



AGENDA COVER MEMO

Memorandum Date: 1/10/25

Order Date: 1/28/25

TO: Board of County Commissioners

DEPARTMENT: Public Works

PRESENTED BY: Jeff Orlandini, Waste Management Division Manager
Dan Hurley, Public Works Director
Tiffany Johnson, Assistant County Counsel

AGENDA ITEM TITLE: ORDER/ In the Matter of Approving a Contract Amendment with Emerging Acquisitions, LLC, dba Bulk Handling Systems, for Design and Pre-Construction Services for the CleanLane Resource Recovery Facility and Authorizing the County Administrator to Execute the Contract Amendment, Expense in the Amount of \$187,400.

I. MOTION

Move to approve a contract amendment with Emerging Acquisitions, LLC, dba Bulk Handling Systems, for Design and Pre-construction Services for the Cleanlane Resource Recovery Facility and authorize the County Administrator to execute the contract amendment, expense in the amount of \$187,400.

II. AGENDA ITEM SUMMARY

An amendment is being proposed to add \$187,400 to the contract for Design and Pre-Construction Services with Emerging Acquisitions, LLC, dba Bulk Handling Systems, to complete the design for the CleanLane Resource Recovery Facility.

III. BACKGROUND/IMPLICATIONS OF ACTION

A. Board Action and Other History

In 2015, the Oregon State Legislature passed legislation updating the Opportunity to Recycle Act. As a part of this process, Lane County was required to provide a materials recovery goal to be achieved for 2025 and beyond. Recovery goals are used to encourage waste reduction, recycling, and diversion of waste from landfills. Lane County selected 63% recovery rate for this voluntary goal. This goal

is listed in ORS 459A.010. Lane County currently achieves an approximate 49.7% recovery rate.

In July 2019, the Board adopted the updated Solid Waste Management Plan (SWMP) as a Special Purpose Plan of the County's Rural Comprehensive Plan (Ordinance No. PA 1377 & 19-04). The SWMP outlines goals and actions to reduce waste entering the landfill and increase the recovery of recyclable materials.

In February 2020, the Board adopted Order and Resolution 20-02-04-04, establishing a Climate Change Strategy for Lane County that included goals to reduce greenhouse gas emissions from County operations.

In October 2020, the Board approved the Climate Action Plan Phase 1: Operations Recommendations Report (B.O. 20-10-20-08). The plan identified the Short Mountain Landfill as the highest contributor (77%) of greenhouse gas emissions from County operations. The Action Plan recommended construction of an Anaerobic Digestion system at the Short Mountain Landfill as a key action for lowering emissions from the landfill.

In December 2021, Waste Management Division staff presented on past action taken and next steps in advancing materials management in Lane County. A local manufacturing company, Bulk Handling Systems (BHS), presented on waste processing technologies in use in other communities that may be viable in Lane County.

In March 2022, the Waste Management Division issued a Request for Proposals for Waste Recovery Facilities to help the Division meet or exceed its 63% recovery goal. After a competitive process, the Division selected BHS to enter into a contract to further explore building a Waste Processing Facility located near Short Mountain Landfill. The proposal from BHS indicated that BHS would set up a project entity specifically for this public-private partnership.

In April 2022, the Board added the following objective to the 2022-2024 Strategic Plan: *Fully vet the construction of a waste processing facility for the Short Mountain Landfill.*

In December 2023, the Board approved [Resolution & Order No. 23-12-05-07](#) to approve a contract with BHS for the Construction and Operation of an Integrated Materials & Energy Recovery Facility (IMERF), to purchase property in Goshen for siting the facility, and to increase solid waste fees to pay for the infrastructure investment.

In August 2023, the Board approved \$35 million in financing for facility that was renamed from the IMERF to the CleanLane Resource Recovery Facility ([B.O. 24-08-20-10](#)) and amended Order No. 23-12-05-07 to name PROJECTS @ LANE COUNTY LLC as the project entity ([B.O. 24-08-20-09](#)).

B. Policy Issues

Lane County is the Solid Waste Authority for Lane County. Lane County owns and operates the Short Mountain Landfill as well as 15 transfer stations serving all of Lane County's residents. Per Oregon Revised Statute (ORS) 459.015 (1) (d): "It is in the best interests of the people of Oregon to extend the useful life of solid waste disposal sites by encouraging waste prevention and the recycling and reuse of materials, and by requiring solid waste to undergo volume reduction through recycling and reuse measures to the maximum extent feasible before disposal. Implementation of waste prevention and recycling and reuse measures will not only increase the useful life of solid waste disposal sites, but also decrease the potential public health and safety impacts associated with the operation of disposal sites."

C. Board Goals

In December 2019, the Board approved the revised 2018-2021 Lane County Strategic Plan adding the following Key Strategic Initiatives and Key Activity Area under the *Vibrant Communities* priority:

2.b. Protect and enhance our natural and built environments

2.b.2 Pursue programs to reach a 63% waste recovery rate by 2025

In 2022, the Board added the following objective to the 2022-2024 Strategic Plan.

2.b.7 Fully vet the construction of a waste processing facility for the Short Mountain Landfill.

D. Financial and/or Resource Considerations

The CleanLane Resource Recovery Facility Processing and Services Agreement requires the County to develop the project site and construct a suitable building to house the sorting equipment. BHS Projects @ Lane County LLC (BHS Projects) will be responsible for constructing a portion of the building that will house the anaerobic digester and other ancillary equipment associated with the production of renewable natural gas (RNG). Lane County's portion of the construction is estimated at \$35 million.

Future revenues to the County will include an annual host fee of \$1,000,000 for housing the recycling operations, an estimated annual recycling revenue share of \$250,000, and an estimated annual RNG revenue share of \$200,000. The County will also receive an estimated \$2.4 million annually in disposal fees for discards from the processing facility.

The contract will require the County to ensure a minimum of 120,000 tons of waste is delivered to the facility annually or risk financial penalties. County staff

have negotiated a scaled processing fee for the waste ranging from \$69 to \$99/ton based on a range of 225,000 to 120,000 tons entering the facility.

BHS Projects will be responsible for supplying the sorting equipment and operating the facility to meet established performance thresholds. BHS Projects estimates the processing equipment costs to be approximately \$100 million.

The Waste Management Division has purchased for a 26-acre property in Goshen to site the facility. The sale price was \$1,500,000. An estimated \$1M of additional investment is anticipated to mitigate wetlands to be impacted by the facility.

On December 5, 2023, the Board of Commissioners approved adjustments to fees for solid waste services including an 8% increase for the facility plus a 3% inflationary adjustment in fiscal year 2024-25 and fiscal year 2025-26. Fee increases will likely be needed in the following two fiscal years (currently estimated at 6%), however the County is seeking grant opportunities and funding assistance from the State to reduce fee increases for future years.

The Waste Management Division intends to finalize \$35M in debt financing prior to the start of construction through limited tax bonding approved in August 2024.

E. Health Implications

None identified.

F. Analysis

In 2022, Bulk Handling Systems was selected to design an IMERF. On October 27, 2022, the County Administrator executed a contract with Bulk Handling Systems to begin a 30% design for the Facility, not to exceed \$150,000.

On December 6, 2022, the Board approved a Design and Pre-Construction Services contract with Bulk Handling Systems to add an additional \$195,000 to the project to produce the 30% design development package (B.O. [22-12-06-06](#)), bringing the total amount to \$345,000.

On March 25, 2024, the County Administrator executed an amendment to the contract under the authority of the December 2023 Board authorization to increase the contract total not-to-exceed amount to \$2,657,000.00 and extend the term to December 31, 2024, to complete the 60%, 90% and 100% design development package required for permitting and construction.

The proposed contract amendment allows for additional time to complete the final design as well as an additional \$187,400 in funding. The amendment is needed due for additional work and time that is required to complete modifications to the design during the wetlands permitting in response to feedback received by permitting agencies.

Alternatives/Options

Option 1:

Approve the proposed \$187,400 contract amendment with Emerging Acquisitions, LLC, dba Bulk Handling Systems, for Design and Pre-construction Services for the Cleanlane Resource Recovery Facility and authorize the County Administrator to execute the amendment.

Option 2:

Do not approve the proposed Order and provide direction to staff.

IV. RECOMMENDATION

Staff recommends Option 1 delegating authority to the County Administrator to execute the amendment to the Design and Pre-Construction Services Contract with Emerging Acquisitions, LLC, dba Bulk Handling Systems.

V. TIMING/IMPLEMENTATION

If approved, staff will continue to work with Bulk Handling Systems to complete the design of the CleanLane Resource Recovery Facility.

VI. FOLLOW-UP

The Waste Management Division will provide regular updates to the Board on the CleanLane project as construction progresses.

VII. ATTACHMENTS

Proposed contract amendment to the Design and Pre-Construction Services Contract with Bulk Handling Systems

Proposed Order

BEFORE THE BOARD OF COMMISSIONERS OF LANE COUNTY, OREGON

ORDER NO: 25-01-28-XX

IN THE MATTER OF APPROVING A
CONTRACT AMENDMENT WITH
EMERGING ACQUISITIONS, LLC, DBA
BULK HANDLING SYSTEMS, FOR DESIGN
AND PRE-CONSTRUCTION SERVICES
FOR THE CLEANLANE RESOURCE
RECOVERY FACILITY AND AUTHORIZING
THE COUNTY ADMINISTRATOR TO
EXECUTE THE CONTRACT AMENDMENT,
EXPENSE IN THE AMOUNT OF \$187,400.

WHEREAS, on October 27, 2022, the County Administrator executed a contract with Emerging Acquisitions, LLC, dba Bulk Handling Systems, to begin a 30% design for an Integrated Materials & Energy Recovery Facility (hereafter referred to as the CleanLane Resource Recovery Facility), for a not to exceed amount of \$150,000.00 (contract hereafter referred to as the Design and Pre-Construction Services contract); and

WHEREAS, on December 6, 2022, through Order No. 22-12-06-06, the Board approved the first amendment to the Design and Pre-Construction Services contract to produce a 30% design development package for a CleanLane Resource Recovery Facility to increase the contract total not-to-exceed amount to \$345,000.00 and delegated authority to the County Administrator to sign the approved contract; and

WHEREAS, on December 5, 2023, through Resolution & Order No. 23-12-05-07, the Lane County Board of Commissioners approved a contract with Bulk Handling Systems for the construction and operation of the CleanLane Resource Recovery Facility; and

WHEREAS, on March 25, 2024, the County Administrator signed an amendment of the Design and Pre-Construction Services contract, under the authority of Resolution & Order No. 23-12-05-07, to increase the contract total not-to-exceed amount to \$2,657,000.00 and extend the term to December 31, 2024, to complete the 60%, 90% and 100% design development package required for permitting and construction;

NOW, THEREFORE, the Board of County Commissioners of Lane County **ORDERS** as follows:

1. Approving a contract amendment with Emerging Acquisitions, LLC., dba Bulk Handling Systems, for design and pre-construction services for the CleanLane Resource Recovery Facility and authorizing the County Administrator to execute the contract amendment, expense in the amount of \$187,400.00.

ADOPTED this 28th day of January, 2025.

David Loveall, Chair
Lane County Board of Commissioners

LANE COUNTY PROFESSIONAL SERVICES CONTRACT AMENDMENT (Contract Form B-3, rev. 06/04/2024)

Contract Title: Design and Pre-Construction Services

Amendment No.: Three (3); Key Id #57860 / PW23051805 / BO #22-12-06-06; 23-08-22-06; 23-12-05-07

This Amendment modifies the Contract named above between Lane County ("**County**"), and Emerging Acquisition, LLC., Bulk Handling Systems ("**Consultant**"). County and Contractor agree as follows:

1. SCOPE OF AMENDMENT. The scope of the Contract is amended as follows:

- 1.1** The purpose of Amendment #3, to increase funding and extend the term by seven months.
- 1.2** The project needs additional engineering and contingency to cover delays or additional design fees or unanticipated permitting fees.
- 1.3** See Attached Exhibit 1

2. CONSIDERATION

2.1 Consideration. In consideration of this Amendment, the not-to-exceed Contract amount is increased, by the following amount: One-hundred eighty-seven thousand four hundred dollars (\$187,400.00).

2.2 Summary. A summary of the original Contract amount and all amendment amounts (if used) is:

Original Contract amount:	\$ 195,000.00
Total of all previous Amendments:	2,462,000.00
This Amendment:	187,400.00

Revised Contract amount including all Amendments:	\$ 2,844,400.00
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3. TIME. In consideration of this Amendment, the Contract time is increased by: seven months. The revised contract period, including this amendment is now July 31, 2025.

4. DATE. This Amendment is effective as of the date entered here: January 1, 2025.

Each party, by signature below, agrees to be bound by the terms and conditions of this Amendment. All other terms and conditions of the original Contract not altered by this Amendment remain in full force and effect.

Pursuant to ORS 305.385(6) and OAR 150-305-0302, I the undersigned Consultant certify that, to best of my knowledge, hereby swear and affirm under penalty of perjury, that Consultant is not in violation of any tax laws described in ORS 305.380 (4).

SIGNATURES FOLLOW ON NEXT PAGE

CONSULTANT:

COUNTY:

By: _____

By: _____

Title: _____

Title: Steve Mokrohisky, County Administrator

Date: _____

Date: _____

Area	Company	Phase/Activity	Budget	Adjustments	Updated Budget	Notes
Architectural	Robertson/Sherwood		\$ 665,128.00	\$ 763,476.00	\$ 1,467,839.50	Updated AD+MRF fee for RSA to do complete Design. Does not include CA fee.
Landscaping	Allowance		\$ 116,000.00	\$ (116,000.00)	\$ -	Removed - from prior design build fee
Civil	KPFF Engineering		\$ 327,000.00	\$ (239,917.50)	\$ 87,082.50	Removed less spent to date - from design build fee
Structural	McGee		\$ 298,360.00	\$ (298,360.00)	\$ -	Removed - from prior design build fee
PEMB	Butler Mfg.		\$ -	\$ 50,000.00	\$ 50,000.00	Added design fee for metal building
HVAC	Comfort Flow Htg.		\$ 20,850.00	\$ (12,510.00)	\$ 8,340.00	Removed less spent to date - from design build fee
Plumbing	Twin Rivers Plumbing		\$ 25,000.00	\$ (23,500.00)	\$ 1,500.00	Removed less spent to date - from design build fee
Fire Sprinklers	Omlid and Swinney		\$ 16,000.00	\$ (14,775.00)	\$ 1,225.00	Removed less spent to date - from design build fee
Electrical	New Way Electric		\$ 65,330.00	\$ (50,660.00)	\$ 14,670.00	Removed less spent to date - from design build fee
CM/GC	Chambers - PreCon		\$ 86,600.00	\$ 30,000.00	\$ 116,600.00	Updated preconstruction fee for Chambers
Equipment	BHS		\$ 238,000.00	\$ 40,000.00	\$ 278,000.00	Additional engineering required for BHS
Equipment	ZWE		\$ 238,000.00	\$ 40,000.00	\$ 278,000.00	Additional engineering required for ZWE
Contingency					\$ 120,000.00	Contingency to cover delays or additional design fees or unanticipated permitting issues

Subtotal	\$ 2,096,268.00	\$ 167,753.50	\$ 2,423,257.00
Liability Insurance	\$ 16,203.05	\$ (14,013.25)	\$ 2,189.80
P&P Bond	\$ 8,101.02	\$ (8,101.02)	\$ -
Oregon CAT	\$ 6,238.51	\$ (5,344.44)	\$ 894.07
Mark-up	\$ 82,540.58	\$ (71,482.12)	\$ 11,058.46
Total	\$ 2,209,351.16		\$ 2,437,399.33
Original Contract Amount	\$ 2,210,000.00		\$ 2,210,000.00
Add Service #1 (IPA)			\$ 40,000.00
Updated Contract Amount			\$ 2,250,000.00
Over/(under)	\$ (648.84)		\$ 187,399.33

Exhibit 1 to the LNTF Engineering Services Agreement dated 02-26-2024
BHS - IMERF - Preconstruction & Construction Administration Design Fee Schedule

Scope	Firm	Site Approvals	Erosion Control, Mass Ex , Grading, Utilities	60% Review Set	90% Review Set	100% Permit Set	CA Construction Administration	Reimbursables	Totals	
Architectural	Robertson/Sherwood	\$ 45,000.00	\$ 205,000.00	\$ 243,425.00	\$ 104,325.00	\$ 52,378.00	See Note #2 below	\$ 15,000.00	\$ 665,128.00	
Landscaping	Allowance		\$ 45,000.00	\$ 34,000.00	\$ 24,000.00	\$ 12,000.00		\$ 1,000.00	\$ 116,000.00	
Civil	KPFF Engineering	\$ 55,000.00	\$ 120,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00		\$ 2,000.00	\$ 327,000.00	
Structural	McGee	\$ -	\$ -	\$ 138,768.00	\$ 118,944.00	\$ 39,648.00		\$ 1,000.00	\$ 298,360.00	
PEMB	Butler Mfg.	See the Note #1 below							\$ -	
HVAC	Comfort Flow Htg.			\$6,255.00	\$13,560.00	\$1,035.00			\$ 20,850.00	
Plumbing	Twin Rivers Plumbing			\$18,750.00	\$3,750.00	\$2,500.00			\$ 25,000.00	
Fire Sprinklers	Omlid and Swinney			\$12,000.00	\$2,000.00	\$2,000.00			\$ 16,000.00	
Electrical	New Way Electric		\$9,900.00	\$31,652.00	\$14,328.00	\$9,450.00			\$ 65,330.00	
CM/GC	Chambers - PreCon	\$4,800.00	\$19,200.00	\$19,200.00	\$19,200.00	\$19,200.00		\$5,000.00	\$ 86,600.00	
Equipment	BHS/ZWE	\$25,000.00		\$275,000.00	\$150,000.00	\$50,000.00		\$ 500,000.00		
Totals		\$129,800.00	\$399,100.00	\$829,050.00	\$500,107.00	\$238,211.00	\$ -	\$ 24,000.00	\$ 2,096,268.00	
If the project is delayed or cancelled upon completion of the Butler PEMB engineering for the fees for								Liability Ins.	\$ 16,203.05	
Note #1								P&P Bond	\$ 8,101.02	
engineering will be approximately \$416,600 + fees and mark-ups.								Oregon CAT	\$ 6,238.51	
CA - Construction Administration fees will be charged during construction and will be itemized in the final								Mark-Up	\$ 82,540.58	
Note #2								Total	\$2,209,351.16	