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463-2023

Report

Accept guaranteed maximum price of \$8,983,530 from Raimore Construction, LLC. for the construction of the Mill Park Development Project (Procurement Report - RFP 00001766)

Accepted

TO THE COUNCIL:

Ordinance Number 190371 passed by Council on Wednesday, April 21, 2021, authorized Procurement Services to use an alternative contracting method to select a Construction Manager/General Contractor (CM/GC) for the Mill Park Development Project. The Chief Procurement Officer advertised Request for Proposals (RFP) Number 00001766 on November 19, 2021, for pre-construction services and construction of the Mill Park Development Project with a combined pre-construction and construction services estimate of \$7,500,000. Portland Parks and Recreation (PP&R) rated the project estimate confidence level as Low at that time.

On December 21, 2021 two (2) proposals were received. The proposals were reviewed, evaluated, and scored by a five (5)-member evaluation committee. The evaluation committee consisted of representatives from PP&R and one member from the Minority Evaluator Program. The evaluation committee selected Raimore Construction, LLC as the highest scoring proposer. Pre-Construction Services Contract Number 30008063 was entered into with Raimore Construction, effective March 30, 2022, with an amended value of One Hundred and Ninety-Four Thousand Dollars and Zero Cents (\$194,000). All Preconstruction Services tasks are not complete as Notice to Proceed with construction is anticipated for August 1, 2023. Preconstruction services tasks will be completed prior to Notice to Proceed.

The Chief Procurement Officer recommends the award of a CM/GC construction services contract to Raimore Construction, LLC for the Guarantee Maximum Price (GMP) of \$8,983,530.00., as stated in the GMP Exhibit A, attached to this report. 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 Mill Park CM/GC Project is part of the Regional Workforce Equity Agreement (RWEA) pilot effort by the City that centers on workforce development and

Introduced by

[Mayor Ted Wheeler](#)

Bureau

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

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Requested Agenda Type

Time Certain

Date and Time Information

Requested Council Date

June 7, 2023

Requested Start Time

10:45 am

Time Requested

10 minutes

safe/anti-racist workspaces for women and people of color with core values: equity, fiscal responsibility, transparency, communication, collaboration and anti-racism. The RWEA equity goals are 25% overall, broken out as 16% Minority or self-identified minority owned firms and 8% female or self-identified female owned firms. 1% going to any equity contractor. The Equity Contracting Program focuses on expanding economic opportunities by growing both the demand and capacity of BIPOC and women owned contractors.

RWEA is a collaborative effort between Public Owners and Unions with a collective interest in promoting the use of local vendors, suppliers, contractors, subcontractors, and encouraging the hiring of local area workforce, which will return long-term community benefits. Raimore Construction has committed to meeting the 25% COBID goal. Raimore anticipates that approximately 60% of the subcontracting will be allocated to equity firms exceeding the COBID goal. Raimore has been instrumental in outreach efforts and developing respectful workplace training as part of preconstruction services. The Construction Procurement Plan from Raimore Construction is attached as Exhibit B to this Report.

Raimore Construction, LLC. is located in Portland, Oregon, is a State Certified COBID Contractor, and is a Black owned Minority Business Enterprise. 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 partially available for this project under P10536.

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: ea

Documents and Exhibits

 [Exhibit A \(https://www.portland.gov/sites/default/files/council-documents/2023/mill-park-gmp-submission-exhibit-a_1.pdf\)](https://www.portland.gov/sites/default/files/council-documents/2023/mill-park-gmp-submission-exhibit-a_1.pdf) 11.39 MB

 [Exhibit B \(https://www.portland.gov/sites/default/files/council-documents/2023/mill-park-construction-procurement-plan-exhibit-b_0.pdf\)](https://www.portland.gov/sites/default/files/council-documents/2023/mill-park-construction-procurement-plan-exhibit-b_0.pdf) 240.15 KB

Impact Statement

Purpose of Proposed Legislation and Background Information

Accept Guaranteed Maximum Price of \$8,983,530.00 from Raimore Construction, LLC. for construction of the Mill Park Development Project.

The Mill Park Construction Project ("Project") covers 6.17 acres surrounded by single family residences, multi-family housing and the Mill Park Elementary School in the Mill Park neighborhood. When fully developed, Mill Park will serve 1,440 households. Of those 1,440 Mill Park households, there are 881 unique households not served by other Portland Parks' ½ mile neighborhood service areas. The completed Project will be a vital park in this underserved community that will provide many important community functions including a space for, picnic sites for family and group gathering, a playground, a fountain, a fitness area, passive open space, and a large community garden.

Ordinance Number 190371 passed by Council on April 21, 2021, authorized Procurement Services to use an alternative contracting method to select a Construction Manager/General Contractor (CM/GC) for the Mill Park Development Project. The Chief Procurement Officer advertised Request for Proposals (RFP) Number 00001766 on November 19, 2021, for pre-construction services and construction of the Mill Park Development Project with a combined pre-construction and construction services estimate of \$7,500,000. Portland Parks and Recreation (PP&R) 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, PP&R anticipates the construction contract cost to not exceed \$8,983,530.00 with a High level of confidence.

Funds are available in PP&R's Owner Cost Center P10536.

No present positions will be created, eliminated or re-classified because 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 PP&R advertised a notice of public hearing on the DJC on March 31, 2021.

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 the CM/GC contracting method allows collaboration between the contractor and the design team during the design phase. Besides the obvious benefits of a better design package, especially for the technical aspects, other benefits include better coordination with stakeholders and better sequencing of construction activities to minimize impacts to the neighborhood and the adjacent school.

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 the Regional Workforce Equity Agreement (RWEA) and Construction Diversity and Inclusion Policy (CDIP) objectives for this Project. It also helps 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 requirements established by the RWEA. The Mill Park CM/GC Project is part of the Regional Workforce Equity Agreement (RWEA) pilot effort by the City that centers on workforce development and safe/anti-racist workspaces for women and people of color with core values: equity, fiscal responsibility, transparency, communication, collaboration and anti-racism. The RWEA equity goals are 25% overall, broken out as 16% Minority or self-identified minority owned firms and 8% female or self-identified female owned firms. 1% going to any equity contractor. The Equity Contracting Program focuses on expanding economic opportunities by growing both the demand and capacity of BIPOC and women owned contractors.

RWEA is a collaborative effort between Public Owners and Unions with a collective interest in promoting the use of local vendors, suppliers, contractors, subcontractors, and encouraging the hiring of local area workforce, which will return long-term community benefits. Raimore has committed to meeting the 25% COBID goal. Raimore anticipates that approximately 60% of the subcontracting will be allocated to equity firms exceeding the COBID goal. Raimore has been instrumental in outreach efforts and developing respectful workplace training as part of preconstruction services.

No known persons or groups will be testifying.

No future public involvement is anticipated or necessary for this request, other than communications with the neighboring properties, the Mill Park Elementary School and the community concerning construction schedule and impacts.

100% Renewable Goal

This project neither contributes nor takes away for the City's goal of meeting 100 percent community-wide energy needs with renewable energy by 2050.

Budget Office Financial Impact Analysis

This Procurement Report accepts a bid for the Park Mill Park Development Project. The Report shows a maximum guaranteed price of \$8.9 million. Total funding for the project totals \$13.2 million broken out as follows: \$6.5 million in SDC resource for Phase I; \$3.9 million in SDC resources for Phase II; and \$2.8 million for Phase III. PP&R expects the project to be completed in Q3 of FY 2025.

Outyear O&M costs are not yet determined but would be absorbed with Parks Levy or a successor resource.

Agenda Items

463 Time Certain in [June 7-8, 2023 Council Agenda](https://www.portland.gov/council/agenda/2023/6/7)
(<https://www.portland.gov/council/agenda/2023/6/7>)

Accepted - Prepare Contract

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

Commissioner Dan Ryan Yea

Commissioner Rene Gonzalez Yea

Commissioner Mingus Mapps Absent

Commissioner Carmen Rubio Yea

Mayor Ted Wheeler Yea