

187663

## IMPACT STATEMENT

**Date:** February 18, 2016

**Council Date:** March 30, 2016

**Legislation Title:** Authorize a competitive solicitation and five year price agreement for water works supplies for an estimated cost of \$11,000,000 (Ordinance)

**Contact Name:** Ty Kovatch

**Contact Phone:** 503-823-1508

**Presenter Name:** Ty Kovatch

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

The purpose of this legislation is to authorize a competitive solicitation and five year price agreement for water works supplies on behalf of the Water Bureau at a cost not to exceed \$11,000,000 for the five year period.

During the past year the Water Bureau spent approximately \$1,900,000 on supplies such as valves, brass and copper fittings, bushings, sleeves, repair clamps, adapters, reducers, caps and plugs, along with hundreds of other components necessary to maintain the City's water works infrastructure. These supplies must meet ANSI/NSF requirements in compliance with Oregon Administrative Rule 333.061.0050.1(e), which addresses materials designed for potable water service. These supplies are for both new service installation as well as routine and emergency maintenance and an on-going source of supply is required in order to ensure on-time maintenance delivery of potable water service. The Water Bureau will be continuing its strong pace of repair work and plans to aggressively continue to upgrade and maintain the system during the next 5 years in order to send clean water to City customers. This legislation does not change any City policies.

**Financial and budgetary impacts:**

The estimated value of the contract is a not to exceed amount of \$11,000,000 for the five year period. The Water Bureau anticipates spending up to \$2,000,000 the first year with an increase of work each year for the next 4 years. This estimate is based on the previous contract usage and accounts for a potential increase in material costs of approximately 5% annually.

Funds for purchases are available in the FY 2015-16 Budget and will be requested as part of the FY 2016-17 through FY 2019-20 Budgets.

No positions will be created, eliminated or re-classified as a result of this legislation. No revenue will be impacted by this legislation.

**Community impacts and community involvement:**

The goods and services contracting community, including contractors certified with the State of Oregon as minority, women and emerging small businesses, will be involved when the competitive solicitation is posted by Procurement Services on the City's Online Procurement System.

Following the above noted community involvement, no future public involvement is anticipated as these goods and services will be used as a continuation of the services necessary to support the Water Bureau's work.

**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



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Michael Stuhr, P.E., Administrator3/7/16  
Date