



CITY OF PORTLAND
OFFICE OF MANAGEMENT AND FINANCE
Ted Wheeler, Mayor
Tom Rinehart, Chief Administrative Officer
Michelle Kirby, Chief Financial Officer,
Bureau of Revenue and Financial Services

Lester Spitler
Chief Procurement Officer
Procurement Services
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REGULAR CALENDAR

July 01, 2020

TO THE COUNCIL:

The City of Portland (City) Water Bureau (PWB) is a water utility that provides drinking water to nearly one million people. The Water Bureau strives to provide the highest quality water to enhance the public health and safety and contribute to the economic viability and livability of the Portland metropolitan region. The City acknowledges that further improving corrosion control treatment should reduce lead levels at customer taps.

The goal of the Corrosion Control Improvements Project (Project) is to design and construct a corrosion control treatment facility at Water Bureau's Lusted Hill Facility. The Project will include a new building to house the new corrosion control treatment system, a new utility water pump station, and associated piping and support systems. The Project will require specialized skills and expertise in the construction of dry, liquid, and gas chemical feed systems for water treatment facilities including all disciplines of engineering and architecture.

Ordinance Number 188621 passed by Council on September 27, 2017 authorized Procurement Services to use an alternative contracting method to select a CM/GC for the Corrosion Control Improvements Project. The Chief Procurement Officer advertised Request for Proposals (RFP) Number 00001107 on December 21, 2018, for pre-construction services and construction of the Corrosion Control Improvements Project with a combined pre-construction and construction services estimate of \$11,000,000. PWB rated the project estimate confidence level as Low at that time. On January 29, 2019, three (3) proposals were received. The proposals were reviewed, evaluated, and scored by a five (5)-member evaluation committee. The evaluation committee consisted of representatives from PWB and one member from the Minority Evaluator Program. The evaluation committee selected MWH Constructors, Inc. as the highest scoring proposer. Pre-Construction Services Contract Number 30006839, for a sum not to exceed Three Hundred and Thirty-Two Thousand and Five Hundred Dollars (\$332,500.00) and as amended on April 08, 2020 for Eighty Three Thousand Dollars (\$83,000), which included participating in design meetings, value engineering, estimating and cost control, schedule development, permitting assistance, plan and specification reviews and constructability reviews, was entered into with MWH Constructors, Inc., effective April 23, 2019.

MWH Constructors, Inc. and their subcontractors at all tiers have made a commitment of \$2,460,409.00 in utilization of Certification Office for Business Inclusion and Diversity (COBID) identified disadvantaged, minority, women and emerging small business subcontractors, material suppliers and manufacturers on this project; which represents

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.

25.91% of the hard construction costs of the project. MWH Constructors, Inc. has agreed to implement the Community Equity and Inclusion Plan requirements. The Community Equity and Inclusion Plan from MWH Constructors, Inc. is attached as Exhibit B to this Report. This is MWH's first City contract and therefore there is no historical DMWESB data to include.

MWH Constructors, Inc. is located in Broomfield Colorado, and is not a State Certified COBID Contractor. They have a current City of Portland Business Tax Registration and EEO Certification and are in Full Compliance with the City's contracting requirements.

The Chief Procurement Officer recommends the award of a CM/GC contract to MWH Constructors, Inc. for the construction of the Corrosion Control Improvements Project for the Guarantee Maximum Price (GMP) of \$17,989,637, as stated in the GMP Exhibit A, attached to this report.

Funds are available for this project under Owner Cost Center W02190.

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:ec

Agenda No. _____

Item Type: Report No. _____

Council Meeting Date: July 8, 2020

Title: Accept Guaranteed Maximum Price of \$17,989,637 from MWH Constructors, Inc. for the construction of the Corrosion Control Improvements Project (Procurement Report - RFP No. 00001107)

AGENDA TYPE☐ Consent

Item 1 of 1

☒ Regular

Total amount of time needed for presentation, testimony and discussion (Regular and Time Certain Only): 15 Minutes

☐ Time Certain Start Time**INTRODUCED BY:** Mayor Wheeler**COMMISSIONER / AUDITOR APPROVAL**

Mayor - Finance & Admin. - Wheeler

Mustafa Washington

Digitally signed by Mustafa Washington
Date: 2020.06.29 12:39:36 -0700

Position 1/ Utilities - Fritz

Position 2/ Works - Vacant

Position 3/ Affairs - Hardesty

Position 4/ Safety - Eudaly

City Auditor - Hull Caballero

1) Is a completed Impact Statement attached? ☒ Yes3) Is the item a Code ordinance? ☐ Yes ☒ NoIf yes, **Auditor Office** Approval

5a) Is item a Portland Policy Document or Administrative Rule?

☐ Yes ☒ No**BUREAU APPROVALS**

Bureau: OMF/BRFS

OMF/CAO: Tom Rinehart

Digitally signed by Tom Rinehart
Date: 2020.06.24 10:12:55 -0700

Bureau Approval: Michelle Kirby

Digitally signed by Michelle Kirby
Date: 2020.06.17 17:36:07 -0700

Prepared By: Emmanuel Amunga

Date Prepared: June 11, 2020

2) Does the item amend the budget? ☐ Yes ☒ No
If yes, **Budget Office** Approval4) Is this item a contract (current or future), code, easement, franchise, comp plan or Charter? ☐ Yes ☒ No
If yes, **Attorney Office** Approval5b) If yes, is the City Policy/Admin Rule directive in the ordinance or resolution? ☐ Yes ☐ No**ACTION TAKEN:****July 8, 2020 Accepted Prepare Contract**

CLERK USE: DATE FILED 6/29/20

Mary Hull Caballero
Auditor of the City of Portland

By: Keelan McClymont
Deputy

Digitally signed by Keelan McClymont
Date: 2020.06.29 16:02:53 -0700
FOUR-FIFTHS AGENDA

1. Fritz
2. Vacant
3. Hardesty
4. Eudaly
Wheeler

COMMISSIONERS VOTED AS FOLLOWS:

	YEAS	NAYS
1. Fritz	<input checked="" type="checkbox"/>	
2. Vacant		
3. Hardesty	<input checked="" type="checkbox"/>	
4. Eudaly	<input checked="" type="checkbox"/>	
Wheeler	<input checked="" type="checkbox"/>	