



CITY OF PORTLAND

OFFICE OF MANAGEMENT AND FINANCE

Charlie Hales, Mayor
Fred Miller, Chief Administrative Officer
Ken Rust, Director, Bureau of Revenue and Financial Services

Christine Moody
Chief Procurement Officer
Procurement Services
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REGULAR CALENDAR

July 17, 2015

TO THE COUNCIL:

The City presently has over \$8 billion invested in transportation assets that facilitate the movement of people, goods, and services within Portland; at this time the City owns approximately 55,000 streetlights. Of that total, 4,257 streetlights are on utility-owned streetlight-only poles and the City has been leasing these poles from Portland General Electric (PGE). As part of PGE's new tariff requirements for LED streetlights, the City will no longer be able to lease these poles but must own them and the associated circuits in order to install City owned LED luminaires. As a result of the new tariff requirements, the Portland Bureau of Transportation has determined that it is necessary to purchase street light poles and associated circuits from PGE for the LED Streetlight Replacement project for a total not to exceed \$1,600,000.00.

On August 13, 2014, Chief Procurement Officer Report for agenda item 843 was approved by City Council in the amount of \$1,300,000.00. Subsequent to this action, PGE filed the agreement with the OPUC for its review and approval; OPUC staff raised concerns about the structure of the sale and specific to the sale price that PGE and the City had negotiated. As a result of this effort, the number of poles involved in the sale increased and the methodology for calculating the sales price was modified. Correspondingly, the amount the City will pay PGE for the poles and associated circuits has increased.

The costs for procuring goods and services through PGE are regulated through the State of Oregon, Public Utilities Commission. In accordance with City Code 5.33.220, the City may enter into contracts without competitive solicitation based on class special procurements as approved by City Council. As an electrical utility company regulated by the State of Oregon, Public Utilities Commission (OPUC), the purchase of regulated goods and services, utilities, and utility services are identified as a Special Procurement under City Code 5.33.220.D.14.

PGE has a current City of Portland Business License Tax Account and their EEO Certification is current. PGE is not a State of Oregon Certified MWESB contractor. The level of confidence in the cost estimates for this project is high.

The Portland Bureau of Transportation anticipates this project will not exceed \$1,600,000 and funding is available from the adopted budget this year. It is requested that City Council authorize a contract with (PGE) for an amount not to exceed \$1,600,000.00.

Recommended by:

Christine Moody
Chief Procurement Officer

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.

868

v140

Agenda No.
REPORT
 Title

Authorize a contract for purchase of streetlight poles and associated circuits from Portland General Electric for an amount not to exceed \$1,600,000.00. (Procurement Report – Project #117037)
 No.

<p>INTRODUCED BY Commissioner/Auditor:</p> <p style="font-size: 1.2em; margin-left: 40px;">Hales</p>	<p>CLERK USE: DATE FILED <u>AUG 14 2015</u></p>
<p>COMMISSIONER APPROVAL</p> <p>Mayor—Finance and Administration - Hales</p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Novick</p>	<p style="text-align: center;">Mary Hull Caballero Auditor of the City of Portland</p> <p>By: Deputy</p>
<p>BUREAU APPROVAL</p> <p>Bureau: OMF/Bureau of Revenue and Financial Services</p> <p>OMF CAO: Fred Miller</p> <p>Bureau Head: Ken Rust</p>	
<p>Prepared by: Jim Van Nest Date Prepared: July 22, 2015</p>	
<p>Impact Statement</p> <p>Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p>	
<p>City Auditor Office Approval: required for Code Ordinances</p>	<p>ACTION TAKEN: AUG 19 2015 ACCEPTED PREPARE CONTRACT</p>
<p>City Attorney Approval: required for contract, code, easement, franchise, charter, Comp Plan</p>	
<p>Council Meeting Date August 19, 2015</p>	

<p style="text-align: center;">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 min (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 style="width: 30%;">YEAS</th> <th style="width: 30%;">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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