

## IMPACT STATEMENT

**Legislation title:** Amend price agreement with CMTS, LLC for on-call temporary engineering and technical support staffing services by \$4,000,000 for a total not to exceed \$5,500,000. (Ordinance; Amend Contract No. 31000896).

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**Presenter name:** Scott Gibson, BES Engineering Services, Design Services Manager

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

The purpose of this legislation is to amend the price agreement with CMTS, LLC for on-call temporary engineering and technical support staffing services, to allow more utilization of staffing services to support current and increasing capital project workloads. This price agreement primarily provides Engineers, Engineering Associates, and related classifications for in-house project design or project management of wastewater treatment, pump station, stormwater, and pipe rehabilitation projects. The original price agreement was established at \$1,500,000 (\$500,000/year) in early 2016, based on historic use of these services, before there was a plan to increase CIP project outputs in FY2018-22. With the newly adopted FY2018 CIP, as well as unprecedented staff turnover, retirements, and vacancies in Engineering Services that take several months to fill, additional temporary staffing services will be needed to successfully deliver the adopted CIP. Temporary contract staff also allows the bureau to flexibly increase staffing in project design when project schedules demand. As that is not always consistent and predictable across a portfolio of more than 200 capital projects, this contract is a tool that allows us to avoid “over staffing” with permanent City FTE when workloads ebb.

The new requested not-to-exceed amount allows for an estimated maximum utilization of approximately 15 temporary contract staff under this price agreement at any one time, compared to the Engineering Services Group’s 180 FTEs. The confidence level in the cost is high.

**Financial and budgetary impacts:**

This legislation does not change the existing budget, as staff time for project design, technical support and project management are built into capital project budget estimates for projects already in the adopted (and planned future) CIP. BES Engineering Services has for many years supplemented City staff availability with temporary contract employees on an as-needed basis, to meet project workload needs during peak times. Although temporary engineering staff cost more on an hourly basis, the City is not responsible for benefits and other long-term financial obligations for these positions. In recent years, when use of temporary contract staff for certain work has proven to be a long-term, consistent need, BES has performed cost-benefit analysis and requested new City FTE positions in the annual budget process as appropriate (essentially “converting” temporary staff work to full time City staff work), to ensure that we are not over-relying on contractors.

**Community impacts and community involvement:**

This legislation does not specifically impact communities served by BES infrastructure, other than helping ensure already-planned capital projects to repair, replace, or upgrade infrastructure assets are designed and constructed in a timely manner. Delaying these projects due to lack of staffing resources would necessitate re-prioritizing and re-planning CIP work, taking into consideration impacts to different communities as well as regulatory and asset risk. A significant portion of upcoming CIP project work is at the City’s two wastewater treatment plants, which serve the entire community.

The adopted FY2017-18 CIP, which includes the start of the ramp-up in project workload for which these temporary staffing resources are needed, was supported by the Portland Utility Board (PUB), Citizens Utility Board (CUB), and vetted through the City Council budget process. BES had requested five new permanent

engineering positions for project design for the increased CIP that were supported by PUB and CUB, but not ultimately included in the adopted budget.

CMTS, LLC and the two listed subcontractors on this price agreement are all D/M/W/ESB certified firms.

### 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