

FINANCIAL IMPACT STATEMENT
For Council Action Items
(Use this form for Ordinances and Resolutions)
(Deliver original to Financial Planning Division. Retain copy.)

1. Name of Initiator Scott Gibson	2. Telephone Number 503-823-7615	3. Bureau/Office/Dept. Environmental Services
4a. To be filed (date) February 3, 2010	4b. Calendar (Check One) Regular Consent 4/5ths [] [X] []	5. Date Submitted to FPD Budget Analyst:

1) Legislation Title:

*Authorize a contract with the lowest responsible bidder for the Fanno Basin PS Pressure Line, Garden Home Section Replacement BES Project Number E09115. (Ordinance)

2) Purpose of the Proposed Legislation:

To authorize the Commissioner of Public Utilities and Auditor to award and execute a contract with the lowest responsible bidder for the replacement of the Garden Home Section of the Fanno Basin Pressure Line system.

3) Revenue:

Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If new revenue is generated identify the source.

No

4) Expense:

What are the costs to the City as a result of this legislation? Include costs in the current fiscal year as well as costs in future years. If the action is related to a grant or contract include the local contribution or match required.

The estimated construction cost is \$ 5,500,000. Funds are available in the Sewer System Operating Fund FY 2010 Budget, Bureau of Environmental Services Project Number E09115. The level of confidence for this estimate is moderate.

5) Staffing Requirements:

a) Will any positions be created, eliminated or re-classified in the current year as a result of this legislation? If new positions are created include whether they will be part-time, full-time, limited term or permanent positions. If the position is limited term, indicate the end of the term.

No

b) Will positions be created or eliminated in future years as a result of this legislation?

No

6) Change in Appropriations: Budget changes for the current year must go through the BMP Process. This section may only be use with prior permission of your OMF analyst for exceptions.

Reflect the dollar amount to be appropriated by this legislation. Include the appropriate center codes and accounts to be used by Central Accounting. Indicate "new" in Center Code column if new center needs to be created. Use additional space if needed.

Fund	Center Code	Account	Amount	Project Fund	Project No.

OMF USE ONLY

WFR *ell* *DeMar*

Dean Marriott, Director, Bureau of Environmental Services

APPROPRIATION UNIT HEAD (Typed name and signature)



CITY OF PORTLAND ENVIRONMENTAL SERVICES



1120 SW Fifth Avenue, Room 1000, Portland, Oregon 97204 ■ Dan Saltzman, Commissioner ■ Dean Marriott, Director

City Council
Agenda Item
Staff Supplemental Report

TO: Commissioner Dan Saltzman
THROUGH: Matt Grumm or Amy Trieu

FROM: Scott Gibson, Principal Engineer BES Design Services Division

DATE: January 12, 2010

RE: *Proposed Ordinance to authorize a contract with the lowest responsible bidder for the Fanno Basin PS Pressure Line, Garden Home Section Replacement BES Project Number E09115

Requested Council Hearing Date: February 3, 2010

I. RECOMMENDATION

Authorize the award and execution of a construction contract with the lowest responsible bidder for the Fanno Basin PS Pressure Line, Garden Home Section Replacement BES Project Number E09115.

II. BACKGROUND

The Fanno Basin (FABA) pump station located at 6895 SW 86th Ave. was commissioned in May 2000, and replaced five older wastewater pump stations in the Fanno Basin. The FABA pump station receives flow from the Fanno Interceptor sewer and conveys the wastewater through an approximately 16,700-foot long, nominal 30-inch diameter pressure line to a discharge structure located at SW 31st Ave. & SW Multnomah Blvd. where the flow enters the City of Portland's sewer system to be delivered to the Columbia Boulevard Wastewater Treatment Plant (CBWTP).

The FABA pressure line was installed under two separate construction contracts, with the lower, Garden Home Section consisting of approximately 6,700-lf of 32-inch O.D. DR 11 and DR 13.5 HDPE pipe, and the upper, Multnomah Section consisting of approximately 10,000-lf of 30-inch nominal DR 32.5 and DR 41 PVC pipe.

The Garden Home Section of the Fanno Pressure Line system has experienced several incidences of leaks that have occurred at different locations along the pressure line alignment. In 2008 two nearly identical leaks occurred where HDPE stub flanges separated from the pipe inside bolted connections in the Garden Home section.

Additional investigations were performed, including cutting into the HDPE pipe in order to perform closed circuit television (CCTV) surveys to evaluate the existing pipe. The CCTV surveys revealed that the deficiencies were extensive and included 12 additional separated joints inside repair couplings that had been installed during the original construction. BES management concluded that even if extensive spot repairs were undertaken to address the known deficiencies in the Garden Home Section that there would be no level of confidence that additional unknown defects would not occur during the service life of the system, and BES management made the decision to replace the entire Garden Home Section. A limited emergency repair project was undertaken in 2008 to address the known separated joints in the Garden Home Section so that the existing pressure line system could be available for temporary service during storm events when the flow volume in the Fanno Interceptor is more than the Clean Water Services conveyance system can safely handle. During such storm events with FABA PS is manned and operated, and the pressure line alignment is monitored by BES personnel.

The final design for the replacement of the Garden Home Section of the Fanno Basin pressure line includes the installation of two parallel 30-inch pressure pipelines between SW 86th and SW 69th Avenues, generally along the same alignment as the existing 30-inch HDPE pipe that will be removed.

More recent flow studies and basin modeling have been conducted by the BES Systems Analysis section. These studies showed that the firm pumping capacity of the FABA pump station needs to be expanded from its current level of 24-cubic feet per second (cfs) to a minimum of 40-cfs. In order to accomplish the required pump station expansion three key project elements will need to be designed and constructed.

- A new pumping facility with a minimum pumping capacity of 16-cfs will need to be sited, designed, permitted, and constructed on the existing FABA pump station site.
- A parallel 30-inch pressure line will need to be designed and constructed to convey the additional 21-cfs flow.

Plans and specifications have been completed to replace the existing Garden Home Section pressure line with two parallel 30-inch welded steel pressure lines. It is our intent to advertise for construction bids on this element of the project. Another set of construction documents for the replacement of the Multnomah Section of the Fanno Basin pressure main system has been advertised and is awaiting Notice to Proceed.

III. FINANCIAL IMPACT

The estimated construction cost is \$ 5,500,000. Funds are available in the Sewer System Operating Fund FY 2010 Budget, Bureau of Environmental Services Project Number E09115.

IV. LEGAL ISSUES

There is ongoing litigation initiated by the City Attorney's office with the original contractor. No other legal issues have been identified.

V. CONTROVERSIAL ISSUES

The replacement of the existing pressure line after less than 10-yrs of service, and the accompanying disruption during construction is a controversial issue with the local neighborhood associations. Extensive public outreach efforts have been expended to communication with the associations, and the local citizens regarding the need to undertake this project.

VI. LINK TO CURRENT CITY POLICIES

The project is consistent with BES strategic planning and the BES CIP process. Construction will be performed in accordance with the City of Portland Standard Construction Specifications.

VII. CITIZEN PARTICIPATION

Public outreach for this project has been conducted by the BES Director's Office. Several information flyers have been distributed to the community, and the project manager and public information office have been, and continue to attend neighborhood association meetings to brief the public on the project status and respond to questions.

VIII. OTHER GOVERNMENT PARTICIPATION

Construction for this project will require a Washington County, Land Use & Transportation Permit to Occupy or Perform Operations within the Right-of-Way of County and Dedicated Roads.

IX. FINANCIAL IMPACT ON LOCAL ECONOMY

IF APPLICABLE, PROVIDE INFORMATION ON ESTIMATED NUMBER OF JOBS CREATED BY THIS ACTION

It is estimated that this construction contract will generate approximately 41 construction jobs.

IF THIS ACTION IS CONTRACT-RELATED, PROVIDE INFORMATION ON M/W/ESB PARTICIPATION (NUMBER AND PERCENTAGE)

N/A

X. IF THIS IS A CONTRACT, DOES CONTRACTOR HAVE A CURRENT BUSINESS LICENSE? N/A

WHAT IS THEIR BUSINESS LICENSE NUMBER? N/A

IS THEIR ACCOUNT WITH THE CITY CURRENT? N/A

IF NOT, HOW MUCH IS OWING? N/A