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225-2022

Report

Accept bid of Rio Underground Construction, LLC for the SE 19th Ave and SE Lambert St Water Mains Project for \$2,553,920 (Procurement Report - ITB No. 00001811)

Accepted

March 30, 2022

TO THE COUNCIL:

On September 22, 2021, Council approved Ordinance Number 190561 for Procurement Services to competitively solicit the SE 19th Ave. and SE Lambert St. Water Mains Project (Project) in accordance with PCC 5.34. The Chief Procurement Officer has advertised and received bids for Bid Number 00001811 on behalf of the Portland Water Bureau, with a project construction estimate of \$2,600,000. The Portland Water Bureau rated the project estimate confidence level as High.

Bids were opened on March 01, 2022, and four (4) bids were received. The lowest responsive bid is from Rio Underground Construction, LLC., thus it is recommended that their bid be accepted at the estimated unit prices quoted for a total bid amount of \$2,553,920, which is 1.7% under the engineer's estimate.

The City's equity in contracting aspirational goal of 20% of the hard construction costs for subcontractor and supplier utilization of firms certified by the State's Certification Office for Business Inclusion and Diversity (COBID) applies to this project. Rio Underground Construction, LLC. **has committed to subcontract 20.87% to COBID Certified firms as follows:**

Subcontractor	Certification	Area of Work	Ownership	Amount
Brothers Concrete Cutting, Inc.	MBE	Saw Cutting	Native American/Male	\$20,000
Chick of All Trades, LLC.	DMWBE	Flagging	Hispanic/Female	\$25,000
JNM Services, LLC	WBE	Traffic Control	Caucasian/Female	\$25,000

Introduced by

[Mayor Ted Wheeler](#)

Bureau

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

Contact

Emmanuel Amunga

Construction, Senior

Procurement Specialist

✉ emmanuel.amunga@portlandoregon.gov☎ [503-823-2299](tel:503-823-2299)

Requested Agenda Type

Regular

JTWA Trucking, LLC.	MBE	Trucking	African America/Male	\$50,000
Kodiak Pacific Construction Co.	WBE	Asphalt/Paving	Caucasian/Female	\$281,400
LCP, LLC.	DWBE	Erosion Control	Caucasian/Female	\$31,597
TTE, Inc.	ESB	Concrete	Caucasian/Male	\$100,000
Total				\$532,997

Rio Underground Construction, LLC. acting as the prime contractor intends to self-perform 79.13% of the work.

Rio Underground Construction, LLC. is located in Beaverton, Oregon, and is not a State COBID Certified Contractor and is a White/Male owned firm. They have a current City of Portland Business Tax Registration and are in full compliance with all of the City's contracting requirements.

Funding for the Project (W02464), with budgeted contingency, is available in the FY 2021-22 Budget. 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.

Procurement Services recommends that Council accept this Report and authorize the contract award to Rio Underground Construction, LLC.

Recommended by:

Biko Taylor

Chief Procurement Officer

BT: EA

Impact Statement

 [Impact Statement](#) (28.89 Kb)

Budget Office Financial Impact Analysis

The engineer's estimate for this Project was \$2,600,000 and the confidence level was High. Based on the bids received, the Portland Water Bureau anticipates the construction contract cost to not exceed \$2,553,920 which is 1.7% under the engineer's estimate.

The Portland Water Bureau has funds budgeted FY 2021-22 for construction, inspection, and management of the Project including contingency.

Agenda Items

225 Regular Agenda in [March 30, 2022 Council Agenda](#)

Accepted - Prepare Contract

Motion to accept the report: Moved by Wheeler and seconded by Mapps. (Y-5)

Commissioner Carmen Rubio Yea

Commissioner Dan Ryan Yea

Commissioner Jo Ann Hardesty Yea

Commissioner Mingus Mapps Yea

Mayor Ted Wheeler Yea