

ORDINANCE No.

Authorize a competitive solicitation and Price Agreements for Furnishing Sewer Improvements for Nonconforming Sewer Conversions, Project No. E08748, for a total amount of \$15 million (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. The Bureau of Environmental Services (BES) needs to construct sanitary sewer extensions and sewer branches directly to properties that are currently served by nonconforming sewer connections in accordance with Portland City Code Chapter 17.33.
2. BES will prepare and provide the design plans and specifications, construction management, construction inspection and final acceptance of the work. The work will require the Contractors to provide necessary labor, equipment, materials and related professional services that are required to meet the intent of the project to construct the sewer and complete all ancillary improvements required.
3. Work performed under these price agreements will be authorized via written task orders. Utilization of price agreements will increase project delivery efficiency and flexibility for delivery of the required sanitary sewer extensions and sewer branches.
4. The total expenditure of all the price agreement(s) is not to exceed \$15,000,000 for a five-year period. The level of confidence is high. Funds are available in the Sewer System Operating Fund, FY 2020 – FY 2024 Budget, Bureau of Environmental Services, WBS Element E08748.C60.

NOW, THEREFORE, the Council directs:

- a. The Chief Procurement Officer to facilitate the use of the competitive solicitation process in accordance with City Code Chapter 5.34 in order to obtain the most responsible and responsive offers for the Price Agreement(s) for Furnishing Sewer Improvements for Nonconforming Sewer Conversions.
- b. The Chief Procurement Officer to negotiate and execute multiple Price Agreements for a total not-to-exceed amount of \$15,000,000 provided the Price Agreements have been approved as to form by the City Attorney's office.
- c. That the Mayor and City Auditor are hereby authorized to pay for the price agreements from the Sewer System Operating Fund Budget when demand is presented and approved by the proper authority.

Passed by the Council:

Commissioner Amanda Fritz

Prepared by: Joe Dvorak, PE
Date prepared: October 9, 2020

WBS E08748.C60

Mary Hull Caballero
Auditor of the City of Portland
By

Deputy

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 Agenda No.
ORDINANCE NO.
 Title

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<p style="text-align: center;">INTRODUCED BY Commissioner/Auditor: Commissioner Fritz</p>	<p>CLERK USE: DATE FILED <u>December 8, 2020</u></p>
<p style="text-align: center;">COMMISSIONER APPROVAL</p>	<p>Mary Hull Caballero Auditor of the City of Portland</p> <p>By: <u>Keelan McClymont</u> <small>Digitally signed by Keelan McClymont Date: 2020.12.08 13:30:51 -08'00'</small> Deputy</p> <p>ACTION TAKEN: December 16, 2020 Passed to Second Reading January 6, 2021 at 9:30 am</p>
<p>Mayor—Finance & Administration - Wheeler</p>	
<p>Position 1/Utilities - Fritz <small>Tim Crail on behalf of Commissioner Fritz Digitally signed by Tim Crail on behalf of Commissioner Fritz Date: 2020.12.08 09:30:30 -08'00'</small></p>	
<p>Position 2/Works - Ryan</p>	
<p>Position 3/Affairs - Hardesty</p>	
<p>Position 4/Safety - Eudaly</p>	
<p style="text-align: center;">BUREAU APPROVAL</p>	
<p>Bureau: Environmental Services Bureau Head: <u>Michael Jordan</u> <small>Digitally signed by Michael Jordan Date: 2020.11.19 16:46:25 -08'00'</small></p>	
<p>Prepared by: Joe Dvorak Date Prepared: 11/9/2020</p>	
<p>Impact Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p>	
<p>Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>	
<p>City Auditor Office Approval: required for Code Ordinances</p>	
<p>City Attorney Approval: <u>Eric Shaffner</u> required for contract, code, easement, franchise, comp plan, charter <small>Signature of Eric Shaffner Digitally signed by Eric Shaffner Date: 2020.11.17 17:02:38 -08'00'</small></p>	
<p>Council Meeting Date December 16, 2020</p>	

AGENDA

TIME CERTAIN
 Start time: _____
 Total amount of time needed: _____
 (for presentation, testimony and discussion)

CONSENT

REGULAR
 Total amount of time needed: 10 Mins.
 (for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Rubio	1. Rubio		
2. Ryan	2. Ryan		
3. Hardesty	3. Hardesty		
4. Mapps	4. Mapps		
Wheeler	Wheeler		

Engineer's Estimate Checklist for Optimal Confidence

Project Name/Number: Price Agreements for Furnishing Sewer Improvements for Nonconforming Sewer Conversions

Engineer: Melanie Gualotunia, PE Level of Effort to prepare this estimate: 15 Hours

Items included in this estimate: Overall contract amount of \$3,000,000 annually.

Items excluded in this estimate: Unit prices, which will be determined via individual contracts.

Project Scope

	<u>Yes</u>	<u>No</u>	<u>Not Applicable</u>
Is the project scope clearly understood and well defined?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are pay items identified according to project Specifications?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Are materials and quantities accurate for execution of the job?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Is the extent of street resurfacing understood and accounted for?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Is utility coordination and/or relocation, and potential project delay, understood and accounted for in this estimate?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Are environmental and soil conditions understood, and are the extent and methods of any required disposal accounted for in this estimate?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Has Traffic Control been estimated according to project-specific conditions?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Are project-specific mobilization costs understood and accounted for in this estimate?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Have known extra work items, or force account items, been accounted for?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Comments: Project specific scope will vary between task orders. The majority of the scope of work for short sanitary sewer extensions to convert nonconforming sewers has a well understood limit, with each work order and design made to fit the site-specific conditions. All items of work are understood before approving contractors and a detailed estimate for work is approved for completed design. Based on the previous contracts for this work, the overall annual amount of \$3,000,000 has been sufficient.

Project Schedule

	<u>Yes</u>	<u>No</u>	<u>Not Applicable</u>
Have availability and delivery time of important materials and equipment been checked?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Has the contract time been determined with/by the Construction Manager?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Have contract time cost impacts been accounted for in this estimate?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Have construction season cost impacts been accounted for in this estimate?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Are schedule constraints and/or schedule acceleration requirements understood, well defined, and accounted for in this estimate?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Have unusual work time requirements (i.e. 24-hr work or limited street closure times) been accounted for in this estimate?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Comments: Individual work order schedules are agreed upon with BES construction manager and Contractor after considering all site-specific factors are taken into account, and the notice to proceed includes total Calendar Days.

Quality Assurance

	<u>Yes</u>	<u>No</u>	<u>Not Applicable</u>
Are quantity take-off calculations and back-up information documented?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Are unit prices verified with vendors and sources documented?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Are historical unit costs adjusted (to midpoint of construction) from projects of similar scale, similar site and similar construction conditions?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Have non-standard items been estimated "bottom up"?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Is a contingency in this estimate? If so, describe: _____	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Are "plug" estimates used? If so, describe: _____	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Was this estimate checked? (quantities and costs)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Comments: Cost estimates for each individual task order will be documented and checked as they arise. Similar contracts with nearly identical bid items will be used to develop the price agreements.

Bidding Environment

	<u>Yes</u>	<u>No</u>	<u>Not Applicable</u>
Is this project directed to the sheltered market and is this accounted for in this estimate?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Has the time/season of advertising been factored into this estimate?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are circumstances known that would limit the bidding pool and is this accounted for?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Comments: We will work with BES and Central Procurement for selecting bidders and will likely utilize the Prime Contractor Development Program

Implementation Procedures for Capital Projects

	<u>Yes</u>	<u>No</u>	<u>Not Applicable</u>
Does the project construction estimate agree with the current budget?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
If "No", has a Trend Alert been prepared?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

*Engineer's Estimate Checklist for **Optimal Confidence***

Comments: The overall budgets for the E08748 and E10491 extension programs have been approved. Individual task orders will only be approved as budget allows.

IMPACT STATEMENT

Legislation title: Authorize a competitive solicitation and Price Agreements for Furnishing Sewer Improvements for Nonconforming Sewer Conversions, Project No. E08748, for a total amount of \$15 million (Ordinance)

Contact name: Joe Dvorak, PE

Contact phone: 503-823-5271

Presenter name: Joe Dvorak, PE and Melanie Gualotunia, PE

Purpose of proposed legislation and background information:

BES is responsible for constructing new sanitary sewers to provide individual properties with improved and legal access to the collection system. This is referred to as completing a conversion of nonconforming sewers to conforming sewer connections. Existing nonconforming sewers generally occur when a property does not have a direct and independent connection to the public sewer. Sewer connections are nonconforming when the line crosses into a neighbor's property or connects to a private line in the right-of-way. Conforming sewers leave an individual property and directly connect to the public sewer. Nonconforming connections are typically found when a property is for sale or when adjacent property or public right of way is improved. New public sewers provided by BES are most often the only available permanent solution to avoid the loss of service that can render a property uninhabitable or business unable to continue its commercial activity.

BES will prepare and provide the design, plans, specifications, construction management, construction inspection, and final acceptance of the work. The Contractors will provide necessary labor, equipment, materials and related professional services to construct the sewer and all required restoration.

Financial and budgetary impacts:

The level of confidence in this contract estimate is high due to the nature of the price agreement contract. The price agreement will be utilized as project funds are available. Project funds are available in the Bureau of Environmental Services Sewer System Operating Fund, FY 2020 – FY 2024. After the project is completed, the assets will be maintained by BES Wastewater Group using their operation and maintenance budget. This project will neither generate nor reduce current or future revenue.

Property owners receiving a new conforming sewer connection route of service through this work are required to pay the applicable sewer conversion charge to BES prior to making the new connection. These conversion rates are subsidized by BES and full cost recovery is not achieved, which is in accordance with the Council direction and adoption of the nonconforming sewer program that began in 2008.

Community impacts and community involvement:

The success of BES construction projects relies, in part, on the Bureau's proactive and focused community outreach program. Community outreach is key to gaining public acceptance and understanding of Bureau projects in business districts and residential neighborhoods. Further, projects that provide opportunities for public input and decision-making are more likely to reflect community needs and address community concerns, resulting in better projects and enhanced relationships between the City and community. Inadequate or inappropriate communications and outreach to

