

**Agenda No. 89**

**REPORT**

Accept bid of Westech Construction, Inc. for the Better Naito Forever Project for \$2,889,601 (Procurement Report - Bid No. 00001532)

REGULAR CALENDAR

February 10, 2021

TO THE COUNCIL

Council approved Ordinance 190159 on October 7, 2020, for Procurement Services to competitively solicit the Better Naito Forever Project in accordance with PCC 5.34. The Chief Procurement Officer has advertised and received bids for Bid Number 00001532 on behalf of the Portland Bureau of Transportation (PBOT) with a project construction estimate of \$3,403,954.82. PBOT rated the project estimate confidence level as high.

Bids were opened on November 27, 2020, and four (4) bids were received. The lowest responsive bid is from Westech Construction, Inc. Thus, Procurement Services recommends that Council accept this Report and authorize the Chief Procurement Officer to execute the contract with Westech Construction, Inc. in the amount of \$2,889,601.

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.

**Westech Construction, Inc. has committed to subcontract 8.67% to COBID Certified firms** as follows:

**Introduced by**  
Mayor Ted Wheeler

**Bureau**  
Management and  
Finance

**Prepared by**  
Mahn Saechao

**Date Prepared**  
January 8, 2021

**Requested Council  
Date**  
February 10, 2021

**Requested Agenda  
Type**  
Regular  
15 minutes  
requested

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

| <b>Subcontractor</b>            | <b>Certification</b> | <b>Area of work</b> | <b>Ownership</b>              | <b>Amount</b>    |
|---------------------------------|----------------------|---------------------|-------------------------------|------------------|
| A+ Flagging, Inc.               | DBE/WBE              | Flagging            | Hispanic/Female               | \$43,000         |
| Andersons Erosion Control, Inc. | DBE/WBE              | Landscaping         | Caucasian/Female              | \$84,000         |
| Brothers Concrete Cutting, Inc. | MBE                  | Trucking/Hauling    | Native American (Indian)/Male | \$9,000          |
| Cartello Construction, Inc.     | DBE/WBE              | Traffic Control     | Caucasian/Female              | \$42,500         |
| March Enterprises, Inc.         | WBE                  | Arborist            | Caucasian/Female              | \$42,000         |
| Taylor Transport, Inc.          | WBE                  | Hauling             | Caucasian/Female              | \$30,000         |
| <b>Total</b>                    |                      |                     |                               | <b>\$250,500</b> |

Westech Construction, Inc. acting as the prime contractor intends to self-perform 30.15% of the work and to contract 61.18% to the following non-certified firm:

| <b>Subcontractor</b>           | <b>Area of work</b> | <b>Amount</b>      |
|--------------------------------|---------------------|--------------------|
| Global Electric, Inc.          | Signalization       | \$900,000          |
| Hicks Striping & Curbing, Inc. | Striping            | \$327,900          |
| LaRusso Concrete, Inc.         | Concrete            | \$510,000          |
| Vancouver Paving Company       | Paving              | \$30,000           |
| <b>Total</b>                   |                     | <b>\$1,767,900</b> |

The three non-certified bids were either for specialized work that is currently unavailable with certified firms such as special certification as striping applicator or bids that were as high as double in price (concrete/signalization).

Westech Construction, Inc. is located in Portland, Oregon, and is not a State COBID Certified Contractor. They have a current City of Portland Business Tax Registration and are in full compliance with all of the City's contracting requirements.

The Bureau of Transportation has funds budgeted in FY 2020-21 and 22-23 for construction, inspection and management of the project. The cost centers for this project are T00457.

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.

Procurement Services recommends that Council accept this Report and authorize the Chief Procurement Officer to execute the contract with Westech Construction, Inc.

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 Westech Construction, Inc. for the Better Naito Forever Project for \$2,889,601 (Procurement Report - Bid No. 00001532)

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

Contact phone:         503-823-2506

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

### **Purpose of proposed legislation and background information:**

Authorize the Chief Procurement Officer to execute a construction contract for the Naito Parkway NW Davis to SW Jefferson – Better Naito Forever Project to Westech Construction, Inc. The construction cost based on bids received is \$2,889,601.

The Better Naito Forever will permanently repurpose one of the two northbound lanes of Naito Parkway. This lane reallocation is necessary to create a two-way bikeway and accessible sidewalk but was initially controversial when the pilot was first implemented due to impacts in travel time and vehicle queuing for people driving northbound. Controversy around impacts to people driving has dissipated since the project has been on the ground since 2015.

Ordinance 190159 was approved on October 7, 2020, respectively, authorizing the Chief Procurement Officer to issue a competitive solicitation for the Better Naito Forever Project on behalf of PBOT.

No revenues will be impacted by this legislation.

This legislation does not change existing City policy.

### **Financial and budgetary impacts:**

Based on bids received, PBOT anticipates the construction contract cost to be \$2,889,601 which is 15.33% under the engineer's estimate. The engineer's estimate for this project was \$3,403,954 and the confidence level was high. The total construction cost recommended for bid acceptance is determined to be within a reasonable margin and in keeping with currently prevailing commercial construction market trends.

The Bureau of Transportation has funds budgeted in FY 2020-21 and 22-23 for construction, inspection and management of the project. The cost centers for this project T00457.

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 publicly noticed the project on the City's Online Procurement System on October 8, 2020.

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). 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

| <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> |
|-------------|--------------------|------------------------|------------------------|-----------------------|--------------|--------------------------|---------------|
|             |                    |                        |                        |                       |              |                          |               |
|             |                    |                        |                        |                       |              |                          |               |
|             |                    |                        |                        |                       |              |                          |               |
|             |                    |                        |                        |                       |              |                          |               |