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# 191238

Ordinance

## Approve findings to authorize an exemption to the competitive bidding requirements and approve use of the alternative contracting method of Progressive Design Build for the Inverness Force Main System Replacement Project

Passed

The City of Portland ordains:

Section 1. The Council finds:

1. The Bureau of Environmental Services (BES) manages wastewater and stormwater infrastructure to protect public health and the environment. The Inverness Force Main system is a critical component of the BES sewage collection and conveyance system, and is required to operate reliably to prevent uncontrolled sewage releases.
2. The Bureau of Environmental Services (BES) has identified the Inverness Force Main System in Northeast Portland to be in poor condition requiring immediate inspection and rehabilitation. The Inverness Force Main System Replacement Project will ensure reliable sanitary pumping service between the Inverness Pump Station and the Columbia Boulevard Wastewater Treatment Plant (CBWTP).
3. The location, underground conditions, and inspection challenges will require specialized skills in inspection and condition assessment technologies, as well as experience in complex construction approaches, risk and safety control, construction sequencing, scheduling, and cost estimating to overcome the challenges and risks associated with this work, while ensuring reliable and continuous sanitary service.
4. An analysis was completed by BES and Procurement Services that determined that the Progressive Design Build (PDB) project delivery method is advantageous due to early and continuous collaboration opportunities with a contractor evaluating the criticality of the service, operating constraints, risks, and opportunities. The PDB method can

Introduced by

[Commissioner Mingus Mapps](#)

Bureau

[Environmental Services](#)

Contact

Ronda Fast

Capital Project Manager III

✉ [Ronda.Fast@portlandoregon.gov](mailto:Ronda.Fast@portlandoregon.gov)

📞 [503-865-6108](tel:503-865-6108)

Requested Agenda Type

Regular

Date and Time Information

Requested Council Date

April 12, 2023

allow for schedule efficiencies, ensure minimal disruptions in service, and a collaborative evaluation of risks prior to the development of Guaranteed Maximum Price (GMP).

5. Based on the Findings, attached as Exhibit A, the exemption of the Project from the competitive bidding requirements of ORS Chapter 279C is unlikely to encourage favoritism or substantially diminish competition in awarding a public contract because the contract will be awarded using a formal competitive solicitation process. This delivery method has the added community benefit of allowing more time for a Contractor to identify and outreach to firms certified with the State of Oregon's Certification Office for Business Inclusion and Diversity ("COBID-certified" firms) that may otherwise not have an opportunity to participate in the project due to the traditionally compressed low-bid timelines.
6. A selection committee will review and select the progressive design build contractor based on an evaluation of the qualifications, capabilities, and initial costs of proposals. The selection process will be completed under the direction of Procurement Services.
7. The estimated progressive design build construction contract is currently estimated to be between \$34-69 million, depending on the final scope. Funds are available in the Sewer System Operating Fund, WBS Element E11531 with the Bureau of Environmental Services FY 2022-2029 Capital Improvement Plan (CIP).

NOW, THEREFORE, the Council directs:

- A. Council hereby approves the Findings, as attached as Exhibit A, and on that basis exempts the Inverness Force Main Project from the competitive bidding requirements of ORS Chapter 279C.
- B. The Chief Procurement Officer is authorized to use an alternative competitive solicitation process in accordance with City Code Chapter 5.34 to procure progressive design-build services for the Project.
- C. Upon Council acceptance of the Chief Procurement Officer's Report recommending the contract award, the Chief Procurement Officer is authorized to negotiate and execute a contract, provided the contract has been approved as to form by the City Attorney's Office.
- D. The Mayor and City Auditor are hereby authorized to pay for the contract from the Sewer System Operating Fund Budget when demand is presented and approved by the proper authority.
- E. As required by ORS 279C.355 and PCC 5.34.820C, BES will prepare and deliver a post project evaluation to the Council on behalf of the Chief Procurement Officer, once the City accepts the Project as complete.

## Documents and Exhibits

 [Exhibit A](#) 43.42 KB

An ordinance when passed by the Council shall be signed by the Auditor. It shall be carefully filed and preserved in the custody of the Auditor (City Charter Chapter 2 Article 1 Section 2-122)

Passed by Council  
April 12, 2023

Auditor of the City of Portland  
Simone Rede

## Impact Statement

### Purpose of Proposed Legislation and Background Information

The purpose of the legislation is to authorize the Inverness Force Main System Replacement Project (the "Project") from the competitive bidding requirements of ORS 279C and authorize the Progressive Design Build (PDB) alternative contracting method to deliver the Project. Upon selection of a progressive design build contractor team ("Contractor"), authorize the Chief Procurement Officer to execute a contract for progressive design build services.

The Inverness Force Main Replacement Project will inspect and repair/rehabilitate the deteriorated sanitary sewer pressure lines to ensure reliable sanitary sewer service between the Inverness Pump Station and the Columbia Boulevard Wastewater Treatment Plant. The project will reduce risks in the Inverness Force Main system overall.

The project requires specialized skills and expertise in inspection and condition assessment technologies, as well as experience in complex construction approaches, risk and safety control, construction sequencing, scheduling, and cost estimating to overcome the challenges and risks associated with this work, while ensuring continuous sanitary service. A quick delivery of this project is desired due to concerns about further deterioration of the 36-inch IFM and its criticality to ensure continuous sanitary sewage conveyance to the residential, commercial and industrial communities within the service area.

The PDB contracting method allows the City to partner with a contractor team early in the project delivery phases to collaboratively finalize the project scope, facilitate an accelerated schedule, and ensure the best overall value for this complex and unique project. Other benefits include better coordination with stakeholders, promotion of cost-saving opportunities, and better sequencing and scheduling of construction activities to reduce the construction risks and costs. Implementing these

measures throughout the project would minimize construction delays and public impacts.

After approval is granted, a separate Request for Proposal (RFP) process will occur to select the most qualified contractor to engage with the project team in the development, design, and construction of the project. We anticipate the work to be completed in multiple phases, requiring contract amendments, including the Guaranteed Maximum Price proposal, that will require City Council approval.

In addition, the PDB method allows the Contractor to plan for and proceed to early outreach, before construction starts, to maximize utilization of apprentices and COBID-certified subcontractors, to achieve the City's social equity in contracting goals through use of the Regional Workforce Equity Agreement (RWEA) and Contracting Diversity and Inclusion Policy (CDIP).

### **Financial and Budgetary Impacts**

PDB contract costs are estimated between \$34 and \$69 million. Design work has not started, and the level of confidence is "Low" according to Class 5 AACE estimates. The project budget is provided as a range until constructable solutions and alternatives are evaluated and the extent of inspections and repairs are determined.

This project is part of BES' FY 2022-FY 2029 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**

The use of a Progressive Design Build (PDB) contracting method is critical to facilitating the completion of the Project in a timely manner with the least amount of disruptions to the general public, business and property owners, and commerce in the project area. This contracting method promotes schedule efficiencies with the incorporation of schedule-saving construction approaches prior to the completion of the design. This delivery method gives the Contractor and the Project team more time to develop cost and schedule saving alternatives that can lessen the impact to the neighboring businesses, residents and general public. Traffic Control Plans (vehicular, bicycle and pedestrian) are also reviewed earlier in the process than if the traditional Design-Bid Build (DBB) contracting method were used.

The PDB delivery method also can facilitate increased subcontracting and workforce opportunities for people of color to reduce economic disparities in construction trades than the traditional low bid contracting method. With earlier involvement, a contractor has more time to plan for and

promote the inclusion of COBID-certified subcontractors and workforce opportunities.

### **100% Renewable Goal**

Not applicable.

### **Agenda Items**

#### **268 Regular Agenda in [April 5, 2023 Council Agenda](#)**

Passed to second reading

Passed to second reading April 12, 2023 at 9:30 a.m.

#### **289 Regular Agenda in [April 12, 2023 Council Agenda](#)**

Passed

Commissioner Dan Ryan Yea

Commissioner Rene Gonzalez Yea

Commissioner Mingus Mapps Yea

Commissioner Carmen Rubio Absent

Mayor Ted Wheeler Yea