

FINANCIAL IMPACT STATEMENT For Council Action Items

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

1. Name of Initiator Teresa Elliott	2. Telephone No. 503-823-7622	3. Bureau/Office/Dept. Water Bureau/Public Safety
4a. To be filed (date) May 19, 2011	4b. Calendar (Check One) <div style="display: flex; justify-content: space-around;"> Regular <input checked="" type="checkbox"/> Consent <input type="checkbox"/> 4/5ths <input type="checkbox"/> </div>	5. Date Submitted to FPD Budget Analyst:

1) Legislation Title: Accept bid of SSC Construction, Inc. for the Powell Butte Reservoir No. 2 Phase 2 Project for \$80,238,574.00 (Procurement Report - Bid No.112503)

2) Purpose of the Proposed Legislation:

Authorize the Chief Procurement Officer to execute the construction contract.

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

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 Center Code column if new center 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

Christine Moody
Chief Procurement Officer
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MEMORANDUM

DATE: May 25, 2011
TO: Mayor Sam Adams
FROM: Christine Moody, Chief Procurement Officer *CM*
SUBJECT: Accept bid of SSC Construction, Inc. for the Powell Butte Reservoir No. 2 Phase 2 Project for \$80,238,574.00 (Procurement Report - Bid No. 112503)

1. **INTENDED THURSDAY FILING DATE:** May 19, 2011
2. **REQUESTED COUNCIL AGENDA DATE:** May 25, 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. City Council also authorized the use of a modified good faith effort process in which the awarded contractor is required to create a Minority, Women and Emerging Small Business Outreach Program Plan that must be approved and accepted in order to receive Notice to Proceed to begin construction work. The use of a modified good faith effort process is necessary to ensure maximization of minority, women and emerging small business (M/W/ESB) participation on the project. The standard Good Faith Effort Program only applies to the prime contractor and first-tier subcontracts, 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, there will 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 of the work. The modified good faith effort process requires these first-tier subcontractors to perform good faith efforts in acquiring M/W/ESB subcontractors for any work they intend to subcontract, thus maximizing the potential for M/W/ESB participation.

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

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.

in FY 2011-12, FY 2012-13 and FY 2013-14 Budgets, Portland Water Bureau, WBS Element W01343.2DC.

9. **RECOMMENDATION/ACTION REQUESTED:** Accept recommendation to award a contract to SSC Construction, Inc. in the amount of \$80,238,574.00.
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).