factory at no additional expense to Owners or Owners' contractor. Owners' contractor will coordinate Supplier's delivery of repaired items.

3.4 Progress Payments and Invoicing

Supplier shall invoice Owners in accordance with the provisions of the Contract and the following progress payment schedule in Table 3-1, related to the items on Exhibit B.

Original invoices shall be submitted concurrently to Owners' Accounts Payable and Owners' Project Manager at the following email addresses: wwsp@tvwd.org and CHart@carollo.com

EXHIBIT A – STATEMENT OF WORK (SOW)
Willamette Water Supply Program
PLW_1.1 Fabricated Pipe and Fittings

Table 3-1 Progress Payments

Activity	Bid Tab Item	Progress Payment	Condition
<i>Submittals</i>	<i>1</i>	<i>100%</i>	<i>Payment upon approval by Owners for all required submittals.</i>
<i>Additional Monthly Storage at Supplier Location</i>	<i>2</i>	<i>100%</i>	<i>Payment for each month (or prorated per day) for extended storage of pipe past the final delivery dates in Table 4-1.</i>
<i>Steel Materials (coil, plate and small schedule pipe)</i>	<i>3-19</i>	<i>40%</i>	<i>Payment upon delivery of raw materials to Supplier and inspection by Owners.</i>
<i>Pipe Production and Storage</i>	<i>3-19</i>	<i>50%</i>	<i>Payment upon inspection by Owners of complete pipe, ready for delivery.</i>
<i>Delivery of Pipe and Fittings to Jobsite</i>	<i>3-19</i>	<i>10%</i>	<i>Payment upon delivery to project site and inspection by Owners.</i>

4.0 Project Schedule

Supplier shall complete the Work in accordance with the milestones established in Table 4-1, which Supplier has reviewed and determined to be reasonable. Supplier's failure to adhere to Package 1 and Package 2 delivery milestones below, or as amended in a change order agreed to by the parties after the effective date of the Contract, may result in liquidated damages (or a portion thereof) assessed in accordance with the Contract provision.

Table 4-1 Project Schedule

Task/Deliverable Description	Completion Date
Notice to Proceed	November 10, 2016
Fabrication Plan, Coating Manufacturer/Applicator Qualifications, Certification of Conformance to Standards, Quality Assurance Plan and Weld Procedures Submittals to Owners Package 1 and 2 to be submitted together	November 23, 2016
Fabrication Plan, Coating Manufacturer/Applicator Qualifications, Certification of Conformance to Standards, Quality Assurance Plan and Weld Procedures Submittals approved by the Owners Package 1 and 2 to be approved together	November 29, 2016
Submittal for certifications for the Steel products	December 21, 2016
Approved Submittal for certifications for the Steel products	December 30, 2016

EXHIBIT A – STATEMENT OF WORK (SOW)
Willamette Water Supply Program
PLW_1.1 Fabricated Pipe and Fittings

Task/Deliverable Description	Completion Date
Package 1:	
Pipe Fabrication Detail Submittal for Package 1 to Owners	December 2, 2016
Approved Pipe Fabrication Detail Submittal for Package 1 Fabrication allowed to begin for Package 1	December 30, 2016
Pipe fabrication complete for Package 1 Coordination with Owner's contractor for delivery to site	January 30, 2017
Delivery of pipe for Package 1 to jobsite complete	March 7, 2017
Package 2:	
Pipe Fabrication Detail Submittal for Package 2 to Owners	December 2, 2016
Approved Pipe Fabrication Detail Submittal for Package 2 Hold fabrication for Package 2 to allow for Owners' contractor input	December 30, 2016
Owners to resubmit Pipe Fabrication Detail Submittal for Package 2 with Owners' contractor's comments included in resubmittal	February 17, 2017
Approved Fabrication Detail Submittal for Package 2 Fabrication allowed to begin for Package 2	March 10, 2017
Pipe fabrication complete for Package 2 Coordination with Owner's contractor for delivery to site	April 10, 2017
Delivery of pipe for Package 2 to jobsite complete	May 15, 2017

5.0 Safety Requirements

Supplier must comply with Owners' and Owner's contractor's safety policies and procedures when performing work onsite. Supplier working on site may be required to participate in a site-specific safety orientation (prior to performing any Work), safety meetings (e.g., tool box talks or job hazard analysis) when on site, and provide personal protective equipment (minimum required for the site and specific to work being performed).

6.0 Contract Documents

The following documents, including the Contract and Standard Terms and Conditions, comprise the entire Contract between Owners and Supplier:

Contract and Standard Terms and Conditions

Exhibit A Statement of Work

Attachment 1 – Specifications for Procurement of Steel Pipe for PLW_1.1
Fabricated Pipe and Fittings, Volume 1 of 2 (September, 2016)

Attachment 2 – Drawings for Procurement of Steel Pipe for PLW_1.1 Fabricated
Pipe and Fittings, Volume 2 of 2 (September, 2016)

Attachment 3 – Draft WWSP Work Packages

EXHIBIT A – STATEMENT OF WORK (SOW)
Willamette Water Supply Program
PLW_1.1 Fabricated Pipe and Fittings

Exhibit B	Schedule of Values
Exhibit C	Confidentiality Agreement
Exhibit D	Supplier Insurance Certificates
Exhibit E	Supplier's Bid and Documentation submitted prior to the Effective Date of the Contract
Exhibit F	Invitation to Bid ITB-PLW-0300916 Bidding Documents and Addenda

7.0 Owners' Representative

Mr. Mike Britch has been designated as the Owners Representative for this Agreement. Mr. Britch may be reached by phone at 503-941-4565 or by email at mike.britch@tvwd.org.

EXHIBIT B – SCHEDULE OF VALUES
PLW_1.1 FABRICATED PIPE AND FITTINGS
CONTRACT 2017-005

Item No.	Item Description	Unit	Qty	Bid Unit Price	Extended Bid Price
General Items					
1	Submittals and Shop Drawings (max 1% of total bid)	1	LS	\$1,000.00	\$1,000.00
2	Extended Storage at Supplier Site	MO	4	\$1,000.00	\$4,000.00
Total General Items (Items 1 and 2) =					\$5,000.00
Package 1 – Sta. 1216+46.41 to Sta. 1235+73.17					
3	48" Steel Pipe, 0.375" min wall thickness, ML/Polyurethane Coated, including all applicable fittings (2 piece cut bends) associated with the pipe, and for additional work in attaching specials associated with the pipe, Sta. 1216+46.41 to Sta. 1219+49.94, Sta. 1219+62.21 to 1227+50.00	LF	1092	\$265.00	\$289,380.00
4	48" Steel Pipe, 0.500" min wall thickness, ML/Polyurethane Coated, including all applicable fittings (2 piece cut bends) associated with the pipe, and for additional work in attaching specials associated with the pipe, Sta. 1219+49.94 to Sta. 1219+62.21 and Sta. 1227+50.00 to Sta.1230+70.00	LF	332	\$337.00	\$111,884.00
5	48" Steel Pipe, 0.625" min wall thickness ML/Polyurethane Coated, including all applicable fittings (2 piece cut bends) associated with the pipe, and for additional work in attaching specials associated with the pipe, Sta. 1230+70.00 to Sta. 1235+73.17	LF	504	\$400.00	\$201,600.00
6	24" Manway w/Tapped Blind Flange & 4" pipe w/Flange	EA	4	\$11,093.00	\$44,372.00
7	48" Class E Flange	EA	5	\$6,346.00	\$31,730.00
8	48"x18" Tee with 18" diameter, 2' long spool and 18" Flange	EA	1	\$10,384.00	\$10,384.00
9	48"x30" Tee with 30" diameter, 2' long spool and 30" Flange	EA	1	\$18,190.00	\$18,190.00
10	48" Dished Head w/Testing Outlets	EA	1	\$6,706.00	\$6,706.00

EXHIBIT B – SCHEDULE OF VALUES
PLW_1.1 FABRICATED PIPE AND FITTINGS
CONTRACT 2017-005

Item No.	Item Description	Unit	Qty	Bid Unit Price	Extended Bid Price
11	6" Tangential Outlet (for blowoff)	EA	1	\$3,200.00	\$3,200.00
12	48" Type RR Harness Lug	EA	4	\$10,787.00	\$43,148.00
Total Package 1 Base Bid (Items 3 through 12) =					\$760,594.00
Package 2 - Sta. 1235+73.17 to Sta. 1240+85.17					
13	48" Steel Pipe 0.625" min wall thickness, Polyurethane Lined & Coated, including all applicable fittings (2 piece cut bends) associated with the pipe, and for additional work in attaching specials associated with the pipe, Sta. 1235+73.17 to Sta. 1238+41.83	LF	269	\$436.00	\$117,284.00
14	48" Steel Pipe, 0.375" min wall thickness, ML/Polyurethane Coated, including all applicable fittings (2 piece cut bends) associated with the pipe, and for additional work in attaching specials associated with the pipe, Sta. 1239+50 to Sta. 1240+85.17	LF	136	\$266.00	\$36,176.00
15	48" Steel Pipe, 0.625" min wall thickness, ML/Polyurethane Coated, including all applicable fittings (2 piece cut bends) associated with the pipe, and for additional work in attaching specials associated with the pipe, Sta. 1238+41.83 to Sta. 1239+50.00	LF	109	\$407.00	\$44,363.00
16	48" Type RR Harness Lug	EA	2	\$11,660.00	\$23,320.00
17	48" Class E Flange	EA	1	\$6,697.00	\$6,697.00
18	48" AWWA C207 Class E, Flange (Vanstone Style Ring), Shipped Loose	EA	2	\$10,000.00	\$20,000.00
19	48" Dished Head w/Testing Outlets	EA	1	\$6,706.00	\$6,706.00
Total Package 2 Bid (Item 13 through 19) =					\$254,546.00
Total of Base Bid (Items 1 through 19) =				\$1,020,140.00	

EXHIBIT B

BID FORM – ADDENDUM NO. 003

NOTE TO BIDDER: ELECTRONICALLY TYPE INFORMATION WHERE AVAILABLE.

PROJECT IDENTIFICATION:

Owners: Tualatin Valley Water District (“TVWD”) and City of Hillsboro (“Hillsboro”)

Project: Willamette Water Supply System PLW_1.1 Fabricated Pipe and Fittings

THIS BID IS SUBMITTED BY:

Name of Bidder: Ameron Water Transmission Group
LLC

Address: 10681 Foothill Blvd, Suite 450,
Rancho Cucamonga, CA 91730

Email: vic.degrande@nov.com

Phone: 909-944-4100 X327

Tax Payer ID No: 47-2505581

1. The undersigned Bidder proposes and agrees, if this Bid (Base Bid Total or Base Bid Total plus any selected Bid Alternates) is accepted, to enter into a contract with Owners, to perform and furnish all labor, tools, equipment, materials, maintenance, and services (“Work”) as specified or indicated in the Bidding Documents, including Work reasonably inferable as necessary to perform the scope of work set forth in Bidding Documents, for the Bid Price and within the Bid Times as indicated in this Bid and in accordance with the other terms and conditions in the Contract Documents.
2. If the quantity of a unit priced item varies by more than twenty-five percent (25%) above or below the quantity indicated in the Schedule of Values, and causes the total Contract Price to vary by more than 2 percent, Supplier or Owners may request an equitable adjustment in the unit price of the item. The requesting party shall provide documentation as to why the cost should be adjusted and by how much.
3. The undersigned Bidder accepts all of the terms and conditions of Invitation to Bid and Bid Documents including, without limitation, those dealing with the disposition of Bid Security.
4. This Bid and Bid Alternates will remain subject to acceptance for one hundred twenty (120) days after the day of Bid Opening.

5. Bidder will sign and deliver the required number of counterparts of the Contract with the Bonds and other documents required by the Bidding Documents within ten (10) business days after the date of Owners' Notice-of-Award.
6. In submitting this Bid, Bidder declares, as more fully set forth in the Contract, that:
 - 6.1. Bidder has made a careful examination of the Bidding Documents.
 - 6.2. The undersigned, as Bidder, acknowledges that Addenda numbered
 One through Three
 (Words) (Words)
 have been delivered to him, have been examined as part of the Contract Documents and have the same force and effect as though they were originally included in the Bidding Documents.
 - 6.3. Bidder has correlated the information known or available to Bidder, information obtained from site visits, reports and drawings identified in the Bidding Documents and all additional information, investigations, explorations, tests, studies, and data with the Contract Documents.
 - 6.4. Bidder has given Owners written notice of all conflicts, errors, ambiguities or discrepancies that Bidder has discovered pertaining to the Project during preparation of his Bid and the written resolution thereof by Owners is acceptable to Bidder; and the Contract Documents as modified by Addenda are generally sufficient to indicate and convey understanding of all terms and conditions for performing and furnishing the Work for which this Bid is submitted.
 - 6.5. Bidder has read and accepts the provisions in Standard Terms and Conditions Article 3, which limit the extent to which Bidder may rely on information provided by Owners or Engineer with respect to subsurface and physical Conditions, existing subsurface or concealed conditions and underground facilities.
 - 6.6. Bidder has read and accepts the provisions in Standard Terms and Conditions that describe the Bidder's responsibilities on the Project.
 - 6.7. Bidder will begin the Work upon Notice to Proceed and pursue the Work to completion without cessation or shutdown unless approved in writing by the Owners in Owners sole discretion.
 - 6.8. Bidder is familiar with and will comply with all local, state and federal laws even though such laws may not have been quoted or referred to in the Contract Documents; that he will do all the Work as required by the Bidding Documents.
 - 6.9. Bidder is aware of the general nature of Work to be performed by the Owners and others at the site that relates to the Work for which this Bid is submitted as indicated in the Bidding Documents.

7. It is understood that the quantities stated in connection with the price schedule for the contract submitted herewith are approximate only and payment shall be made on the unit prices named for the actual quantities incorporated in the completed Work. Only those items for which estimated quantities are given may be increased or decreased at the unit price named. If there shall be an increase in the total payment for an item covered by a lump sum price, it shall be computed on a basis of Extra Work for which an increase in payment will have been earned, and if there is a decrease in a lump sum payment for any such item, it shall be made only as the result of negotiation between the Bidder and Owners.
8. All prices for which schedules are provided herein have been completed in full by the showing of a lump sum or unit price required for each and every item thereof. The total price for each item and the Base Bid Total computed contract price are necessary for the sole purpose of the facilitating comparison of bids. The Base Bid Total amount is provided in both figures and words; if there are any discrepancies the prices in words shall govern.
9. The undersigned hereby certifies that Bidder is not (“is” or “is not “-- enter one) a resident bidder as defined in ORS 279A.120.
10. The undersigned hereby certifies that Bidder has (“has” or “has not”—enter one) established an employee drug testing program.
11. The undersigned acknowledges that it will comply with ORS 279C.800 to 279C.870, if applicable.

The Bidder proposes to furnish labor, materials, equipment, and services of all kinds required for the Project, including all appurtenant work, all as required by the drawings and specifications and this Bid Form for the prices in accordance with the completed Schedule of Contract Prices as follows:

**SCHEDULE OF CONTRACT PRICES
WILLAMETTE WATER SUPPLY SYSTEM (WWSS)
ITB-PLW-0300916 PLW_1.1 FABRICATED PIPE AND FITTINGS**

Bidder understands that the Owners may reject any bid not in compliance with all prescribed public bidding procedures and requirements and may reject for good cause any or all bids upon finding of the Owners that it is in the public interest to do so; and that the Owners reserve the right to waive informalities in the bidding.

Bid Form					
Item No.	Item Description	Unit	Qty	Bid Unit Price	Extended Bid Price
General Items					
1	Submittals and Shop Drawings (max 1% of total bid)	1	LS	\$21,000.00	\$21,000.00
2	Extended Storage at Supplier Site	MO	4	\$8,000.00	\$32,000.00
Total General Items (Items 1 and 2) =					\$53,000.00
Package 1 – Sta. 1216+46.41 to Sta. 1235+73.17					
3	48" Steel Pipe, 0.375" min wall thickness, ML/Polyurethane Coated, including all applicable fittings (2 piece cut bends) associated with the pipe, and for additional work in attaching specials associated with the pipe, Sta. 1216+46.41 to Sta. 1219+49.94, Sta. 1219+62.21 to 1227+50.00	LF	1092	\$700.00	\$764,400.00
4	48" Steel Pipe, 0.500" min wall thickness, ML/Polyurethane Coated, including all applicable fittings (2 piece cut bends) associated with the pipe, and for additional work in attaching specials associated with the pipe, Sta. 1219+49.94 to Sta. 1219+62.21 and Sta. 1227+50.00 to Sta.1230+70.00	LF	332	\$835.00	\$277,220.00
5	48" Steel Pipe, 0.625" min wall thickness ML/Polyurethane Coated, including all applicable fittings (2 piece cut bends) associated with the pipe, and for additional work in attaching specials associated with the pipe, Sta. 1230+70.00 to Sta. 1235+73.17	LF	504	\$925.00	\$466,200.00
6	24" Manway w/Tapped Blind Flange & 4" pipe w/Flange	EA	4	\$12,500.00	\$50,000.00

Bid Form					
Item No.	Item Description	Unit	Qty	Bid Unit Price	Extended Bid Price
7	48" Class E Flange	EA	5	\$5,900.00	\$29,500.00
8	48"x18" Tee with 18" diameter, 2' long spool and 18" Flange	EA	1	\$4,760.00	\$4,760.00
9	48"x30" Tee with 30" diameter, 2' long spool and 30" Flange	EA	1	\$5,650.00	\$5,650.00
10	48" Dished Head w/Testing Outlets	EA	1	\$8,800.00	\$8,800.00
11	6" Tangential Outlet (for blowoff)	EA	1	\$2,975.00	\$2,975.00
12	48" Type RR Harness Lug	EA	4	\$6,050.00	\$24,200.00
Total Package 1 Base Bid (Items 3 through 12) =					\$1,633,705.00
Package 2 - Sta. 1235+73.17 to Sta. 1240+85.17					
13	48" Steel Pipe 0.625" min wall thickness, Polyurethane Lined & Coated, including all applicable fittings (2 piece cut bends) associated with the pipe, and for additional work in attaching specials associated with the pipe, Sta. 1235+73.17 to Sta. 1238+41.83	LF	269	\$925.00	\$248,825.00
14	48" Steel Pipe, 0.375" min wall thickness, ML/Polyurethane Coated, including all applicable fittings (2 piece cut bends) associated with the pipe, and for additional work in attaching specials associated with the pipe, Sta. 1239+50 to Sta. 1240+85.17	LF	136	\$700.00	\$95,200.00
15	48" Steel Pipe, 0.625" min wall thickness, ML/Polyurethane Coated, including all applicable fittings (2 piece cut bends) associated with the pipe, and for additional work in attaching specials associated with the pipe, Sta. 1238+41.83 to Sta. 1239+50.00	LF	109	\$925.00	\$100,825.00
16	48" Type RR Harness Lug	EA	2	\$6,050.00	\$12,100.00
17	48" Class E Flange	EA	1	\$5,900.00	\$5,900.00
18	48" AWWA C207 Class E, Flange (Vanstone Style Ring), Shipped Loose	EA	2	\$2,500.00	\$5,000.00
19	48" Dished Head w/Testing Outlets	EA	1	\$8,800.00	\$8,800.00
Total Package 2 Bid (Item 13 through 19) =					\$476,650.00
Total of Base Bid (Items 1 through 19) =				\$2,163,355.00	

SUPPLIER BID ADJUSTMENTS (prior to Bid submission)

[ADD][DEDUCT] \$ 0.00

(circle one)

Explanation of Adjustment:

BID SUMMARY

Total Extended Unit Bid Prices (Base Bid Items 1-19) \$ 2,163,355.00

Bid Adjustment (indicate add or deduct) \$ 0.00

Base Bid Total (including any adjustments, excluding bid alternates) \$ 2,163,355.00

Two Million, Three Hundred Sixty Three Thousand, Three Hundred Fifty Five and 00/00 (\$ 2,163,355.00)

(Words)

(Figures)

BID BOND REQUIREMENTS

Accompanying this proposal is (cash, a certified check, or a bid bond) in the amount of

(Circle one.)

Two Hundred Sixteen Thousand, Three Hundred Thirty Five and 50/00 Dollars (\$ 216,335.50)

Words

Figures

which shall not be less than ten (10) percent of the **Base Bid total amount.**

<p align="center">Bid Alternate Items – Alternates to Select Package 1 and Package 2</p> <p align="center">***Price Bid Alternate Items as ADDERS to the respective Base Bid Item***</p>					
Item No.	Item Description	Unit	Qty	Bid Unit Price	Extended Bid Price
<p>Package 1 – Sta. 1216+46.41 to Sta. 1235+73.17</p>					

Bid Alternate Items – Alternates to Select Package 1 and Package 2

*****Price Bid Alternate Items as ADDERS to the respective Base Bid Item*****

Item No.	Item Description	Unit	Qty	Bid Unit Price	Extended Bid Price
3a	For Bid Item 3, increase the 48" Steel Pipe wall thickness from 0.375" to 0.500" min thickness. This item includes cost for additional steel, additional ML/Polyurethane Coating, and any additional work for all applicable fittings (2 piece cut bends) and in attaching specials associated with the increase in wall thickness.	LF	1092	\$1,155.00	\$1,261,260.00
3b	For Bid Item 3, increase the 48" Steel Pipe wall thickness from 0.375" to 0.625" min thickness. This item includes cost for additional steel, additional ML/Polyurethane Coating, and any additional work for all applicable fittings (2 piece cut bends) and in attaching specials associated with the increase in wall thickness.	LF	1092	\$1,295.00	\$1,414,140.00
4a	For Bid Item 4, increase the 48" Steel Pipe wall thickness from 0.500" to 0.625" min thickness. This item includes cost for additional steel, additional ML/Polyurethane Coating, and any additional work for all applicable fittings (2 piece cut bends) and in attaching specials associated with the increase in wall thickness.	LF	332	\$1,340.00	\$444,880.00
4b	For Bid Item 4, increase the 48" Steel Pipe wall thickness from 0.500" to 0.750" min thickness. This item includes cost for additional steel, additional ML/Polyurethane Coating, and any additional work for all applicable fittings (2 piece cut bends) and in attaching specials associated with the increase in wall thickness.	LF	332	\$1,425.00	\$473,100.00
5a	For Bid Item 5, increase the 48" Steel Pipe wall thickness from 0.625" to 0.750" min thickness. This item includes cost for additional steel, additional ML/Polyurethane Coating, and any additional work for all applicable fittings (2 piece cut bends) and in attaching specials associated with the increase in wall thickness.	LF	504	\$1,335.00	\$672,840.00

Bid Alternate Items – Alternates to Select Package 1 and Package 2

*****Price Bid Alternate Items as ADDERS to the respective Base Bid Item*****

Item No.	Item Description	Unit	Qty	Bid Unit Price	Extended Bid Price
5b	For Bid Item 5, increase the 48" Steel Pipe wall thickness from 0.625" to 0.875" min thickness. This item includes cost for additional steel, additional ML/Polyurethane Coating, and any additional work for all applicable fittings (2 piece cut bends) and in attaching specials associated with the increase in wall thickness.	LF	504	\$1,565.00	\$788,760.00
Package 2 - Sta. 1235+73.17 to Sta. 1240+85.17					
13a	For Bid Item 13, increase the 48" Steel Pipe wall thickness from 0.625" to 0.750" min thickness. This item includes cost for additional steel, additional ML/Polyurethane Coating, and any additional work for all applicable fittings (2 piece cut bends) and in attaching specials associated with the increase in wall thickness.	LF	269	\$2,170.00	\$583,730.00
14a	For Bid Item 14, increase the 48" Steel Pipe wall thickness from 0.375" to 0.500" min thickness. This item includes cost for additional steel, additional ML/Polyurethane Coating, and any additional work for all applicable fittings (2 piece cut bends) and in attaching specials associated with the increase in wall thickness.	LF	136	\$1,430.00	\$194,480.00
14b	For Bid Item 14, increase the 48" Steel Pipe wall thickness from 0.375" to 0.625" min thickness. This item includes cost for additional steel, additional ML/Polyurethane Coating, and any additional work for all applicable fittings (2 piece cut bends) and in attaching specials associated with the increase in wall thickness.	LF	136	\$1,630.00	\$221,680.00

Bid Alternate Items – Alternates to Select Package 1 and Package 2

*****Price Bid Alternate Items as ADDERS to the respective Base Bid Item*****

Item No.	Item Description	Unit	Qty	Bid Unit Price	Extended Bid Price
15a	For Bid Item 15, increase the 48" Steel Pipe wall thickness from 0.625" to 0.750" min thickness. This item includes cost for additional steel, additional ML/Polyurethane Coating, and any additional work for all applicable fittings (2 piece cut bends) and in attaching specials associated with the increase in wall thickness.	LF	109	\$1,600.00	\$174,400.00
15b	For Bid Item 15, increase the 48" Steel Pipe wall thickness from 0.625" to 0.875" min thickness. This item includes cost for additional steel, additional ML/Polyurethane Coating, and any additional work for all applicable fittings (2 piece cut bends) and in attaching specials associated with the increase in wall thickness.	LF	109	\$1,695.00	\$184,755.00

PROJECT COMPLETION AND LIQUIDATED DAMAGES

1. Bidder agrees that the Work will be complete and ready for initial delivery and final delivery defined in Section 4 of Exhibit A – Statement of Work, or as may be amended by change order after the effective date of the Contract.
2. Bidder accepts the provisions of the Contract as to liquidated damages in the event of failure to complete the Work within the times specified in the Contract Documents.

ATTACHMENTS TO BID FORM

The following documents are attached to and made a condition of this Bid:

1. Qualification documentation required by Specification Sections 40_20_13, Paragraph 1.7 and 40_20_14, Paragraph 1.4
2. Exhibit E – Bond Surety (Bid Bond)
3. Exhibit A1 – Bidder Representations and Certifications
4. Exhibit A2 – Non-Collusion Affidavit

CCB No. [Click here to enter text.](#) Federal I.D. No. 47-2505581

Submitted on October 12th, 2016

If Bidder is An Individual:

Signature of Bidder

 (Individual's Name)

Print Name Click here to enter text.

Doing Business as Click here to enter text.

Address Click here to enter text.

Click here to enter text.

Click here to enter text.

Phone Number Click here to enter text.

If Bidder is A Partnership:

Signature of Bidder _____

(General Partner)

Print Name Click here to enter text.

Doing Business as Click here to enter text.

Address Click here to enter text.

Click here to enter text.

Click here to enter text.

Phone Number Click here to enter text.

If Bidder is A Corporation:

Corporate Name [Click here to enter text.](#)

Signature of Bidder _____
(Name of Person Authorized to Sign)

(Title)

Attest _____
(Secretary)

Address [Click here to enter text.](#)
[Click here to enter text.](#)
[Click here to enter text.](#)

Phone Number [Click here to enter text.](#)

If Bidder is A Joint Venture:

Joint Venture Name [Click here to enter text.](#)

Company Name [Click here to enter text.](#)

Signature

(Name of Person Authorized to Sign)

Print Name [Click here to enter text.](#)

Company Name [Click here to enter text.](#)

Signature

(Name of Person Authorized to Sign)

Print Name [Click here to enter text.](#)

Address and Phone Number for Joint Venture to receive official communications:

Address [Click here to enter text.](#)

[Click here to enter text.](#)

[Click here to enter text.](#)

Phone Number [Click here to enter text.](#)

Ameron Water Transmission Group Qualifications

PL 1.1 Fabricated Pipe and Fittings Willamette Water Supply System

Ameron Water Transmission Group (WTG) is certified under ISO 9001-2008 and SPFA. Current ISO certificate is attached.

Pipe for this project will be manufactured at the plant in Tracy, CA. which has operated continuously since it opened in 1983. Following is a list of a few projects that have been manufactured at the Tracy plant in the last 5 years. These projects include both welded steel pipe and fabricated fittings.

Project	Project Name	Product	Diameters (In)	Length (Ft)	Thickness (In)	Steel (ASTM)	Mill
31614	FLOW EQUILIZATION	WSP	84	3,480	0.625	A1018	Byard
10048	CARLSBAD CONVEYANCE PIPELINE	WSP	54, 66, 96	28,400	0.500 - 0.903	A1018	Byard
31324	SPANISH FORK PROVO	WSP	60	840	0.500	A1018	Byard
31492	SACRAMENTO WTG REHAB	WSP	60,66,84	2,520	0.500 - 0.750	A1018	Byard
31029	LOS ANGELES AQUEDUCT	WSP	48,96	1,054	0.635	A1018	Byard
30886	EMERGENCY PIPE PROCUREMENT	WSP	60, 72	600	0.625 - 1.000	A1018	Byard
30432	HARRY TRACY WTP IMPROVEMENTS	WSP	60-96	5,800	0.750	A1018	Byard

The plant is operated by the following key personnel.

Kevin Evans – Plant Manager – Qualifications include over twenty years of experience in all phases of pipe manufacture, plant management as well as quality control.

Troy Parrack – Director of Quality – Qualifications include over twenty years of experience in technical and quality aspects of coatings. He is certified as a NACE 3 Coating Inspector.

Jerry Sadler – Quality Control Supervisor – Qualifications include over forty years of experience in QA/QC. He is responsible for general supervision of all Quality Control functions and coordination with outside inspection agencies. He is also responsible for preparation and update of quality control manuals and review of mill test reports, QC test reports, and project specifications. He coordinates with outside labs any out-sourced work such as RT, UT, Charpy, and others. He is certified as an AWS QC-1 Certified Welding Inspector (CWI) and ASNT Level III.

Thomas Wormstall – Project Manager / Production Control Supervisor – Qualifications include over twenty years of experience in production control, material control, purchasing, scheduling and customer service. He coordinates the manufacturing planning activities at the Tracy Plant, creates and maintains master manufacturing and delivery schedules to ensure compliance with customer requirements. He also coordinates inter-company work. He releases approved drawings to the various manufacturing departments and acts as liaison between Manufacturing and Engineering to resolve any issues that arise during manufacturing.

Mike Mueller – Plant Superintendent – Qualifications include over thirty years of experience in the manufacture of steel pipe. Assists the Manufacturing Manager and cooperates with Quality Control and customer inspectors in the manufacture of products meeting both quality and budgetary goals.

Juan Carrillo – WSP Foreman – Qualifications include over ten years of experience in all phases of welded steel pipe manufacturing. He is responsible for the fabrication of steel cylinders on the helical pipe mills for the plant. He directly supervises and directs leadspersons and the department work force to ensure that customer specifications are met and work schedules are maintained. He also maintains compliance with company policies, safety standards and good housekeeping practices.

Mark Meckler – Fittings Leadman – Qualifications include over thirty years of experience in welding and manufacturing of steel pipe, pressure vessels, and fittings. Directly supervises 50+ employees to ensure that customer specifications are met and work schedules are maintained. He also maintains compliance with company policies, safety standards and good housekeeping practices.

Martin Gomez – Project Engineering Manager – Qualifications include over fifteen years of experience in pipe design, layout, and pipe manufacturing. He is responsible for the engineering activities for the Tracy plant. He supervises designers and drafters who prepare project shop drawings. He deals with professional engineers, managers and designers to determine the proper design, fabrication and erection techniques.



Lloyd's Register
LRQA

CERTIFICATE OF APPROVAL

This is to certify that the Management System of:

**Ameron Water Transmission Group LLC
10681 Foothill Boulevard, Suite 450
Rancho Cucamonga, California 91730, USA**

has been approved by Lloyd's Register Quality Assurance
to the following Management System Standard:

ISO 9001:2008

The Management System is applicable to:

**Manufacture and Supply of Concrete and
Steel Pipe, Fittings, Steel Piling,
and Applicable Linings and Coatings.**

This certificate is valid only in association with the certificate schedule bearing the same
number on which the locations applicable to this approval are listed.

Approval
Certificate No: UQA 4001014

Original Approval: January 21, 2010
Current Certificate: April 11, 2016
Certificate Expiry: January 3, 2017

Issued by: Lloyd's Register Quality Assurance, Inc. for and
on behalf of Lloyd's Register Quality Assurance Limited



001

LRQA, Inc. 1330 Enclave Parkway, Suite 200, Houston, Texas 77077, USA
For and on behalf of LRQA Ltd. 1 Trinity Park, Bickenhill Lane, Birmingham, B37 7ES, United Kingdom



Lloyd's Register
LRQA

CERTIFICATE SCHEDULE

Ameron Water Transmission Group LLC

Head Office:

Ameron Water Transmission Group LLC
10681 Foothill Boulevard
Rancho Cucamonga, California 91730
USA

Activities:

Management of the Manufacture of Steel & Concrete Pipes, Fittings, and Applicable Linings Coatings, Contract Review, Sales, Estimating, Project Management, Procurement, Engineering, and Human Resources.

Locations:

Ameron Water Transmission Group LLC
10100 West Linne Road
Tracy, California 95377, USA

Activities:

Manufacture and Supply of Concrete and Steel Pipe, Fittings, and Applicable Linings and Coatings.

Ameron Water Transmission Group LLC
Via Ameron #100
San Luis Rio Colorado, Sonora 83520
Mexico

Manufacture and Supply of Concrete and Steel Pipe, Fittings, and Applicable Linings and Coatings.

Ameron Water Transmission Group LLC
2325 South 7th Street
Phoenix, Arizona 85034, USA

Storage and Shipping of Concrete and Steel Pipe, Fittings, and Applicable Linings and Coatings.

Approval
Certificate No: UQA 4001014

Original Approval: January 21, 2010
Current Certificate: April 11, 2016
Certificate Expiry: January 3, 2017

Page 1 of 1



001

Approval Certificate No: UQA 4001014
LRQA, Inc. 1330 Enclave Parkway, Suite 200, Houston, Texas 77077, USA
For and on behalf of LRQA Ltd. 1 Trinity Park, Bickenhill Lane, Birmingham, B37 7ES, United Kingdom

EXHIBIT E

BID BOND

KNOW ALL MEN BY THESE PRESENTS, that Ameron Water Transmission Group
10681 Foothill Blvd., Suite 450, Rancho Cucamonga, CA 91730

hereinafter called the PRINCIPAL and, Argonaut Insurance Company

a corporation, duly authorized to do business in the State of Oregon having its principal place of business at 225 W. Washington, 24th Floor, Chicago, IL 60606 in the State of Illinois, and authorized to do business in the State of Oregon, as SURETY, are jointly and severally held and bound unto Tualatin Valley Water District, 1850 SW 170th Avenue, Beaverton, OR 97003 and the City of Hillsboro, 150 E. Main Street, Hillsboro, Oregon 97123 hereinafter called the OBLIGEE, shall be 10 percent of the Grand Total bid amount of Ten Percent of the Greatest Amount Bid ----- Dollars (\$ 10% G.A.B.*****), for the payment of which we jointly and severally bind ourselves, our heirs, executors, administrators, successors, and assigns, firmly by these presents.


THE CONDITION OF THIS BOND IS SUCH THAT

If the Bid Proposal submitted by the PRINCIPAL is accepted, and the CONTRACT awarded the PRINCIPAL, and if the PRINCIPAL shall execute the proposed CONTRACT and shall furnish such Performance and Payment Bonds, insurance and other documents as required by the CONTRACT within the time fixed by them, then this obligation shall be void; if the PRINCIPAL shall fail to execute the proposed CONTRACT and furnish the bonds, insurance and other required documents, the SURETY hereby agrees to pay the OBLIGEE the penal sum as liquidated damages, within ten (10) days of such failure.

Signed and sealed this 13th day of October,
2016 .

Ameron Water Transmission Group

Principal

By: 
Vic DeGrande
VP Sales Marketing & Engineering




Countersigned

N/A

Argonaut Insurance Company

Surety

By: 
Eric S. Feigl, Attorney-in-Fact

N/A

EXHIBIT B

BID FORM – ADDENDUM NO. 003

NOTE TO BIDDER: ELECTRONICALLY TYPE INFORMATION WHERE AVAILABLE.

PROJECT IDENTIFICATION:

Owners: Tualatin Valley Water District (“TVWD”) and City of Hillsboro (“Hillsboro”)

Project: Willamette Water Supply System PLW_1.1 Fabricated Pipe and Fittings

THIS BID IS SUBMITTED BY:

Name of Bidder: Northwest Pipe
Company

Address: 12005 N. Burgard,
Portland, OR 97203

Email: jcurl@nwpipe.com.

Phone: 503-939-8700

Tax Payer ID No: 93-0557988

1. The undersigned Bidder proposes and agrees, if this Bid (Base Bid Total or Base Bid Total plus any selected Bid Alternates) is accepted, to enter into a contract with Owners, to perform and furnish all labor, tools, equipment, materials, maintenance, and services (“Work”) as specified or indicated in the Bidding Documents, including Work reasonably inferable as necessary to perform the scope of work set forth in Bidding Documents, for the Bid Price and within the Bid Times as indicated in this Bid and in accordance with the other terms and conditions in the Contract Documents.
2. If the quantity of a unit priced item varies by more than twenty-five percent (25%) above or below the quantity indicated in the Schedule of Values, and causes the total Contract Price to vary by more than 2 percent, Supplier or Owners may request an equitable adjustment in the unit price of the item. The requesting party shall provide documentation as to why the cost should be adjusted and by how much.
3. The undersigned Bidder accepts all of the terms and conditions of Invitation to Bid and Bid Documents including, without limitation, those dealing with the disposition of Bid Security.
4. This Bid and Bid Alternates will remain subject to acceptance for one hundred twenty (120) days after the day of Bid Opening.

5. Bidder will sign and deliver the required number of counterparts of the Contract with the Bonds and other documents required by the Bidding Documents within ten (10) business days after the date of Owners' Notice-of-Award.
6. In submitting this Bid, Bidder declares, as more fully set forth in the Contract, that:
 - 6.1. Bidder has made a careful examination of the Bidding Documents.
 - 6.2. The undersigned, as Bidder, acknowledges that Addenda numbered
One through three
have been delivered to him, have been examined as part of the Contract Documents and have the same force and effect as though they were originally included in the Bidding Documents.
 - 6.3. Bidder has correlated the information known or available to Bidder, information obtained from site visits, reports and drawings identified in the Bidding Documents and all additional information, investigations, explorations, tests, studies, and data with the Contract Documents.
 - 6.4. Bidder has given Owners written notice of all conflicts, errors, ambiguities or discrepancies that Bidder has discovered pertaining to the Project during preparation of his Bid and the written resolution thereof by Owners is acceptable to Bidder; and the Contract Documents as modified by Addenda are generally sufficient to indicate and convey understanding of all terms and conditions for performing and furnishing the Work for which this Bid is submitted.
 - 6.5. Bidder has read and accepts the provisions in Standard Terms and Conditions Article 3, which limit the extent to which Bidder may rely on information provided by Owners or Engineer with respect to subsurface and physical Conditions, existing subsurface or concealed conditions and underground facilities.
 - 6.6. Bidder has read and accepts the provisions in Standard Terms and Conditions that describe the Bidder's responsibilities on the Project.
 - 6.7. Bidder will begin the Work upon Notice to Proceed and pursue the Work to completion without cessation or shutdown unless approved in writing by the Owners in Owners sole discretion.
 - 6.8. Bidder is familiar with and will comply with all local, state and federal laws even though such laws may not have been quoted or referred to in the Contract Documents; that he will do all the Work as required by the Bidding Documents.
 - 6.9. Bidder is aware of the general nature of Work to be performed by the Owners and others at the site that relates to the Work for which this Bid is submitted as indicated in the Bidding Documents.

7. It is understood that the quantities stated in connection with the price schedule for the contract submitted herewith are approximate only and payment shall be made on the unit prices named for the actual quantities incorporated in the completed Work. Only those items for which estimated quantities are given may be increased or decreased at the unit price named. If there shall be an increase in the total payment for an item covered by a lump sum price, it shall be computed on a basis of Extra Work for which an increase in payment will have been earned, and if there is a decrease in a lump sum payment for any such item, it shall be made only as the result of negotiation between the Bidder and Owners.
8. All prices for which schedules are provided herein have been completed in full by the showing of a lump sum or unit price required for each and every item thereof. The total price for each item and the Base Bid Total computed contract price are necessary for the sole purpose of the facilitating comparison of bids. The Base Bid Total amount is provided in both figures and words; if there are any discrepancies the prices in words shall govern.
9. The undersigned hereby certifies that Bidder is a resident bidder as defined in ORS 279A.120.
10. The undersigned hereby certifies that Bidder has established an employee drug testing program.
11. The undersigned acknowledges that it will comply with ORS 279C.800 to 279C.870, if applicable.

The Bidder proposes to furnish labor, materials, equipment, and services of all kinds required for the Project, including all appurtenant work, all as required by the drawings and specifications and this Bid Form for the prices in accordance with the completed Schedule of Contract Prices as follows:

SCHEDULE OF CONTRACT PRICES
WILLAMETTE WATER SUPPLY SYSTEM (WWSS)
ITB-PLW-0300916 PLW_1.1 FABRICATED PIPE AND FITTINGS

Bidder understands that the Owners may reject any bid not in compliance with all prescribed public bidding procedures and requirements and may reject for good cause any or all bids upon finding of the Owners that it is in the public interest to do so; and that the Owners reserve the right to waive informalities in the bidding.

Bid Form					
Item No.	Item Description	Unit	Qty	Bid Unit Price	Extended Bid Price
General Items					
1	Submittals and Shop Drawings (max 1% of total bid)	1	LS	\$1,000.00	\$1,000.00
2	Extended Storage at Supplier Site	MO	4	\$1,000.00	\$4,000.00
Total General Items (Items 1 and 2) =					\$5,000.00
Package 1 – Sta. 1216+46.41 to Sta. 1235+73.17					
3	48" Steel Pipe, 0.375" min wall thickness, ML/Polyurethane Coated, including all applicable fittings (2 piece cut bends) associated with the pipe, and for additional work in attaching specials associated with the pipe, Sta. 1216+46.41 to Sta. 1219+49.94, Sta. 1219+62.21 to 1227+50.00	LF	1092	\$265.00	\$289,380.00
4	48" Steel Pipe, 0.500" min wall thickness, ML/Polyurethane Coated, including all applicable fittings (2 piece cut bends) associated with the pipe, and for additional work in attaching specials associated with the pipe, Sta. 1219+49.94 to Sta. 1219+62.21 and Sta. 1227+50.00 to Sta.1230+70.00	LF	332	\$337.00	\$111,884.00
5	48" Steel Pipe, 0.625" min wall thickness ML/Polyurethane Coated, including all applicable fittings (2 piece cut bends) associated with the pipe, and for additional work in attaching specials associated with the pipe, Sta. 1230+70.00 to Sta. 1235+73.17	LF	504	\$400.00	\$201,600.00

Bid Form					
Item No.	Item Description	Unit	Qty	Bid Unit Price	Extended Bid Price
6	24" Manway w/Tapped Blind Flange & 4" pipe w/Flange	EA	4	\$11,093.00	\$44,372.00
7	48" Class E Flange	EA	5	\$6,346.00	\$31,730.00
8	48"x18" Tee with 18" diameter, 2' long spool and 18" Flange	EA	1	\$10,384.00	\$10,384.00
9	48"x30" Tee with 30" diameter, 2' long spool and 30" Flange	EA	1	\$18,190.00	\$18,190.00
10	48" Dished Head w/Testing Outlets	EA	1	\$6,706.00	\$6,706.00
11	6" Tangential Outlet (for blowoff)	EA	1	\$3,200.00	\$3,200.00
12	48" Type RR Harness Lug	EA	4	\$10,787.00	\$43,148.00
Total Package 1 Base Bid (Items 3 through 12) =					\$760,594.00
Package 2 - Sta. 1235+73.17 to Sta. 1240+85.17					
13	48" Steel Pipe 0.625" min wall thickness, Polyurethane Lined & Coated, including all applicable fittings (2 piece cut bends) associated with the pipe, and for additional work in attaching specials associated with the pipe, Sta. 1235+73.17 to Sta. 1238+41.83	LF	269	\$436.00	\$117,284.00
14	48" Steel Pipe, 0.375" min wall thickness, ML/Polyurethane Coated, including all applicable fittings (2 piece cut bends) associated with the pipe, and for additional work in attaching specials associated with the pipe, Sta. 1239+50 to Sta. 1240+85.17	LF	136	\$266.00	\$36,176.00
15	48" Steel Pipe, 0.625" min wall thickness, ML/Polyurethane Coated, including all applicable fittings (2 piece cut bends) associated with the pipe, and for additional work in attaching specials associated with the pipe, Sta. 1238+41.83 to Sta. 1239+50.00	LF	109	\$407.00	\$44,363.00
16	48" Type RR Harness Lug	EA	2	\$11,660.00	\$23,320.00

Bid Form					
Item No.	Item Description	Unit	Qty	Bid Unit Price	Extended Bid Price
17	48" Class E Flange	EA	1	\$6,697.00	\$6,697.00
18	48" AWWA C207 Class E, Flange (Vanstone Style Ring), Shipped Loose	EA	2	\$10,000.00	\$20,000.00
19	48" Dished Head w/Testing Outlets	EA	1	\$6,706.00	\$6,706.00
Total Package 2 Bid (Item 13 through 19) =					\$254,546.00
Total of Base Bid (Items 1 through 19) =				\$1,020,140.00	

SUPPLIER BID ADJUSTMENTS (prior to Bid submission)

[ADD][DEDUCT] \$ 0

(circle one)

Explanation of Adjustment:

BID SUMMARY

Total Extended Unit Bid Prices (Base Bid Items 1-19) \$ 1,020,140.00

Bid Adjustment (indicate add or deduct) \$ 0

Base Bid Total (including any adjustments, excluding bid alternates) **\$ 1,020,140.00**

One-million- twenty-thousand- one- hundred-forty dollars and 00/cents \$ 1,020,140.00

BID BOND REQUIREMENTS

Accompanying this proposal is (a bid bond) in the amount of
(Circle one.)

10 per cent Dollars (\$ 10 per cent)

Words

Figures

which shall not be less than ten (10) percent of the **Base Bid total amount.**

Bid Alternate Items – Alternates to Select Package 1 and Package 2					
Price Bid Alternate Items as ADDERS to the respective Base Bid Item					
Item No.	Item Description	Unit	Qty	Bid Unit Price	Extended Bid Price
Package 1 – Sta. 1216+46.41 to Sta. 1235+73.17					
3a	For Bid Item 3, increase the 48" Steel Pipe wall thickness from 0.375" to 0.500" min thickness. This item includes cost for additional steel, additional ML/Polyurethane Coating, and any additional work for all applicable fittings (2 piece cut bends) and in attaching specials associated with the increase in wall thickness.	LF	1092	\$44.00	\$48,048.00
3b	For Bid Item 3, increase the 48" Steel Pipe wall thickness from 0.375" to 0.625" min thickness. This item includes cost for additional steel, additional ML/Polyurethane Coating, and any additional work for all applicable fittings (2 piece cut bends) and in attaching specials associated with the increase in wall thickness.	LF	1092	\$84.00	\$91,728.00
4a	For Bid Item 4, increase the 48" Steel Pipe wall thickness from 0.500" to 0.625" min thickness. This item includes cost for additional steel, additional ML/Polyurethane Coating, and any additional work for all applicable fittings (2 piece cut bends) and in attaching specials associated with the increase in wall thickness.	LF	332	\$66.00	\$21,912.00

Bid Alternate Items – Alternates to Select Package 1 and Package 2

*****Price Bid Alternate Items as ADDERS to the respective Base Bid Item*****

Item No.	Item Description	Unit	Qty	Bid Unit Price	Extended Bid Price
4b	For Bid Item 4, increase the 48" Steel Pipe wall thickness from 0.500" to 0.750" min thickness. This item includes cost for additional steel, additional ML/Polyurethane Coating, and any additional work for all applicable fittings (2 piece cut bends) and in attaching specials associated with the increase in wall thickness.	LF	332	\$325.00	\$107,900.00
5a	For Bid Item 5, increase the 48" Steel Pipe wall thickness from 0.625" to 0.750" min thickness. This item includes cost for additional steel, additional ML/Polyurethane Coating, and any additional work for all applicable fittings (2 piece cut bends) and in attaching specials associated with the increase in wall thickness.	LF	504	\$259.00	\$130,536.00
5b	For Bid Item 5, increase the 48" Steel Pipe wall thickness from 0.625" to 0.875" min thickness. This item includes cost for additional steel, additional ML/Polyurethane Coating, and any additional work for all applicable fittings (2 piece cut bends) and in attaching specials associated with the increase in wall thickness.	LF	504	\$299.00	\$150,696.00
Package 2 - Sta. 1235+73.17 to Sta. 1240+85.17					
13a	For Bid Item 13, increase the 48" Steel Pipe wall thickness from 0.625" to 0.750" min thickness. This item includes cost for additional steel, additional ML/Polyurethane Coating, and any additional work for all applicable fittings (2 piece cut bends) and in attaching specials associated with the increase in wall thickness.	LF	269	\$254.00	\$68,326.00

Bid Alternate Items – Alternates to Select Package 1 and Package 2

*****Price Bid Alternate Items as ADDERS to the respective Base Bid Item*****

Item No.	Item Description	Unit	Qty	Bid Unit Price	Extended Bid Price
14a	For Bid Item 14, increase the 48" Steel Pipe wall thickness from 0.375" to 0.500" min thickness. This item includes cost for additional steel, additional ML/Polyurethane Coating, and any additional work for all applicable fittings (2 piece cut bends) and in attaching specials associated with the increase in wall thickness.	LF	136	\$42.00	\$5,712.00
14b	For Bid Item 14, increase the 48" Steel Pipe wall thickness from 0.375" to 0.625" min thickness. This item includes cost for additional steel, additional ML/Polyurethane Coating, and any additional work for all applicable fittings (2 piece cut bends) and in attaching specials associated with the increase in wall thickness.	LF	136	\$82.00	\$11,152.00
15a	For Bid Item 15, increase the 48" Steel Pipe wall thickness from 0.625" to 0.750" min thickness. This item includes cost for additional steel, additional ML/Polyurethane Coating, and any additional work for all applicable fittings (2 piece cut bends) and in attaching specials associated with the increase in wall thickness.	LF	109	\$255.00	\$27,795.00
15b	For Bid Item 15, increase the 48" Steel Pipe wall thickness from 0.625" to 0.875" min thickness. This item includes cost for additional steel, additional ML/Polyurethane Coating, and any additional work for all applicable fittings (2 piece cut bends) and in attaching specials associated with the increase in wall thickness.	LF	109	\$294.00	\$32,046.00

PROJECT COMPLETION AND LIQUIDATED DAMAGES

1. Bidder agrees that the Work will be complete and ready for initial delivery and final delivery defined in Section 4 of Exhibit A – Statement of Work, or as may be amended by change order after the effective date of the Contract.
2. Bidder accepts the provisions of the Contract as to liquidated damages in the event of failure to complete the Work within the times specified in the Contract Documents.

ATTACHMENTS TO BID FORM

The following documents are attached to and made a condition of this Bid:

1. Qualification documentation required by Specification Sections 40_20_13, Paragraph 1.7 and 40_20_14, Paragraph 1.4
2. Exhibit E – Bond Surety (Bid Bond)
3. Exhibit A1 – Bidder Representations and Certifications
4. Exhibit A2 – Non-Collusion Affidavit

CCB No. n/a

Federal I.D. No. 93-0557988

Submitted on October 13, 2016

If Bidder is A Corporation:

Corporate Name Northwest Pipe Company

Signature of Bidder Wm. M. Smith

(Name of Person Authorized to Sign)

Executive VP - Sales & Operations

(Title)

Attest Glenn Stet

(Secretary)

Address 5721 SE Columbia Way

Suite 200

Vancouver, WA 98661

Phone Number 360-397-6250

NORTHWEST PIPE COMPANY

SECRETARY'S CERTIFICATE

The undersigned Secretary of Northwest Pipe Company (the "Corporation") hereby certifies that the following are authorized to execute contracts on behalf of the Corporation.

Scott Montross	President and Chief Executive Officer
William Smith	Executive Vice President, Operations
Martin Dana	Executive Vice President, Sales and Marketing
Robin Gantt	Senior Vice President, Chief Financial Officer and Corporate Secretary
Eric Stokes	Vice President of Water Transmission Sales, Western Region
Henry Goff	Vice President of Water Transmission Sales, Eastern Region

DATED this 7th day of June, 2016



Robin Gantt
Senior Vice President, Chief Financial Officer and Corporate Secretary



MEMORANDUM

To: Utilities Commission

From: Tacy Steele

Date: November 4, 2016

Subject: Agenda Item 4A – Review of JWC Draft Curtailment Plan

This update is provided as a Commission meeting discussion item. Staff will request the Joint Water Commission adopt the Curtailment Plan at the January 2017 meeting.

Background:

In 1998, the Joint Water Commission submitted its first Water Management and Conservation Plan (WMCP) to the State, in accordance with Oregon Administrative Rules, Chapter 690, Division 86. The 1998 plan included a conservation plan that had been written as a condition of approval for the Barney Reservoir Expansion Project, for the purpose of addressing the role of conservation in the resource management and planning process. The conservation plan had previously been adopted separately by the JWC in 1993, and only contained a limited curtailment section identifying causes and trigger levels. The 1998 plan proposed that an expanded curtailment section be completed for the 2010 WMCP plan.

The Curtailment section of the 2010 WMCP was expanded, and had some “lessons learned” experience to draw on after the 2001 drought. This update focused primarily on drought and peak season issues. Individual partner curtailment plans were also required by the Oregon Water Resources Department (OWRD), since customer curtailment would actually be delegated to, and implemented by, the individual member agencies.

Current Status:

As production demands from partners continue to rise, and after experiencing two events in 2015 (one peak season, one non-peak season) that could have resulted in the need for one or more partners to curtail, the JWC recognized that the curtailment plan should again be expanded to address demand reductions when water treatment plant capacity is limited, without waiting until the scheduled 2020 WMCP update. Key NEW components that have been added to the updated plan include:

- When WTP capacity is limited, the partners will respond first by collaborating to seek a resolution that does not trigger across-the-board curtailment measures. The partners have a history of collaborating in this manner; the updated plan will put into writing what is already a common practice. Collaboration to avoid curtailment occurred in the 2001 drought and the 2015 flood, and partners have collaborated on other events as well.

- If the collaborative approach doesn't resolve the situation, the available WTP capacity will be allocated to individual partners based on their WTP ownership shares.
- Provision to petition Governor for curtailment exemption in an all-state drought declaration, if staff can demonstrate that JWC water supplies are adequate.
- Updated procedures for coordination with outside agencies (e.g. Washington County Office of Consolidated Emergency Management) in large-scale emergencies.
- Acknowledgement that any curtailment will be based on available stored water, water treatment plant facilities, and transmission capacities, and may not always apply to all partners simultaneously.
- References the JWC Operations Plan and JWC Intergovernmental Agreement for direction in specific curtailment activities related to capital infrastructure.
- References the curtailment requirement in JWC Limited License agreement for Aquifer Storage and Recover (ASR) wells, with caveat that Limited License requirement does not apply to individual agency-owned Aquifer Storage and Recovery (ASR) wells.
- Recommendation for negotiation of a JWC emergency water supply agreement with the City of Portland.
- Curtailment actions due to limited water availability in Barney Reservoir and/or Scoggins Reservoir are still contained in the Curtailment Plan, with reference to the Barney Reservoir Joint Ownership Commission (BRJOC) for issues related to Barney Reservoir. Any source curtailment activities at the Barney Reservoir will be coordinated with the BRJOC partners. Any source curtailment activities at Scoggins Reservoir will be coordinated through Tualatin Valley Irrigation District and/or the Bureau of Reclamation.

The Operations Committee also recommended additional condition assessments be completed of existing infrastructure through the current Facility Plan and through the JWC's Asset Management program, emergency response triggers be included in the next update to the Operations Plan, and any updates or lessons learned be included in upcoming versions of the Curtailment Plan. The Operations Plan will need to be updated to include these recommendations and any operational changes that may result from the WTP expansion project. Detailed infrastructure assessments and emergency response actions will be kept in those plans and programs and referenced as needed in the Curtailment Plan.

Next Steps:

Questions and concerns raised by the Board and member agencies at the last Commission meeting were extensively discussed in several Operations Committee meetings until an approach was agreed upon. Suggested edits from that process, including additional Commissioner input garnered by the agency partners, are currently being incorporated into the next draft which will be reviewed again by the Operations Committee and the JWC Event and Education Committee. The final draft will be sent to the JWC Management Committee for additional review and a management recommendation for action by the Commission. The Curtailment Plan will be brought to the JWC Board to be considered for formal adoption at its regular meeting in January 2017.

Joint Water Commission (JWC) Curtailment Plan

Introduction

Curtailment planning is the development of proactive measures to reduce demand during water supply shortages. Shortages may be due to prolonged drought or natural disasters (e.g. flooding, landslides, earthquakes, and contamination); or mechanical or electrical equipment failure including power outages; or events not under control of the JWC (e.g. intentional malevolent acts). Curtailment needs to be considered when demands exceed supplies, and no alternative supplies are available through the JWC or its partners that will meet demands for the duration of the shortage.

The JWC's current curtailment plan was updated in 2010. However, due to rising water production demands from the partners, the JWC recognizes that an expanded curtailment plan is needed to address demand reductions when water treatment plant (WTP) capacity is limited. Depending upon the situation, resolution of capacity limitation issues may be handled individually or jointly by agreement between the partners. Limitations to the WTP's capacity does not automatically require curtailment measures, but begins a discussion among the JWC partner agencies: cities of Hillsboro, Forest Grove, Beaverton, and Tualatin Valley Water District (TVWD) to determine the availability of alternate supplies for the duration of the shortage.

The General Manager may need to impose mandatory reductions in water availability to JWC partners in an emergency situation. JWC does not have direct authority to regulate member agencies' actions within their own systems. Ultimately, on-the-ground curtailment implementation will be delegated to and implemented by the individual member agencies. Triggers and responses by individual partners will vary due to differing conditions and additional water sources available to JWC partners that may negate or reduce the need for individual partners to curtail. Each JWC agency may be required to initiate and implement the progressive stages of their individual curtailment plans based on the status of supply, projected demands, and alternative sources of available supply for their systems. These actions should be communicated with the other JWC partners to facilitate coordinated messaging between partners and limit community confusion.

Past JWC Supply / Capacity Issues

Even though the JWC WTP has been rated at 75 mgd for peak day capacity, recent studies and operational experience have proven that the JWC WTP cannot currently sustain this production level for three days in a dependable manner without facility and equipment upgrades. The current three-day peak capacity is estimated to be approximately 65 to 70 mgd. The WTP's production capacity is lower during the winter season due to impacts of colder temperatures on treatment process, and capacity can further decrease during the winter season due to water quality events. Production capacity can be impacted at any time due to equipment failures.

1990's Incidents

During the 1990's, the Water Treatment Plant (WTP) experienced incidents that impacted supply/capacity, including: loss of power due to a car hitting a power pole near the WTP, loss of power due to a windstorm, severe raw water quality impacts due to a flood, and disruption of deliveries to partners due to a transmission line leak on the WTP site. The incidents all reduced the ability of the JWC to supply water. At that time, there was only one reservoir on Fern Hill with 20 mg available storage, so less stored water was available for emergency back-up supply.

The power supply disruptions led to new JWC response agreements with PGE, construction of a second finished water pumping station, and a transformer station on-site to provide power to the second pumping station. In March 2016, a backup power generator was brought online at the WTP. The generator is capable of running the WTP at about half of current WTP peak capacity, but that capacity would be able to fully serve the partners for a large portion of the year, based on 2016 demands. Curtailment due to power outage issues would be necessary only for extended outages in which demands exceed the production capacity levels of generated power, and storage at Fern Hill is drawn down below half capacity without a known date/time for recovery.

Recap of Summary of 2001 Drought (presented in detail in the 2010 WMCP)

The JWC experienced its first source water shortage in the summer of 2001. JWC is generally regulated off its natural flow rights on the Tualatin River beginning in late May to early June until mid-October (described in more detail in the 2010 WMCP: Section 2, Water Rights). JWC relies primarily on stored water releases from Hagg Lake and Barney Reservoir during this period.

For the first time since construction of Scoggins Dam was completed in 1977, Hagg Lake did not fill in 2001, reaching only 54 percent of its storage capacity. Several JWC member agencies (Hillsboro, Beaverton, and Forest Grove) hold contracts with the Bureau of Reclamation (BOR) for the use of stored water in Hagg Lake that also specify curtailment measures. All of the BOR contracts state that 2,500 acre-feet of water will be reserved for natural or minimum flow during water shortage events. All BOR contracts also specify that the quantity of water to be furnished for irrigation (Tualatin Valley Irrigation District) and water quality control (Clean Water Services) shall be reduced first as necessary but not by greater than 15 percent. Beyond that point, reductions shall be shared among all of the entities receiving a water supply from the project in the proportion that the entity's water entitlement under the BOR contract bears to the total quantity of the project water under contract.

Based on these contract conditions, the JWC partner cities of Hillsboro, Beaverton, and Forest Grove received only about 76 percent of their normal water allocations from Hagg Lake in 2001. Clean Water Services (CWS) and Tualatin Valley Irrigation District received only 27 percent and 47 percent, respectively, of their normal water allocations. Discharge changes at Scoggins Dam were made twice a day, seven days a week to closely match the timing of water orders, avoid waste, and maintain natural flow in the Tualatin River.

In the same year, Barney Reservoir only reached 55 percent of its storage capacity. The Barney Reservoir Joint Ownership Commission (Hillsboro, Forest Grove, Beaverton, TVWD, and CWS)

decided to hold 4,000 acre feet of Barney Reservoir water in reserve in case dry conditions continued into 2002.

Staff met with Oregon Department of Fish and Wildlife (ODFW) to set the allotment for 2001, a meeting that happens every year by March 15th. ODFW allowed the releases from Barney Reservoir for downstream flow to be shut down for a portion of the impoundment period after it was determined that the reservoir wouldn't fill. ODFW's allotment in 2001 was about 1500 acre-feet instead of their usual 3000 acre-feet allotment from a full reservoir. They asked to take that water over a 120-day period.

After accounting for dead pool storage and releases for fish flows to the Trask River (15 percent of the available storage), the Barney Reservoir member agencies were allotted only 54 percent of normal full pool allocations.

The JWC and BRJOC partners used a combination of leasing, alternative source options and agreements, and voluntary curtailment to meet summer 2001 demands on the JWC water system. Portland Water Bureau (PWB) had full supplies in both Bull Run and the Columbia River Wellfield. They offered assistance with coordination of regional supply, and provided an alternate source for Tualatin Valley Water District and City of Beaverton, which helped with summer supplies. TVWD allowed Clean Water Services to use some of its allocated water in the Barney Reservoir to meet streamflow demands, and CWS paid TVWD the difference between the cost of JWC water and the more expensive PWB water in exchange. It also helped that the summer weather of 2001 was cooler and wetter than usual. No mandatory curtailment was necessary.

2015 Extreme Weather Incidents

In 2015, two weather events, a summer drought and a winter flood, caused supply concerns for the JWC. Neither event resulted in mandatory curtailment, but each required actions by the partners to ensure that all water demands of the JWC partners could be met.

Summer Supply Issue:

An abnormal onset of early summer weather, with a record number of days exceeding 90 degrees, caused customer demands to skyrocket. In anticipation of possible shortages for Hillsboro and Tualatin Valley Water District (TVWD), Joint Water Commissioners approved leases of stored water and treatment plant capacity at their July 2015 meeting (Appendix A). The summer continued hot and dry, and demands on the WTP were often near its maximum capacity, but all agencies were able to supply their customers without needing curtailment measures.

Winter Supply Issue:

Western Oregon received a record amount of rain the week of December 7 - 11, 2015. The heavy rain flooded the Tualatin River, and in some places, the flooding was worse than the flood of 1996. This flooding raised water turbidity and changed the chemistry of the raw water entering the WTP, creating significant challenges for treating the water to safe drinking water standards. The more intense treatment that was required slowed the WTP process down so that production declined to under 20 million gallons per day (MGD).

During this time, demands on the WTP were over 20 MGD. Based on the decreased WTP production capacity, the demands of some partners exceeded their ownership percentage of the available capacity. Throughout the week, as the WTP continued to experience treatment

challenges, and Fern Hill Reservoirs and Hillsboro's in-town storage continued to deplete, it became unclear if Hillsboro would be able to meet continued demands without some measure of mandatory curtailment. As the event continues, it appeared that Hillsboro might need to curtail their own customers' water usage. As this event continued into its third day, Beaverton and TVWD voluntarily switched to their alternative supplies to assist Hillsboro in meeting their demands, since Hillsboro does not currently have any alternate supply sources. TVWD switched more demand onto to its Portland Water Bureau supplies to reduce their demands on JWC. City of Beaverton had turned on one of their Aquifer and Storage and Recovery (ASR) wells the first day of the event. On the third day of the event, Beaverton agreed to turn on a second ASR well, to further lessen their JWC system demand.

TVWD and Beaverton were meeting their customer demands with these alternate sources, and Forest Grove was still able to meet its customer demands with its share of the reduced JWC WTP capacity that was available. As water quality improved the WTP increased production levels, and by the fourth day of the event, the WTP was again producing enough water to begin refilling the storage reservoirs. Hillsboro did not need to curtail. The event was over by the beginning of the following week, with normal WTP production capacity restored and all partners returning to their normal demand levels at the WTP.

Long-Term Solutions

Additional Plant Capacity

JWC staff has begun design (as of spring 2016) for WTP upgrades and an expansion of the WTP to increase peak day capacity. The scope of the project includes four elements:

- Creating a facility plan identifying phased improvements for ultimate capacity
- Design and construction services for seismic life safety modifications and for capital improvement maintenance projects
- Design and construction services for improvements to increase firm capacity
- Design and construction services for plant expansion and eventual elimination of production bottlenecks.

The expansion project is scheduled to be completed by 2019. At that time, owner capacity percentages in the WTP will be adjusted, and curtailment triggers will be based on the new numbers. TVWD is funding an additional 2 million gallons per day (MGD) capacity and Hillsboro is funding an additional 8 MGD.

Additional Source Water

Tualatin Valley Water District and City of Hillsboro are also partnering on the development of the Willamette Water Supply Project, which will be capable of delivering over 60 MGD from the mid-Willamette River at Wilsonville by 2026. This redundant source of supply will provide an alternative source and will reduce curtailment risk significantly once the supply is online and available for use.

JWC staff will also explore the possibility of an emergency supply agreement with the Portland Water Bureau. If successfully executed, an agreement would allow JWC partner agencies to buy emergency water from the Bull Run System without impacting TVWD's existing contract.

Emergency interties will also be connected at the following locations:

- a. 10 MGD Emergency Intertie between TVWD and JWC North Transmission Line (NTL) at Cornelius Pass and Highway 26
- b. 10 MGD Emergency Intertie between the Willamette Water Supply (WWS) and JWC NTL at Cornelius Pass and Highway 26
- c. 25 MGD Intertie with the WWS Line and JWC South Transmission Line at Cornelius Pass and Tualatin Valley Highway.

Notifications of Source Water Availability

Before Release Season

The JWC notifies its member agencies of the status of storage in Barney Reservoir and Hagg Lake periodically throughout the year. JWC provides its member agencies storage curves for both reservoirs at the semi-monthly JWC Operations Committee meetings and the quarterly JWC Board meetings, and also makes the reports accessible to partners on the web.

The Bureau of Reclamation announces the official storage available to contract holders by April 1. If applicable, the JWC will contact the Bureau of Reclamation to determine the levels of water supply and confirm the reduction schedules for each JWC member agency with contracted water in Scoggins Dam (Hagg Lake).

The General Manager will inform the Operations Committee and the Management Committee by April 15 if the potential for a water shortage has been identified. (If the potential shortage is not known until a later date, the GM will then make immediate notification to the committees.)

The Operations Committee will be notified when the Watermaster determines the regulation of several JWC-related natural flow water rights that impact the start and end dates of the release season.

If a potential shortage is identified after April 15th (after the Bureau of Reclamation issues its announcement of water storage availability), the JWC Managing agency will request each JWC agency to provide a seasonal forecast of amount of JWC water needed during release season. (This is the starting point, if discussion of curtailment scenarios and potential solutions needs to begin.)

At the start of release season, JWC provides the storage allocations to each member agency that owns storage in Barney Reservoir, has a contract with the Bureau of Reclamation in Hagg Lake, or has a lease agreement with another JWC member agency.

During Release Season

During the release season, each JWC agency is required to forecast the amount of water that they will need (commonly referred to as a “call for releases”) in accordance with notification requirements outlined in the JWC Operations Manual.

JWC provides weekly release reports to the member agencies that include the previous week’s daily releases, the allotments of those release volumes charged to each member agency, status of remaining storage, and efficiency of capture of stored water. The frequent distribution of the release reports has made them a valuable resource for storage and release tracking and has helped increase the efficiency of stored water releases in relation to customer demands.

The JWC will issue notices of potential shortages in each member agency’s allotment during the release season when supplies are reduced or demands are unusually high.

JWC partner agencies will be responsible for issuing notice to the JWC Managing Agency of potential shortages due to reduced supplies or high demands.

Curtailment Event Triggers

Limitations to the WTP’s capacity or reductions in supply do not automatically trigger imposition of curtailment measures, but begin a discussion among the JWC partner agencies to determine if partners would be willing to voluntarily reduce their demand by switching to alternate water supply sources. The JWC Managing Agency, through the JWC Operations Committee, is developing an Operations Plan that includes a condition assessment and outlines more detailed tiered curtailment triggers based on available JWC WTP capacity, levels of storage in Fern Hill, and estimated duration of the specific emergency event. The Operations Plan will work in harmony with the Curtailment Plan, and strive for equitable solutions for all partners. Staff will make sure that the plans reference each other as needed. Changes may be made to the curtailment plan prior to including it in the 2020 Water Management and Conservation Plan, if additions or modifications are found to be needed after the Operations Plan is written and reviewed.

Examples of events that would cause the JWC Curtailment Plan to be activated include, but would not be limited to, the following:

Supply Disruption and Capacity Limitations - Short-Term

Mechanical or electrical malfunction of critical pumping facilities at the JWC’s intake or water treatment plant.

Interruption of local utility electrical service for an unknown or extended period of time.

Unplanned water quality, or other treatment issue, that slows JWC WTP production below partner demands in which the timeline for recovery from the condition is uncertain and the risk of total reservoir depletions, at projected rates of production and demand, is high.

Short-term increase in total partners’ demand beyond JWC WTP production capabilities, due to an unforeseen circumstances such as extreme hot weather conditions, fire, or loss of a secondary

supply. (This condition would be for short-term shortages, and not long-term shortages, such as one caused by drought.)

Drought Conditions and/or Source Water Scarcity - Peak Season

- Abnormal weather conditions during the storage season, or other conditions, make it unlikely that Barney Reservoir and/or Hagg Lake will fill to their full capacities preceding the summer release season.

High demands result in drawdown of reservoir supplies at a rate indicative that supplies will not last the duration of release season.

Loss by any partner agency of an alternate supply source for an entire peak season.

Declaration of a drought in Washington County by the governor, pursuant to ORS 536.720.

Declaration of a statewide drought by the Governor, instead of by individual county.

Note: In this circumstance, JWC can petition for a State exemption from implementing its Curtailment Plan if it can demonstrate to the State (using historic and current data) that the JWC is not experiencing a water shortage that impacts the ability of its partner agencies to meet the demands of their customers (e.g. JWC has adequate stored water supply at Barney Reservoir and Hagg Lake, or partners are able to tap additional supply availability from ASR or from other sources).

Extreme Supply Disruption - Long-Term

Catastrophic natural disaster, such as an earthquake, watershed fire, landslide, or volcanic eruption.

Terrorist act that damages individual critical facilities and/or extensive portions of the JWC's transmission system, and/or lifelines such as electrical power and chemical deliveries.

Curtailment Response

It is important to note that curtailment response includes a range of options. It does not necessarily mean that reductions in demand on the JWC system will be required for all partners. Utilizing available JWC assets or other alternative water supply sources the agreed-upon first choice for managing source and peak capacity issues. A coordinated curtailment response that provides sufficient water to all JWC partners may be achievable without the need for individual partner agencies to impose voluntary or mandatory restrictions on their customers. Measures that impact customers will only need to be implemented if JWC partners cannot meet one or more partners' needs through negotiation and sharing of resources.

Objectives

JWC will do the following to ensure a coordinated response in a curtailment trigger situation:

Present member agencies with information about the status of WTP capacity limitations, individual agency ownership percentages, and agencies' current demands on capacity.

Present member agencies with information about the status of source water availability and releases from stored water.

Provide a forum for negotiation of alternative or shared supply sources between JWC members.

Require each JWC member agency to develop and adopt a customer curtailment plan and submit it to the JWC for inclusion in the JWC Water Management and Curtailment Plan (WMCP), in accordance with ORS 690-086.

Coordinate unified public messaging related to curtailment and conservation measures and requirements. If curtailment is only needed by some of the partners, messages will still be coordinated to minimize confusion and/or impacts to customers of the JWC partners not implementing curtailment.

- Meet State requirements for curtailment when the Governor issues a drought declaration and orders curtailment plan implementation in accordance with ORS 536.720.

JWC System Components

There are a variety of emergency situations that could cause the need for curtailment, and the method for determining curtailment percentage for each JWC partner will be based on the system component affected. It is important to remember that JWC partners have agreed to always try and avoid curtailment through partner negotiation of assets, but formal curtailment methodology will be helpful in determining how much additional water one partner may need to negotiate with other partners.

- Source Water Curtailment (Curtailment caused by lack of source water):
 - Curtailment percentage will be based on water right ownership in source.
- Water Treatment Plant Curtailment (Curtailment caused by decrease in treatment capacity severe enough to be less than demands on the system for a prolonged period that Fern Hills Reservoirs and in-town storage facilities may not be able to cover.
 - Curtailment will be based on ownership percentage in the Water Treatment Plant
- Electrical Power Failure Curtailment (Curtailment due to power failure for a prolonged duration that Fern Hill Reservoirs and in-town storage facilities may not be able to cover
 - If curtailment is necessary to meet partner water demands, it will be based on percentage ownership of the back-up power generator
- Transmission Line Failure (Service from one or more transmission line is disrupted, and any remaining transmission line(s) still in service are unable to meet partner demands.)

- Curtailment percentage will be based on percentage of ownership in the remaining transmission line(s) in operation.

Protocols

Role of Operations Committee:

- The Operations Committee will be convened as soon as possible when dealing with a potential curtailment situation. They will meet in-person if there is time to organize a meeting, or can also meet virtually via conference call, if more timely or convenient. The Operations Committee will make operational recommendations to the General Manager, who will then convene the Executive Committee (either by meeting or conference call) for a formal decision. As long as decisions are based on JWC-approved plans (Curtailment, Operations, or Emergency Response), JWC Board approval is not needed to approve decision. If proposed decision is in conflict with JWC-approved plans, the JWC Executive Board will be convened to approve decision.
- If decision must be made immediately, JWC General Manager will make decision as Incident Commander, and will then follow up with committees and protocols listed above as soon as feasible. Changes can be made as agreed upon, but disagreements on curtailment actions that cannot be settled through collaborative effort will be settled as outlined by the JWC Inter-governmental Agreement (IGA).
- The Operations Committee will exercise the Curtailment Plan as part of their exercises for the JWC Emergency Response Plan.

Supply Disruption and Capacity Limitations - Short-Term

- 1) The JWC will notify the member agencies of the expected duration of the event and available finished water in storage.
- 2) The JWC will request projected water demands from each member agency for the projected duration of the event.
- 3) The JWC will optimize available JWC assets and utilize Fern Hill storage to the extent practical.
- 4) The JWC may request JWC member agencies to voluntarily reduce or shift their demands to other supplies. If these actions result in significant direct costs to those agencies, compensation for those costs may be negotiated between the agencies.
- 5) The JWC may order mandatory curtailment from all partners if voluntary efforts do not solve JWC supply or capacity issues. The JWC General Manager may declare an emergency if all partners and wholesale customers are affected. The JWC can require individual member agencies and/or wholesale customers to reduce demand on the JWC system if those members are exceeding their percentage of supply/capacity availability.

- 6) Member agencies shall keep the other JWC agencies apprised of activities and messaging for their individual agency curtailment efforts. Affected agencies may request assistance and coordination for public messaging and outreach efforts from the JWC Events and Education Committee (EEC).
- 7) Communication efforts will be coordinated by the JWC Public Information Officer (PIO) if mandatory curtailment is required of all JWC partners.

Drought Conditions and/or Source Water Scarcity – Peak Season

- 1) Source water scarcity issues that affect Barney Reservoir will be coordinated through the Barney Reservoir Joint Ownership Commission (BRJOC), which includes all the JWC partners and Clean Water Services (CWS). Any decisions regarding curtailment of Barney Reservoir source water must include all BRJOC partners. Although CWS is not normally part of the JWC EEC, if curtailment is necessary due to Barney source scarcity, a CWS representative will be invited to participate with the EEC in any coordinated messaging and outreach efforts. Outside coordination and possible curtailment negotiation with Oregon Department of Fish and Wildlife may also be handled by the JWC Managing Agency.
- 2) Source water scarcity issues that affect Scoggins Reservoir (Hagg Lake) will be primarily coordinated through the Joint Water Commission, although secondary coordination with outside agencies such as Tualatin Valley Irrigation District (TVID), the Federal Bureau of Reclamation, Clean Water Services, and possibly others may be required.
 - a. *(Curtailment due to Scoggins' Dam future remediation or improvement scenarios will be coordinated through Clean Water Services, and may be done as a separate agreement from what is outlined in this curtailment plan – assuming such curtailment is pre-organized as part of the improvement project.*
- 3) The JWC will notify the member agencies of the expected duration of the event and available stored water supplies and available finished water in storage.
- 4) The JWC will request projected water demands from each member agency for the projected duration of the event.
- 5) The JWC will develop stored water use scenarios based on various estimated peak season demand levels.
- 6) The JWC will optimize available JWC assets and utilize Fern Hill storage capacity to the extent practical.
- 7) The JWC may request JWC member agencies to voluntarily reduce or shift their demands to alternate sources. If these actions are intended to provide increased capacity to another JWC member, compensation for direct costs from implementing the actions may be negotiated between the agencies.
- 8) Partners that have available excess stored water and/or capacity may receive requests from partners needing water to lease excess stored water and/or additional capacity

to other partners in need. Leasing protocols are found in the JWC Water Service Agreement.

- 9) The JWC may order mandatory curtailment from all partners if voluntary efforts do not solve JWC supply or capacity issues. The JWC General Manager may declare an emergency if all partners and wholesale customers are affected. The JWC may request individual member agencies and wholesale customers to reduce demand on the JWC system if those members are exceeding their percentage of supply/capacity availability.
- 10) Member agencies shall keep the other JWC agencies apprised of activities and messaging for their individual agency curtailment efforts. Affected agencies may request assistance and coordination for public messaging and outreach efforts from the JWC Events and Education Committee (EEC).
- 11) Communication efforts will be coordinated by the JWC Public Information Officer (PIO) if mandatory curtailment is required of all JWC partners. The JWC EEC will provide a summary and schedule of any proposed cooperative public outreach campaign and schedule to the Operations and Management Committees for review and approval. JWC maintains an emergency communications budget that covers short-term communication efforts, but each agency may be requested to provide additional funds for a longer-term, peak-season public outreach campaign, depending on the elements of the proposed campaign.
- 12) If curtailment is required due to Governor order and declaration of drought, all partners will conserve or curtail in accordance with Governor implementation requirements, as pursuant to ORS 536.720.
- 13) In a declared emergency event, the JWC will coordinate with other basin stakeholders (i.e. Clean Water Services and Tualatin Valley Irrigation District) to determine additional conservation measures, flow monitoring, and other supply options.

Extreme Supply Disruption

After an extreme event such as a severe natural disaster (earthquake, flooding, landslides, etc.) or terrorist act, JWC will take the following actions:

- 1) JWC will invoke its Emergency Response Plan, and procedures in that plan supersede procedures in this plan if they are in conflict.
- 2) JWC will follow procedures 1-8 listed above under the “Drought Conditions” section.
- 3) JWC will initiate activation of the JWC Department Operations Center (DOC), and of the Hillsboro Emergency Operations Center (EOC) if it has not already been activated, within the Incident Command System. (The General Manager may declare a State of Emergency at this point as well.)
- 4) JWC will notify the member agencies of the expected duration of the event (if known) and the status of supply.

- 5) JWC will complete a damage assessment as soon as possible and provide critical information on facility damage and treatment capacity to member agencies and Hillsboro EOC. Resources will be requested through the Hillsboro EOC.
- 6) JWC will coordinate with the Washington County Office of Consolidated Emergency Management for regional support in extreme events, and implement any needed support from the Oregon Water/Wastewater Agency Response Network mutual aid agreements, and seeking federal aid from the Federal Emergency Management Agency and the National Guard.
- 7) Communication efforts between JWC member agencies, wholesale customers, basin partners, regional partners (RWPC members), and Washington County emergency communicators (including a Joint Information Center, if one is set up by the county) will be coordinated by the JWC Public Information Officer (PIO).
- 8) Recovery from an extreme event will be directed by the JWC Disaster Recovery Plan, outlined in the JWC Emergency Response Plan.

Aquifer Storage and Recovery (ASR) Wells

For ASR wells operating under the JWC Limited License, the following curtailment language that was included in the Agreement regarding ASR Management will apply:

“The Parties agree that the production of potable water, storage and transmission by the JWC System, as defined in the Water Services Agreement, is primarily for the direct and immediate needs of all members of the JWC and will have priority over production storage and transmission of water for ASR purposes. If the JWC System experiences an emergency, construction, or maintenance event where by water production by the JWC System is interrupted, reduced or otherwise curtailed, then the JWC Managing Agency may suspend provision of water for the ASR Program until the circumstances are resolved.”

ASR wells not licensed through the JWC Limited License Agreement and instead licensed by individual JWC partners with the State, will operate at the complete discretion of the owner. The JWC Managing Agency will coordinate with individual ASR owners, as needed, on potential impacts of injection if curtailment is a consideration during non-peak (injection) season, but does not have authority to require individual partner action regarding such ASRs.

Authority

- The JWC’s Water Service Agreement gives the General Manager the authority to impose mandatory reductions in treated water supply from the JWC WTP to partner agencies in an emergency situation that affects one or all partners.
- Actions of this plan that are handled by system optimization and agreements between the member agencies can be taken under direction of the JWC General Manager.

- Emergency response will be coordinated by the JWC General Manager and the Senior Program Manager in charge of JWC Treatment.
- The General Manager will coordinate with the JWC Executive and Operations Committees when requesting that JWC partners switch to alternative source supplies or take other measures to reduce demands on JWC.
- Voluntary curtailment messaging can be coordinated and/or implemented by the JWC EEC, or by individual agencies, depending on agreed upon preference. JWC partners should notify other member agencies prior to implementation of curtailment actions.
- After a declaration of emergency by the General Manager of the JWC, and approval by the JWC Management Committee, all partner agencies will be informed of any mandatory curtailment action required by the JWC, along with a timeline to achieve such reduction. Individual partner agencies are responsible for decisions and implementation of mandatory curtailment for their customers.
- Mandatory curtailment actions will remain in effect until the emergency declaration is ended by the General Manager. The General Manager is responsible for execution of the plan provisions once an emergency has been declared.