

IMPACT STATEMENT

Legislation title: Accept bid of Skyward Construction, Inc. for the Portland Communications Center Seismic Upgrade, Roof Replacement, Mechanical Upgrades, and Envelope Repair project. for \$2,786,000.00 (Procurement Report - Bid No. 00000291)

Contact name: Christine Moody, Chief Procurement Officer

Contact phone: 503-823-1095

Presenter name: Christine Moody, Chief Procurement Officer

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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 Portland Communications Center Seismic Upgrade, Roof Replacement, Mechanical Upgrades, and Envelope Repair project to Skyward Construction, Inc. for \$2,786,000.00.

Ordinance No. 187708 was approved by City Council on May 4, 2016 authorizing the Chief Procurement Officer to issue a competitive solicitation for the Portland Communications Center Seismic Upgrade, Roof Replacement, Mechanical Upgrades, and Envelope Repair project on behalf of Bureau of Business Internal Services (BIBS). The construction cost based on bids received is \$2,786,000.00.

No revenues will be impacted by this legislation.

This legislation does not change existing City policy.

Financial and budgetary impacts:

Based on bids received, the Bureau of Internal Business Services – Facilities (BIBS) anticipates the construction contract cost to be \$2,786,000.00. The engineer's estimate for this project was \$2,093,062.00 and the confidence level was optimal.

The professional cost estimator's estimate was based on the construction documents and reflected historic market/industry costs, however, the local market is constantly changing and Portland is currently experiencing a "boom" in the construction industry. The bid as received is indicative of the surplus contracting opportunities available in the private and public sectors, as evidenced by the fact that only one bid was received when in more normal construction periods as many as 5 would be received. Professional cost estimates are as accurate and precise as possible to the extent that they cover all required materials and typical construction methods. However, due to the unusual circumstances surrounding this "critical need" facility significant changes were required to standard methods. This building must remain occupied and operational 24/7 as the 911 call center; services cannot be disrupted even during the construction process. The Contractor assumes a significant amount of liability in the event daily operations are disrupted, and must account for that assumed risk in their bid.

Funds have been identified and are available for this project within the PCC major maintenance reserve budget.

Funds are available in BIBS Owner Cost Centers MFOP000042.

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 publically noticed the project on the City's Online Procurement System on April 12, 2016.

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.

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