



# CITY OF PORTLAND

## OFFICE OF MANAGEMENT AND FINANCE

Sam Adams, Mayor

Jack D. Graham, Chief Administrative Officer

Jeffrey B. Baer, Director, Bureau of Internal Business Services

Christine Moody

Chief Procurement Officer

Procurement Services

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### CONSENT CALENDAR

September 7, 2011

#### TO THE COUNCIL:

The Chief Procurement Officer has advertised and received bids for Bid Number 113021 for the Westside and Eastside Sewer Rehabilitation Project for the Bureau of Parks and Recreation, with a project construction estimate of \$ 4,000,000. The Bureau of Parks and Recreation rates the level of project estimate confidence as High.

Bids were opened on July 26, 2011, and four (4) bids were received. The low bid of Insituform Technologies, Inc. was deemed responsive to the requirements of the solicitation. Therefore, it is recommended that the bid of Insituform Technologies, Inc. be accepted at the unit price quoted in their bid for a total amount of \$ 2,673,603.00.

The Bureau of Environmental Services along with Procurement Services, identified five (5) Divisions of Work as potential M/W/ESB subcontracting opportunities for this project, resulting in \$ 978,749.30 awarded to subcontractors.

The Divisions of Work identified were:

Asphalt Paving	Excavating	Hauling Services	Sewer, Water, & Storm Drain Work	Traffic Control Services
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In their bid Insituform Technologies, Inc., indicated their intent to self perform the following divisions of work:

Sewer, Water, & Storm Drain Work

MWESB participation represents 9.3 % or \$ 91,400.00 of the estimated subcontracting dollars.

- WBE - \$ 91,400.00 performing Traffic Control Services.

Insituform Technologies, Inc. has a current City of Portland Business License and their EEO Certification is current through June 17, 2013. The company is located in Chesterfield, MO, and is not a State Certified M/W/ESB Contractor.

#### *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.*

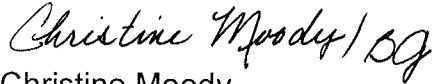
Insituform Technologies, Inc. is in Full Compliance with the Equal Benefits Program.

Funds are available for this project under Owner Cost Center ESEN000012.

It is further recommended that a Performance Bond and a Payment Bond each in the amount of 100% of the contract amount be furnished by the Contractor.

The bid sureties of the remaining bidders should be returned immediately in compliance with Section 5.34.410D of the City Code.

Recommended by:

A handwritten signature in cursive script, reading "Christine Moody" followed by a stylized monogram or initials.

Christine Moody  
Chief Procurement Officer

CM:mp

BUREAU OF ENVIRONMENTAL SERVICES  
M E M O R A N D U M  
ENGINEERING SERVICES DIVISION

**DATE:** July 28, 2011

**TO:** Kathleen Brenes-Morua, Procurement Services

**THROUGH:** Mark Hutchinson, Construction Division Manager

Susan Aldrich, CIP Manager

**FROM:** Fahim Rahman, Construction Project Manager

Colleen Harold, Design Project Manager



(SEE ATTACHED COMMENT)

**RE:** Bid No. 113021

Project No. E09121

**SUBJECT:** Contract Award Recommendation

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We have reviewed the bids for this project.

The proposal from Insituform Technologies, Inc. shows a bid amount of \$2,673,603.00, which is 31.52% under the Engineer's Estimate of \$3,904,143.00 and is the apparent low bid.

We therefore recommend that Procurement Services accept the proposal from Insituform Technologies, Inc., the apparent low bidder, as the lowest responsible bidder. This recommendation is subject to your evaluation of the bid packet for completeness and responsiveness.

Please contract me at 503-823-7217, if you have any questions.

cc: Scott Gibson

Ted Luyben

John Houle

Scott MacKenzie

Sonny Nguyen

Bill Ryan

Dave Nunamaker

Jaime de la Garza

Neil Bruesch

Neil Choate

Const. File w/sup.docs

ec: Susan Wheaten

TRIM Folder 54.0

Attachment: Bid Tabs

FSR/kmf

The breakdown of Insituform's bid is as blow :

CIPP lining	\$ 1,694,853.71	by Insituform
Manhole's, excav etc	714,467.30	by Canby Exc
Video,TVing, pipe cleaning	66,642.00	by Bravo Env
Traffic & Flagging	91,400.00	by D & H
Bypass Pumping	<u>106,240.00</u>	by Godwin
Total	2,673,603	

\$1,694,853.71 for CIPP work is not low as it appears because Insituform has bid \$1,400,000 for the same work as a sub to Emery & Sons in this bidding process

Therefore I can say with confidence that we have a good Bid.

  
Fahim Rahman 1/28/2011

**GOOD FAITH EFFORT (GFE)  
COMPLIANCE REPORT**

*Handwritten initials: JRM, JH*

Submission substantially complies with Good Faith Effort Requirements		<b>YES</b>	<b>NO</b>
Reviewed by:	Jin Huang		
Date:	8/3/2011		

**PROJECT INFORMATION**

PROJECT NAME & BUREAU	Westside & Eastside Sewer Rehab (BES)
BID NUMBER	113021
PRE-BID DATE	06/21/2011
BID OPEN DATE	07/26/2011
BID AMOUNT	\$2,673,603
CONTRACTOR	Insituform Technologies, Inc.

**AT BID SUBMISSION**

QUESTION	YES	NO
Did contractor submit the GFE Form 1 (Subcontractor and Self-Perform Work List)?	<b>X</b>	

**MWESB PARTICIPATION – Total Bid**

PARTICIPATION TYPE	TOTAL \$	PERCENTAGE OF TOTAL BID AMOUNT
<b>MBE</b>	<b>\$0</b>	<b>0%</b>
<b>WBE</b>	<b>\$91,400</b>	<b>3.4%</b>
<b>ESB</b>	<b>\$0</b>	<b>0%</b>
<b>Total MWESB Participation</b>	<b>\$91,400</b>	<b>Total bid – 3.4% Subcontract percentage – 9.3%</b>

**MWBE PARTICIPATION – Subcontracting (35% Aspirational goal)**

TOTAL OF ALL SUBCONTRACTS (including non-certified firms)	TOTAL MBE & WBE SUBCONTRACTS	PERCENTAGE OF MWBE SUBCONTRACTS
<b>\$978,749.30</b>	<b>\$91,400</b>	<b>9.3%</b>

**GOOD FAITH DOCUMENTATION (24 HOURS AFTER BID OPENING)**

	QUESTION	YES	NO	NOTES
1.	<i>Did prime contractor attend the mandatory pre-bid meeting? (If pre-bid meeting was waived, note in NOTES column.) Check sign-up sheet with Buyer.</i>	<b>X</b>		
2.	<i>Did contractor explain why identified divisions of work (DOW) were not included for subcontracting? (See Form 1)</i>	<b>X</b>		
3.	<i>Were letters or faxes sent to all M/W/ESBs (in identified DOW's to be subcontracted) at the pre-bid meeting?(Form 2)</i>	<b>X</b>		
4.	<i>Was a minimum of five (5) M/W/ESB firms contacted (in each identified DOW to be subcontracted) by letter or fax to bid on this project?(Form 2)</i>		<b>X</b>	See notes
5.	<i>Were M/W/ESB firms contacted at least seven (7) calendar days before the bid opening?(Form 2)</i>	<b>X</b>		
6.	<i>Is a copy of the letter or fax sent to potential M/W/ESB subs included in Good Faith documentation?</i>	<b>X</b>		
7.	<i>Did prime provide a completed M/W/ESB Contact/Bids Received Log (Form 2)?</i>	<b>X</b>		

**GOOD FAITH EFFORT ANALYSIS**

1.	<i><b>Divisions of Work Identified by City:</b> Asphalt Paving, Excavating, Hauling Services (Trucking), Sewer, Water &amp; Storm Drain Work, and Traffic Control Services (includes TPDT).</i>
2.	<i><b>Rationale for non-utilization of subcontractors for suggested Divisions of Work:</b> Self-Performing.</i>
3.	<i><b>All Divisions of Work to be used on this project:</b> Same as #1.</i>
4.	<i><b>Certified Subcontractors' name, Cert Type, and Subcontract amount used on the Project:</b> D &amp; H Flagging Inc. (WBE) - \$91,400.</i>
5.	<i><b>Subcontractor names and subcontract amounts awarded to non-certified firms:</b> Canby Excavating, Inc. - \$714,467.30; Bravo Environmental NW, Inc. - \$66,642.00; and Godwin Pumps of America - \$106,240.00.</i>
6.	<i><b>Divisions of Work retained by Prime:</b> Sewer, Water &amp; Storm Drain Work.</i>
7.	<i><b>Bids received from certified firms (not used):</b> Don Hines Trucking (WBE) - various price list and Northwest Infrastructure, Inc. (MBE) - various price list.</i>
8.	<i><b>Check Compliance file for prime contractor. Are there any contract compliance issues in the prime's Compliance file (last 3 years) that should be noted for the Purchasing Agent's Report to Council?</b> None</i>
9.	<i><b>Any special Good Faith Efforts undertaken by the Prime Contractor?</b> Yes. Prime contacted more than required number of MWESB's in some Divisions of Work.</i>
10.	<i><b>List of other prime bids received: Note any special Good Faith Efforts taken by the Prime Contractor and if good faith effort documentation submitted (Forms 1/2).</b> Emery &amp; Sons - \$3,116,724(Form 1); Spiniello Companies - \$4,073,727.50 (Form 1 &amp; 2); and Michels Corporation - \$3,278,921.50 (Form 1).</i>

**NOTES:**

EEO cert: 06/17/13  
 COP Lic: 406796  
 CCB Lic: 133115

**Issues:**

1. Form 2 – Only 6 truckers are listed as being contacted; there should have been 8 due to 3 prebid attendees. Of the 2 not contacted, Salt & Pepper, a prebid attendee was not listed as being contacted.

*\*\*Confirmed with Insituform that Salt & Pepper was contacted via fax regarding subcontracting opportunities. Mr. Beck forgot to include them on Form 2.*

2. Bud Bellamy is listed under Excavating and Asphalt Paving, but not currently certified. Received information from Office of Minority, Women, and Emerging Small Business that this firm lost their certification on July 5, 2011. The prebid was June 21, 2011, therefore, this isn't an issue.

**Clarifications: (Spoke to: Jeff Beck 425-392-5757)**

Although, Insituform did not list Salt & Pepper on Form 2, S&P was indeed contacted regarding subcontracting opportunities. Mr. Beck has fax confirmation, if needed.

**Recommendation:** Approval. The prime is in substantial compliance with the GFE Program Requirements. Although, Insituform contacted one less than the required number of MWESB's for Hauling Services, they exceeded the overall requirement. They contacted 31 MWESB's, when they were only required to contact 28 in all DOW.

Divisions of Work	# MWESB's Contacted	# Bids Received	# Bids Used
91395 ASPHALT PAVING	5	0	0
91244 EXCAVATING	7	1	0
96239 HAULING SERVICES	7	1	0
91345 SEWER, WATER & STORM DRAIN WORK	6	1	0
96884 TRAFFIC CONTROL SERVICES	6	1	1

Comparatively, the next low bidder: Emery & Sons had no MWESB participation.


**Level of effort:**

	<b>High</b>	Met the aspirational goal.
<b>x</b>	<b>Moderate</b>	Exceeded the solicitation requirements and/or achieved some participation.
	<b>Low</b>	Met the minimal solicitation requirements but achieved NO participation.

Cc: Susan Wheaton – BES reports

Agenda No.  
**REPORT NO.**  
 Title

Accept bid of Insituform Technologies, Inc. for the Westside and Eastside Sewer Rehabilitation Project for \$ 2,673,603.00 (Procurement Report - Bid No. 113021)

<p><b>INTRODUCED BY</b>          Commissioner/Auditor:  <del>Commissioner Saltzman</del>  <b>Mayor Adams</b></p>	<p>CLERK USE: DATE FILED <u>SEP 01 2011</u></p>
<p><b>COMMISSIONER APPROVAL</b></p> <p>Mayor—Finance and Administration - Adams</p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Leonard</p>	<p style="text-align: right;">LaVonne Griffin-Valade Auditor of the City of Portland</p> <p>By:  Deputy</p>
<p><b>BUREAU APPROVAL</b></p> <p>Bureau: Procurement Services          Bureau Head: Christine Moody, CPO</p>	<p><b>ACTION TAKEN:</b></p> <p><b>SEP 07 2011 ACCEPTED PREPARE CONTRACT</b></p>
<p>Prepared by: Michael Perrie          Date Prepared: August 24, 2011</p>	
<p>Financial Impact &amp; Public Involvement Statement          Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p>	
<p>Council Meeting Date  <b>September 7, 2011</b></p>	
<p><b>City Attorney Approval</b></p>	

<b>AGENDA</b>
<p><b>TIME CERTAIN</b> <input type="checkbox"/></p> <p>Start time: _____</p> <p>Total amount of time needed: _____          (for presentation, testimony and discussion)</p>
<p><b>CONSENT</b> <input checked="" type="checkbox"/></p>
<p><b>REGULAR</b> <input type="checkbox"/></p> <p>Total amount of time needed: _____          (for presentation, testimony and discussion)</p>

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	✓	
2. Fish	2. Fish	✓	
3. Saltzman	3. Saltzman	✓	
4. Leonard	4. Leonard	✓	
Adams	Adams	✓	