

Portland, Oregon

FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT For Council Action Items

(Deliver original to Financial Planning Division. Retain copy.)

1. Name of Initiator David Gray		2. Telephone No. 503-823-7988	3. Bureau/Office/Dept. Water Bureau / Public Safety
4a. To be filed (date): September 6, 2012	4b. Calendar (Check One) <div style="display: flex; justify-content: space-around;"> Regular <input type="checkbox"/> Consent <input checked="" type="checkbox"/> 4/5ths <input type="checkbox"/> </div>		5. Date Submitted to Commissioner's office and FPD Budget Analyst: September 6, 2012
6a. Financial Impact Section: <input checked="" type="checkbox"/> Financial impact section completed		6b. Public Involvement Section: <input checked="" type="checkbox"/> Public involvement section completed	

1) Legislation Title:

Amend contract with Michael Willis Architects to increase compensation and scope of work for Interstate Maintenance Facility Rehabilitation – Design Services (Ordinance; amend Contract No. 30001654)

2) Purpose of the Proposed Legislation: The purpose is to authorize an amendment to Michael Willis Architect Contract No. 30001654.

The Portland Water Bureau's central maintenance facility, commonly referred to as the Interstate Facility, occupies 11 acres on North Interstate Avenue near the Rose Quarter and Willamette River. With a staff of about 300 employees, the operations, maintenance and construction divisions provide all the support services required to maintain, operate and expand the City's water distribution system. A Master Plan was developed for the facility and the Plan recommended demolishing buildings on the site and replacing them with newer, safer buildings.

The Water Bureau has contracted with Michael Willis Architects for the design of this project. This contract amendment approves an increase in time and fees for the design services and supports a change to the approach and schedule for the completion of the Interstate Project.

The need to maintain day to day activities for Water Bureau maintenance and operations staff working from the facility was the main deciding factor when planning how the project would be completed. After the original scope and schedule were developed for this contract, resources to support this approach became unavailable. This led to the decision to take a two-phased approach for both the design and construction of the project. The new approach would allow a partial completion of the project, relocation of certain programs and staff, and then completion of the remainder of the project.

Initial geotechnical work that was completed for the project identified previously unknown site conditions. Newly acquired information dictated the need for additional geotechnical and structural design for the two new buildings. Site space constraints are a challenge for the project. Meeting compliance for landscaping and on-site storm water management codes while also

accommodating parking for city fleet and employee vehicles required an extended period of time and effort to complete.

In all, the time required to complete the design phase, including obtaining permits, has increased from 14 to 28 months. Originally the construction phase for the project was forecasted to take 24 months. The new two-phased construction approach now requires a construction period of 42 months. This extended construction period, along with additional oversight by the design consultants for geotechnical and structural related work, is the reason for an increase in construction administration fees and schedule. The result of this contract amendment puts the ratio of design fee to total construction cost ratio at 9.2 percent, which is acceptable for this type of project.

3) Which area(s) of the city are affected by this Council item? (Check all that apply—areas are based on formal neighborhood coalition boundaries)?

- | | | | |
|--|------------------------------------|------------------------------------|--------------------------------|
| <input type="checkbox"/> City-wide/Regional | <input type="checkbox"/> Northeast | <input type="checkbox"/> Northwest | <input type="checkbox"/> North |
| <input type="checkbox"/> Central Northeast | <input type="checkbox"/> Southeast | <input type="checkbox"/> Southwest | <input type="checkbox"/> East |
| <input checked="" type="checkbox"/> Central City | | | |
| <input type="checkbox"/> Internal City Government Services | | | |

FINANCIAL IMPACT

4) Revenue: Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If so, please identify the source.
No.

5) Expense: What are the costs to the City related to this legislation? What is the source of funding for the expense? *(Please include costs in the current fiscal year as well as costs in future years. If the action is related to a grant or contract please include the local contribution or match required. If there is a project estimate, please identify the level of confidence.)*

The original not to exceed value of this contract was \$1,885,034. Amendments 1 through 7 have added \$469,458. This amendment will add \$869,538.50 and increase the contract total to \$3,224,030.50, an overall increase of 71%. Funding for the project is available in the FY 2012-13 Budget and requested in FY 2013-14, FY 2014-15, and FY 2015-16 Budgets.

The total project cost estimate for the project is approximately \$49.5 million. This project is part of the Field Support Program that has \$20.3 million in the FY 2012-13 CIP Budget. The proposed action will not result in a change in the forecast water rates. Since much of the work remains to be designed, the confidence level for the project remains low.

6) Staffing Requirements:

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

term please indicate the end of the term.)

No.

- Will positions be created or eliminated in *future years* as a result of this legislation?
No.

(Complete the following section only if an amendment to the budget is proposed.)

7) Change in Appropriations *(If the accompanying ordinance amends the budget please reflect the dollar amount to be appropriated by this legislation. Include the appropriate cost elements that are to be loaded by accounting. Indicate "new" in Fund Center column if new center needs to be created. Use additional space if needed.)*

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount

[Proceed to Public Involvement Section — REQUIRED as of July 1, 2011]

PUBLIC INVOLVEMENT

8) Was public involvement included in the development of this Council item (e.g. ordinance, resolution, or report)? Please check the appropriate box below:

☒ **YES:** Please proceed to Question #9.

☐ **NO:** Please, explain why below; and proceed to Question #10.

9) If "YES," please answer the following questions:

Regarding Public Involvement and the Interstate Renovation Project:

Neighboring businesses and the Eliot Neighborhood Association were contacted by the Portland Water Bureau's Public Outreach staff through in person visits, by phone, and printed notices. There are no residential units affected by the project. An open house for employees and community was held on Thursday, May 17, 2012 to present information about the project. Since the public will not be using the facilities being constructed at the Interstate site, public input into the design layout was not solicited.

A Public Outreach Plan was developed and approved by project managers. Water Bureau Community Information and Involvement staff are implementing the plan which consists of such activities as a project open house, presentations, mailing to neighboring businesses, a project web page, media releases, and a project newsletter for Bureau employees.

a) What impacts are anticipated in the community from this proposed Council item?

The improvements to this City-owned facility will enhance the overall quality of the immediate neighborhood. An increase in trees and plant materials contributes to air quality. Another anticipated impact will be the creation of construction and other family wage earning jobs to redevelop this property. Additionally, the new facility will help serve the community in a disaster as the location will house vital water system repair operations.

b) Which community and business groups, under-represented groups, organizations, external government entities, and other interested parties were involved in this effort, and when and how were they involved?

The design consultant community, including contractors certified with the State of Oregon as minority, women, and emerging small businesses, became involved when the project advertised for bids.

c) How did public involvement shape the outcome of this Council item?

Public involvement did not impact this Council item. However as with any Council item the public has the right to participate in the process.

d) Who designed and implemented the public involvement related to this Council item?

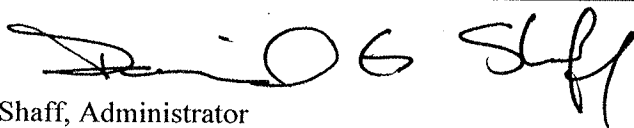
Members of the Community Information and Involvement Group with the Portland Water Bureau developed a public involvement plan to engage the public during project planning and pre-construction. The City of Portland Procurement Services advertised the project for proposals and the Water Bureau held the pre-proposal meeting that was open to the design consulting community, including contractors certified with the State as minority, women, and emerging small businesses.

e) Primary contact for more information on this public involvement process (name, title, phone, email):

David Gray, Capital Project Mgr II, 503-823-7988, david.gray@portlandoregon.gov
Terry Black, Senior Public Involvement Representative, 503-823-1168, terry.black@portlandoregon.gov, and Tim Hall, Public Information & Involvement Manager, 503-823-6926, tim.hall@portlandoregon.gov

10) Is any future public involvement anticipated or necessary for this Council item? Please describe why or why not.

Further public involvement is not necessary because the services included in this amendment do not have an effect on the public. However, Public Outreach staff will continue to keep the neighboring businesses informed of the project's progress and any construction impacts like traffic delays.



David G. Shaff, Administrator

BUREAU DIRECTOR (Typed name and signature)