

IMPACT STATEMENT

Legislation title: Approve findings to authorize an exemption to the competitive bidding requirements and authorize the use of the alternative contracting method of Construction Manager/General Contractor in connection with the Downtown/Old Town SW Main/Taylor Sewer Rehabilitation Project for an estimated amount of \$7,100,000 (Ordinance)

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Purpose of proposed legislation and background information:

The purpose of this legislation is to authorize the City to use a Construction Manager/General Contractor (CM/GC) contracting method that would support successful completion of the project in the most efficient and cost-effective manner to achieve BES goals. This ordinance allows the City to pursue an alternative contracting method. Once approval is granted, a separate Request for Proposal (RFP) process will occur to select the most qualified contractor to engage in the design phase of the project as well as construct the improvements identified. One Guaranteed Maximum Price (GMP) will be developed to cover the complete construction costs of the project and brought to City Council for approval prior to construction activities starting.

The SW Main-Taylor Sewer Rehabilitation project (Project) is in SW Main, Salmon and Taylor Streets between SW Naito Parkway and SW 13th Avenue, inclusively. The Project will rehabilitate deteriorated sewer mains and service laterals. It will also upsize sewer mains that require additional capacity. The Project is in the Portland Downtown Neighborhood, the Central Business District and the portion between SW 4th and SW 10th is also known as the Downtown Core.

The use of the CM/GC contracting method allows collaboration between the contractor and the design team during the design phase. Besides the obvious benefits of a better design package especially for the technical aspects, other benefits include better coordination with stakeholders and better sequencing of construction activities to minimize disruptions downtown.

Financial and budgetary impacts:

Project construction is estimated to cost approximately \$7.1 million. The proposed budget is a project estimate based on similar projects. Design work has not started and the level of confidence is "Low" based on Class 5 AACE estimates, which provide order of magnitude costs with a broad range of accuracy of +100 percent to -50 percent of actual costs.

