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# 191422

Emergency Ordinance

# \*Amend price agreements with Job Order Contracting to increase each agreement by amount not to exceed \$5 million (amend Price Agreements 31001630, 31001855, and 31001864)

Passed

The City of Portland ordains:

Section 1. The Council finds:

- 1. Job Order Contracting (JOC) is a project delivery method for public improvements and repair/maintenance projects that establishes multi-year price agreements with multiple contractors for individual categories of work where the pricing is predetermined.
- 2. The Council authorized the use of JOC for asphalt and concrete paving and repair projects via Ordinance No. 189489, passed on May 8, 2019, and for building alteration projects via Ordinance No. 190061, passed on July 22, 2020. Accordingly, price agreements were competitively solicited and originally awarded for a not to exceed amount of \$5,000,000.
- 3. JOC has proven to be an effective project delivery method for routine construction work and these price agreements are at capacity. Procurement Services seeks authority to increase the not to exceed amount by \$5,000,000 to continue with faster project delivery through streamlined engineering, design and procurement processes; assurance of cost reasonableness; opportunities for local small and disadvantaged businesses; and improved partnering relationships with general contractors.

NOW, THEREFORE, the Council directs:

A. The Chief Procurement Officer is authorized to enter into amendments to Price Agreements Nos. 31001630 with Raimore Construction, LLC in a form similar to Exhibit A, 31001855 with Fulcrum Construction & Building Services, LLC in a form similar to Exhibit B, and 31001864 with Swinerton Builders, Inc in a form similar

#### Introduced by

Mayor Ted Wheeler

#### Bureau

<u>Management and Finance;</u> <u>Revenue and Financial Services</u>

#### Contact

**Biko Taylor** Chief Procurement Officer

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<u>503-823-1095</u>

# Kelly Davis-McKernan

Construction, Supervisor II

### ☑ <u>Kelly.Davis-</u> <u>McKernan@portlandoregon.gov</u>

J 503-823-1248

#### Requested Agenda Type

Consent

#### **Date and Time Information**

**Requested Council Date** August 23, 2023 to Exhibit C to increase each Price Agreement's current value by \$5,000,000.

B. The Mayor and City Auditor are hereby authorized to execute payments chargeable to the appropriate authorization and cost center when demand is presented and approved by the proper authorities.

Section 2. The Council declares that an emergency exists because the services described must be continued in order to maintain current City operations; therefore, this Ordinance shall be in full force and effect from and after its passage by the Council.

# **Documents and Exhibits**

Exhibit A (https://www.portland.gov/sites/default/files/councildocuments/2023/31001630-raimore-construction-amendment-<u>4.docx</u>) 172.78 KB

Exhibit B (https://www.portland.gov/sites/default/files/councildocuments/2023/31001855-fulcrum-construction-amendment-<u>2\_0.docx</u>) 173.03 KB

Exhibit C (https://www.portland.gov/sites/default/files/councildocuments/2023/31001864-swinerton-amendment-3.docx) 172.86 KB

An ordinance when passed by the Council shall be signed by the Auditor. It shall be carefully filed and preserved in the custody of the Auditor (City Charter Chapter 2 Article 1 Section 2-122)

Passed by Council August 23, 2023

Auditor of the City of Portland Simone Rede

# Impact Statement

## Purpose of Proposed Legislation and Background Information

Job Order Contracting (JOC) is a project delivery method for public improvements and repair/maintenance projects that establishes multi-year price agreements with multiple contractors for individual categories of work where the pricing is predetermined.

The Council authorized the use of JOC for asphalt and concrete paving and repair projects via Ordinance No. 189489, passed on May 8, 2019, and for building alteration projects via Ordinance No. 190061, passed on July 22, 2020. Accordingly, price agreements were competitively solicited and awarded for a not to exceed amount of \$5,000,000.

JOC has proven to be an effective project delivery method for routine construction work and these price agreements are at capacity. Procurement Services seeks authority to increase the not to exceed amount by \$5,000,000 to continue with faster project delivery through streamlined engineering, design and procurement processes; assurance of cost reasonableness; opportunities for local small and disadvantaged businesses; and improved partnering relationships with general contractors.

No revenues will be impacted by this Council action.

This Council action does not change existing City policy.

### **Financial and Budgetary Impacts**

Work performed under the Price Agreements will be funded from each individual Bureau's CIP budget when the project is established.

### **Community Impacts and Community Involvement**

The City of Portland has a core goal and objective to increase opportunities for local small and disadvantaged firms.

The following are community benefits associated with this Council action:

- JOC saves time and money. Simplifies and expedites the procurement process and saves on administrative costs.
- More projects completed on time and on budget. The collaborative information sharing, detailed project scopes, and proven processes will improve the quality of the work and speed project delivery.
- Enhanced cost transparency given the predetermined and standardized unit prices that are based on local labor, material and equipment prices and are for the direct cost of construction. Each project cost is developed via line item estimates/costs from the unit prices yielding full transparency and auditability.
- Reduction in deferred maintenance backlog. More projects are completed simultaneously per year.
- Fewer change orders. Better communication improves project scope development and yields elimination of contractor-driven change orders.
- Long-term partnerships. Development of partnership relationships with contractors based on their performance and increases local contractor participation.

No known person or group will be testifying.

#### 100% Renewable Goal

There is no direct impact to the City's 100% Renewable Energy Goal resulting from this Council action.

## **Budget Office Financial Impact Analysis**

This action authorizes amendment to three price agreement for Job Ordering Contracting to increase the will not exceed amount by \$5 million per agreement. This action requires no additional appropriations as the work performed will be funded from relevant bureaus' project CIP budgets via the annual Adopted Budget.

# Agenda Items

696 Consent Agenda in <u>August 23, 2023 Council Agenda</u> (<u>https://www.portland.gov/council/agenda/2023/8/23</u>)

Passed

Commissioner Rene Gonzalez Yea

Commissioner Mingus Mapps Yea

Commissioner Carmen Rubio Absent

Commissioner Dan Ryan Yea

Mayor Ted Wheeler Yea