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1068-2023

Report

Accept bid of \$5,474,999 from Orr, Inc. for the NE 6th Drive Pump Station Project (Procurement Report -ITB 00002173)

Accepted

TO THE COUNCIL:

On March 15, 2023, Council approved Ordinance Number 191206 for Procurement Services to competitively solicit the NE 6th Drive Pump Station Project in accordance with PCC 5.34. The Chief Procurement Officer has advertised and received bids for Bid Number 00002173 on behalf of Bureau of Environmental Services (BES), with a project construction estimate of \$4,540,000. BES rated the project estimate confidence level as Moderate.

Bids were opened on September 12, 2023, and three (3) bids were received. The lowest responsive bid is from Orr, Inc., thus it is recommended that their bid be accepted at the estimated lump sum quoted for a total bid amount of \$5,474,999, which is 20.6% 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. **Orr, Inc. has committed to subcontract 4.45% toCOBID Certified firms as follows:**

Introduced by

Mayor Ted Wheeler

Bureau

<u>Management and Finance;</u> <u>Revenue and Financial Services</u>

Contact

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Biko Taylor

Chief Procurement Officer

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- <u>503-823-1095</u>

Requested Agenda Type Regular

Date and Time Information

Subcontractor	Certification	Area of Work	Ownership	Amoun	tRequested Council Date
Andersons Erosion Control, Inc	D/W	Irrigation/Erosion Control Services	Caucasian/Female	\$12,650	December 20, 2023 Time Requested 15 minutes
Brothers Concrete Cutting, Inc.	MBE	Sawcutting	Native American/Male	\$25,000	
C & C Flagging LLC	D/M/W/ESB	Flagging	African American/Female	\$20,000	

Total				\$243,701.00	
MJE Industrial, LLC	ESB	Painting/Coating	Caucasian/Male	\$142,990	
Miller Factors, LLC	WBE	Landscaping	Caucasian/Female	\$19,696	
Kodiak Pacific Construction Co.	WBE	Paving	Caucasian/Female	\$23,365	
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Orr, Inc., acting as the prime contractor intends to self-perform 67.14% of the work and to subcontract 28.41% to the following non-certified firm:

Subcontractor	Area of Work	Amount
AKS Engineering & Forestry, LLC	Surveying	\$16,895
Alpine Abatement Associates	Asbestos Abatement	\$2,650
Bryan R. Green	Plumbing	\$39,735
Earth Dynamics, LLC	Vibration Monitoring	\$25,000
Five Star Electric, Inc.	Electrical	\$460,000
Kraft Masonry, Inc.	Masonry	\$61,841
Pacific Foundation, Inc.	Piling/Shoring	\$660,000
Santiam Heating & Sheetmetal, Inc.	HVAC/Sheetmetal	\$44,050
TGC Structural	Concrete	\$182,741
Willamette Fence Co., Inc.	Fencing	\$62,520
Total		\$1,555,432.00

Orr, Inc is located in Turner, Oregon, and is a State COBID Certified Contractor and is a Native American/Male 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.

Funds will be paid out of the Sewer System Operating Fund Budget WBS Element E11052 within the BES' FY 22-23 budget.

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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 Chief Procurement Officer to execute the contract with Orr, Inc.

Recommended by:

Biko Taylor

Chief Procurement Officer

BT: mss

Impact Statement

Purpose of Proposed Legislation and Background Information

Authorize the Chief Procurement Officer to execute a construction contract for NE 6th Drive Pump Station Project to Orr, Inc. The construction cost based on bids received is \$5,474,999.

The Bureau of Environmental Services (BES) needs to upgrade the NE 6th Drive Pump Station. The station has been in service for over 45 years and has exceeded its designed and anticipated useful life. The NE 6th Drive Pump Station Upgrade will bring the Pump Station into conformance with current BES standards and provide long-term reliability and resiliency for conveying municipal wastewater in the collection system.

The project will upgrade the existing NE 6th Drive Pump Station with new equipment, including pumps, wet well, control building, electrical infrastructure, and standby generator. The project will also add new features and equipment to the Pump Station, including a force main inspection and cleaning tool launch station, valve vault, and an onsite air release valve.

Ordinances 191206 was approved by City Council on March 15, 2023, authorizing the Chief Procurement Officer to issue a competitive solicitation for the project known as NE 6th Drive Pump Station Project on behalf of BES.

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 \$4,540,000 and the confidence level was Moderate . Based on bids received, BES anticipates the construction contract cost to be \$5,474,999, which is 20.6% over the engineer's estimate.

Funds will be paid out of the Sewer System Operating Fund Budget WBS Element E11052 within the BES' FY 22-23 budget.

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 July 26, 2023, including a public notice posted in the Daily Journal of Commerce on July 28, 2023.

Potential bidders were able to review the competitive solicitation, 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.

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. **Orr, Inc. has committed to subcontract 4.45% toCOBID Certified firms as follows:**

Subcontractor	Certification	Area of Work	Ownership	Amount
Andersons Erosion Control, Inc	D/W	Irrigation/Erosion Control Services	Caucasian/Female	\$12,650
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MJE Industrial, LLC	ESB	Painting/Coating	Caucasian/Male	\$142,990

Total

\$243,701.00

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Total		\$1,555,432.00

Orr, Inc is located in Turner, Oregon, and is a State COBID Certified Contractor and is a Native American/Male 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.

No known persons or groups will be testifying.

No future public involvement is anticipated or necessary for this request.

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100% Renewable Goal

This action neither increases nor decreases the City's total energy use.

This action neither increases nor decreases the City's renewable energy use.

Budget Office Financial Impact Analysis

The engineers project estimate for the project was \$4.54 million, which was moderate. Based on bids, BES anticipates the construction contract being 20.6% higher than the estimate above – this ordinance approves the lowest responsive bid for the project. This work will be paid by the Sewer System Operating Fund Budget, WBS E11052

Agenda Items

1068 Regular Agenda in <u>December 20, 2023 Council Agenda</u> (<u>https://www.portland.gov/council/agenda/2023/12/20</u>)

Accepted - Prepare Contract

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

Commissioner Mingus Mapps Yea

Commissioner Dan Ryan Yea

Commissioner Rene Gonzalez Yea

Commissioner Carmen Rubio Yea

Mayor Ted Wheeler Absent