

IMPACT STATEMENT

Legislation title: Accept bid of 2KG Contractors, Inc., for the Delta Park Urban Forestry Maintenance Facility Project for \$3,564,000 (Procurement Report - Bid No. 00001464)
Contact name: Lester Spitler, Chief Procurement Officer
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Presenter name: Lester Spitler, Chief Procurement Officer

Purpose of proposed legislation and background information:

Authorize the Chief Procurement Officer to execute a construction contract for the Delta Park Urban Forestry Maintenance Facility Project to 2KG Contractors, Inc. The construction cost based on bids received is \$3,564,000.00.

In November 2014, 74% of voters supported the sale of up to \$68 million in general obligation bonds to finance a portion of the needed urgent capital repairs to parks and park facilities (Parks Replacement Bond). Replacing failing structures and making critical safety improvements at the Urban Forestry facility at Delta Park was identified as a project ("Project") to be funded by the Park Replacement Bond.

The Project improvements will serve to implement an initial phase of the 2002 Urban Forestry Yard Site Analysis and Master Plan. The Project scope includes construction of an unconditioned equipment storage structure and a conditioned shop building, demolition of the exiting converted barn structure, and reconfiguration of the surrounding service yard for parking and vehicular movement.

Ordinance 189306 was approved on December 13, 2018 authorizing the Chief Procurement Officer to issue a competitive solicitation for the Delta Park Urban Forestry Maintenance Facility Project on behalf of the Portland Parks & Recreation Bureau (PP&R).

No revenues will be impacted by this legislation.

This legislation does not change existing City policy.

Financial and budgetary impacts:

Based on bids received, the PP&R anticipates the construction contract cost to be \$3,564,000.00 which is 1.8% under the engineer's estimate. The engineer's estimate for this project was \$3,630,000.00 and the confidence level was medium due to the anticipated high construction labor demand and the construction materials market instability impacting the commercial construction industry. The total construction cost recommended for bid acceptance is determined to be within a reasonable margin and in keeping with currently prevailing commercial construction market trends.

Funding for the Project is included through a combination 2014 Parks Replacement Bond funds and Major Maintenance funds.

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

Community impacts and community involvement:

PP&R’s community involvement with this project was limited to website updates as the project primarily focused on operations facilities and the staff they serve.

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 publicly noticed the project on the City’s Online Procurement System on April 14, 2020. A notice was also published in the DJC on April 17, 2020.

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