

**Agenda No. 88**

**REPORT**

Accept bid of MJ Hughes Construction, Inc. for the Red Electric Trail Project for \$2,328,062 (Procurement Report - Bid No. 00001529)

January 20, 2021

**Introduced by**  
Mayor Ted Wheeler

TO THE COUNCIL:

On July 8, 2020, Council approved Ordinance Number 190031 for Procurement Services to competitively solicit the Red Electric Trail Project in accordance with PCC 5.34. The Chief Procurement Officer has advertised and received bids for Bid Number 00001529 on behalf of the Portland Bureau of Transportation (PBOT), with a project construction estimate range of \$2 million to \$5 million. PBOT rated the project estimate confidence level as high.

**Bureau**  
Management and Finance

**Prepared by**  
Mahn Saechao

**Date Prepared**  
December 22, 2020

Bids were opened on November 5, 2020, and six (6) bids were received. The low bid from MJ Hughes Construction, Inc., was responsive to the solicitation requirements, thus it is recommended that MJ Hughes Construction, Inc. bid be accepted at the estimated quoted for a total bid amount of \$2,328,062.

**Requested Council Date**  
February 10, 2021

Ordinance No. 179568 authorized PBOT to participate in Oregon Department of Transportations (ODOT) Local Public Agency Certification Program for the delivery of federal-aid projects. On June 29, 2011, ODOT's Director informed the Mayor that PBOT had successfully completed the requirements to become fully certified, and City Council accepted ODOT's certification acknowledgement by Ordinance No. 184710. This is a federal-aid transportation project under the ODOT Federal-Aid Highway Program. Under ODOT's certification, this project will be reviewed and audited by ODOT for federal-aid project compliance.

**Requested Agenda Type**  
Regular  
15 minutes  
requested

**Date Filed with Clerk**  
February 2, 2021

Part of the certification is that ODOT shall administer on behalf of the City, ODOT's Disadvantaged Business Enterprise (DBE), Equal Employment Opportunity (EEO), and On-The-Job Training (OJT) programs. As such, ODOT establishes the minimum DBE goals for each federal-aid project in compliance with 49 CFR 26. The criteria used in assigning project goals includes: project location, size, duration, dollar value, and the availability of DBE firms that can perform identified subcontracting opportunities. This project has an 8% DBE goal. ODOT deemed MJ Hughes Construction, Inc. to be responsive to the DBE requirement. MJ Hughes Construction has a committed DBE participation goal of 8.25%. State based certifications other than DBE are not reported in Federal Aid projects.

MJ Hughes Construction, Inc has identified the following COBID firm as a participating company:

<b>Subcontractor</b>	<b>Certification</b>	<b>Area of Work</b>	<b>Ownership</b>	<b>Amount</b>
Fox Erosion Control and Landscape, Inc.	DBE/WBE	Landscaping	Caucasian/ Female	\$215,130.80

MJ Hughes Construction, Inc. is located in Vancouver, WA, and a State of Oregon Certified COBID Contractor. They have a current City of Portland Business Tax Registration, EEO Certification, and are in with the City's contracting requirements.

Funds are available for this project under Owner Cost Center T00274.

It is recommended that Performance Bond and Payment Bonds, each at 100% of the contract amount, be furnished by the Contractor.

The bid sureties of the remaining bidders should be returned immediately in compliance with Section 5.34.410D of the City Code.

Recommended by:

Kathleen Brenes-Morúa

Interim Chief Procurement Officer

KBM: mss

Action taken:

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		

## **IMPACT STATEMENT**

**Legislation title:** Accept bid of MJ Hughes Construction, Inc. for the Red Electric Trail Project for \$2,328,062 (Procurement Report - Bid No. 00001529)

**Contact name:** Kathleen Brenes-Morúa, Interim Chief Procurement Officer

**Contact phone:** 503-823-1095

**Presenter name:** Kathleen Brenes-Morúa, Interim Chief Procurement Officer

### **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 Red Electric Trail: SW Bertha Blvd - SW Capitol Highway Project in the amount of \$2,328,062.

The project involves construction of a pedestrian and cyclist bridge and off-street trail connection on the segment of the Red Electric Trail from SW Bertha Boulevard to SW Capitol Highway building the trail in a critical area adjacent to Beaverton-Hillsdale Highway. A grant from the Oregon Department of Transportation (ODOT) in the amount of \$1,359,410 was accepted by Ordinance No. 184888 on September 28, 2011. In August 2018, City Council amended the 2011 IGA (Amendment 3) to increase the funding amount to \$2,132,213 in Congestion Mitigation and Air Quality (CMAQ) funds.

Ordinance No. 190031 was approved by City Council on July 8, 2020, authorizing the Chief Procurement Officer to issue a competitive solicitation for the Red Electric Trail: SW Bertha Blvd - SW Capitol Highway Project on behalf of Portland Bureau of Transportation (PBOT). The construction cost based on bids received, is \$2,328,062.

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 in the range of \$2 million to \$5 million and the confidence level was high. Based on bids received, PBOT anticipates the construction contract cost to be \$2,328,062.10 which is within the engineer's estimate.

Funds are available in PBOT T00274.

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 State of Oregon COBID certified contractors as Disadvantaged, Minority, Women owned, Emerging Small Businesses or Service Disabled Veteran owned businesses became involved when the Chief Procurement Officer advertised and publicly noticed the project on the City's Online Procurement System on September 28, 2020.

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. One protest was received and resolved.

We do not anticipate any person or group will be testifying.

### Budgetary Impact Worksheet

**Does this action change appropriations?**

**YES:** Please complete the information below.

**NO:** Skip this section

<b>Fund</b>	<b>Fund Center</b>	<b>Commitment Item</b>	<b>Functional Area</b>	<b>Funded Program</b>	<b>Grant</b>	<b>Sponsored Program</b>	<b>Amount</b>