

Portland, Oregon

## FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT For Council Action Items

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

1. Name of Initiator Teresa Elliott	2. Telephone No. 503-823-7622	3. Bureau/Office/Dept. Water Bureau / Public Safety
4a. To be filed (date):  December 6, 2012	4b. Calendar (Check One)  Regular    Consent    4/5ths <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	5. Date Submitted to Commissioner's office and FPD Budget Analyst: December 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:**

Accept modification in compliance approach by adding a change order for the Powell Butte Reservoir No. 2, Phase 2 Project (Report; Contract No. 30002100)

**2) Purpose of the Proposed Legislation:**

The purpose is to accept a modification in compliance approach by adding a change order to the SSC Construction, Inc. Contract No. 30002100.

Construction of a second 50 million gallon water reservoir at Powell Butte (Powell Butte Reservoir No. 2) is part of the Portland Water Bureau (PWB)'s long range plan to provide adequate in-town terminal storage facilities.

Contract No. 30002100 with SSC Construction, Inc. was authorized by City Council via Ordinance No. 184328 passed on December 15, 2010 with an award amount of \$80,238,574. Change Order No. 1 to the contract integrated the subcontracting (M/W/ESB) plan and delivery date for installation of the Interpretive Center. Change Order No. 2 added \$572,865.31 which modified the contract total to \$80,811,439.31. The change order supported the following additions:

- Repair of temporary trail access to parking.
- Reservoir liner modification to combine trenches and encase the underdrain.
- Maintenance yard slope redesign.
- Electric drawing redesign due to permit changes.
- Security for Gates Park and Vivian temporary parking lots.
- Reservoir horizontal control changes.
- Overhead door sill.
- Replacement of handhold covers with round manhole covers in access road.
- 147th and Powell pipe modifications.
- Maintenance building ceiling fan modifications.
- Clean-up relating to specifications.
- Correction of substantial completion date to April 18, 2014.

Change Order No. 3 will now increase the contract by \$1,600,000. The new contract amount will be \$82,411,439.31. The change order covers work identified in the Tabor Adjustments which is necessary for compliance with the LT2 reservoir requirements. The work in Tabor Adjustments, Phase 1 is all located in the public right-of-way. By adding the work to the existing project as a change order, the bureau will be able to comply with the compliance schedule for the first phase of the work associated with disconnecting the Tabor Reservoirs in the most cost effective manner.

The work will consist of all labor, material, services, and supervision to install the following additions:

- A sleeve valve and meter to include a vault and associated pipeline modifications on the 36" west side supply line at SE 42nd Avenue and SE Division Street.
- Pipeline modifications to connect Conduit 3 to the 32" Washington Park Supply Line at SE 67th Avenue and SE Division Street.
- Pipeline modifications to connect Conduit 2 to the 32" Washington Park Supply Line at SE 68th Avenue and SE Division Street.
- Pipeline modifications to connect Conduit 2 to the 30" Distribution Line in SE 68th Avenue, north of SE Division Street.

**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 checked="" type="checkbox"/> Southeast | <input type="checkbox"/> Southwest | <input type="checkbox"/> East  |
| <input 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 amount of this contract was \$80,238,574. Previous change orders have added \$572,865.31. This change order will add \$1,600,000 and increase the contract total to \$82,411,439.31, an overall increase of approximately 2.7% to the total contract. Funding in the amount of \$47 million for this contract is available in the FY 2012-13 Budget. Additional funding for the contract will be requested in the FY 2013-14 through FY 2014-15 Budgets.

For this \$130 million project, there is over \$53 million budgeted in the current fiscal year. An additional \$45 million will be requested in future budget years to complete the project. The amount needed to pay for the construction services has been factored into the project budget. This action will not increase rates more than planned.

**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.

This is a change to an existing contract for additional construction services. No public involvement was necessary or warranted for this activity.

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

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

**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?**

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

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

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

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

The overall project has extensive public involvement continuing through the life of the project.

David G. Shaff, Administrator



BUREAU DIRECTOR (Typed name and signature)