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**159-2022**

Report

**Accept Guaranteed Maximum Price of \$7,704,032 from Iron Horse Excavation, LLC dba Oxbow Construction for the construction of the Downtown/Old Town Main/Taylor Sewer Rehabilitation Project (Procurement Report - RFP No. 00001431)**

Accepted  
March 2, 2022

TO THE COUNCIL:

Ordinance Number 189649 passed by Council on August 7, 2019 authorized Procurement Services to use an alternative contracting method to select a Construction Manager/General Contractor (CM/GC) for the Downtown/Old Town Main/Taylor Sewer Rehabilitation Project. The Chief Procurement Officer advertised Request for Proposals (RFP) Number 00001431 on February 28, 2020, for pre-construction services and construction of the Downtown/Old Town Main/Taylor Sewer Rehabilitation Project with a combined pre-construction and construction services estimate of \$7,100,000. BES rated the project estimate confidence level as Low.

On April 15, 2020, 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 BES and one member from the Minority Evaluator Program. The evaluation committee selected Iron Horse Excavation, LLC dba Oxbow Construction ("Oxbow Construction") as the highest scoring proposer. Pre-Construction Services Contract Number 30007398 was entered into with Oxbow Construction, effective July 27, 2020, with an amended value of Four Hundred Twenty-Seven Thousand One Hundred Sixty-One Dollars and Three Cents (\$427,161.03). The Pre-Construction Services Contract included project partnering, collaborative project design, constructability reviews, development of construction procurement, management and safety plans, early work construction, cost estimating, and the development of the Guaranteed Maximum Price for construction of the Project.

The Chief Procurement Officer recommends the award of the CM/GC construction services contract to Oxbow Construction for the Guaranteed Maximum Price (GMP) of \$7,704,032, as stated in the GMP Exhibit A, attached

Introduced by  
[Mayor Ted Wheeler](#)

Bureau  
[Management and Finance;](#)  
[Revenue and Financial Services](#)

Prepared by  
Mahn Saechao

Date Prepared  
February 2, 2022

Requested Agenda Type  
Regular

to this Report.

Oxbow Construction has made a commitment of \$1,720,000 in utilization of disadvantaged, minority, women and emerging small business subcontractors, material suppliers and manufacturers certified by the Certification Office for Business Inclusion and Diversity (COBID), which represents 23.18% of the hard construction costs of the project. The Diversity Equity and Inclusion Plan from Oxbow Construction is attached as Exhibit B to this Report.

Oxbow Construction is located in Troutdale, Oregon, and is a State Certified COBID WBE 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.

Funds are available for this project under Owner Cost Center E10999.

BES has approved funding in FY 22-23 and 23-24 Budgets.

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.

Recommended by:

Biko Taylor

Chief Procurement Officer

BT: mss

## Documents and Exhibits

 [Exhibit A](#) (2.59 Mb)

 [Exhibit B](#) (8.6 Mb)

## Impact Statement

 [Impact Statement](#) (20.11 Kb)

## Budget Office Financial Impact Analysis

In February of 2020, when the Chief Procurement Officer advertised RFPs for the project, the combined pre-construction and construction services costs were estimated to be \$7.1 million, with a Low confidence level. Based on the Guaranteed Maximum Price received, BES now anticipates the construction contract costs to not exceed \$7,704,032. Funding has been included in BES's FY 2022-23 and FY 2023-24 CIP in the Sewer System Operating Fund.

## Agenda Items

### 159 Regular Agenda in [March 2, 2022 Council Agenda](#)

Accepted - Prepare Contract

Motion to accept the report: Moved by Hardesty and seconded by Ryan. (Y-4)

Commissioner Dan Ryan Yea

Commissioner Jo Ann Hardesty Yea

Commissioner Mingus Mapps Yea

Commissioner Carmen Rubio Yea

Mayor Ted Wheeler Absent