

Agenda No. 285

REPORT

Accept bid of MJ Hughes Construction, Inc. for the Balch Creek Trash Rack Retrofit Project for \$3,670,321 (Procurement Report - ITB No. 00001602)

April 28, 2021

TO THE COUNCIL:

On September 30, 2020, Council approved Ordinance Number 190155 for Procurement Services to competitively solicit the Balch Creek Trash Rack Retrofit Project in accordance with PCC 5.34. The Chief Procurement Officer has advertised and received bids for Bid Number 00001602 on behalf of the Bureau of Environmental Services (BES), with a project construction estimate of \$3,000,000. BES rated the project estimate confidence level as Moderate.

Bids were opened on March 16, 2021, and four (4) bids were received. The lowest responsive bid is from MJ Hughes Construction, Inc., thus it is recommended that their bid be accepted at the estimated quoted for a total bid amount of \$3,670,321, which is 5% over the engineer's estimate unit price.

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 **MJ Hughes Construction, Inc. has committed to subcontract 20.01% to COBID Certified firms** as follows:

Introduced by

Mayor Ted Wheeler

Bureau

Management and Finance

Prepared by

Rachel Beane

Date Prepared

April 1, 2021

Requested Council Date

April 28, 2021

Requested Agenda Type

Regular

15 minutes requested

Date Filed with Clerk

April 20, 2021

Subcontractor	Certification	Area of Work	Ownership	Amount
Brother Concrete Cutting, inc.	MBE	Asphalt/Concrete Saw Cutting	Native American /Male	\$100
DSE & Associates, Inc	ESB	Survey & Mapping	Caucasian /Female	\$17,700
Egami Construction, Inc	DMWESB	Traffic Sign Installation & Removal	Asian Pacific /Female	\$7,960
Eugene William Construction, LLC	DMESB	Culvert Hwy Construction	Native American /Male	\$326,000
Fox Erosion Control and Landscape, Inc.	DWBE	Erosion Control & Landscaping	Caucasian /Female	\$45,735
Northwest Geotechnical Consultants, Inc.	DMBE	Lab & Field Testing Services	Hispanic /Male	\$20,000
Reliable Fence & Construction, Inc.	ESB	Fence Install Maintenance & Repair	Caucasian /Male	\$17,000
Zavala Corporation	DMBE	Concrete	Hispanic /Male	\$300,000
Total				\$734,495

MJ Hughes Construction, Inc. acting as the prime contractor intends to self-perform 56.05% of the work and to contract 23.94% to the following non-certified firm:

Subcontractor	Area of Work	Amount
Brix Paving Northwest Inc.	Paving	\$28,500
Pacific Foundation Inc.	Solider Pile Walls	\$850,000
PBS Engineering and Environmental, Inc.	Environmental Consulting	\$100
Total		\$878,600

MJ Hughes Construction, Inc. is located in Vancouver, Washington 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.

Funds are available in the Sewer System Operating Fund, FY 20-21 Budget, Bureau of Environmental Services, WBS Element E10583.

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 Legacy Contracting, Inc.

Recommended by:

Kathleen Brenes-Morua

Interim Chief Procurement Officer

KBM: rab

Action Taken:

Commissioners voted as follows (Yea or Nay)

Rubio -

Ryan -

Hardesty -

Mapps -

Wheeler -

IMPACT STATEMENT

Legislation title: Accept bid of MJ Hughes Construction, Inc. for the Balch Creek Trash Rack Retrofit Project for \$3,670,321 (Procurement Report - ITB No. 00001602)

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

Contact phone: (503) 823-2506

Presenter name: Kathleen Brenes-Morua, 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 Balch Creek Trash Rack Retrofit Project for \$3,670,321.

The Bureau of Environmental Services (BES) needs to rehabilitate the Balch Creek Trash Rack which is failing and in disrepair. The Trash Rack and associated structural elements are needed to capture large debris in Balch Creek and allow flow to enter the storm sewer system that conveys the creek under the NE Industrial Park to the Willamette River.

Ordinance No. 190155 was approved by City Council on September 30, 2020 authorizing the Chief Procurement Officer to issue a competitive solicitation for the Balch Creek Trash Rack Retrofit Project. The construction cost based on bids received is \$3,670,321.

Financial and budgetary impacts:

The engineer's estimate for this project was \$3,500,000 and the confidence level was Moderate. Based on the proposal received, BES anticipates the construction contract cost to not exceed \$3,670,321 which is 5% over the engineer's estimate.

Funds are available in the Sewer System Operating Fund, FY 20-21 Budget, Bureau of Environmental Services, WBS Element E10583.

The proposed legislation will not create, eliminate or re-classify any positions now or in the future.

Community impacts and community involvement:

Balch Creek, in northwest Portland, runs above ground for approximately 3 ¼ miles then enters a pipe in Macleay Park. From that point on, the creek flows underground through the pipe until it reaches the Willamette River. At the point in Macleay Park where Balch Creek flows into the underground pipe, a trash rack catches large debris to protect the pipe from backing up or clogging.

The Balch Creek Trash Rack collects sediment, large logs, and other woody debris that is carried down from the steep forested drainage area surrounding the Lower Macleay Trailhead in Forest Park. This large structure keeps the majority of sediment, rock, and floating debris from entering the storm sewer that carries Balch Creek from Forest Park to the Willamette River. The Balch Creek Trash Rack is aging and many of its components are in need of replacement and upgrading. Repairing or replacing the trash rack will help reduce the chance of future clogs, backups and floods.

The reconstruction of the trash rack is located entirely within the park area of Lower McLeay Park. While we anticipate some traffic impacts from materials delivery and construction equipment, there should be very minimal impact to the surrounding neighborhood.

BES has worked extensively with Portland Parks and Recreation to minimize impacts within the park and ensure access for all visitors throughout construction.

Since 2017, Environmental Services has conducted extensive community outreach regarding the goals of the project, investigative activities during the design phase such as soil sampling and utility location, and what to expect during construction. Outreach has included:

- Development of and updates to the project webpage.
- Project updates mailed to more than 1,000 property owners, renters, businesses, public and private agencies.
- Multiple email updates to the project email list
- Multiple social media posts on Nextdoor.com to the surrounding neighborhoods, totaling more than 3,000 recipients.
- Focused outreach regarding night work to more than 4,000 property owners and occupants living near night work locations.
- Situational email, mail, and phone correspondence to answer community questions, take input, and address concerns.

BES project information is available in multiple languages online. Fliers communicating what to expect during construction have been translated into 11 different languages.

Aaron Abrams, Environmental Services, has been the contact for Community Outreach and Public Involvement throughout design and will remain the contact throughout construction.

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 February 16, 2021. A public notice was also posted in the Daily Journal of Commerce on February 19, 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). Proposals 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.

100% Renewable Goal:

This action neither increases nor decreases the City's total energy use.

This action neither increases nor decreases the City's renewable energy use.

Budgetary Impact Worksheet

Does this action change appropriations?

- YES: Please complete the information below.
 NO: Skip this section

Impact Statement for Requested Council Action

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount