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366-2023

Report

Accept bid of Kodiak Pacific Construction Co. for the Road 10 I and J North Fork BR MP 14.44 project for \$2,614,048 (Procurement Report - Bid 00002063)

Accepted

TO THE COUNCIL:

On December 14, 2022, Council approved Ordinance Number 191108 for Procurement Services to competitively solicit the Road 10 I and J North Fork BR MP 14.44 project in accordance with PCC 5.34. The Chief Procurement Officer has advertised and received bids for Bid Number 00002063 on behalf of the Portland Water Bureau (PWB), with a project construction estimate of \$1,820,000. PWB rated the project estimate confidence level as moderate.

Bids were opened on March 21, 2023, and four (4) bids were received. The lowest responsive bid is from Kodiak Pacific Construction, Co., thus it is recommended that their bid be accepted at the estimated unit price quoted for a total bid amount of \$2,614,048, which is 43.63% over the engineer's estimate.

The City's equity in contracting aspirational goal of 20% of the hard construction costs for subcontractor and supplier utilization of firms certified by the State's Certification Office for Business Inclusion and Diversity (COBID) applies to this project. **Kodiak Pacific Construction, Co. has committed to subcontract 20.54% to COBID Certified firms as follows:**

Subcontractor	Certification	Area of Work	Ownership	Amount
Can Excavating and Trucking, LLC	DBE, ESB, MBE	Dump trucking (e.g., gravel, sand, top-soil)	Hispanic/Male	\$50,000.00
Frank's Excavating, LLC	DBE, MBE	Highway, Street, and Bridge Construction	Hispanic/Male	\$364,000.00
IMN Traffic Specialties LLC	DBE, ESB, MBE, WBE	Flagging (i.e., traffic)	African American (Black)/Female	\$108,000.00

Introduced by

[Mayor Ted Wheeler](#)

Bureau

[Management and Finance;](#)
[Revenue and Financial Services](#)

Contact

Biko Taylor

Chief Procurement Officer

✉ biko.taylor@portlandoregon.gov

📞 [503-823-1095](tel:503-823-1095)

Valentine Hellman

Construction, Senior
Procurement Specialist

✉ valentine.hellman@portlandoregon.gov

📞 [503-823-6130](tel:503-823-6130)

Requested Agenda Type

Regular

Date and Time Information

Requested Council Date

May 10, 2023

Time Requested

10 minutes

		control) services		
Andersons Erosion Control, Inc.	DBE, WBE	Hydroseeding services (e.g., decorative, erosion control purposes)	Caucasian (White)/Female	\$3,000.00
Brothers Concrete Cutting Inc.	MBE	Concrete breaking and cutting for demolition	Native American/Male	\$12,000.00
Total				\$537,000.00

Kodiak Pacific Construction, Co. acting as the prime contractor intends to self-perform 69.57% of the work and to subcontract 9.89% to the following non-certified firm:

Subcontractor	Area of Work	Amount
Crawford, Drummond & Associates, Inc.	Contract services (except geophysical surveying and mapping, site preparation, construction, and transportation activities) for oil and gas fields	\$25,000.00
Hicks Striping & Curbing Inc.	Markers, Traffic, Plastic and Rubber	\$29,125.00
Oregon State Bridge Construction	Highway, Street, and Bridge Construction	\$204,420.00
Total		\$258,545.00

Kodiak Pacific Construction, Co. is located in Sherwood, Oregon, and is a State COBID Certified WBE Contractor and is a Caucasian (White)/Female owned firm. They have a current City of Portland Business Tax Registration and are in full compliance with all of the City's contracting requirements.

PWB has funding for the Project (W02555) available in the FY 2022-23 Budget and will be requesting funds in the FY 2023-24 and FY 2024-25 Budgets.

It is recommended that a Performance Bond and Payment Bond each at 100% of the contract amount be furnished by the Contractor. Further, it is also recommended that a two (2) year Maintenance/Warranty Bond for 20% of the

final contract amount be furnished by the Contractor before final payment is released.

The bid sureties of the remaining bidders should be returned immediately in compliance with Section 5.34.410D of the City Code.

Procurement Services recommends that Council accept this Report and authorize the contract award to Kodiak Pacific Construction, Co.

Recommended by:

Biko Taylor

Chief Procurement Officer

BT: veh

Impact Statement

Purpose of Proposed Legislation and Background Information

Authorize the Chief Procurement Officer to execute a construction contract for the Road 10 I and J North Fork BR MP 14.44 project to Kodiak Pacific Construction Co. The construction cost based on bids received is \$2,614,048.

The Portland Water Bureau (PWB) needs to make repairs in the Bull Run Watershed to United States Forest Service (USFS) Road 10 I and J from milepost 12.49 to 14.44. Road 10 is part of the primary access to Bull Run Lake. Road 10 provides access from Headworks and secondary egress from the watershed as well as access for emergencies, such as fires. This project will help ensure PWB staff can access the watershed safely and promptly for daily work and for emergencies.

This project will grind existing pavement, restore road subgrade, and repave two miles of Road 10. The road will be widened to current standard for width using fill. Culverts will be replaced, including three that will be upgraded to meet USFS Aquatic Organism Passage requirements. The proposed improvement will provide a safe road for PWB and USFS staff who use this road regularly. It is anticipated that the Project will be constructed in the summer/fall of 2023 and summer/fall 2024.

Ordinance No. 191108 was approved by City Council on December 14, 2022, authorizing the Chief Procurement Officer to issue a competitive solicitation for the Road 10 I and J North Fork BR MP 14.44 project on behalf of PWB.

No revenues will be impacted by this legislation.

This legislation does not change existing City policy.

Financial and Budgetary Impacts

Based on bids received, PWB anticipates the construction contract cost to be \$2,614,048. The engineer's estimate for this project was \$1,820,000 and the confidence level was moderate. Costs are higher than anticipated because the engineer's estimate was calculated before the weight limit on the primary access bridge to the project site was severely reduced, requiring all heavy equipment and materials to use a lengthy alternative.

PWB conducted an analysis of the 4 bids received and determined that the low bid from Kodiak Pacific Construction Company represents a fair market price. The second lowest bid was less than 0.1% higher than the low bid, and the average bid was less than 10% higher than the low bid.

Funds are available in in the FY 2022-23 Budget and will be requested in the FY 2023-24 and FY 2024-25 Budgets.

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 publicly noticed the project on the City's Online Procurement System on February 9, 2023.

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.

100% Renewable Goal

The proposed action will lower the City's total energy use by reducing the maintenance required for this segment of the road. The proposed action will have no impact on the City's renewable energy use.

Budget Office Financial Impact Analysis

The total cost of this contract, \$2,614,048, is built into the Water Bureau's Capital Improvement Program and Water Rate forecast.

Agenda Items

366 Regular Agenda in [May 10, 2023 Council Agenda](https://www.portland.gov/council/agenda/2023/5/10)
(<https://www.portland.gov/council/agenda/2023/5/10>)

Accepted - Prepare Contract

Motion to accept the report: Moved by Mapps and seconded by Ryan.

Commissioner Dan Ryan Yea

Commissioner Rene Gonzalez Yea

Commissioner Mingus Mapps Yea

Commissioner Carmen Rubio Yea

Mayor Ted Wheeler Yea