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944-2022

[Report](#)

Accept bid of Interlaken, Inc. for the Citywide Sump Replacement Project for \$1,619,001 (Procurement Report - ITB No. 00001945)

Accepted

TO THE COUNCIL:

On December 15, 2021, Council approved Ordinance Number 190647 for Procurement Services to competitively solicit the Citywide Sump Replacement Project in accordance with PCC 5.34. The Chief Procurement Officer has advertised and received bids for Bid Number 00001945 on behalf the Bureau of Environmental Services (BES), with a project construction estimate of \$1,458,600. BES rated the project estimate confidence level as high.

Bids were opened on October 4, 2022, and five (5) bids were received. The lowest responsive bid is from Interlaken, Inc., thus it is recommended that their bid be accepted at the estimated unit prices quoted for a total bid amount of \$1,619,001 which is approximately 11% above 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. **Interlaken, Inc. has committed to subcontract 25.06% to COBID Certified firms** as follows:

| Subcontractor | Certification | Area of Work | Ownership | Amount |
|--------------------------------|---------------|------------------|----------------------|----------|
| Brothers Concrete Cutting Inc. | MBE | Concrete Cutting | Native American/Male | \$10,000 |
| Clark Moore Trucking, Inc. | D/MBE/ESB | Trucking | Asian Pacific/Male | \$25,000 |

Introduced by

[Mayor Ted Wheeler](#)

Bureau

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

Contact

Biko Taylor

Chief Procurement Officer

✉ biko.taylor@portlandoregon.gov📞 [503-823-1095](tel:503-823-1095)

Requested Agenda Type

Regular

Date and Time Information

Requested Council Date

November 9, 2022

Time Requested

15 minutes

| | | | | |
|---------------------------------|-------|----------|------------------|------------------|
| Cutter Construction Co Inc. | D/WBE | Trucking | Caucasian/Female | \$10,000 |
| Kodiak Pacific Construction Co. | WBE | Paving | Caucasian/Female | \$261,369 |
| NUWAVE Concrete, Inc | DBE | Concrete | Caucasian/Male | \$99,346 |
| Total | | | | \$405,715 |

Interlaken, Inc. acting as the prime contractor intends to self-perform 73.85% of the work and to subcontract 1.09% to the following non-certified firms:

| Subcontractor | Area of Work | Amount |
|--------------------------------|---------------------|-----------------|
| Global Electric, Inc. | Electrical | \$3,570 |
| Twincor Cutting & Coring, Inc. | Sawcutting | \$3,280 |
| Wind Thin, Inc. | Tree Trimming | \$10,800 |
| Total | | \$17,650 |

Interlaken is located in Fairview, Oregon, and a State COBID Certified WBE Contractor. They have a current City of Portland Business Tax Registration and are in full compliance with all of the City's contracting requirements.

Funds are available in the Sewer System Operating Fund, WBS Element E11155, Bureau of Environmental Services' FY2022-2026 Capital Improvement Plan.

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 Chief Procurement Officer to execute the contract with CONTRACTOR.

Recommended by:

Biko Taylor

Chief Procurement Officer

BT: rab

Impact Statement

Purpose of Proposed Legislation and Background Information

The purpose of this legislation is to authorize the Chief Procurement Officer to execute a construction contract for the Citywide Sump Replacement Improvements Project for \$1,619,001.

More than twenty sump pumps that are in poor condition and at risk of failure in 15 different areas throughout the city will be replaced with new sumps and sedimentation maintenance holes. This new infrastructure will help control stormwater runoff during heavy rain events, improve water quality, and help prevent basement and sewer backups for nearby residents and businesses.

Ordinance No. 190647 was approved by City Council on December 15, 2021, authorizing the Chief Procurement Officer to issue a competitive solicitation for the Citywide Sump Replacement Project. The construction cost based on bids received is \$1,619,001.

Financial and Budgetary Impacts

The engineer's estimate for this project was \$1,458,600 and the confidence level was high. Based on the proposal received, the Bureau of Environmental Services (BES) anticipates the construction contract cost to not exceed \$1,619,001 which is approximately 11% above the engineer's estimate.

Funds are available in the Sewer System Operating Fund, WBS Element E11155, Bureau of Environmental Services' FY2022-2026 Capital Improvement Plan.

The purposed legislation will not create, eliminate or re-classify any positions now or in the future.

Community Impacts and Community Involvement

Since May 2020, Environmental Services has done community outreach and public involvement activities to neighborhood property owners and occupants, business owners and operators who might be impacted by the Citywide Sump Replacement project.

The project areas have 15 different locations scattered across North, Northeast, and Southeast Portland. Neighborhoods include Overlook, Humboldt, King, Irvington, Parkrose Heights, Madison South, Russell, Montavilla, and Russellville. Business districts include Overlook Village, Montavilla, North/Northeast, Gateway Area, 82nd Ave, and Jade District.

The project location in North Portland is in the middle of a bustling commercial area in the predominantly English-speaking Overlook neighborhood. Business outreach has been conducted to inform the businesses of the upcoming project and accommodate their business needs.

The project sites in Northeast Portland are mostly residential. The project will include improvements in these neighborhoods: Humboldt, King, Irvington, Parkrose Height, Madison South, and Russell.

Some of the affected roads accommodate high volumes of through traffic and are also shared with bikes and buses. Outreach will be increased for these affected communities.

These Northeast neighborhoods also serve diverse communities speaking languages other than English as their primary language. Parkrose Height area has a large Spanish-speaking population (~10%). Madison South and Russell neighborhoods house a relatively high proportion (>12%) of Asian communities, who are predominantly Chinese and Vietnamese. Public Involvement staff will be mindful of this fact while conducting outreach. Additional outreach and translations will be done if the need arises around project sites to translate communication materials for affected community members.

Southeast Portland has many active neighborhoods and commercial areas. Improvements will be made in these Southeast neighborhoods: Montavilla, Hazelwood, and Russellville. Affected businesses on SE Division Street have been contacted ensuring we take their business needs into consideration during design and construction. One construction site is close to Adventist Medical Center. Communication will be crucial to make sure the City can accommodate the normal operations of the hospital. Some of the sites are adjacent to churches. Public Involvement staff will also work with churches during significant holidays and religious activities.

Construction at a few sites will occur on busy corridors that experience high levels of through traffic such as SE Division Street, SE Stark Street, and SE Washington Street. These streets are also shared with bike traffic and buses. Outreach to nearby communities will be increased at these locations.

Flyers and webpage updates have been the primary method of outreach and public involvement utilized on this citywide project.

Stefanus Gunawan, Environmental Services, has been the contact for Community Outreach and Public Involvement throughout design and will remain the contact throughout construction. The construction contracting community, including contractors certified with the State of Oregon as minority, women, and emerging small businesses became involved when the Chief Procurement Officer advertised and publicly noticed the project on the City's Online Procurement System on September 13, 2022. A public notice was also posted in the Daily Journal of Commerce on September 14, 2022.

Potential bidders were able to review the competitive solicitation, ask questions, provide comments and submit a bid in response to the Invitation to Bid (ITB). Proposals received resulted in the award of the construction contract. Procurement Services managed the procurement process. No protests were received.

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. **Interlaken, Inc. has committed to subcontract 25.06% to COBID Certified firms** as follows:

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Interlaken is located in Fairview, Oregon, and a State COBID Certified WBE Contractor. They have a current City of Portland Business Tax Registration and are in full compliance with all of the City's contracting requirements.

No known persons or groups will be testifying.

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

100% Renewable Goal

This action neither increases nor decreases the City's total energy use.

This action neither increases nor decreases the City's renewable energy use.

Budget Office Financial Impact Analysis

The bid from Interlaken, Inc has high confidence and is not expected to exceed \$1,619,001. The bid is 11% higher than the engineer's estimate. Funds for the project are available in the Sewer System Operating Fund, WBS E11155.

Agenda Items

944 Regular Agenda in [November 9, 2022 Council Agenda](#)

Accepted - Prepare Contract

Motion to accept the report: Moved by Ryan and seconded by Rubio.

Commissioner Carmen Rubio Yea

Commissioner Dan Ryan Yea

Commissioner Jo Ann Hardesty Absent

Commissioner Mingus Mapps Yea

Mayor Ted Wheeler Absent