

IMPACT STATEMENT

Legislation title: 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)

Contact name: Biko Taylor, Chief Procurement Officer

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Presenter name: Biko Taylor, Chief Procurement Officer

Purpose of proposed legislation and background information:

Accept Guaranteed Maximum Price of \$7,704,032 from Iron Horse Excavation, LLC dba Oxbow Construction for the design and construction of the Downtown/Old Town Main/Taylor Sewer Rehabilitation Project.

The City of Portland Bureau of Environmental Services (BES) needs to rehabilitate and upsize sanitary sewer pipe in the downtown area of SW Main, SW Salmon and SW Taylor between SW 13th and Naito Parkway. The rehabilitation and upsizing requires bypassing sewer flow from services laterals connected to downtown buildings. Many of these service laterals are not accessible in the public right-of-way and may require work on private property.

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. The Bureau of Environmental Services rated the project estimate confidence level as Low at that time.

No revenues will be impacted by this legislation.

This legislation does not change existing City policy.

Financial and budgetary impacts:

Based on the Guaranteed Maximum Price received, BES anticipates the construction contract cost to not exceed \$7,704,032. Funding has been approved in the FY 22-23 and 23-24 Budgets.

Funds are available in BES's Owner Cost Center E10999.

No present positions will be created, eliminated or re-classified as a result of this legislation.

Community impacts and community involvement:

The public, construction contracting community, including contractors certified as State of Oregon disadvantaged, minority, women, and emerging small businesses became involved when

the Chief Procurement Officer and BES advertised a notice of public hearing on the DJC on July 12, 2019 to welcome the public's comments on the findings and recommendation to exempt the project from the requirement of competitive bidding during Council's presentation on July 31, 2019. Procurement Services also advertised and publicly noticed the project on the City's Online Procurement System and the Daily Journal of Commerce on February 28, 2018 to welcome proposals from the contracting community.

Potential proposers were able to review the competitive solicitation, attend a pre-proposal meeting, ask questions, provide comments and submit a proposal in response to the Request for Proposals (RFP). Proposals received resulted in the award of the CM/GC Pre-Construction Services contract. Procurement Services managed the procurement process. No protests were received.

The use of a CM/GC contracting method is critical to facilitating this complicated Project with the least amount of disruptions to the general public, business and property owners, and commerce in the project area. This method promotes schedule efficiencies through early Contractor involvement and the incorporation of schedule-saving approaches prior to the completion of the design. The CM/GC method gives the contractor more time to engage in noise abatement alternatives helping to lessen the impact to the neighboring businesses, residents and general public. Traffic control (vehicular, bicycle and pedestrian) impacts will also be lessened because the Contractor will be able to adjust their work in response to public access needs prior to being in construction.

Utilizing the CM/GC method allows the City to monitor Contractor outreach and utilization of apprentices, SDVBE/D/M/W/ESB subcontractors and help the City achieve Diversity Equity and inclusion Plan (DEIP) objectives for this Project. Also, to set the City and local economy on a path where more local contractors have the ability to provide CM/GC services while meeting the qualifications established by the DEIP.

Procurement Services and BES made additional outreach efforts with the contracting community and held an interactive training at the Professional Business Development Group Training Center on January 15th, 2020 to provide an overview of the CM/GC delivery and contracting process to contractors. The training included a project overview, CM/GC delivery and contracting process, and mock proposal response. Over 18 contractors and subcontractors were in attendance for the training.

No known persons or groups will be testifying.

No future public involvement is anticipated or necessary for this request.

Budgetary Impact Worksheet

Does this action change appropriations?

- ☐ YES: Please complete the information below.
☒ NO: Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount