

Public Works Division 315 Kennel Ave Molalla, Oregon 97038 Phone: (503) 829-6855

August 2, 2022

Attn: Mike Pinney, Oregon Dept of Environmental Quality

RE: MAO Plant Construction Deadline

Dear DEQ Permit Coordinator,

The City of Molalla (the "City") has been and is in the design phase of its new Wastewater Treatment Facility as you are aware. This project #19-10 was initiated by the City with the Engineering firm Dyer Partnership on May 13th, 2020. That contract included a Project Schedule showing an estimated completion date of **October 2024**.

Since that time several project delays have been experienced, including the City's request to modify the contract scope to add \$1.7 million of additional filtration systems to improve the effluent quality of the final plant, COVID pandemic related delays, and extra time taken to carefully evaluate the recommendations of the Value Engineering team on Site Selection. This month, the City reviewed the current work completed and requested an updated construction schedule from Dyer. That schedule is attached and indicates that the new plant should be completed in **October 2025**.

The City therefore requests an extension to the December 2023 Plant Construction Deadline in the Mutual Agreement and Order ("MAO") letter WQ/M-NWR-2016-246 to November 2025.

Please let me know at your earliest convenience if this date is acceptable, so the City's attorneys can work with DEQ on an amendment to the MAO. The City believes it can achieve plant construction by this new date assuming the following:

In evaluating this schedule, the Engineering team has been conservative based on their observations of increased lead times for materials on similar projects currently underway. Yet, this schedule remains aggressive in that it has not attempted to predict any unforeseeable project-delaying events related to the wider economy or environment, such as supply chain lead times, or extreme weather events. The City believes the most critical item related to project completion timing to be the lining of Effluent Storage Pond #2 between April 2025 and September 2025. Should this item be delayed for any reason, the winter weather will prevent completion until the following year. Thereafter, long lead times for larger pumping equipment constitute the second largest risk to the timeline. In order to prevent these possibilities, the City is working with Dyer Partnership to explore the option of "get started" purchase orders directly to the manufacturers of the materials before bidding. The City and Dyer will work to evaluate whether this can speed the process of delivering this complex project by reducing risk

associated with lead times. Of course, the City will remain in contact with DEQ throughout plant construction process and alert DEQ if additional delays emerge. The City is also in the process of securing funding for the plant from the USDA and will shortly be performing a Biological Assessment, which includes initiating Section 7 and 106 consultations, and submit a complete Environmental Assessment pending these consultations, by September 30th 2022. <u>The City</u> <u>would like to request that DEQ advise whether any of these consultations or assessments are</u> <u>also a requirement of DEQ's work to compose the new NPDES permit for this plant, and if so,</u> <u>to confirm that the consultations through USDA will be sufficient for DEQ, as normal.</u>

Respectfully,

the	Andy Peters, Public Works Div Manager 315 Kennel Ave. PO Box 248 Molalla, OR 97038 Phone – <u>503.759.0220</u> Email – <u>apeters@cityofmolalla.com</u> Website – <u>http://www.cityofmolalla.com</u>	CC:	Mac Corthell, Community Dev Director Dan Huff, City Manager
-----	---	-----	--

Molalla WWTP Upgrades (Project No. 198.28)

1	ask Name	Duration	Start	Finish	Predecessors	C	13	24		Q1	Q2		c	23	Q4		Q1	(22		Q3	Q4		Q1		Q2		Q3		Q4	
																															Dec
- 18	Final Design	360d	07/15/22	07/09/23					1			-	η																		
179	DEQ Review	60d	07/10/23	09/07/23	1								1																		
180	Bidding, Construction Contracts	60d	09/08/23	11/06/23	179										.																
181	Construction	734d	11/07/23	11/09/25													-												+	包	
182	Mobilization	30d	11/07/23	12/06/23	180											4															
183	Submittals	90d	11/07/23	02/04/24	180																										
184	Equipment Procurement	150d	11/07/23	04/04/24	180																										
185	Demolition Site Preparation	30d	12/07/23	01/05/24	182											i i i i i i i i i i i i i i i i i i i															
186	Control Building	210d	01/06/24	08/02/24													-			-											
192	* SBR	330d	01/06/24	11/30/24													-	_				-									
197	Grit Removal System	270d	01/06/24	10/01/24													-	_													
202	UV Disinfection System	210d	01/06/24	08/02/24													-	-													
207	Effluent Filtration System	210d	01/06/24	08/02/24													-														
212	* Transfer Pump Station	270d	01/06/24	10/01/24													-	-													
218	Standby Generator	120d	01/06/24	05/04/24													-														
219	Civil - Generator	30d	01/06/24	02/04/24	185											<u> </u>															
220	Structural - Generator	30d	02/05/24	03/05/24	219												1														
221	Electrical - Generator	60d	03/06/24	05/04/24	220																										
222	SCADA - Integration	60d	12/01/24	01/29/25	196																		_								
223	Commission SBR and Aerobic Digestion System	30d	01/30/25	02/28/25	222																		-								
224	 Aeration Basin and Lagoon Decommissioning 	60d	03/01/25	04/29/25																					1						
228	Influent Flow Equalization	150d	04/30/25	09/26/25																							1		-		
233	Effluent Storage Pond No. 2	134d	04/30/25	09/10/25																											
239	* Site Work - Landscaping	60d	09/11/25	11/09/25																								P			
243	Demolition of Existing Systems	30d	09/11/25	10/10/25	238																										