

IMPACT STATEMENT

Legislation title: Accept bid of Biohabitats, Inc. for the Sandy River Engineered Log Jams project for \$1,348,176.00 (Procurement Report - Bid No. 00000550)

Contact name: Christine Moody, Chief Procurement Officer

Contact phone: 503-823-1095

Presenter name: Christine Moody, Chief Procurement Officer

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 Sandy River Engineered Log Jams project for \$1,348,176.00.

Ordinance No. 188113 for the Portland Water Bureau (PWB) work was approved by City Council on November 23, 2016 authorizing the Chief Procurement Officer to issue a competitive solicitation for the Sandy River Engineered Log Jams project on behalf of PWB. The construction cost based on bids received is \$1,348,176.00.

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 \$2,300,000.00 and the confidence level was moderate. Based on bids received, PWB anticipates the construction contract cost to be \$1,348,176.00 which is 41.3% under the engineer's estimate.

Upon evaluation of the bid for this project, we have come to the conclusion that there was 1 primary factor that contributed to the project coming in under the engineers bid estimate.

The original engineer's estimate (\$2.3 million) was what was approved by Council. That estimate was modified downward in later iterations of the design and the final estimate was actually very close to the two lowest bids.

Funding for contract work is available in FY 2016-17 budget and will be requested in the FY 2017-18 budget. The total project (W01571) is estimated at \$3,000,000 with a low confidence level. For the program, approximately \$2,400,000 is available in the current fiscal year and about \$11,600,000 is listed in the five-year capital improvement program. The proposed action will not result in a change in the forecast water rates, or changes in staffing levels to maintain these improvements.

Funding provided under W01571.5CC for the work at Oxbow Regional Park and W01571.6CC for the work at Dabney State Park.

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 February 28, 2017. A public notice was also posted in the Daily Journal of Commerce on March 3rd, 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.

No person or group will be testifying.

Budgetary Impact Worksheet

Does this action change appropriations?

☐ **YES:** Please complete the information below.

☒ **NO:** Skip this section

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