

Portland, Oregon

## FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT For Council Action Items

(Deliver original to Financial Planning Division. Retain copy.)

1. Name of Initiator Kathleen Brenes-Morua		2. Telephone No. 503-823-5371	3. Bureau/Office/Dept. Procurement Services
4a. To be filed (date):  July 28, 2011	4b. Calendar (Check One)  <div style="display: flex; justify-content: space-around;"> <span>Regular <input checked="" type="checkbox"/></span> <span>Consent <input type="checkbox"/></span> <span>4/5ths <input type="checkbox"/></span> </div>		5. Date Submitted to Commissioner's office and FPD Budget Analyst:
6a. Financial Impact Section: <input checked="" type="checkbox"/> Financial impact section completed		6b. Public Involvement Section: <input checked="" type="checkbox"/> Public involvement section completed	

### 1) Legislation Title:

Accept the Minority, Women and Emerging Small Business Program Plan of SSC Construction, Inc. for the Powell Butte Reservoir No. 2 Phase 2 Project as part of the Phase 1 (Limited) Notice to Proceed (Procurement Report - Bid No. 112503)

### 2) Purpose of the Proposed Legislation:

Accept the Minority, Women and Emerging Small Business Program Construction Plan of SSC Construction, Inc. for the Powell Butte Reservoir No. 2 Phase 2 Project.

### 3) Which area(s) of the city are affected by this Council item? (Check all that apply—areas are based on formal neighborhood coalition boundaries)?

- |  |   |                                    |                                |
|--|---|------------------------------------|--------------------------------|
| <input type="checkbox"/> City-wide/Regional                | <input type="checkbox"/> Northeast            | <input type="checkbox"/> Northwest | <input type="checkbox"/> North |
| <input type="checkbox"/> Central Northeast                 | <input checked="" type="checkbox"/> Southeast | <input type="checkbox"/> Southwest | <input type="checkbox"/> East  |
| <input type="checkbox"/> Central City                      |   |                                    |                                |
| <input type="checkbox"/> Internal City Government Services |   |                                    |                                |

## FINANCIAL IMPACT

### 4) Revenue: Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If so, please identify the source.

No.

### 5) Expense: What are the costs to the City related to 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. If there is a project estimate, please identify the level of confidence.)

Construction contract cost based on bids received is \$80,238,574.00

**6) Staffing Requirements:**

- **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.

- **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 center needs to be created. Use additional space if needed.)*

<b>Fund</b>	<b>Fund Center</b>	<b>Commitment Item</b>	<b>Functional Area</b>	<b>Funded Program</b>	<b>Grant</b>	<b>Sponsored Program</b>	<b>Amount</b>

**[Proceed to Public Involvement Section — REQUIRED as of July 1, 2011]**

## **PUBLIC INVOLVEMENT**

**8) Was public involvement included in the development of this Council item (e.g. ordinance, resolution, or report)? Please check the appropriate box below:**

☒ **YES:** Please proceed to Question #9.

☐ **NO:** Please, explain why below; and proceed to Question #10.

**9) If “YES,” please answer the following questions:**

**a) What impacts are anticipated in the community from this proposed Council item?**

The construction of a 50 million gallon buried reservoir at Powell Butte for terminal storage, approximately 5,000 linear feet of a new supply pipeline (Conduit 5), reservoir overflow piping, minor modifications to the outfall structure near Johnson Creek, new vaults, a maintenance and storage facility, a new caretaker's house, an interpretive center, park improvements, and mitigation work. The project will provide terminal storage, reduce vulnerabilities of the water system and is part of the program to maintain compliance with the Environmental Protection Agency's Long Term 2 Enhanced Surface Water Treatment Rule (LT2).

**b) Which community and business groups, under-represented groups, organizations, external government entities, and other interested parties were involved in this effort, and when and how were they involved?**

The construction contracting community, including contractors certified with the State of Oregon as minority, women, and emerging small businesses. They became involved when the project advertised for bids on December 13, 2010. Additionally, a prebid meeting was held on December 21, 2010 and other outreach has been conducted by the contractor and the City to solicit participation of minority, women, and emerging small business subcontractors on the project. See Exhibit A- Minority, Women, and Emerging Small Business Program Construction Plan for additional information on outreach efforts.

**c) How did public involvement shape the outcome of this Council item?**

Participation of minority, women, and emerging small business subcontractors was sought and acquired.

**d) Who designed and implemented the public involvement related to this Council item?**

Procurement Services advertised the project for bids and held the prebid meeting that was open to the construction contracting community, including contractors certified with the State as minority, women, and emerging small businesses. During the course of the project, the prime contractor will implement the continued outreach efforts.

**e) Primary contact for more information on this public involvement process (name, title, phone, email):**

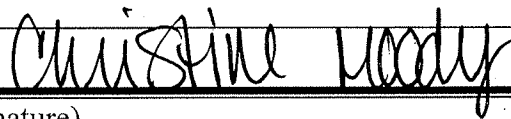
Kathleen Brenes-Morua, Construction Procurement Supervisor, 503-823-5371,  
[Kathleen.Brenes-Morua@portlandoregon.gov](mailto:Kathleen.Brenes-Morua@portlandoregon.gov)

Mick Haggerty, SSC Construction, Inc, 360-334-7846, [mhaggerty@sscconstruction.net](mailto:mhaggerty@sscconstruction.net)

**10) Is any future public involvement anticipated or necessary for this Council item? Please describe why or why not.**

Outreach to minority, women, and emerging small businesses will continue throughout the life of the project to maximize their participation on the project. See Exhibit A-Minority, Women, and Emerging Small Business Program Construction Plan for additional information on outreach efforts.

Christine Moody, Chief Procurement Officer



BUREAU DIRECTOR (Typed name and signature)



# 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

1120 S.W. Fifth Avenue, Rm. 750

Portland, Oregon 97204-1912

(503) 823-5047

FAX (503) 823-6865

TTY (503) 823-6868

### MEMORANDUM

**DATE:** August 3, 2011  
**TO:** Mayor Sam Adams  
**FROM:** Christine Moody, Chief Procurement Officer *CM*  
**SUBJECT:** Accept the Minority, Women and Emerging Small Business Program Plan of SSC Construction, Inc. for the Powell Butte Reservoir No. 2 Phase 2 Project as part of the Phase 1 (Limited) Notice to Proceed (Procurement Report - Bid No. 112503)

1. INTENDED THURSDAY FILING DATE: July 28, 2011
2. REQUESTED COUNCIL AGENDA DATE: August 3, 2011
3. CONTACT NAME & NUMBER: Christine Moody, 503-823-1095
4. PLACE ON: ☐ CONSENT ☒ REGULAR
5. BUDGET IMPACT STATEMENT ATTACHED: ☒ Y ☐ N ☐ N/A
6. ONE (1) ORIGINAL COPY OF THE CONTRACT APPROVED AS TO FORM BY CITY ATTORNEY ATTACHED: ☐ Yes ☐ No ☒ N/A

7. **BACKGROUND/ANALYSIS:** Ordinance No. 184328 adopted on December 15, 2010 authorized a contract and provided for payment for the Powell Butte Reservoir No. 2 Phase 2 Project. At that time, City Council also authorized the use of a modified good faith effort process in which the awarded contractor was required to create a Minority, Women and Emerging Small Business Outreach Program Plan that must be approved and accepted in order to receive the Phase 1 (Limited) Notice to Proceed to begin construction work. The use of a modified good faith effort process was determined to be necessary to ensure maximization of minority, women and emerging small business (M/W/ESB) participation on this project. The standard Good Faith Effort Program only applies to prime contractors and it does not require good faith efforts be conducted for lower tier subcontracting opportunities. Based on the size and scope of the work for this project, it was determined there would be significant first-tier subcontracts apportioned to the piping, site civil, facilities, and landscaping work that will more than likely exclude M/W/ESB subcontractors due to the complexity and size of the work. The modified good faith effort process went one step further requiring the first-tier subcontractors to perform good faith efforts with M/W/ESB firms for any work they intend to subcontract, thus maximizing the potential for M/W/ESB participation.

*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 Engineer's estimate for the project specified in Ordinance No. 184328 was \$100,000,000.00 with an optimal confidence rating. Funding for this project is available in the FY 2010-11 Budget and will be budgeted in FY 2011-12, FY 2012-13 and FY 2013-14 Budgets, Portland Water Bureau, WBS Element W01343.2DC.

On May 25, 2011 SSC Construction, Inc's bid was accepted for a total amount of \$80,238,574.00.

9. **RECOMMENDATION/ACTION REQUESTED:** Accept the Minority, Women and Emerging Small Business Program Construction Plan of SSC Construction, Inc. for the Powell Butte Reservoir No. 2 Phase 2 Project

10. **SCOPE OF WORK ON PROJECT:** The Powell Butte Reservoir No. 2 Phase 2 Project involves the construction of a 50 million gallon buried reservoir at Powell Butte for terminal storage, approximately 5,000 linear feet of a new supply pipeline (Conduit 5), reservoir overflow piping, minor modifications to the outfall structure near Johnson Creek, new vaults, a maintenance and storage facility, a new caretaker's house, an interpretive center, park improvements, and mitigation work. The project will provide terminal storage, reduce vulnerabilities of the water system and is part of the program to maintain compliance with the Environmental Protection Agency's Long Term 2 Enhanced Surface Water Treatment Rule (LT2).