

Portland, Oregon

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

(Deliver original to City Budget Office. Retain copy.)

1. Name of Initiator Denice Henshaw		2. Telephone No. (503) 823-2299	3. Bureau/Office/Dept. OMF Procurement Services
4a. To be filed (hearing date): November 12, 2014	4b. Calendar (Check One) Regular <input checked="" type="checkbox"/> Consent <input type="checkbox"/> 4/5ths <input type="checkbox"/>		5. Date Submitted to Commissioner's office and CBO Budget Analyst: November 19, 2014
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: Authorize a price agreement with JCI Jones Chemicals, Inc. for sodium hypochlorite for a 5-year contractual total not to exceed amount of \$3,295,500.00 (Procurement Report No. 117009)

2) Purpose of the Proposed Legislation: The purpose of this Report is to authorize the Bureau of Environmental Services (BES) to execute a contract with JCI Jones Chemicals, Inc. for bulk sodium hypochlorite in accordance with City Code 5.33. The estimated cost to purchase the sodium hypochlorite is \$659,100.00/year for a five year not to exceed amount of \$3,295,500.00.

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 | | | |

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.
Revenues will not be impacted by this decision.

5) 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 year, including Operations & Maintenance (O&M) costs, if known, and estimates, if not known. 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*.)

The annual cost to the Bureau of Environmental Services is expected to be approximately \$659,100.00 in FY 2014-15. The price agreement is expected to have an initial contract term of 5 years. The ongoing purchases will be funded through BES sewer fees. Usage, while weather

dependent, is very stable and so the level of confidence in the estimate is High.

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 position will be created, eliminated or re-classified as a result of this legislation.

- **Will positions be created or eliminated in *future years* as a result of this legislation?**

No position will be created or eliminated in future years.

(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?

None, as the purchases are limited to internal business operations.

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 goods and services contracting community, including contractors certified with the State of Oregon as minority, women, and emerging small businesses became involved when the public notice was posted on the City's Online Procurement System. Three (3) vendors responded and were qualified to participate in a Reverse Auction.

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

Potential bidders were able to review the competitive solicitation, ask questions, provide comments, and submit a registration qualification document in order to participate in the Reverse Auction.

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

Procurement Services posted the competitive solicitation notification on the City's Online Procurement System which includes numerous contractors certified with the State as minority, women, and emerging small businesses.

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

Denice Henshaw, CPPB, Sr. Procurement Specialist, 503-823-2299,
denice.henshaw@portlandoregon.gov

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

No future public involvement is anticipated or necessary for this request.



Jim Hagerman, Interim Director Bureau of Environmental Services



CITY OF PORTLAND

OFFICE OF MANAGEMENT AND FINANCE

Charlie Hales, Mayor
Fred Miller, Chief Administrative Officer
Bryant Enge, 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

DATE: November 12, 2014

TO: Mayor Charlie Hales

FROM: Christine Moody, Chief Procurement Officer *CM*

FOR MAYOR'S OFFICE USE ONLY

Reviewed by Bureau Liaison _____

RE: Authorize a price agreement with JCI Jones Chemicals, Inc. for sodium hypochlorite for a 5-year contractual total not to exceed amount of \$3,295,500.00 (Procurement Report No. 117009)

1. **INTENDED WEDNESDAY FILING DATE:** November 12, 2014
2. **REQUESTED COUNCIL AGENDA DATE:** November 19, 2014
3. **CONTACT NAME & NUMBER:** Christine Moody x31095
4. **PLACE ON:** ☐ **CONSENT** ☒ **REGULAR**
5. **BUDGET IMPACT STATEMENT ATTACHED:** ☒ **Yes** ☐ **No** ☐ **N/A**
6. **ONE (1) ORIGINAL OF CONTRACT "APPROVED AS TO FORM" BY CITY ATTORNEY ATTACHED:** ☐ **Yes** ☐ **No** ☒ **N/A**

7. BACKGROUND/ANALYSIS:

The Bureau of Environmental Services (BES), Columbia Boulevard Wastewater Treatment Plant is part of a sewage collection and treatment system that serves about 600,000 City customers. The Columbia Boulevard plant is the center of the City's sewage collection and treatment system treating more than 25 billion gallons of wastewater making it the largest water reclamation facility in the State of Oregon. Nearly 100 sewage pump stations and more than 2,300 miles of pipes convey wastewater to the facility 24 hours a day. The Plant treats both liquids and solids. The treated water goes into the Columbia River and the treated biosolids are recycled as a farmland fertilizer and helping to reduce wind erosion. The plant operates every day around the clock to manage, monitor and adjust the collection system and treatment process.

As part of the water treatment process, BES uses approximately 1,000,000 gallons of sodium hypochlorite per year for the City's two Wastewater Treatment Plants. Sodium hypochlorite is a strong bleach solution used to disinfect treated wastewater before it is discharged to the river. This disinfection is required by BES' regulatory permit with the State of Oregon Department of Environmental Quality. A much lesser amount of sodium hypochlorite is used for odor control at the Columbia Boulevard Wastewater Treatment Plant.

With the passage of Ordinance 186759, Council authorized the Chief Procurement Officer to issue a competitive solicitation for the purchase of sodium hypochlorite.

On September 11, 2014, the Chief Procurement Officer advertised Invitation to Bid (ITB) #117009 via a Reverse Auction for sodium hypochlorite. In accordance with City Code 5.33.350, the City may participate in an online solicitation for acquisition of goods and services. On September 25, 2014, three registration qualifications were received and approved for participation in the Reverse Auction held on October 1, 2014. Through this ITB, the reverse auction was the process used to determine final pricing. As a result, JCI Jones Chemicals was deemed the lowest responsive and responsible bidder. A Notice of Intent to Award a Price Agreement was posted on October 2, 2014, and no protests were received.

JCI Jones Chemicals, Inc has a current City of Portland Business License Tax Account, is in full compliance with the

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.

Equal Benefits Program and their EEO Certification is current through September 23, 2016. JCI Jones Chemicals, Inc. is not a State of Oregon Certified MWESB contractor. The level of confidence in the cost estimates for this product is High based on past years' usage and the price that was obtained through the Reverse Auction.

8. FINANCIAL IMPACT:

The Bureau of Environmental Services anticipates the annual cost for Sodium Hypochlorite to be \$659,100.00, with funding provided through BES sewer fees.

9. RECOMMENDATION/ACTION REQUESTED:

Authorize a Price Agreement with JCI Jones Chemicals, Inc. for sodium hypochlorite for a five year contractual total not to exceed amount of \$3,295,500.00.