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For Immediate Release
July 29, 2008

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CITY ADJUSTS TIMING OF SEWER INTERCEPTOR PROJECT WITH EYE ON QUALITY AND COST

LAKE OSWEGO – The City of Lake Oswego announced today that it is revising certain aspects of the Lake Oswego Interceptor Sewer (LOIS) schedule in order to ensure that the City's number one public works project meets the highest quality standards and delivers the best value. The changes will lead to a later start date for the initial phase of construction, but will not affect the City's commitment to complete the project according to the schedule agreement with the Oregon Department of Environmental Quality.

Project Director Joel Komarek said the initial portion of the work to be done with the lake full, once targeted to start in fall 2008, will start in fall 2009. The work to occur with the lake level drawn down would occur in 2010/11.

"We always anticipated that there might be timing or sequence adjustments as we moved forward and as our contracting process allows," Komarek said. "The most important priority is to maintain the highest quality construction at the best value to our ratepayers. This change allows us to do that."

There are two primary reasons for the change, Komarek said. First, access to a critical staging area for the project, the Lake Grove Swim Park, is not yet secured. This site is needed so that the lake-full portion of the work can begin and end on time, prior to the lake drawdown. Moving the lake-full work to fall 2009 provides additional time to assure an access point is secured and ready for use.

Second, the revised schedule gives the City time to affirm its commitment to deliver the project at a reasonable cost. The City contracted with Barnard Construction Company, Inc. (BCCI) of Montana for preconstruction services in September 2007. Those services brought a contractor's perspective into design services, helping to better assess risks. There was a possibility that Barnard would continue past the preconstruction phase, if the two entities could come to agreement on costs of construction. Both the City and Barnard have ended those discussions. Today, the City Council directed staff to terminate the contract with BCCI.

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“We appreciate the value Barnard brought to the preconstruction phase of the work,” Komarek said. “However, both sides have concluded that it’s not the right match for actual construction.”

City representatives said the City and Barnard could not agree on contract terms, compensation for construction and the City’s requirement for competitive bidding for all work not performed by Barnard.

Mayor Judie Hammerstad said, “This project is designed to last 75 years or longer. We absolutely must do this project right and get the best value for the public. We have a responsibility to use the best contractor at the best price and that’s what we will do.”

The change in work sequence will allow other work segments that need to occur on dry land, or in the lake near the shore, to be completed first. This could include the Kelok Road pipe work, Bryant Road pump station, relining those portions of the interceptor that are not scheduled for replacement, and work on elevated portions of the sewer in the Foothills Road area.

The roughly \$100 million LOIS project is proposed to replace the 40+ year old gravity sewer line in Oswego Lake with a new gravity flow system, with pile-supported segments as well as buoyant segments, that are tethered below the lake surface. The current interceptor is undersized and subject to overflows during heavy rains and would be vulnerable to damage in the event of a moderate earthquake.

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