

IMPACT STATEMENT

Legislation title: Authorize a five year Price Agreement for purchase of water works supplies from Ferguson Waterworks for an amount not to exceed \$11,000,000. (Procurement Report – Project #119336)

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Presenter name: Christine Moody, Chief Procurement Officer 

Purpose of proposed legislation and background information:

The purpose of this legislation is to authorize a Price Agreement with Ferguson Waterworks for the purchase of water works supplies on an as needed basis for the next five years. The agreement will replace an expiring agreement from the prior solicitation.

The Water Bureau routinely requires a wide variety of water works supplies including 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 support all aspects of proactive and emergency repair, construction, and maintenance. In addition, an on-going source of supply is necessary to ensure timely completion of water system projects.

Over the past five years, the Water Bureau has steadily increased its pace of system maintenance and repair. The Water Bureau spent approximately \$1,900,000 on water works supplies during FY 2014-15 and anticipates this strong pace of system maintenance work continuing over the next five years.

Based on the current levels of system maintenance, modest increases in the cost of materials over the next five years, and the current procurement climate, the estimated cost for the purchase of water works supplies over a period of five years is approximately \$11,000,000.

This legislation does not change any City policies.

No revenues will be impacted by this legislation.

Financial and budgetary impacts:

The anticipated estimated usage of the Price Agreement by the Portland Water Bureau will be for a not to exceed amount of \$11,000,000 over five years. The confidence level in this procurement is “High” as there is good historical information regarding purchases made for these types of items.

Funding for purchases will come from the approved budget each year of the Portland Water Bureau and are accounted for in established system maintenance costs.

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

Community impacts and community involvement:

City Council passed Ordinance No. 187663 on April 6, 2016, authorizing the Chief Procurement Officer to issue a competitive solicitation for the purchase of water works supplies. 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 May 6, 2016. Potential proposers were able to review the competitive solicitation, ask questions, provide comments and submit proposals.

Award a Price Agreement to Ferguson Waterworks on July 29, 2016. 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