

## Agenda No. 262

### REPORT

Accept bid of James W. Fowler Co. for the Carolina Trunk WZ-02 Rehabilitation Project for \$1,563,000 (Procurement Report - Bid No. 00001609)

April 21, 2021

TO THE COUNCIL:

On December 9, 2020, Council approved Ordinance Number 190224 for Procurement Services to competitively solicit the Carolina Trunk WZ-02 Rehabilitation Project in accordance with PCC 5.34. The Chief Procurement Officer has advertised and received bids for Bid Number 00001609 on behalf of Bureau of Environmental Services (BES), with a project construction estimate of \$1,462,000. BES rated the project estimate confidence level as High .

Bids were opened on March 9, 2021, and one (1) bid was received. The lowest responsive bid is from James W. Fowler Co., thus it is recommended that their bid be accepted at the estimated unit prices quoted for a total bid amount of \$1,563,000, which is 6.91% over the engineer's estimate.

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. **James W. Fowler Co. has committed to subcontract 8.51% to COBID Certified firms as follows:**

Subcontractor	Certification	Area of Work	Ownership	Amount
Chick of All Trades, LLC	DBE/WBE /MBE	Flagging	Hispanic/ Female	\$48,000
Iron Horse, LLC	DBE/WBE	CIPP/ Vactee	Caucasian/ Female	\$79,100

**Introduced by**  
Mayor Ted Wheeler

**Bureau**  
Management and Finance

**Prepared by**  
Mahn Saechao

**Date Prepared**  
March 31, 2021

**Requested Council Date**  
April 21, 2021

**Requested Agenda Type**  
Regular  
15 min requested

**Date Filed with Clerk**  
April 13, 2021

JNM Services, LLC	WBE/ESB	CCTV	Caucasian/ Female	\$5,500
Pest Solutions, LLC	ESB	Pest Control	Caucasian/ Male	\$500
<b>Total</b>				<b>\$133,100</b>

James W. Fowler Co. acting as the prime contractor intends to self-perform 88.29% of the work and to subcontract 3.20% to the following non-certified firm:

<b>Subcontractor</b>	<b>Area of Work</b>	<b>Amount</b>
Clearwater Environmental Services, Inc.	Confined Space Rescue	\$50,000
<b>Total</b>		<b>\$50,000</b>

James W. Fowler Co. is located in Dallas, OR, 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.

This project is part of BES' Large Scale Sewer Rehabilitation Program, which is funded through FY 20-21 and FY 21-22.

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.

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

Procurement Services recommends that Council accept this Report and authorize the Chief Procurement Officer to execute the contract with James W. Fowler Co.

Recommended by:

Kathleen Brenes-Morúa

Interim Chief Procurement Officer

KBM: mss

Action taken:

Commissioners voted as follows (Yea or Nay)

Rubio -

Ryan -

Hardesty -

Mapps -

Wheeler -

## IMPACT STATEMENT

**Legislation title:** Accept bid of James W. Fowler Co. for the Carolina Trunk WZ-02 Rehabilitation Project for \$1,563,000 (Procurement Report - Bid No. 00001609)

**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:**

The purpose of this legislation is to authorize the Chief Procurement Officer to execute a construction contract for the Carolina Trunk WZ-02 Rehabilitation Project for \$1,563,000.

The Carolina Trunk WZ-02 Rehabilitation project is a part of Bureau of Environmental Services (BES)' Large Scale Sewer Rehabilitation Program. Program goals are to rehabilitate or replace severely deteriorated sewer pipes, manholes, service laterals, and inlet pipes throughout the City's sewer system and restore service life as economically and efficiently as possible. During this project, approximately 1,100 feet of deteriorated sewer pipes will be rehabilitated.

Ordinance No. 190224 was approved by City Council on December 9, 2020 authorizing the Chief Procurement Officer to issue a competitive solicitation for the Carolina Trunk WZ-02 Rehabilitation Project on behalf of Bureau of Environmental Services (BES). The construction cost based on bids received is \$1,563,000.

No revenues will be impacted by this legislation.

This legislation does not change existing City policy.

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

The engineer's estimate was \$1,462,000 and the confidence level was high. Based on bids received, the Bureau of Environmental Services (BES) anticipates the construction contract cost to be \$1,563,000, which is 6.91% over the engineer's estimate.

The bid item for Manned Entry Surface Repair is not a common bid item, and the City lacks historical bid data. This bid item includes entry into underground sewer trunk and performing repair inside of the trunk. The cost of such a repair could vary significantly on a case-by-case basis due to different trunk conditions; and the Contractor's means and methods may also impact costs. The unit price of this bid item in the project appears being underestimated by comparing Engineer's estimate with the bid.

Additionally, the Construction Cost Index from ENR (Feb 2021) shows that over the last 12 months, costs have risen about 5.85%. General increase in costs due to gradual recovery of economy may have contributed to some the cost differences.

Funds are available in the Sewer System Operating Fund, FY 20-21 and FY 21-22 Budget, Bureau of Environmental Services, WBS Element E11005.

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 Disadvantaged, Minority, Women, and Emerging Small Businesses or Serviced Disabled Veteran Businesses became involved when the Chief Procurement Officer advertised and publicly noticed the project on the City’s Online Procurement System on February 10, 2021.

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.

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

**100% Renewable Goal:**

This project will neither increase or decrease the City’s total energy use.

This project neither contributes nor takes away from the City’s goal of meeting 100 percent of community-wide energy needs with renewable energy by 2050.

**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