

## IMPACT STATEMENT

**Legislation title:** Accept bid of Stellar J. Corporation for the Safeway Pump Station Upgrade project for \$1,148,683.00 (Procurement Report - Bid No. 00000507)

**Contact name:** Christine Moody, Chief Procurement Officer

**Contact phone:** 503-823-1095

**Presenter name:** Christine Moody, Chief Procurement Officer

CM  
3/22/17

### **Purpose of proposed legislation and background information:**

The purpose of this legislation is to authorize the Chief Procurement Officer to execute a construction contract for the Safeway Pump Station Upgrade project for \$1,148,683.00.

Ordinance No. 188188 was approved by City Council on January 4, 2017 authorizing the Chief Procurement Officer to issue a competitive solicitation for the Safeway Pump Station Upgrade project on behalf of Bureau of Environmental Services (BES). The construction cost based on bids received is \$1,148,683.00.

No revenues will be impacted by this legislation.

This legislation does not change existing City policy.

### **Financial and budgetary impacts:**

The engineer's estimate for this project was \$1,090,000.00 and the confidence level was high. Based on bids received, the Bureau of Environmental Services (BES) anticipates the construction contract cost to be \$1,148,683.00 which is 5.38% over the engineer's estimate.

The bid item amounts from Stellar J do not exhibit specifically large differences between them and the second lowest bidder. The total amount of the bid by Stellar J is distributed in an expected manner through the nine project bid items. The price submitted by Stellar J is only 7.95% lower than the second lowest bidder who was only 2.44% lower than the third lowest bidder, showing that there was not a great enough disparity in the bids to warrant re-bidding the project.

Funds are available in the Sewer System Operating Fund, FY2017-FY2021 CIP, Bureau of Environmental Services, WBS E10292.

No present positions will be created, eliminated or re-classified as a result of this legislation.

### **Community impacts and community involvement:**

The construction contracting community, including contractors certified with the State of Oregon as Disadvantaged, Minority, Women, or Emerging Small Businesses became involved when the Chief Procurement Officer advertised and publically noticed the project on the City's Online Procurement System on January 11, 2017.

Potential bidders were able to review the competitive solicitation, attend a pre-bid meeting, ask questions, provide comments and submit a bid in response to the Invitation to Bid (ITB). Bids received resulted in the award of the construction contract. Procurement Services managed the procurement process. No protests were received.

We do not anticipate anyone, or group will be testifying.

**Budgetary Impact Worksheet**

**Does this action change appropriations?**

- YES:** Please complete the information below.
- NO:** Skip this section

<b>Fund</b>	<b>Fund Center</b>	<b>Commitment Item</b>	<b>Functional Area</b>	<b>Funded Program</b>	<b>Grant</b>	<b>Sponsored Program</b>	<b>Amount</b>