



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

Procurement Services

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Portland, Oregon 97204-1912

(503) 823-5047

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REGULAR CALENDAR

February 16, 2011

TO THE COUNCIL:

The Chief Procurement Officer has advertised and received bids for Bid Number 112419 for the CBWTP Chemically Enhanced Primary Treatment for the Bureau of Environmental Services, with a project construction estimate of \$3,200,000. The Bureau of Environmental Services rated the level of project estimate confidence as High.

Bids were opened on December 21, 2010, and Seven (7) bids were received. The low bid of Pease & Sons, Inc. was non responsive for failing to submit all documentation required in the Good Faith Effort Program. Therefore, it is recommended that the bid of Stellar J Corporation be accepted at the lump sum quoted in their bid for a total estimated amount of \$2,450,358.00.

The Bureau of Environmental Services along with Procurement Services, identified Eight (8) Divisions of Work as potential M/W/ESB subcontracting opportunities for this project, resulting in \$767,953.00 awarded to subcontractors.

The Divisions of Work identified were:

Asphalt Paving	Concrete Cutting	Concrete Work	Electical	Excavating
HVAC	Sewer, Water & Storm Drain Work	Surveying		

In their bid Stellar J Corporation, indicated their intent to self perform the following divisions of work:

Sewer, Water & Storm Drain Work	Excavating	Concrete Work		
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MWESB participation represents 13.1 % or \$ 100,560.00 of the estimated subcontracting dollars. Stellar J Corporation identified, solicited and awarded four (4) additional divisions of work to M/W/ESB Subcontractors in Masonry, Painting/Wallpapering, Hauling Services (Trucking) and Insulation that were not identified in the bid.

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.

- 001 -
- MBE - \$ 82,000 performing Painting, Insulation and Concrete Cutting.
 - WBE - \$ 8,560.00 performing Masonry and Trucking.
 - ESB - \$ 9,500.00 performing Surveying.

Stellar J Corporation has a current City of Portland Business License and their EEO Certification is current through May 31, 2011. The company is located in Woodland, Washington, and is not a State Certified M/W/ESB Contractor. The company is currently registered as an Oregon Business with the Secretary of State.

Stellar J Corporation is in Full Compliance with the Equal Benefits Program.

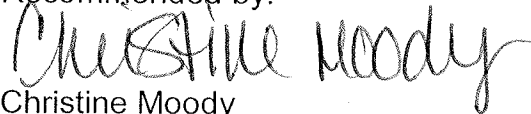
Funds are available for this project under Owner Cost Center, WBS Element E08910.

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.

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.

Recommended by:



Christine Moody
Chief Procurement Officer

CM:kbm

BUREAU OF ENVIRONMENTAL SERVICES
MEMORANDUM
Engineering Services

DATE: January 27, 2011

TO: Kathleen Brenes-Morua, Bureau of Purchases and Stores

FROM: David Hammond, Construction Project Mgr.
Garry Ott, Design Project Mgr.

THROUGH: Mark Hutchinson, Construction Division Manager
Susan Aldrich, CIP Manager

SUBJECT: Awarding Contract for: CBWTP Chemically Enhanced Primary Treatment Project
Bid No. 112419, Project No. E08910



We have reviewed the bids for this project.

The previously recommended low bid from Pease & Sons, Inc. was determined by Procurement Services to be non-responsive to the Good Faith Effort requirements.

The proposal from Stellar J Corporation shows a bid amount of \$2,450,358.00, which is 5.2% over the Engineer's Estimate of \$2,329,178.00 and is the current apparent low bid.

We therefore recommend that the Bureau of Internal Business Services: Procurement Services, accept the proposal from Stellar J Corporation, 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 contact me at 503-823-9686 if you have any questions.

cc: Paul Suto
James Oehler
Mike Lombardi (does not want a copy)
Jaime De La Garza
Scott Gibson
Bill Ryan (w/o attach.)
Dave Nunamaker
Susan Wheaton
Materials Testing Laboratory
BES File w/sup.docs

Attachment: Bid Tabs

DRH/JMS

**GOOD FAITH EFFORT
COMPLIANCE REPORT**

JSM

Submission substantially complies with Good Faith Effort Requirements		YES NO
Reviewed by:	Brenda Kern	
Date:	1-20-11	

PROJECT INFORMATION

PROJECT NAME & BUREAU	CBWTP Chemically Enhanced Primary Treatment (BES)
BID NUMBER	112419
PRE-BID DATE	11-30-10
BID OPEN DATE	12-21-10
BID AMOUNT	\$2,450,358
CONTRACTOR	Stellar J Corporation

AT BID SUBMISSION

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

MWESB PARTICIPATION – Total Bid

PARTICIPATION TYPE	TOTAL \$	PERCENTAGE OF TOTAL BID AMOUNT
MBE	\$82,500	3.4%
WBE	\$8,560	.3%
ESB	\$9,500	.4%
Total MWESB Participation	\$100,560	Total bid – 4.1% Subcontract percentage – 13.1%

MWBE PARTICIPATION – Subcontracting (35% Aspirational goal)

TOTAL OF ALL SUBCONTRACTS (including non-certified firms)	TOTAL MBE & WBE SUBCONTRACTS	PERCENTAGE OF MWBE SUBCONTRACTS
\$767,953	\$91,060	11.8%

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>	X		
2.	<i>Did contractor explain why identified divisions of work (DOW) were not included for subcontracting? (See Form 1)</i>	X		
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>	X		
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>	X		
5.	<i>Were M/W/ESB firms contacted at least seven (7) calendar days before the bid opening?(Form 2)</i>	X		
6.	<i>Is a copy of the letter or fax sent to potential M/W/ESB subs included in Good Faith documentation?</i>		X	See notes
7.	<i>Did prime provide a completed M/W/ESB Contact/Bids Received Log (Form 2)?</i>	X		

GOOD FAITH EFFORT ANALYSIS

1.	<i>Divisions of Work Identified by City: Asphalt Paving; Concrete Cutting; Concrete Work; Electrical; Excavating; HVAC; Sewer, Water & Storm Drain Work; and Surveying.</i>
2.	<i>Rationale for non-utilization of subcontractors for suggested Divisions of Work: Self-performing.</i>
3.	<i>All Divisions of Work to be used on this project: Same as #1 plus missed opportunities - Painting/Wallpapering; Hauling Services (Trucking); Insulation; and Masonry.</i>
4.	<i>Certified Subcontractors' name, Cert Type, and Subcontract amount used on the Project: Fine Painting & Allied Services (MBE painting/insulation) - \$81,450; Woodburn Masonry (WBE masonry) - \$3,460; Renner Trucking and Excavating (WBE trucking) - \$5,100; Tom Nelson & Associates (ESB survey) - \$9,500; and Brothers Concrete Cutting (MBE concrete cutting) - \$1,050.</i>
5.	<i>Subcontractor names and subcontract amounts awarded to non-certified firms: Watkins Electrical Construction - \$618,794; Arctic Sheetmetal - \$30,961; KF Jacobsen - \$6,758 and Bar M Steel Commercial Inc - \$10,880.</i>
6.	<i>Divisions of Work retained by Prime: Sewer, Water & Storm Drain Work; Excavating; and Concrete Work - (In primes words "Mechanical Piping; Earthwork; Concrete; Yard Piping; and Equipment Placement.)</i>
7.	<i>Bids received from certified firms (not used): Buckel Associates (WBE survey) - \$20,450; Sawcutters NW (ESB concrete cutting) - \$1,500; Thurston & Associates (WBE survey) - \$29,850; DK & Associates (ESB survey) - \$11,750; NW Geotech (MBE survey) - \$12,880; Cascade Concrete Products (MBE concrete pipe manufacturer) - \$4,976; Kodiak Pacific Construction (WBE construction management services) - \$8,735; and Hal's Construction (WBE construction management services) - \$12,885.</i>
8.	<i>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? No.</i>
9.	<i>Any special Good Faith Efforts undertaken by the Prime Contractor? Yes, prime contacted more than the required number of MWESB firms in each DOW. They also solicited and selected 3 MWESB's for 4 missed opportunity DOW's. They also solicited, however did not use, MWESB's for concrete pipe manufacturing and construction management services.</i>

10.

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). Triad Mechanical - \$2,590,845 (Form 1); McClure & Sons Inc - \$2,628,473 (Form 1); Contractors Inc - \$2,625,000 (no forms); MKB Constructors - \$2,526,998 (no forms); and Wildish Building Co - \$2,857,000 (no forms) and Pease & Sons - \$2,433,139 (low bidder but non-responsive to GFE.

NOTES:

EEO cert: 7/31/11

COP Lic: 657473

CCB Lic: 127903

Clarifications: (Spoke to:)

1. Need copy of the Invitation to Bid they sent to MWESB's (not a responsiveness issue.)

Issues:

1. These DOW's were not listed verbatim as being self-performed or subcontracted on Form 1:
 - a. Excavating
 - i. Earthwork listed, and deemed equivalent to excavating.
 - b. Sewer, Water, Storm Drain Work
 - i. Listed yard and mechanical piping, equipment placement, concrete, and earthwork; and deemed equivalent to Sewer, Water and Storm Drain Work.

Recommendation:

Approval. Although the 2 DOW's were not listed verbatim on the Form 1; the prime listed the intended pieces of work within the DOW on the Form 1. The specification states that the Bidder must account for all GFE DOW, it does not state that it must be listed verbatim. Therefore the prime is in substantial compliance with the GFE requirements.

- Bids Solicited – 39 in 9 DOW's (includes 4 unidentified DOW's)
- Bids Received – 12 in 7 DOW's (includes 4 unidentified DOW's)
- MWESB Bids Used - 5 in 6 DOW's (includes 4 unidentified DOW's)
- OBE Bids Used – 2 in 2 DOW's

Comparatively, the next responsive low bidder... Triad Mechanical had approximately \$127k of MWESB participation.

Level of effort:

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

Cc: Susan Wheaton – BES reports

GFE Review Template
9-1-07

TABULATION OF BIDS

CITY OF PORTLAND
PROCUREMENT SERVICES

Project: CBWTP CHEMICALLY ENHANCED PRIMARY TREATMENT PROJECT

Bid Opening: December 21, 2010

Bid Number: 112419 Bureau: ENVIRONMENTAL SERVICES Estimate: \$ 2,400,000.00					
Bidder's Name	BASE BID	CONTRACT ALLOWANCE	TOTAL BID	Bid Surety	OCCB License Number
PEASE & SONS INC	\$ 2,383,139.00	\$ 50,000.00	\$ 2,433,139.00	Y	140509
STELLAR J CORP	\$ 2,400,358.00	\$ 50,000.00	\$ 2,450,358.00	Y	127903
MKB CONSTRUCTORS	\$ 2,476,998.00	\$ 50,000.00	\$ 2,526,998.00	Y	159329
TRIAD MECHANICAL	\$ 2,540,845.00	\$ 50,000.00	\$ 2,590,845.00	Y	44255
CONTRACTORS INC	\$ 2,575,000.00	\$ 50,000.00	\$ 2,625,000.00	Y	62834
MCCLURE & SONS INC	\$ 2,578,473.00	\$ 50,000.00	\$ 2,628,473.00	Y	71127
WILDISH PAVING CO	\$ 2,807,000.00	\$ 50,000.00	\$ 2,857,000.00	Y	34429

Buyer: Kathleen Brenes-Morua

Agenda No.
REPORT NO.

spell out
Title

Accept bid of Stellar J Corporation for the CBWTP Chemically Enhanced Primary Treatment for \$2,450,358.00 (Procurement Report - Bid No. 112419)

<p align="center">INTRODUCED BY Commissioner/Auditor: Mayor Sam Adams <i>K. D. Menn</i> <i>on behalf of Mayor Adams</i></p> <p align="center">COMMISSIONER APPROVAL</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 align="center">BUREAU APPROVAL</p> <p>Bureau: Procurement Services Bureau Head: Christine Moody <i>CM</i></p> <p>Prepared by: Kathleen Morua-Brenes Date Prepared: 2/2/11</p> <p>Financial Impact Statement</p> <p>Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/> Not Required <input type="checkbox"/></p> <p>Council Meeting Date February 16, 2011</p> <p>City Attorney Approval</p>	<p align="center">CLERK USE: DATE FILED FEB 11 2011</p> <p align="right">LaVonne Griffin-Valade Auditor of the City of Portland</p> <p>By: <i>[Signature]</i> Deputy</p> <p>ACTION TAKEN:</p> <p align="center">FEB 16 2011 ACCEPTED PREPARE CONTRACT</p>
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AGENDA
<p>TIME CERTAIN <input type="checkbox"/></p> <p>Start time: _____</p> <p>Total amount of time needed: _____ (for presentation, testimony and discussion)</p>
<p>CONSENT <input type="checkbox"/></p>
<p>REGULAR <input checked="" type="checkbox"/></p> <p>Total amount of time needed: 3 mins (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	<i>[Signature]</i>	
4. Leonard	4. Leonard	✓	
Adams	Adams	✓	