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143-2024

Report

Accept bid of Brown Contracting, Inc. for the SW 4th Ave Improvement Project for \$15,935,568 (Procurement Report - ITB 00002199)

Accepted

TO THE COUNCIL:

On June 22, 2022, Council approved Ordinance Number 190894 for Procurement Services to competitively solicit the SW 4th Avenue Improvement Project in accordance with PCC 5.34. The Chief Procurement Officer has advertised and received bids for Bid Number 00002199 on behalf of the Portland Bureau of Transportation (PBOT), with a project construction estimate of \$13,264,230.83. PBOT rated the project estimate confidence level as moderate.

Bids were opened on November 2, 2023, and two (2) bids were received. In accordance with ORS 279C.340, since all Responsive Bids from Responsible Bidders on this competitively Bid Project exceeded the City's Cost Estimate, prior to Contract Award the City negotiated Value Engineering and Other Options with the Responsible Bidder submitting the lowest, Responsive Bid in an attempt to bring the Project within the City's Cost Estimate. During this process, the Scope of the Project has not significantly changed from the original Bid. The lowest responsive bid is from Brown Contracting, Inc., thus it is recommended that their bid be accepted at the estimated unit prices quoted for a total bid amount of \$15,935,568, which is 20.1% over the engineer's estimate of \$13,264,230.

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. **Brown Contracting, Inc. has committed to subcontract 20.01% to COBID Certified firms as follows:**

Subcontractor	Certification	Area of Work	Ownership	Amount
Eugene William Construction, LLC	DBE, ESB, MBE	Pipe	Native American (Indian)/Male	\$929,547
IMN TRAFFIC SPECIALTIES LLC	DBE, ESB, MBE, WBE	Traffic Control	African American (Black)/Female	\$322,072

Introduced by

[Mayor Ted Wheeler](#)

Bureau

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

Contact

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Requested Agenda Type

Regular

Date and Time Information

Requested Council Date
February 14, 2024
Time Requested
15 minutes

JTWA Trucking LLC	DBE, ESB, MBE	Trucking	African American (Black)/Male	\$69,000
Andersons Erosion Control, Inc.	DBE, WBE	Landscaping	Caucasian (White)/Female	\$58,289
Cartello Construction	DBE, WBE	Signs	Caucasian (White)/Female	\$240,643
CBK Constructors, LLC	DBE, WBE	Handrails	Caucasian (White)/Female	\$28,254
Kodiak Pacific Construction Co.	WBE	Asphalt	Caucasian (White)/Female	\$1,540,705
Total				\$3,188,510

Brown Contracting, Inc. acting as the prime contractor intends to self-perform 47.62% of the work and to subcontract 32.37% to the following non-certified firm:

Subcontractor	Area of Work	Amount
Prairie Electric Inc	Electrical	\$4,642,059
Specialized Pavement Marking LLC	Striping	\$516,740
Total		\$5,158,799

Brown Contracting, Inc. is located in Eugene, Oregon, and is not a State COBID Certified firm 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.

PBOT has funds budgeted in FY 2023-2024 and 2024-2025 for construction, inspection, and management of the project. Project funding sources include funds from PBOT (Fixing Our Streets, Transportation System Development Charges, Signals and Streetlighting) and from project partners (TriMet and Prosper Portland).

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 Brown Contracting, Inc.

Recommended by:

Biko Taylor

Chief Procurement Officer

BT: veh

Impact Statement

Purpose of Proposed Legislation and Background Information

Authorize the Chief Procurement Officer to execute a construction contract for the SW 4th Avenue Improvement Project to Brown Contracting, Inc. The construction cost based on bids received is \$15,935,568.

This project is part of the Portland Bureau of Transportation's (PBOT) Central City in Motion plan. The project will reconstruct and repave SW 4th Avenue from SW Lincoln to Burnside while adding a protected bikeway and bus and turn lane. The project will have widespread transit benefits, improving transit speed and reliability for Tri Met passengers riding the new Division FX line as well as the Lines 9, 12, 43, and 44, benefitting bus riders connecting from St. Johns to PCC Sylvania and the Gresham, Parkrose, and Tigard Transit Centers. The project will improve transportation safety and provide a long lacking northbound cycling connection through Portland State University and downtown Portland. The project will improve the pedestrian environment, upgrading deteriorating streetlights, reconstructing corner ramps to meet modern accessibility standards, and improving pedestrian crossings.

Ordinance No.190894 was approved by City Council on June 22, 2022, authorizing the Chief Procurement Officer to issue a competitive solicitation for the SW 4th Avenue Improvement Project on behalf of PBOT.

No revenues will be impacted by this legislation.

This legislation does not change existing City policy.

Financial and Budgetary Impacts

Based on bids received, PBOT anticipates the construction contract cost to be \$15,935,568. The engineer's estimate for this project was \$13,264,230.83 and the confidence level was moderate.

PBOT conducted a bid analysis and found that the bid provided is competitive and not materially unbalanced. The lowest apparent bidder (Brown Contracting, Inc.) has a base bid amount of \$14,937,059.00. Engineer's estimate is well under the Base Bid work amounts at \$13,264,230. PBOT is unable to award all of Alternate 2 (and none of Alternate 1). Quantities of Unit Price items have been adjusted to the amount of Alternate 2 that PBOT can award, removing signal and associated flatwork at Broadway and Oak and 12th and Jefferson. The associated quantity adjustments will result in a total Base Bid plus Alternate 2 award value of \$15,935,586.00 to Brown Contracting, Inc.

PBOT has funds budgeted in FY 2023-2024 and 2024-2025 for construction, inspection, and management of the project. Project funding sources include funds from PBOT (Fixing Our Streets, Transportation System Development Charges, Signals and Streetlighting) and from project partners (TriMet and Prosper Portland).

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

Community Impacts and Community Involvement

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 29, 2023.

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

No known persons or groups will be testifying.

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

100% Renewable Goal

The City of Portland's Central City 2035 Plan and Transportation System Plan both call for transit, walking, and bicycling to account for 85 percent of all Central City trips.

Central City in Motion projects like the SW 4th Avenue Improvement project are key for accomplishing this adopted goal.

Robust transportation options provided by a complete cycling network, safer crossings and faster and more reliable transit will offer more people including the tens of thousands of new commuters and residents coming to the Central City- more choices about how to get around today and in the future.

Investing in these projects will also maintain roadway space for people who need to drive, and for businesses that need goods and services access to the Central City.

Budget Office Financial Impact Analysis

This action accepts construction bid from Brown Contracting for the SW 4th Ave Improvement project in the amount of \$15,935,568. PBOT budgeted \$11,454,689 in the bureau's FY2023-24 Adopted CIP and will require additional resources allocated in FY2024-25 CIP Budget. The project is leveraging Fixing Our Streets, SDC, and Signals and Streetlighting revenues, as well as partnering funds from Prosper Portland and TriMet.

Agenda Items

143 Regular Agenda in [February 14, 2024 Council Agenda](https://www.portland.gov/council/agenda/2024/2/14)
(<https://www.portland.gov/council/agenda/2024/2/14>)

Accepted - Prepare Contract

Motion to accept the report: Moved by Mapps and seconded by Gonzalez.

Commissioner Carmen Rubio Yea

Commissioner Dan Ryan Yea

Commissioner Rene Gonzalez Yea

Commissioner Mingus Mapps Yea

Mayor Ted Wheeler Yea