

ORDINANCE No. 187175

Authorize a competitive solicitation for the purchase of water system hydrants and valves at an estimated cost of \$5,220,000 (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. The City of Portland has approximately 14,200 fire hydrants within the city limits and makes every effort to have a hydrant within 500 feet of every structure.
2. Fire hydrants provide for fire protection, water quality maintenance via flushing, and can serve as a potable water source in emergencies as well as temporary sources of water when needed during system maintenance.
3. The City of Portland has many obsolete hydrants in the system, some of which were installed as early as 1895. A variety of hydrant styles can be found throughout the system; many of the older styles cannot be repaired due to the unavailability of new or replacement parts.
4. There are approximately 45,000 distribution valves within the City's water system. Valves allow sections of the system to be isolated for maintenance purposes and help limit water system disruptions to customers when maintenance is occurring. Many of the distribution valves are of varying ages and sizes. Some of the valves were installed in the early 1900's.
5. In FY 2011-12 the Water Bureau's Hydrant Installation and Replacement Program coordinated with the City's Procurement Office for solicitation or the purchase of water system hydrants and valves which followed an award of a contract for a five year term.
6. In 2011 the volume of installation and replacement of hydrants was approximately 100 per year and expenditures for the purchase of hydrants and valves were nearly \$300,000.
7. As the Water Bureau has increased their work rate on hydrants and valves, the volume of purchase for hydrants and valves has increased exponentially. In FY 2013-14 the Water Bureau completed the installation and replacement of nearly 700 valves in the water system and the cost of replacing hydrants and valves resulted in expenditures of over \$900,000.
8. The current term of contract for hydrants and valves has reached the five year term and has reached the dollar limits authorized in the existing contract. The Water Bureau seeks authorization from City Council to issue a competitive solicitation in order to award a contract through Procurement Services.

9. The Water Bureau expects to maintain the FY 2013-14 expenditure for hydrant and valve maintenance over the next five years and estimates the contract action to be approximately \$5,220,000 with a marginal confidence level. The estimate accounts for a potential increase in material costs of approximately 5% annually together with the expected pace of new hydrant and valve installations.
10. The on-going purchase of hydrants and valves through a competitive solicitation will ensure the best value for the City of Portland residents knowing the hydrants and valves will be well maintained and replaced when needed.
11. Water Bureau funds have been requested in the FY 2015-2016 Budget and will be requested as part of the FY 2016-2017 through FY 2019-2020 Budgets.
12. The Water Bureau plans to continue its pace of system maintenance to include installation and replacement of approximately 300 hydrants and 675 valves each year during the period of this requested procurement.

NOW, THEREFORE, the Council directs:

- a. The Chief Procurement Officer is hereby authorized to issue a competitive solicitation in accordance with City Code for the purchase of fire hydrants and valves for the Water Bureau in an amount not to exceed \$5,220,000 for a five year period.
- b. Upon Council acceptance of the Chief Procurement Officer's Report, Procurement Services is authorized to negotiate and execute a contract provided the contract has been approved as to form by the City Attorney's Office.
- c. The Mayor and Auditor are hereby authorized to draw and deliver checks chargeable to the Water Fund when demand is presented and approved by the proper authorities.

Passed by the Council: JUN 10 2015

Commissioner Nick Fish
Tenna White
April 30, 2015

Mary Hull Caballero
Auditor of the City of Portland

By

Susan Parsons

Deputy

569-599

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Agenda No.
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Title

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<p>INTRODUCED BY Commissioner/Auditor: Commissioner Nick Fish</p> <p>COMMISSIONER APPROVAL</p> <p>Mayor—Finance and Administration - Hales</p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish <i>Nick Fish</i></p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Novick</p> <p>BUREAU APPROVAL</p> <p>Bureau: Water Bureau Head: David G. Shaff <i>David G. Shaff</i></p> <p>Prepared by: Tenna White Date Prepared: April 30, 2015</p> <p>Impact Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p> <p>Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>City Auditor Office Approval: required for Code Ordinances</p> <p>City Attorney Approval: required for contract, code, easement, franchise, comp plan, charter</p> <p>Council Meeting Date June 3, 2015</p>	<p>CLERK USE: DATE FILED <u>MAY 29 2015</u></p> <p>Mary Hull Caballero Auditor of the City of Portland</p> <p>By: <i>[Signature]</i> Deputy</p> <p>ACTION TAKEN:</p> <p>JUN 03 2015 PASSED TO SECOND READING JUN 10 2015 9:30 A.M</p>
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<p>AGENDA</p> <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: 5 minutes (for presentation, testimony and discussion)</p>	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th style="width:30%;">FOUR-FIFTHS AGENDA</th> <th colspan="2">COMMISSIONERS VOTED AS FOLLOWS:</th> </tr> <tr> <th></th> <th>YEAS</th> <th>NAYS</th> </tr> <tr> <td>1. Fritz</td> <td style="text-align: center;">✓</td> <td></td> </tr> <tr> <td>2. Fish</td> <td style="text-align: center;">✓</td> <td></td> </tr> <tr> <td>3. Saltzman</td> <td style="text-align: center;">✓</td> <td></td> </tr> <tr> <td>4. Novick</td> <td style="text-align: center;">✓</td> <td></td> </tr> <tr> <td>Hales</td> <td style="text-align: center;">✓</td> <td></td> </tr> </table>	FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:			YEAS	NAYS	1. Fritz	✓		2. Fish	✓		3. Saltzman	✓		4. Novick	✓		Hales	✓	
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