

Portland, Oregon

FINANCIAL IMPACT and PUBLIC INVOLVEMENT 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): August 29, 2012	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 Commissioner's office and FPD Budget Analyst: August 29, 2012
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 Guaranteed Maximum Price of \$57,250,000.00 from Hoffman Construction Company of Oregon for the construction of the Kelly Butte Reservoir Project (Procurement Report - RFP Number 111848)

2) Purpose of the Proposed Legislation:

Authorize the Chief Procurement Officer to execute the construction contract.

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 checked="" type="checkbox"/> City-wide/Regional | <input type="checkbox"/> Northeast | <input type="checkbox"/> Northwest | <input type="checkbox"/> North |
| <input type="checkbox"/> Central Northeast | <input 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 Guaranteed Maximum Price of \$57,250,000.00. Funding for a portion of this project is included in the Water Bureau FY 2012-13 Budget and additional funding will be requested in the FY 2013-14 through 2015-16 Budgets.

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.)*

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount

[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 will largely impact traffic on SE Powell Blvd, between SE 121st Ave. and SE 92nd Ave., due to the simultaneous construction of the city's Emergency Coordination Center (ECC) at SE Powell Blvd and SE 99th Ave. Due to the mountain location of the reservoir work, noise levels may be evident but not loud during the work.

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 November 22, 2010.

Additional, since summer 2010, PWB Public Outreach staff have consulted with the Lents and Powellhurst-Gilbert neighborhood associations to determine if there were any public concerns about the project. Traffic problems were identified. Staff also addressed questions from area residents at the East Portland Expo in 2010 and 2011.

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

PWB Public Outreach staff actively worked with the public and surrounding neighborhoods to explain the need and reasons for the larger Kelly Butte reservoir. Public meetings were held on December 7, 2010 and November 17, 2011, both at the Lents Adventist Church. Presentations were also given frequently to Lents, Powellhurst-Gilbert and Centennial neighborhood associations and the Midway Business Association.

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

Procurement Services advertised the project for proposals and held the pre-proposal meeting that was open to the construction contracting community, including contractors certified with the State as minority, women, and emerging small businesses.

Public Outreach plans were developed and implemented by PWB Community Information and Involvement staff Tim Hall and former employee Sarah Bott.

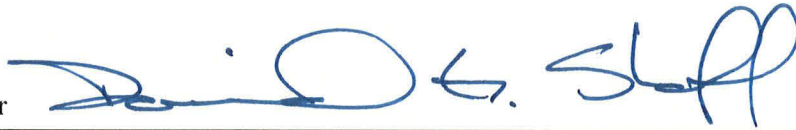
e) Primary contact for more information on this public involvement process (name, title, phone, email):

Kathleen Brenes-Morua, Construction Procurement Supervisor, 503-823-5371, Kathleen.Brenes-Morua@portlandoregon.gov and Tim Hall, Senior Public Outreach Coordinator, 503-823-6926 and Tim.Hall@portlandoregon.gov

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

PWB wants to keep the public well informed on its covered reservoir projects. Outreach staff will continue to notify the public and affected neighborhoods on the project's progress via the news media, public open houses, and regularly presentations to the Neighborhood Associations. The bureau will continue to participate with an information booth at community events, such as the East Portland Expo. The bureau will also work with PBOT and community members to ensure the traffic control for SE Powell Blvd ensure public safety. The bureau will also continue to coordinate its construction with that of the new ECC.

David G. Shaff, Administrator



BUREAU DIRECTOR (Typed name and signature)



CITY OF PORTLAND

OFFICE OF MANAGEMENT AND FINANCE

Sam Adams, Mayor
Jack D. Graham, Chief Administrative Officer
Bryant Enge, Director, Bureau of Internal Business Services

Christine Moody
Chief Procurement Officer
Procurement Services
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(503) 823-5047
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MEMORANDUM

DATE: August 29, 2012
TO: Mayor Sam Adams
FROM: Christine Moody, Chief Procurement Officer *CM*
SUBJECT: Accept Guaranteed Maximum Price of \$57,250,000.00 from Hoffman Construction Company of Oregon for the construction of the Kelly Butte Reservoir Project (Procurement Report - RFP Number 111848)

1. **INTENDED THURSDAY FILING DATE:** August 29, 2012
 2. **REQUESTED COUNCIL AGENDA DATE:** September 5, 2012
 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
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7. **BACKGROUND/ANALYSIS:** Ordinance Number 183913 authorized Procurement Services to use an alternative contracting method to select a Construction Manager/ General Contractor, and provided for payment for construction of the Kelly Butte Reservoir Project.
 8. **FINANCIAL IMPACT:** The Engineer's estimate for construction costs was \$70,000,000 with a Low Confidence Level Rating. Funding for a portion of this project is included in the Water Bureau FY 2012-13 Budget and additional funding will be requested in the FY 2013-14 through 2015-16 Budgets.
 9. **RECOMMENDATION/ACTION REQUESTED:** Accept Guaranteed Maximum Price of \$57,250,000.00 from Hoffman Construction Company of Oregon for the construction of the Kelly Butte Reservoir Project.
 10. **SCOPE OF WORK ON PROJECT:** The project includes all labor, materials, tools, equipment, and supervision necessary to construct a new buried 25 million gallon reinforced concrete reservoir, increasing the storage capacity at Kelly Butte. Further, this project has an Environmental Protection Agency (EPA) approved schedule to comply with the EPA's "Long Term 2 Enhanced Surface Water Treatment Rule to disconnect the City's open reservoirs.

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