

IMPACT STATEMENT

Legislation title: Accept bid of Moore Excavation, Inc for the Balch Consolidated Conduit Support for \$2,081,865 (Procurement Report Bid No. 117519)

Contact name: Christine Moody, Chief Procurement Officer *CM*

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Presenter name: Christine Moody, Chief Procurement Officer

Purpose of proposed legislation and background information:

Authorize the Commissioner in Charge to execute a contract for the Balch Consolidated Conduit Support. The construction costs based on bids received is \$2,081,865.

Ordinance No. 187076 was approved by City Council on April 1, 2015 authorizing the Chief Procurement Officer to issue a competitive solicitation and the Commissioner in Charge to execute a contract for the Balch Consolidated Conduit Support on behalf of the Portland Bureau of Environmental Services.

This is a part of the Balch Consolidated Conduit project with Sewer System Operating funds budgeted in FY 2014-15. The proposed action does not require a change in the current sewer user charges or revenues other than what was previously approved by City Council for the current fiscal year 2014-15.

This legislation does not change existing City policy.

Financial and budgetary impacts:

Based on bids received, the Bureau of Environmental Services anticipates the construction contract cost to be \$2,081,865. The engineer's estimate for this project was \$1,800,000 and the confidence level was Optimal.

There are some aspects of this project that contribute to the engineer's estimate being exceeded. The recent average historical bid price for 24 inch pipe was estimated at \$150/FT, MEI bid this item at \$480/FT. A reasonable explanation for the variance is that the pipe will be installed in a busy industrial street with heavy business traffic. In addition, the contaminated media disposal has historically been estimated at \$30/TON, this bid item came in 67% higher at \$50/TON.

Funds are available in in the Sewer System Operating Fund, FY 2014-2015 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 public notice was posted on the City's Online Procurement System on February 23, 2015.

Potential bidders were able to review the competitive solicitation, attend a pre-bid meeting, visit the project site, 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.

Budgetary Impact Worksheet

Does this action change appropriations?

- YES: Please complete the information below.
- NO: Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount