

## IMPACT STATEMENT

**Legislation title:** Authorize a five year price agreement for purchase of hydrants and valves from Mueller Co. LLC for an amount not to exceed \$5,220,000.  
(Procurement Report – ITB #00000086)

**Contact name:** Christine Moody *cm/ps*  
**Contact phone:** 503-823-5573  
**Presenter name:** Christine Moody, Chief Procurement Officer

### **Purpose of proposed legislation and background information:**

The purpose of this legislation is to provide for a price agreement for the on-going purchase of hydrants and valves on an as needed basis for the next five years.

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. 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. 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.

Additionally, there are approximately 45,000 distribution valves within the City's water system. These 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 with some of the valves installed in the early 1900's. As part of the City's on-going maintenance program, many of these valves and hydrants will be replaced.

This legislation does not change any City policies.

No revenues will be impacted by this legislation.

### **Financial and budgetary impacts:**

In FY 2011-12, the Water Bureau's Hydrant Installation and Replacement Program resulted in an increase in the work rate on hydrants and valves, thereby resulting in an increase in the volume of purchases for hydrants and valves. 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. 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. The Water Bureau anticipates this project will not exceed \$5,220,000 over five (5) years. It is requested that City Council authorize a price agreement with Mueller Co. LLC for a not to exceed amount of \$5,220,000 for five years. The level of confidence is moderate.

Funding for purchases will come from the Water Bureau's approved budget each year. No present positions will be created, eliminated or re-classified as a result of this legislation.

**Community impacts and community involvement:**

City Council passed Ordinance No.187175 on June 10, 2015 authorizing the Chief Procurement Officer to issue a competitive solicitation for the purchase of hydrants and valves. 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 solicitation was advertised and publically noticed on the City's Online Procurement System on July 31, 2015. Potential proposers were able to review the competitive solicitation, ask questions, provide comments and submit bid responses.

On August 25, 2015, two (2) bids were received. The bid from Mueller Co. LLC was deemed responsive to the requirements of the solicitation. The City issued a Notice of Intent to Award a price agreement to Mueller Co. LLC on August 28, 2015. No protests were received.

No known persons or groups will be testifying.

No future public involvement is anticipated or necessary for this request as these are services that will be used on an internal City system.

**Budgetary Impact Worksheet**

**Does this action change appropriations?**

- YES: Please complete the information below.
- NO: Skip this section

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