

## IMPACT STATEMENT

**Legislation title:** Authorize five year Price Agreements for purchase of aggregate supplies from: Baker Rock Crushing Co., dba Baker Rock Resources, Jim Turin & Sons, Inc., dba Mt. Hood Rock Products, JW Underground, Inc., Porter W. Yett, Co., Wilkins Trucking Company, Inc., for an amount not to exceed \$14,500,000. (Procurement Report – Project #118957)

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**Presenter name:** Larry Pelatt, Procurement Manager

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

The purpose of this legislation is to authorize Price Agreements with five Contractors for the purchase of aggregate services and supplies on an as needed basis for the next five years. These agreements will replace expiring agreements from the prior solicitation.

The City of Portland requires pickup and delivery services of various aggregate products and City furnished material and also disposes of construction spoils in the course of infrastructure maintenance. The aggregate material is used in excavation and backfill work that is performed by the Portland Water Bureau, Portland Bureau of Transportation and Portland Parks and Recreation.

These bureaus conduct infrastructure maintenance activities throughout the City limits on a regular basis. As such, operational efficiency, cost effectiveness, and improved emergency response times can be realized if City Maintenance Crews have multiple Suppliers that are geographically spread across Portland and surrounding areas to pick up and dispose of materials.

This legislation does not change any City policies.

No revenues will be impacted by this legislation.

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

City Council passed Ordinance No. 187496 on December 9, 2015, authorizing the Chief Procurement Officer to issue a competitive solicitation for the purchase of aggregate services for an estimated amount of \$10,000,000.

After the original solicitation estimate was authorized, additional projects were identified that could make use of these contracts, resulting in an additional \$4,500,000 of anticipated spend under these contracts. The anticipated combined estimated usage of the five Price Agreements by the Portland Water Bureau, Portland Bureau of Transportation and Portland Parks and Recreation will be for a not to exceed amount of \$14,500,000 over five years. Due to their locations and product availability, it is requested that city Council authorize Price Agreements for Baker Rock Crushing Co., dba Baker Rock Resources in the amount of \$1,000,000, Jim Turin & Sons, Inc., dba Mt. Hood Rock Products in the amount of \$250,000, JW Underground, Inc. in the amount of \$1,500,000, Porter W. Yett, Co. in the amount of \$1,250,000, and Wilkins Trucking Company, Inc., in the amount of \$10,500,000. Based on the expected rise in aggregate usage over the next

five years, forecasted City projects, current procurement climate and product cost, the confidence level in this procurement is moderate.

Funding for purchases will come from the approved budget each year of the Portland Water Bureau, Portland Bureau of Transportation and Portland Parks and Recreation.

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

**Community impacts and community involvement:**

In conjunction with City recycling goals, the Portland Bureau of Transportation operates the Sunderland Recycling Yard which processes construction spoils and manufactures recycled base rock to be used as backfill after excavation. One aspect of this scope of work is for non-City owned quarries to store the recycled rock to promote increased usage of Sunderland Recycled Rock in City projects since the storage and loading capacity at the Sunderland Yard is limited.

In addition to having City produced product delivered from these outside firms, the City purchases additional aggregate products and services through these Suppliers. This system ensures usage of correct backfill materials and also that spoils are disposed of in an appropriate environment. This attention to both manufacture and disposal ensures people and environmental safety.

City Council passed Ordinance No. 187496 on December 9, 2015, authorizing the Chief Procurement Officer to issue a competitive solicitation for the purchase of aggregate services. 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 18, 2016. Potential proposers were able to review the competitive solicitation, ask questions, provide comments and submit bid responses.

On June 16, 2016, five (5) proposals were received. All five were deemed responsive to the requirements of the solicitation. The City issued a Notice of Intent to Award price agreements to Baker Rock Crushing Co., dba Baker Rock Resources, Jim Turin & Sons, Inc., dba Mt. Hood Rock Products, JW Underground, Inc., Porter W. Yett, Co., Wilkins Trucking Company, Inc., on July 25, 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