



**Community Development Department**  
315 Kennel Avenue, PO Box 248, Molalla, Oregon 97038  
Phone: (503) 759-0205

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## Website Posting

**May 1, 2024**

Based on information at the time of required posting, the City has a violation of the NPDES Permit conditions (as modified by the March 2021 MAO) for the month of April 2024.

Weekly Average Concentration (37 mg/l): 40 mg/l, 04/21/24 – 04/27/24

Monthly average concentration (25 mg/l): 30 mg/l (update 5/6)

Effluent did exceed unmodified NPDES limits as follow:

Weekly Average BOD5 Concentration (limit 15 mg/l) (MAO limit 37 mg/L): 20 mg/l, 03/31/24 – 04/06/24  
28 mg/l, 04/07/24 – 04/13/24  
31 mg/l, 04/14/24 – 04/20/24  
Waiting on data for, 04/28/24 – 05/04/24

Daily BOD5 Loading (limit 320 lbs) (MAO limit 800 lbs): 364 lbs, 04/09/24  
326 lbs, 04/16/24  
348 lbs, 04/17/24  
380 lbs, 04/23/24

Weekly Average BOD5 Loading (limit 240 lbs) (MAO limit 400 lbs): 299 lbs, 04/07/24 – 04/13/24  
337 lbs, 04/14/24 – 04/20/24  
312 lbs, 04/21/24 – 04/27/24  
Waiting on data for, 04/28/24 – 05/04/24

Monthly Average BOD5 Loading (limit 160 mg/l) (MAO limit 400 lbs): 285 lbs (update 5/6)

April DEQ Correspondence attached below:

# City of Molalla WWTP Project



R Quigley <rquigley@dyerpart.com>

To YELTON-BRAM Tiffany \* DEQ; PINNEY Mike \* DEQ; KRAMER Rebecca \* DEQ

Cc Mark P. Strandberg; J.W. Ring; David Hori; Mac Corthell; Dan Huff; Seth Kelly; Adam Shultz; T Molatore; Aaron Speakman

Reply Reply All Forward

Fri 4/26/2024 2:01 PM



Action Items

+ Get more add-ins

Tiffany, Mike, & Rebecca,

Thank you for taking the time to meet with us earlier this week. Attached is the memo we discussed that outlines the reasons we feel the Molalla WWTP project did not receive any bids. The memo also covers the proposed project scope and schedule modifications that we feel are needed to increase interest in the project from potential contractors.

Please review and let us know if you have any questions or comments. We look forward to your feedback as we work to move the project forward.

Thank you,

**Ryan Quigley, P.E.**

The Dyer Partnership  
Engineers & Planners, Inc.

481 S. Main St.

Lebanon, OR 97355

(541) 405-4520 – Office

(541) 451-0089 – Cell

[rquigley@dyerpart.com](mailto:rquigley@dyerpart.com)

[www.dyerpart.com](http://www.dyerpart.com)



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## M E M O R A N D U M

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DATE April 25, 2024

TO Tiffany Yelton-Bram, Oregon Department of Environmental Quality  
Mike Pinney, PE, Oregon Department of Environmental Quality

FROM Tyler J. Molatore, PE

PROJECT NAME Wastewater Treatment Plant Upgrades  
City of Molalla

PROJECT NO. 198.28

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The City of Molalla (City) advertised for bids for the Wastewater Treatment Plant (WWTP) Upgrade project in March of 2024. No bids were received. After discussions with contractors and sub-contractors, the following are the major reasons for what we believe resulted in the the receipt of no bids from contractors.

- **Bid Timing:** The project primarily received interest from a single prime contractor. Based on the timing of the bid in March and April, and other projects advertising this past winter, contractors we spoke with had already secured all the business they were capable of undertaking for the upcoming construction season.
- **Construction Schedule:** The construction schedule included critical milestones for commissioning of the new WWTP, solids removal, and lining of the lagoon. Based on the timing of the bid, equipment leadtimes, and the inclusion of solids removal and lagoon lining, potential contractors concluded that significant overtime costs would have to be included in any bid. The potential contractors also believed the probability of missing the milestones and incurring liquidated damages was too high.
- **Construction Sequence:** Solids removal and lining of the lagoon increased the risk to contractors relative to discharge permit non-compliance. Potential contractors were concerned with bidding the project based on risk associated with WWTP non-compliance due to construction activities related to lagoon lining and sludge removal. Discharge permit non-compliance could lead to additional costs and liquidated damages that would have required additional construction cost considerations.

In addition to the above items, cost information was obtained following the bid process from one contractor. Sludge removal and disposal was estimated in excess of \$7 million. Upgrades to Lagoon No. 2, including a new liner, underdrain, bypass pumping, and associated earthwork, was estimated in excess of \$7 million. These items resulted in elevated overall project costs that exceeds the affordability threshold and secured funding for the City of Molalla.

The Dyer Partnership Engineers and Planners, Inc. (The Dyer Partnership), in coordination with City staff, evaluated the project's scope, sequence, and schedule in an effort to solicit bidders, address budget

concerns, all while striving to maintain the overall integrity of the WWTP upgrade project. The main objective of the WWTP upgrade project is to construct a new activated sludge wastewater treatment plant and new solids management systems to ultimately provide consistent and reliable discharge permit compliance. Based on discussions with City staff, the Dyer Partnership recommends the following adjustments to the project scope and schedule.

- Scope Adjustments

- Elimination of Lagoon No. 2 upgrades from Phase I (earthwork, liner, underdrain, and appurtenances): Upgrades to Lagoon No. 2 introduce complications related to the construction sequencing, the overall construction schedule, and project costs. The City proposes to maintain sludge removal from Lagoon No. 2 as part of the Phase I upgrade project, and convert it to an effluent storage pond, but defer the earthwork and lining with a geomembrane liner until Phase 2.

Lining of the lagoon, as part of Phase I improvements, required complete decommissioning (solids removal, draining, dewatering) of the lagoons. This increased contractor risk associated with discharge permit compliance and overall project costs.

The existing lagoons are clay lined. As part of Phase I, Lagoon No. 2 will still be converted into an effluent storage pond by removing the existing biosolids, draining, and drying the existing clay liner for two weeks per DEQ and Mutual Agreement and Order requirements. Lagoon No. 2 will also be inspected by DEQ prior to placing it into operation as an effluent storage pond.

Until geomembrane liners are installed, the effluent storage ponds will remain subject to lagoon leak tests, in accordance with the Oregon DEQ requirements. Leakage in excess of regulatory requirements will be investigated and addressed via Oregon DEQ guidelines.

- City to remove sludge from Lagoon No. 1 after Phase I improvements are completed: Sludge removal and disposal increases contractor risk and the overall project cost. Based on cost information received after the bid process, it does not appear that the City can afford to remove sludge from both lagoons as part of the Phase I improvements.

The majority of sludge is located in Lagoon No. 1. The project scope will be amended to eliminate sludge removal from Lagoon No. 1. Upon completion of the new WWTP, the City is planning to process the sludge in Lagoon No. 1 through the new Aerobic Digester and screw press, and evaluate other sludge removal methods.

Compared to existing conditions, converting Lagoon No. 2 into an effluent storage pond will improve the overall capacity of effluent storage at the WWTP. However, processing the sludge through the new solids processing systems will require additional time and resources until the solids are completely removed from Lagoon No. 1.

Until solids are completely removed from Lagoon No. 1, the City will remain limited in their effluent storage capacity, based on their existing National Pollutant Discharge Elimination System (NPDES) permit. The City anticipates that the new NPDES permit will include a conditional discharge allowance to the Molalla River. Converting Lagoon No. 2 into an effluent storage pond, along with a discharge permit that allows a conditional discharge to the Molalla River during shoulder months, will greatly reduce out-of-season

discharges due to limited storage. The City plans to convert Lagoon No. 1 into an effluent storage pond as fast as budgetary restraints allow.

Should the re-bid result in costs less than currently estimated, or additional funding become available, the City may consider having the contractor (or another contractor through a separate bid solicitation) process additional sludge from Lagoon No. 1. Any sludge removed from Lagoon No. 1 as part of Phase I will reduce the time required to process the solids through the new WWTP, and improve effluent storage capacity at the facility.

- Schedule (Revised)

- The project schedule has been revised to allow two years for construction and commissioning of the new liquid and solids treatment systems. In our opinion, extending the overall project schedule will reduce contractor risk and overall project cost. Commissioning of the new WWTP would also still occur within the current timeline of the Mutual Agreement and Order. Major elements of the proposed project schedule are summarized below.

Revised Schedule (Total Construction Duration = ~1,091 days)

▪ Plan, Specification, and Contract Revisions	May 1 – June 14, 2024
▪ DEQ Review	June 14 - June 28, 2024
▪ Re-bid	July 1 – July 31, 2024
▪ Construction Notice to Proceed	August-September 2024
▪ Commissioning New WWTP (SBR, Aerobic Dig.)	August 2026
▪ Lagoon Draining	Mar 2027 – Apr 2027
▪ Lagoon No. 2 Conversion	May 2027 – June 2027

A revised total project cost estimate based on our review of contractor’s estimates, and review of equipment costs, assuming the elimination of sludge removal from Lagoon No. 1 as well as eliminating the geomembrane liner from Lagoon No. 2, is between \$43,000,000 and \$47,000,000. A detailed cost estimate breakdown is under development.

In our opinion, the above changes to the project scope and schedule should increase interest from potential Contractors and maintain the overall integrity of the WWTP upgrade project. Constructing a new facility, including an activated sludge plant and solids processing systems, remains the top priority for the City of Molalla.

END OF MEMORANDUM

**From:** Seth Kelly <[skelly@cityofmolalla.com](mailto:skelly@cityofmolalla.com)>  
**Sent:** Wednesday, April 24, 2024 10:18 AM  
**To:** PINNEY Mike \* DEQ <[Mike.PINNEY@deq.oregon.gov](mailto:Mike.PINNEY@deq.oregon.gov)>  
**Subject:** Effluent Temperature

You don't often get email from [skelly@cityofmolalla.com](mailto:skelly@cityofmolalla.com). [Learn why this is important](#)

Hi Mike,

This email is just to recap the phone conversation we had this morning. The City of Molalla is expecting our Effluent temperature will exceed the 7-day rolling average limit of 18 degrees C we having in our NPDES Permit after todays flows. We are also going into the shoulder month where the city must hold water until the irrigation fields are able to assimilate the water without over saturation or ponding or if we run out of capacity we must "Out of Season Discharge". After discussing with you this morning I believe we are in agreeance that it would be more advantageous for the receiving stream for us to continue discharging while the Molalla River levels are up and through April 30th in order to try and ensure not having an "Out Of Season" discharge in May. Could please provide me with a written response that it is your recommendation we continue to discharge until our river discharge season ends in 6 days.

*Thank you,*

**Seth Kelly**

Molalla Wastewater Treatment Plant Manager  
12424 S. Toliver Rd, Molalla, OR, 97317  
[skelly@cityofmolalla.com](mailto:skelly@cityofmolalla.com)  
503-302-3600

**From:** Seth Kelly  
**Sent:** Wednesday, April 24, 2024 3:34 PM  
**To:** 'PINNEY Mike \* DEQ' <[Mike.PINNEY@deq.oregon.gov](mailto:Mike.PINNEY@deq.oregon.gov)>  
**Subject:** RE: Effluent Temperature

Mike,

Thank you and I will keep you in the loop as things progress.

*Seth Kelly*

Molalla Wastewater Treatment Plant Manager  
12424 S. Toliver Rd, Molalla, OR, 97317  
[skelly@cityofmolalla.com](mailto:skelly@cityofmolalla.com)  
503-302-3600

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**From:** PINNEY Mike \* DEQ <[Mike.PINNEY@deq.oregon.gov](mailto:Mike.PINNEY@deq.oregon.gov)>  
**Sent:** Wednesday, April 24, 2024 10:29 AM  
**To:** Seth Kelly <[skelly@cityofmolalla.com](mailto:skelly@cityofmolalla.com)>  
**Subject:** RE: Effluent Temperature

Seth,

As of now, I am in favor of continuing discharge to the River. Rain and cooler temperatures are on their way, and the river should have plenty of assimilating capacity. The City may need the holding capacity if rains continue into May and June.

Regards,

**Michael Pinney PE**

**Senior Environmental Engineer**

**Northwest Region**

**Oregon Department of Environmental Quality**

**Seth Kelly**

Molalla Wastewater Treatment Plant Manager  
12424 S. Toliver Rd, Molalla, OR, 97317  
[skelly@cityofmolalla.com](mailto:skelly@cityofmolalla.com)  
503-302-3600

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**From:** PINNEY Mike \* DEQ <[Mike.PINNEY@deq.oregon.gov](mailto:Mike.PINNEY@deq.oregon.gov)>  
**Sent:** Thursday, April 25, 2024 9:41 AM  
**To:** Seth Kelly <[skelly@cityofmolalla.com](mailto:skelly@cityofmolalla.com)>  
**Subject:** RE: Effluent Temperature

Great news! With this weather you should be able to close out the month okay.  
Mike

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**From:** Seth Kelly <[skelly@cityofmolalla.com](mailto:skelly@cityofmolalla.com)>  
**Sent:** Thursday, April 25, 2024 9:05 AM  
**To:** PINNEY Mike \* DEQ <[Mike.PINNEY@deq.oregon.gov](mailto:Mike.PINNEY@deq.oregon.gov)>  
**Subject:** RE: Effluent Temperature

You don't often get email from [skelly@cityofmolalla.com](mailto:skelly@cityofmolalla.com). [Learn why this is important](#)

Hi Mike,

Yesterday's Effluent Temp was 18 degrees C. That puts us at an average of 18 degrees on our 7-day rolling average. As of now we are still in compliance. I will continue to monitor and update you each day.

**Seth Kelly**

Molalla Wastewater Treatment Plant Manager  
12424 S. Toliver Rd, Molalla, OR, 97317  
[skelly@cityofmolalla.com](mailto:skelly@cityofmolalla.com)  
503-302-3600



12424 S. Toliver Rd, Molalla, OR, 97317

[skelly@cityofmolalla.com](mailto:skelly@cityofmolalla.com)

503-302-3600

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**From:** PINNEY Mike \* DEQ <[Mike.PINNEY@deq.oregon.gov](mailto:Mike.PINNEY@deq.oregon.gov)>

**Sent:** Friday, April 26, 2024 10:43 AM

**To:** Seth Kelly <[skelly@cityofmolalla.com](mailto:skelly@cityofmolalla.com)>

**Subject:** RE: Effluent Temperature

Right. Agreed.

Mke

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**From:** Seth Kelly <[skelly@cityofmolalla.com](mailto:skelly@cityofmolalla.com)>

**Sent:** Friday, April 26, 2024 10:17 AM

**To:** PINNEY Mike \* DEQ <[Mike.PINNEY@deq.oregon.gov](mailto:Mike.PINNEY@deq.oregon.gov)>

**Subject:** RE: Effluent Temperature

Hi Mike,

With yesterday's temperature coming out as 18.4 degrees C. The rolling average is 18.2 degrees C. But temperatures in the Effluent continue to drop and we are at 17.8 currently. I believe with the forecasted weather we should be back  $\leq 18.0$  rolling average by tomorrow. If you're still good with us discharging I would like to continue until Monday or Tuesday and then shut down for the season and hope May provides dry weather to begin irrigation before our we run out of pond capacity.

*Seth Kelly*

Molalla Wastewater Treatment Plant Manager

12424 S. Toliver Rd, Molalla, OR, 97317

[skelly@cityofmolalla.com](mailto:skelly@cityofmolalla.com)

503-302-3600

## RE: Effluent Temperature



Tue 4/30/2024 10:42 AM



Seth Kelly

To 'PINNEY Mike \* DEQ'



Weekly\_Non-Compliance\_04\_24.pdf  
1 MB

Mike,

With the weather that came in we only had one day that exceeded our effluent temperature limit (4/25/24 @ 18.2 rolling 7-day avg.). After that the continuing days dropped under and stayed under 18 degrees C. Unfortunately, with the high temperatures we had an unexpected weekly exceedance of our BOD Concentration. I believe that our monthly concentration average will be over as well due to those results. I have a BOD test going into incubation today and wont now until Monday the 6<sup>th</sup> exactly where we stand with that. I have attached our Out of Compliance Letter.

*Respectfully,*

**Seth Kelly**

Molalla Wastewater Treatment Plant Manager

12424 S. Toliver Rd, Molalla, OR, 97317

[skelly@cityofmolalla.com](mailto:skelly@cityofmolalla.com)

503-302-3600

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**From:** PINNEY Mike \* DEQ <[Mike.PINNEY@deq.oregon.gov](mailto:Mike.PINNEY@deq.oregon.gov)>

**Sent:** Friday, April 26, 2024 10:43 AM

**To:** Seth Kelly <[skelly@cityofmolalla.com](mailto:skelly@cityofmolalla.com)>

**Subject:** RE: Effluent Temperature

Right. Agreed.

Mke



Oregon Department of Environmental Quality

# Noncompliance Reporting Form

For all permit violations, including monitoring requirements.

Use this form to report all instances of noncompliance *except* sanitary sewage overflows. Fill out all fields and sign. You may attach additional information to this report to explain the circumstances of noncompliance. This information may include but is not limited to maintenance records and monitoring results.

## FACILITY / CONTACT INFORMATION

Name of Permittee:		
Contact Name:		
Phone:	Email:	Date:
DEQ Permit #:	DEQ File #:	EPA ID #: OR
Has non-compliance been corrected?:                      Yes                      No		
Expected time noncompliance is expected to continue:		
Date/Time Started:	Date/Time Stopped :	
Description of Noncompliance:		

## AGENCY AND PUBLIC NOTIFICATION

Was the non-compliance one of the following:

• A noncompliance which may endanger health or the environment	Yes	No
• An unanticipated bypass which exceeds any effluent limitation in this permit	Yes	No
• An upset which exceeds any effluent limitation in this permit	Yes	No
• Violation of a maximum daily discharge limitation	Yes	No

If yes to any of the above, complete the rest of this section.

OERS Number:
Signs posted? Where?:
Media contacted? Who?:
List any other steps taken to notify the public and/or state and federal agencies:

## CAUSE(S)

Cause or suspected cause(s):
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# Oregon DEQ Noncompliance Reporting Form

continued

## RAINFALL DATA

Rainfall (for storm-related noncompliance):	inches	Design Storm:	inches
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Source of rainfall data:

## CORRECTIVE ACTIONS

List actions taken or planned to reduce, eliminate, and prevent reoccurrence of the noncompliance.

Actions taken (describe):

Actions planned and schedule for those actions (describe):

## COMMENTS

Comments:

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gathered and evaluated the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name (print)

\_\_\_\_\_  
Phone

\_\_\_\_\_  
Title (print)

\_\_\_\_\_  
Email