

## REPORT TO COUNCIL

June 23, 2016

Accept contracts with CH2M, Inc. and SSC Construction, Inc. for the design, construction, and construction support services for the Powell Butte Reservoir No. 2, Phase 2 Project as complete, release retainage, and authorize final payments (Report; Contract No. 30000828 and 30002100)

The Powell Butte Reservoir No. 2, Phase 2 Project (Project) was constructed in two phases. Phase 1 was completed and approved by Council in June 2011. This report is for Phase 2 which involved the design and construction of a 50 million gallon seismically reinforced concrete buried reservoir at Powell Butte and related supporting infrastructure. The supporting infrastructure included the future on-site Conduit 5, construction of a maintenance and storage facility, a new caretaker's house, an interpretive center and restrooms, park improvements and mitigation requirements per the conditions of approval in the 2003 Land Use Report Type III Conditional Use Master Plan as amended in 2011.

Per Resolution No. 36430, a post project evaluation is mandated for projects over \$500,000 and this Report to Council is completing that requirement. Project design and construction support services was provided by CH2M, Inc. and SSC Construction, Inc. provided construction services.

### CH2M Hill, Inc. – Design and Construction Support Services

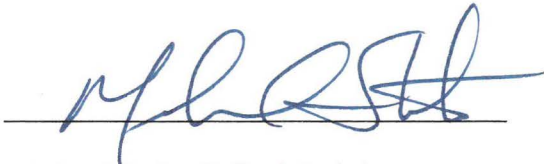
Ordinance No. 183228 authorized a Professional, Technical and Expert (PTE) service contract for design and construction support services for the Project. On September 21, 2009 the City entered into a Contract No. 30000828 with CH2M Hill, Inc. The contract had an original value of \$8,455,246. Amendment No. 4 and 8 provided an increase to the contract in the amount of \$3,812,688 in support of additional construction management, design revisions, and project management. Amendment No. 8 received City Council approval through Ordinance No. 185733. The other amendments to the contract were for administrative changes and required no additional funds. The final cost for services under the CH2M Hill, Inc. contract was \$12,090,836.76. The Minority, Women, and Emerging Small Business (MWESB) participation for this PTE contract was \$2,310,716, or 39.1% of the total subcontracted dollars.

### SSC Construction, Inc. – Construction Services

Ordinance No. 184328 authorized a construction contract and provided for payment for the Powell Butte Reservoir No. 2, Phase 2 Project. The Project was solicited through Bid No. 112503. The engineer's estimate for the Project was \$100,000,000 with an optimal confidence rating. On May 25, 2011 City Council approved the City Procurement Officer's recommendation to award a contract to SSC Construction, Inc. for the construction of the Project. The original contract with SSC

Construction, Inc. was in the amount of \$80,238,574. Change Order No. 2, 3, 9, 12, and 13 provided an increase to the contract in the amount of \$3,929,045.39 in support of contract extension, subcontracting plan, design clarification, revisions and deficiencies, code requirements, encountering unknown site conditions, added site security, authorized additional services which supported the installation of piping for the Division Street Conduits 2 and 3 intertie and provided for the construction of Lucid Energy Incorporated (LEI) in-line turbines and vaults per the agreement between the Water Bureau and LEI. Change Order No. 9 received City Council approval through Ordinance No. 186939. All other change orders were in support of administrative changes to the contract and were no cost change orders. The final construction total was \$84,167,618.51, a 4.89% increase over the original contract amount. The MWESB subcontractor participation for the contract was \$11,625,774, or 22.6% of the total subcontracted dollars.

The Project is complete and all work has been executed in accordance to the contracts. It is recommended that Council accept the post project evaluation and accept the contracts with CH2M, Inc. and SSC Construction, Inc. as complete, release retainage and authorize final payments.

A handwritten signature in blue ink, appearing to read 'Michael Stuhr', is written over a horizontal line.

Michael Stuhr, P.E., Administrator

**TO THE COUNCIL:**

The Commissioner of Public Works concurs with the above Report to Council, and;

**RECOMMENDS**

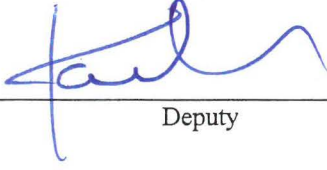
That the Council accept the post project evaluation and accept the contract with CH2M, Inc. and SSC Construction, Inc. as complete, release retainage, and authorize final payment.

Respectfully submitted,

Commissioner Nick Fish

Agenda No.  
**REPORT**  
Title

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<b>INTRODUCED BY</b> Commissioner/Auditor: <b>Commissioner Nick Fish</b>	CLERK USE: DATE FILED <b>JUL 19 2016</b>
<b>COMMISSIONER APPROVAL</b> Mayor—Finance and Administration - Hales Position 1/Utilities - Fritz Position 2/Works - Fish Position 3/Affairs - Saltzman Position 4/Safety - Novick	Mary Hull Caballero Auditor of the City of Portland  By: _____ Deputy
<b>BUREAU APPROVAL</b> Bureau: Water Bureau Head: Michael Stahr, P.E. Prepared by: Michelle Lostra Date Prepared: June 23, 2016	ACTION TAKEN: <b>JUL 27 2016 ACCEPTED</b>
Impact Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/>	
<b>City Auditor Office Approval:</b> required for Code Ordinances	
<b>City Attorney Approval:</b> required for contract, code, easement, franchise, charter, Comp Plan	
Council Meeting Date <b>July 27, 2016</b>	

<b>AGENDA</b> <u>TIME CERTAIN</u> <input type="checkbox"/> Start time: _____ Total amount of time needed: _____ (for presentation, testimony and discussion)	<b>FOUR-FIFTHS AGENDA</b>	<b>COMMISSIONERS VOTED AS FOLLOWS:</b>	
<u>CONSENT</u> <input type="checkbox"/> <u>REGULAR</u> <input checked="" type="checkbox"/> Total amount of time needed: <b>15</b> (for presentation, testimony and discussion)	1. Fritz 2. Fish 3. Saltzman 4. Novick Hales	1. Fritz 2. Fish 3. Saltzman 4. Novick Hales	YEAS NAYS
		