


IMPACT STATEMENT

Legislation title: Accept bid of Titan Utilities, LLC for the Fanno Creek at SW 45th Avenue Culvert Replacement Project for \$902,605.00 (Procurement Report - Bid No. 00000580)

Contact name: Christine Moody, Chief Procurement Officer 

Contact phone: 503-823-1095

Presenter name: Christine Moody, Chief Procurement Officer

Purpose of proposed legislation and background information:

Authorize the Chief Procurement Officer to execute a construction contract for the Fanno Creek at SW 45th Avenue Culvert Replacement Project for \$902,605.00.

Fanno Creek flows under SW 45th Avenue through a 48-by-48 inches reinforced concrete box approximately 30 feet in length. Currently, the culvert is undersized and poses a risk for road flooding at the 10-year storm event, while obstructing fish passage. This project includes restoration and stabilization of the banks 100-feet up and downstream of the culvert to control erosion, protect property, and improve habitat. The restoration work and fish passage improvements proposed will continue to improve conditions in this reach of Fanno Creek.

Ordinance No. 188281 was approved by City Council on March 16, 2017 authorizing the Chief Procurement Officer to issue a competitive solicitation for Fanno Creek at SW 45th Avenue Culvert Replacement Project on behalf of The Bureau of Environmental Services (BES). The construction cost based on bids received is \$734,185.00.

No revenues will be impacted by this legislation.

This legislation does not change existing City policy.

Financial and budgetary impacts:

The engineer's estimate for this project was \$734,185.00. and the confidence level was high. Based on bids received, BES anticipates the construction contract cost to be \$902,605.00 which is 22.9% over the engineer's estimate.

BES performed an analysis and determined that the low bidder was over the engineer's estimate due to the current high demand in construction materials throughout the entire Pacific Northwest, but most specifically in the Portland market. This shortage of labor and materials creates an adverse relationship between the true market cost and the accuracy of project estimating.

Funds are available in BES's WBS E08676.

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

Community impacts and community involvement:

This project was bid to the Prime Contractor Development Program (PCDP) participants. The construction contracting community, including contractors certified with the State of Oregon as Disadvantaged, Minority, Women, or Emerging Small Businesses became involved during enrollment in the PCDP. Projects bid to PCDP are not bid to the open market and are only available for participants in PCDP.

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