


IMPACT STATEMENT

Legislation title: Accept bid of Titan Utilities, LLC for the Middle Hillsdale RDII Pilot Project Laterals \$3,922,244.00 (Procurement Report - Bid No. 00000583)

Contact name: Larry Pelatt, Interim Chief Procurement Officer 

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Presenter name: Larry Pelatt, Interim Chief Procurement Officer

Purpose of proposed legislation and background information:

The purpose of this legislation is to authorize the Interim Chief Procurement Officer to execute a construction contract for the Middle Hillsdale RDII Pilot Project Laterals \$3,922,244.00.

Ordinance No. 188248 was approved by City Council on February 22, 2017 authorizing the Chief Procurement Officer to issue a competitive solicitation for the Middle Hillsdale RDII Pilot Project Laterals on behalf of Bureau of Environmental Services (BES). The construction cost based on bids received is \$3,922,244.00.

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 \$3,400,000.00 and the confidence level was high. Based on bids received, Bureau of Environmental Services (BES) anticipates the construction contract cost to be \$3,922,244.00 which is 15.53% over the engineer's estimate.

The Middle Hillsdale RDII (rain derived inflow and infiltration) Pilot Project will rehabilitate house laterals, to keep stormwater and groundwater out of sanitary sewers in the Burlingame basin of Southwest Portland. The City of Portland has found that to achieve needed RDII reduction in the system, rehabilitating the mainline sewer system and laterals is necessary. This project rehabilitates both public and private portions of the laterals.

As part of the contract specifications, the City is allowing a variety of construction methodologies. The Contractor will choose and submit on the lateral rehabilitation method including Cure In Place Pipe (CIPP) Lining, Pipe Bursting, Directional Drilling, and Open Cut, based on the topography and other circumstances at each site. This methodology selection and approval process was developed to allow the City and Contractor to limit impacts to property owners. With a variety of construction tools allowed, the methodology that best fits the individual properties may be selected and implemented. This variability in methodology may have introduced some additional costs, but will yield a best quality project and higher project satisfaction by the affected property owners. An additional evaluation of the bid items is attached as a justification for the lowest bid being 15.53% over the Engineer's Estimate.

After evaluation of the bid prices, it is BES's determination that the bid provided by Titan Utilities, LLC is a reasonable bid. BES therefore recommends that Procurement Services accept the proposal from Titan Utilities, LLC as the lowest Responsive and Responsible bidder.

Funds are available for this project under Owner Cost Center E10617

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

Community impacts and community involvement:

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 known persons or groups will be testifying.

No future public involvement is anticipated or necessary for this request.

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