

Agenda No. 841

REPORT

Accept Guaranteed Maximum Price of \$79,607,637 from Kiewit Infrastructure West Co. for the construction of the Columbia Blvd Wastewater Treatment Plant Secondary Treatment Expansion Project (Procurement Report - RFP No. 00001126)

October 21, 2020

TO THE COUNCIL:

The City of Portland Bureau of Environmental Services ("BES" or "Bureau") owns and operates the Columbia Boulevard Wastewater Treatment Plant ("CBWTP") which protects public health, safety, and the environment by treating sanitary sewage and stormwater from the City of Portland in accordance with a discharge permit issued by the Oregon State Department of Environmental Quality (DEQ). The CBWTP was initially constructed in 1952 with secondary treatment facilities added in the early 1970's.

BES entered into a Mutual Agreement and Order (MAO) with the DEQ on May 25, 2011, which required increased treatment of captured combined sewer overflows at the CBWTP and analysis to determine the need for additional treatment through the secondary treatment process. The Bureau has complied with all the stipulated conditions of the MAO to date.

BES has implemented the Secondary Treatment Expansion Program ("STEP") at the CBWTP located in North Portland for the design and construction of certain wastewater treatment and related facilities, including two new secondary treatment clarifiers, temporary facilities to maintain plant operations during demolition and construction of the new clarifiers, structural surface rehabilitation of the secondary treatment aeration basins, subsurface improvements, demolition of the composting facilities, construction of clarifiers,

Introduced by
Mayor Ted Wheeler

Bureau
Management and Finance

Prepared by
Kelly Davis-McKernan

Date Prepared
September 28, 2020

Requested Council Date
October 21, 2020

Requested Agenda Type
Time Certain
2:00 pm
45 minutes requested

Date Filed with Clerk
October 13, 2020

return activated sludge pump station, main substation replacement, new motor control centers and transformers, new return activated control sludge pipe, new solids dewatering, thickening, odor control and chemical feeding systems in a new building, new electrical and instrumentation upgrades, new storage and operational support buildings and new associated stormwater facilities and green building features.

Ordinance No. 188630 passed by the City Council on October 4, 2017 authorized Procurement Services to use an alternative competitive solicitation process to select a construction manager/general contractor (CM/GC) for the STEP project in accordance with Chapter 279 of the Oregon Revised Statutes (ORS).

The City issued a Request for Qualifications, Solicitation No. 00000723, on December 6, 2017 (the "RFQ") for CM/GC qualification statements and received four responses on January 16, 2018. Subsequently, the City issued a Request for Proposals for CM/GC services, Solicitation No. 00001126, on December 19, 2018 (the "RFP") to the short-listed respondents from the RFQ and three proposals were received on February 19, 2019. Based on the evaluation factors and selection criteria set forth in the RFP and following the review and selection process identified in the RFP, the City determined that the proposal of Kiewit Infrastructure West Co. offered the best value to the City and that it would be in the City's best interest to initiate negotiations with Kiewit Infrastructure West Co. On June 17, 2019, the City and the CM/GC entered into an agreement for pre-construction services (the "Pre-Construction Services Agreement").

In order to meet the MAO, and as provided for in Ordinance No. 188630, BES has determined it's in the City's best interest to implement the construction of STEP in two or more phases. Upon successful negotiations, the Chief Procurement Officer hereby recommends the award of a CM/GC contract for construction services to Kiewit Infrastructure West Co. for the first phase of construction for the Guarantee Maximum Price (GMP1) of \$79,607,637, as stated in the GMP Exhibit A, attached to this Report. This phase of construction consists of the rehabilitation of Aeration Basins 7 and 8, demolition of existing structures, ground improvements, replacement of the main substation, installation of temporary odor control facilities, installation skid-mounted centrifuge, provisions for temporary power and other utility relocations, and excavation as necessary to support the construction of the new secondary clarifiers.

Kiewit Infrastructure West Co. has agreed to implement the Community Benefits Agreement ("CBA") requirements. The CBA from Kiewit Infrastructure West, Co. is attached as Exhibit B to this Report, with its accompanying Disadvantaged, Minority, Woman, Emerging Small Business and Service-Disabled Veteran (D/M/W/ESB/SDVBE)

Subcontractor and Supplier Plan and Workforce Hiring and Training Plan attached as Exhibit C.

Kiewit Infrastructure West Co. is located in Vancouver, Washington, and a State Certified COBID Contractor. They have a current City of Portland Business Tax Registration and EEO Certification and are in with the City's contracting requirements.

Funds are available for this project under Owner Cost Center E07947.

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 year Maintenance/Warranty Bond for 20% of the final contract amount be furnished by the Contractor before final payment is released.

Recommended by:

Lester Spitler

Chief Procurement Officer

LS:ked

Action taken:

October 21, 2020 Accepted - Prepare Contract

Four Fifths Agenda	Commissioners voted as follows:		
		YEAS	NAYS
1. Fritz	1. Fritz	✓	
2. Ryan	2. Ryan	✓	
3. Hardesty	3. Hardesty	✓	
4. Eudaly	4. Eudaly		
Wheeler	Wheeler		