



**CITY OF PORTLAND**  
**OFFICE OF MANAGEMENT AND FINANCE**

**Ted Wheeler, Mayor**  
**Tom Rinehart, Chief Administrative Officer**  
**Jennifer Cooperman, Chief Financial Officer,**  
**Bureau of Revenue and Financial Services**

**Lester Spitler**  
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**Procurement Services**  
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REGULAR CALENDAR

December 5, 2018

TO THE COUNCIL:

The City of Portland's Bureau of Environmental Services ("BES") owns and operates the Columbia Boulevard Wastewater Treatment Plant ("CBWTP" or the "Plant"), which protects public health, safety, and the environment by treating municipal wastewater and stormwater from the City of Portland in accordance with a discharge permit issued by the Oregon State Department of Environmental Quality. The CBWTP, which was originally constructed in 1952, is located on North Columbia Boulevard in the northern part of Portland. The CBWTP treats an annual average flow of 76 million gallons per day (MGD) and is rated to treat peak hourly flows of 450 MGD. On any day, up to 6 MGD of water, including treated effluent water, is used on-site to supply water for numerous plant processes and functions including biosolids dewatering, seal water, chlorination makeup water and tank washdowns. This water is identified as "wash-water" in plant processes. The plant's wash-water piping was installed over 40 years ago.

Sodium hypochlorite is a critical product used daily to disinfect plant effluent, assist in biological system control, and to provide odor control for different process areas. The chemical is essential in meeting the City's discharge permit. The chemical is corrosive to equipment and piping. The CBWTP Wash Water & Hypochlorite Piping Replacement Project ("Project") scope of work includes replacing plant wash-water piping and chemical piping in sections of the CBWTP's tunnels. The pipes are exhibiting signs of failure which have been temporarily mitigated with maintenance strategies. BES must permanently replace these critical piping sections to minimize operational risks. Due to field access issues, concerns with maintenance of plant operations, most of the project risks lie with constructability issues that cannot be mitigated by more extensive design prior to construction. The standard design-bid-build approach would probably yield a large number of field fitting issues and change orders.

On August 23, 2017, Council approved Ordinance Number 188559 for Procurement Services to use the competitive solicitation process to procure alternative delivery Design-Build services for the Columbia Boulevard Wastewater Treatment Plant Wash Water and Hypochlorite Piping Replacement Project in accordance with PCC 5.34. The Chief Procurement Officer has advertised and received proposals for the Request for Proposals (RFP) Number 00000791 on behalf of the Bureau of Environmental Services (BES), with a project construction estimate of \$4,000,000.00. BES rated the project estimate confidence level as Low due to the many unknown potential issues within the tunnels.

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*An Equal Opportunity Employer*

*To help ensure equal access to programs, services and activities, the Office of Management & Finance will reasonably modify policies/procedures and provide auxiliary aids/services to persons with disabilities upon request.*

Proposals were received on May 2, 2018, and Three (3) proposals were received. The proposals were reviewed, evaluated, and scored by a four (4)-member evaluation committee with representatives from BES' and the Minority Evaluator Program. A non-voting Technical advisor from HDR, Inc. participated in the evaluation process as well. The evaluation committee selected Record Steel Construction, Inc.(RSCI) as the highest scoring proposer and has determined a project cost of \$3,756,000.00.

The City has established an overall aspirational participation goal of twenty two percent (22%) of professional/design services and hard construction cost for certified D/M/W/ESB subconsultant and subcontractor participation on the project. In addition, in an effort to develop diversity in the up and coming community workforce, the City has also established aspirational goals for apprenticeship participation, with a total apprenticeship goal of twenty percent (20%) of total construction hours, of which twenty five percent (25%) should be directed toward women and twenty five percent (25%) toward people of color. RSCI committed in their proposal to achieve the City's overall aspirational goal as identified:

- Work committed to Oregon certified D/M/W/ESB participation twenty-two percent (22%) of total bid amount
- Hours committed to Oregon state registered apprentices twenty percent (20%) of total project hours.
- Apprenticeship hours committed toward women ten percent (10%) of total project hours.
- Apprenticeship hours committed toward people of color ten percent (10%) of total project hours.

Record Steel Construction, Inc., acting as the prime contractor identified the following areas as opportunities for subcontracting: material supplier for pipe fittings, valves, and supports. There is \$830,000 D/M/W/ESB utilization identified towards the goal. DBE subcontractor/supplier participation represents 22% of total project bid amount.

- DBE - \$830,000 performing material supply for pipe fittings, valves, and supports

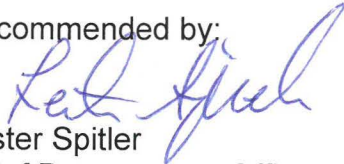
Record Steel Construction, Inc. is located in Boise, Idaho, and is not a State of Oregon Certified D/M/W/ESB Contractor. They have a current City of Portland Business Tax Registration and are in full compliance with all City contracting requirements

Funds are available for this project under Sewer System Operating Fund.

It is recommended that a Performance Bond and Payment Bond each at 100% of the contract amount be furnished by the Contractor. Further, it is also recommended that a two (2) year Maintenance/Warranty Bond for 20% of the final contract amount be furnished by the Contractor before final payment is released.

The bid sureties of the remaining bidders should be returned immediately in compliance with Section 5.34.410D of the City Code.

Recommended by:



Lester Spitler  
Chief Procurement Officer

LS:mss

Agenda No.  
**REPORT**  
Title

Accept the proposal lump sum amount of \$3,756,000 from Record Steel Construction, Inc. for the design-build of the Columbia Boulevard Wastewater Treatment Plant Wash Water and Hypochlorite Piping Replacement Project (Procurement Report - RFP No. 00000791)

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| <p style="text-align: center;"><b>INTRODUCED BY</b><br/>Commissioner/Auditor:<br/><b>Mayor Ted Wheeler</b></p>   | <p>CLERK USE: DATE FILED <u>NOV 27 2018</u></p>  |
| <p style="text-align: center;"><b>COMMISSIONER APPROVAL</b></p> <p>Mayor—Finance &amp; Administration - Wheeler <i>MTP</i></p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Eudaly</p> | <p style="text-align: center;">Mary Hull Caballero<br/>Auditor of the City of Portland</p> <p>By: <u><i>Luzanne Larsson</i></u><br/>Deputy</p> |
| <p style="text-align: center;"><b>BUREAU APPROVAL</b></p> <p>Bureau: OMF/BRFS/Procurement Services</p> <p>Bureau Head: Jennifer Cooperman <i>JC</i></p>  | <p><b>ACTION TAKEN:</b></p> <p>DEC 05 2018 <b>ACCEPTED PREPARE CONTRACT</b></p>  |
| <p>Prepared by: Mahn Saechao<br/>Date Prepared: October 31, 2018</p>   |  |
| <p>Impact Statement</p> <p>Completed <input type="checkbox"/> Amends Budget <input type="checkbox"/></p>   |  |
| <p><b>City Auditor Office Approval:</b><br/>required for Code Ordinances</p>   |  |
| <p><b>City Attorney Approval:</b><br/>required for contract, code, easement, franchise, charter, Comp Plan</p>   |  |
| <p>Council Meeting Date <b>December 5, 2018</b></p>  |  |

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| <b>AGENDA</b>   |
| <p><b>TIME CERTAIN</b> <input type="checkbox"/></p> <p>Start time: _____</p> <p>Total amount of time needed: _____<br/>(for presentation, testimony and discussion)</p> |
| <p><b>CONSENT</b> <input type="checkbox"/></p>  |
| <p><b>REGULAR</b> <input checked="" type="checkbox"/></p> <p>Total amount of time needed: <b>10 minutes</b><br/>(for presentation, testimony and discussion)</p>        |

| FOUR-FIFTHS AGENDA | COMMISSIONERS VOTED AS FOLLOWS: |      |      |
|--------------------|---------------------------------|------|------|
|                    |                                 | YEAS | NAYS |
| 1. Fritz           | 1. Fritz                        | ✓    |      |
| 2. Fish            | 2. Fish                         | ✓    |      |
| 3. Saltzman        | 3. Saltzman                     | ✓    |      |
| 4. Eudaly          | 4. Eudaly                       | —    |      |
| Wheeler            | Wheeler                         | ✓    |      |