

## FINANCIAL IMPACT STATEMENT For Council Action Items

INITIATOR'S SUMMARY OF COUNCIL ACTION (Deliver original to Financial Planning Division. Retain copy.)

1. Name of Initiator Craig Sautter	2. Telephone No. 503-823-1549	3. Bureau/Office/Dept. Water Bureau/Public Safety
4a. To be filed (date) March 3, 2011	4b. Calendar (Check One) Regular <input type="checkbox"/> Consent <input checked="" type="checkbox"/> 4/5ths <input type="checkbox"/>	5. Date Submitted to FPD Budget Analyst: February 22, 2011

1) **Legislation Title:** \*Authorize a Price Agreement with Ferguson Enterprises, Inc., to provide Miscellaneous Water Works Supplies for a five year contractual total not to exceed \$6,000,000. (Ordinance)

2) **Purpose of the Proposed Legislation** The purpose of this action is to authorize a Price Agreement with Ferguson Enterprises, Inc., to provide Miscellaneous Water Works Supplies for up to a 5-year period. The ordinance has estimated not to exceed costs of \$1,200,000 per year. The total not to exceed amount for all 5 years is \$6,000,000.

3) **Revenue:**

Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If new revenue is generated, please identify the source.  
No.

4) **Expense:**

What are the costs to the City as a result of this legislation? What is the source of funding for the expense? (Please include costs in the current fiscal year as well as costs in future years.) (If the action is related to a grant or contract, please include the local contribution or match required.)

The Water Bureau anticipated cost for this Price Agreement is \$1,200,000 per year and is available in the FY 2010-11 Budget. Additional funds will be requested in the FY 2011-12 through 2015-16 Budgets.

**Staffing Requirements:**

5) Will any positions be created, eliminated or re-classified in the current year as a result of this legislation? (If new positions are created, please include whether they will be part-time, full-time, limited-term or permanent positions. If the position is limited-term, please indicate the end of the term.)  
No.

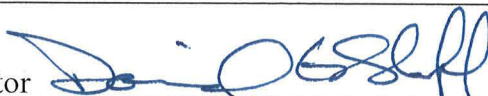
6) Will positions be created or eliminated in future years as a result of this legislation?  
No.

COMPLETE THE FOLLOWING SECTION ONLY IF AN AMENDMENT TO THE BUDGET IS PROPOSED.

7) **Change in Appropriations:** (If the accompanying ordinance amends the budget, please reflect the dollar amount to be appropriated by this legislation. Include the appropriate cost elements that are to be loaded by accounting. Indicate "new" in Fund Center column if new cost element needs to be created. Use additional space if needed.)

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Amount

David G. Shaff, Administrator



APPROPRIATION UNIT HEAD



# CITY OF PORTLAND

## OFFICE OF MANAGEMENT AND FINANCE

Sam Adams, Mayor  
Kenneth L. Rust, Chief Administrative Officer  
Jeffrey B. Baer, Director, Bureau of Internal Business Services

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**FOR MAYOR'S OFFICE USE  
ONLY**

Reviewed by Bureau Liaison \_\_\_\_\_

184456

**DATE:** February 22, 2011

**TO:** Mayor Sam Adams

**FROM:** Christine Moody *CMoody*

**RE:** \*Authorize a Price Agreement with Ferguson Enterprises, Inc., to provide Miscellaneous Water Works Supplies for a five year contractual total not to exceed \$6,000,000. (Ordinance)

1. **INTENDED THURSDAY FILING DATE:** March 3, 2011
2. **REQUESTED COUNCIL AGENDA DATE:** March 9, 2011
3. **CONTACT NAME & NUMBER:** Christine Moody x31095
4. **PLACE ON:** ☒ **CONSENT** ☐ **REGULAR**
5. **BUDGET IMPACT STATEMENT ATTACHED:** ☒ **Yes** ☐ **No** ☐ **N/A**
6. **ONE (1) ORIGINAL OF CONTRACT "APPROVED AS TO FORM" BY CITY ATTORNEY ATTACHED:** ☐ **Yes** ☐ **No** ☒ **N/A**

### 7. BACKGROUND/ANALYSIS:

The Water Bureau routinely is required to purchase water works supplies which are used to maintain the City's Water Works infrastructure. This work involves both new service installation as well as routine and emergency maintenance and requires an on-going source of supply in order to ensure on-time maintenance delivery. The most cost effective way to procure the necessary water works supplies is on a long term contractual basis so as to continue an uninterrupted flow of the necessary supplies. The most reliable source of supply is based on a competitive solicitation which ensures the best value for taxpayers of the City of Portland.

Request For Proposals (RFP) No. 112420 was issued November 24, 2010 for Miscellaneous Water Works Supplies and four proposals were received. Ferguson received the highest evaluated score; evaluation criteria included Price, Environmental and Sustainability requirements, and Diversity in Employment and Contracting requirements. It has been determined that it is most beneficial to the City to award a Price Agreement to Ferguson Enterprises, Inc., for the not to exceed amount of \$6,000,000 for the five year contractual period.

**Legal issues** - none known

**Controversial issues** - none known

**Citizen participation** - Mr. Theodore Poole, a manufacturing engineer, participated as an evaluator under the Minority Evaluator Program.

**Link to current city policies** - none

**Other governmental participation** - none

*An Equal Opportunity Employer*

*To help ensure equal access to programs, services and activities, the Office of Management & Finance will reasonably modify policies/procedures and provide auxiliary aids/services to persons with disabilities upon request.*

**8. FINANCIAL IMPACT:**

The Water Bureau's anticipated cost for this Price Agreement is \$1,200,000 per year and funding is available in the FY 2010-11 Budget. Additional funds will be requested in the FY 2011-12 through 2015-16 Budgets..

**9. RECOMMENDATION/ACTION REQUESTED:**

Authorize a Price Agreement with Ferguson Enterprises, Inc., to provide Miscellaneous Water Works Supplies for a 5-year contractual total not to exceed \$6,000,000.