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597-2024

Report

Accept bid of \$3,073,190 from Kodiak Pacific Construction Co. for the NE 97th Ave and NE Couch/Davis Area Improvements Phase 1 Local Improvement District Project (Procurement Report - ITB 00002310; C-10067, C-10068)

Accepted

TO THE COUNCIL:

On April 24, 2019, Council approved Ordinance Number 189472 for Procurement Services to competitively solicit the NE 97th Avenue Phase II Local Improvement District Project in accordance with PCC 5.34. On December 18, 2019, Council approved Ordinance Number 189811 for Procurement Services to competitively solicit the NE Couch – Davis Streets Local Improvement District Project in accordance with PCC 5.34.

The Chief Procurement Officer has advertised and received bids for Bid Number 00002310 on behalf the Portland Bureau of Transportation (PBOT), with a project construction estimate of \$4,454,059. PBOT rated the project estimate confidence level as low.

Bids were opened on April 30, 2024, and three (3) 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 prices quoted for a total bid amount of \$3,073,190 which is 31% under 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 20.08% to COBID Certified firms** as follows:

Introduced by

[Mayor Ted Wheeler](#)

Bureau

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

Contact

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Requested Agenda Type

Regular

Date and Time Information

Requested Council Date
June 26, 2024
Time Requested
15 minutes

Subcontractor	Certification	Area of Work	Ownership	Amount
Andersons Erosion Control	DWBE	Landscaping	Caucasian/Female	\$70,990

Subcontractor	Certification	Area of Work	Ownership	Amount
Inc.				
CBK Constructors, LLC	DWBE	Highway, Street, and Bridge Construction	Caucasian/Female	\$13,700
Egami Construction Inc.	DMWBE	Traffic Sign Installation and Removal	Asian Pacific/Female	\$85,525
Fritz Cutting and Coring	ESB	Site Work	Caucasian/Male	\$7,746
Heffner Paving, LLC	WBE/ESB	Highway, road, street, and sidewalk	Caucasian/Female	\$197,968
Imn Traffic Specialties LLC	DMWBE/ESB	Flagging and Traffic Control	African American/Female	\$64,500
Wedo Enterprises Inc.	ESB	Dump Trucking	Caucasian/Male	\$176,646
Total				\$617,075

Kodiak Pacific Construction Co. acting as the prime contractor intends to self-perform 27.31% of the work and to subcontract 52.61% to the following non-certified firms:

Subcontractor	Area of Work	Amount
LaRusso Concrete Inc.	Concrete	\$506,874
Prairie Electric	Electrical	\$770,133
Hicks Striping	Pavement Markings	\$90,705
Duke Excavation	Sumps	\$71,118
Willamette Fence Co.	Fencing	\$17,550
Total		\$1,456,380

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

This project is part of the Portland Bureau of Transportation Capital Improvement Program, which is funded through FY2024-25.

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 Kodiak Pacific Construction Co.

Recommended by:

Kathleen Brenes-Morúa, NIGP-CPP, CPPO, DBIA™, ARM
Interim Chief Procurement Officer

kbm: rab

Impact Statement

Purpose of Proposed Legislation and Background Information

The purpose of this legislation is to authorize the Chief Procurement Officer to execute a construction contract for the NE 97th Ave and NE Couch/Davis Area Improvements Phase 1 LID Project for \$3,073,190.

Portland Bureau of Transportation (PBOT) needs to perform additional street improvements to accommodate the transportation demand created by new residents.

Ordinance No. 189472 was approved by City Council on April 24, 2019, authorizing the Chief Procurement Officer to issue a competitive solicitation for the NE 97th Avenue Phase II LID Project. Ordinance No. 189811 was approved by City Council on December 18, 2019, authorizing the Chief Procurement Officer to issue a competitive solicitation for the NE Couch - Davis Streets LID Project. The construction cost based on bids received is \$3,073,190.

Financial and Budgetary Impacts

The engineer's estimate for this project was \$4,454,059 and the confidence level was low. Based on the proposal received, PBOT anticipates the construction contract cost to not exceed \$3,073,190 which is 31% under the engineer's estimate.

This project is part of the Portland Bureau of Transportation Capital Improvement Program, which is funded through FY2024-25.

The purposed legislation will not create, eliminate or re-classify any positions now or in the future.

Community Impacts and Community Involvement

- Property owner outreach has been ongoing since completion of the NE 97th Avenue Green Street LID in 2014.
- Property owner meetings were held in July 2018 and in September 2019.
- The LIDs were initiated by majority petition support.
- Interested stakeholders financially participating in this LID and the adjacent previously formed NE 97th Avenue Phase II LID have previously briefed:

- 1) Hazelwood Neighborhood Association
- 2) Gateway Green Board
- 3) The late Metro District #6 Councilor Bob Stacey and Metro staff
- 4) The former Tri-Met General Manager Doug Kelsey
- 5) Gateway Area Business Association
- 6) Prosper Portland (formerly PDC) staff
- 7) David Douglas School District Board
- 8) East Portland Action Plan Housing Subcommittee
- 9) Habitat for Humanity
- 10) Human Solutions
- 11) Portland Housing Bureau staff
- 12) Multnomah County District #2 Commissioner Susheela Jayapal

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 9, 2024. A public notice was also posted in the Daily Journal of Commerce on April 12, 2024.

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). Proposals 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

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

This action accepts a bid of \$3,073,190 for phase 1 of the NE 97th Ave and NE Couch/Davis LID project. Funding for the project is included in PBOT's FY 2024-25 Adopted CIP. No additional resources are required as a result of this action.

Document History

Item 590 Regular Agenda in [June 26, 2024 Council Agenda](https://www.portland.gov/council/agenda/2024/6/26) (<https://www.portland.gov/council/agenda/2024/6/26>)

City Council

Rescheduled

Rescheduled to June 26, 2024 at 2:00 p.m.

Item 597 Regular Agenda in [June 26, 2024 Council Agenda](https://www.portland.gov/council/agenda/2024/6/26) (<https://www.portland.gov/council/agenda/2024/6/26>)

City Council

Accepted - Prepare Contract

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

Commissioner Dan Ryan Absent

Commissioner Rene Gonzalez Yea

Commissioner Mingus Mapps Absent

Commissioner Carmen Rubio Yea

Mayor Ted Wheeler Yea