

IMPACT STATEMENT

Legislation title: Accept bid of Stellar J Corporation for the FABA Pressure Line System Upgrade for \$996,669 (Procurement Report - Bid No 00000393)

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Presenter name: Christine Moody, Chief Procurement Officer

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Purpose of proposed legislation and background information:

Authorize the Chief Procurement Officer to execute a construction contract for the FABA Pressure Line System Upgrade to Stellar J Corporation. The construction cost based on bids received is \$996,669.

Construction of the two parallel 30-inch welded steel pressure lines in the Garden Home section of the Fanno Basin (FABA) Pressure Line System, designated line 'A' and line 'B', was completed in December 2010. However, problems were experienced with leaks that occurred at two locations in the 'A' pressure line, due to cracks that occurred in and around portions of welds connecting 24-inch diameter access risers to the mainline pipe. Operation of the pressure line system was suspended until a temporary surge tank system could be designed and installed at the FABA pump station. That work was completed in July 2013. At that time the 'B' line was placed into service, and subsequently BES management directed that a project be implemented to remove all of the remaining access risers in order to eliminate the future risks of similar leaks.

This project is part of the Bureau of Environmental Services (BES), FABA Pressure Line System Upgrade project. Its intent is to remove the 18 remaining access riser sections from the two parallel 30-inch welded steel pressure lines, and upgrade an existing pressure monitoring and recording station located on SW Multnomah Blvd.

Ordinance No. 187572 was approved by City Council on February 3, 2016 authorizing the Chief Procurement Officer to issue a competitive solicitation for the FABA Pressure Line System Upgrade on behalf of BES.

No revenues will be impacted by this legislation.

This legislation does not change existing City policy.

Financial and budgetary impacts:

Based on bids received, BES anticipates the construction contract cost to be \$996,669. The engineer's estimate for this project was \$1,173,000 and the confidence level was high.

BES conducted a bid analysis and determined that the proposal from Stellar J Corporation showed a bid amount of \$996,669.00, which is 17.5% under the Engineer's Estimate of \$1,173,000.00 and is the apparent low bid. BES therefore recommended that Procurement Services accept the proposal from the above referenced contractor as the apparent low bidder, and as the lowest responsible bidder.

Funds are available in BES's Owner Cost Center WBS E10599.

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

Community impacts and community involvement:

The construction contracting community, including contractors certified with the State of Oregon as minority, women, and emerging small businesses became involved when the Chief Procurement Officer advertised and publically noticed the project on the City's Online Procurement System on May 25, 2016.

Potential bidders were able to review the competitive solicitation, attend a pre-bid meeting, ask questions, provide comments and submit a bid in response to the Invitation to Bid (ITB). Bids received resulted in the award of the construction contract. Procurement Services managed the procurement process. No protests were received.

No known persons or groups will be testifying.

No future public involvement is anticipated or necessary for this request.

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