

IMPACT STATEMENT

Legislation title: Approve findings to authorize an exemption to the competitive bidding requirements and approve use of the alternative contracting method of Construction Manager/General Contractor for the Carolina Trunk Work Zones 01 & 03 Rehabilitation Project (Ordinance)

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Purpose of proposed legislation and background information:

The purpose of this legislation is to authorize the City to use an alternative contracting method, Construction Manager/General Contractor (CM/GC) that would support successful completion of the project in the most efficient and cost-effective manner to achieve BES goals. Once approval is granted, a separate Request for Qualification (RFQ) and Request for Proposal (RFP) process will occur to select the most qualified contractor to engage in the design phase of the project as well as construct the improvements identified. One Guaranteed Maximum Price (GMP) will be developed to cover the complete construction costs of the project and brought to City Council for approval prior to construction activities starting.

The Carolina Trunk Work Zone 01 & 03 Rehabilitation Project will rehabilitate the existing deteriorated Carolina Trunk to provide reliable sanitary sewer service and also install a new trunk parallel to the existing trunk for providing additional capacity to allow separation of stormwater flow from the sanitary sewer system to meet the future need.

Carolina Trunk work zones 01 and 03 is in SW Portland, between SW Slavin Rd and S Macadam Ave, including three hundred feet of the trunk crossing under Highway I-5 and ODOT facility. The trunk was constructed in 1930s and has deteriorated after 90 years of service. Condition assessment on Carolina Trunk disclosed many structural defects in the pipe and is in need of rehabilitation and replacement to extend its service life. Approximately 1,600 ft of the existing 42" and 36" pipe will be rehabilitated and approximately 800 ft of new large diameter pipe will be installed in the project. Several deep shafts will be constructed for access to complete rehabilitation and trenchless piping work.

Preliminary geotechnical investigation indicates challenging underground conditions along the pipe alignment, including high groundwater, multiple layers of soil and rock types, and potentially loose soil. Expertise and experience of deep shaft excavation and trenchless piping is required for construction with these complex subsurface conditions.

Carolina Trunk mainly runs on private properties or within ODOT ROW. The trunk rehabilitation requires work on private properties. Construction of shafts and pipes in ODOT ROW requires night work to minimize impact on highway traffic. Additionally, there is an environmental zone and a wetland in the project boundary. Mitigation measures for construction in these areas are required.

The use of the CM/GC contracting method allows collaboration between a selected Contractor and the design team beginning in the design phase before construction and continuing through the construction phase. Besides the obvious benefits of a better design package especially for the

technical aspects with input from the Contractor, other benefits include better coordination with stakeholders, promotion of cost-saving opportunities, and better sequencing and scheduling of construction activities to reduce the project risks and costs. Implementing these measures throughout the project would minimize project delays, and public impact.

In addition, the CM/GC method allows the City to monitor Contractor outreach and utilization of apprentices, D/M/W/ESB subcontractors and help the City achieve the City's equity commitment through use of the Community Equity and Inclusion Plan.

Financial and budgetary impacts:

Project construction is estimated to cost approximately \$20 million. This is a Class 5 AACE estimate based on alternative analysis completed in project development phase, which provide order of magnitude costs with a broad range of accuracy of +100 percent to -50 percent of actual costs. Design work has not started, and the level of confidence is "Low" according to Class 5 AACE estimates.

This project is part of BES' Large Scale Sewer Rehabilitation Program, which is in BES' FY 2022-FY2026 Capital Improvement Plan (CIP).

This legislation will neither generate nor reduce current or future revenue. No current positions will be affected, and no positions will be created, eliminated, or reclassified as a result of this legislation.

Community impacts and community involvement:

This project will rehabilitate and replace a section of large concrete sewer pipe running from SW Slavin Road under Interstate 5 to S Macadam Avenue. This section of pipe is part of a sewer known as the Carolina Trunk. It was built almost 90 years ago to manage sanitary sewage and stormwater from slopes in SW and S Portland.

The area impacted by this project is relatively limited, however there are significant equity considerations due to the presence of a significant Home Forward (the Local Public Housing Authority) housing development within the project area. The project team is currently working with Home Forward staff and property management. In the next phase of this project, outreach to residents will begin in earnest once staff has a better understanding of potential impacts to the area.

Since 2019, Environmental Services staff has conducted community outreach in the area regarding the goals of the project, investigative activities during the design phase such as soil sampling and utility location, and what to expect during construction. Significant work has been done to work with individual property owners to research private and public sewer connections and determine how best to meet local needs.

Outreach has included:

- Development of and updates to the project webpage
- Focused outreach to the impacted property owners and occupants in the project vicinity
- Focused outreach to property owners to coordinate work on private property, including the significant Home Forward facility in the area
- Situational email, mail, and phone correspondence to answer community questions, take input, and address concerns

