

Agenda No. 416

REPORT

Accept bid of McClure and Sons, Inc. for the Columbia Boulevard Wastewater Treatment Plant Organic Waste Receiving Facility Project for \$7,067,866 (Procurement Report - ITB No. 00001591)

June 9, 2021

TO THE COUNCIL:

On July 15, 2020, Council approved Ordinance Number 190048 for Procurement Services to competitively solicit the Columbia Boulevard Wastewater Treatment Plant Organic Waste Receiving Facility Project in accordance with PCC 5.34. The Chief Procurement Officer has advertised and received bids for Bid Number 00001591 on behalf of the Bureau of Environmental Services (BES), with a project construction estimate of \$7,821,000. BES rated the project estimate confidence level as Moderate .

Bids were opened on April 27, 2021, and four (4) bids were received. The lowest responsive bid is from McClure and Sons, Inc., thus it is recommended that their bid be accepted at the estimated unit prices quoted for a total bid amount of \$7,067,866, which is 10% under 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. **McClure and Sons, Inc has committed to subcontract 20.36% to COBID Certified firms** as follows:

Introduced by

Mayor Ted Wheeler

Bureau

Management and Finance

Prepared by

Rachel Beane

Date Prepared

May 13, 2021

Requested Council Date

June 2, 2021

Requested Agenda Type

Regular 10 minutes

Date Filed with Clerk

May 25, 2021

Subcontractor	Certification	Area of Work	Ownership [BR1]	Amount
All City Paving, LLC	WBE/ESB	Paving	Caucasian/ Female	\$39,970
Boyer Brothers, LLC	MBE	Thermal Insulation	Native American/ Male	\$152,166
Colors NW, Inc.	MBE/DBE/ESB	Landscaping	Hispanic/ Male	\$5,459
M2 Integration LLC	ESB	Electrical	Caucasian/ Male	\$1,222,854
S&F Land Services, LLC	ESB	Survey	Caucasian/ Male	\$18,700
Total				\$1,439,149

McClure and Sons, Inc. acting as the prime contractor intends to self-perform 65.4% of the work and to contract 14.24% to the following non-certified firm:

Subcontractor	Area of Work	Amount
CSI Industries, Inc.	Tanks	\$856,132.00
Purcell P&C, LLC dba Purcell Painting & Coatings	Painting and Coating	\$150,433.00
Total		\$1,006,565

McClure and Sons, Inc. is located in Mill Creek, 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.

Funding for the Project is available in the Sewer System Operating Fund, FY 2020 Budget, Bureau of Environmental Services, WBS E10804.

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 McClure and Sons, Inc.

Recommended by:

Kathleen Brenes-Morúa

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 McClure and Sons, Inc. for the Columbia Boulevard Wastewater Treatment Plant Organic Waste Receiving Facility Project for \$7,067,866 (Procurement Report - ITB No. 00001591)

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 Columbia Boulevard Wastewater Treatment Plant Organic Waste Receiving Facility Project for \$7,067,866.

The Bureau of Environmental Services (BES) needs to build the Columbia Boulevard Wastewater Treatment Plant Organic Waste Receiving Facility to take advantage of the economic and environmental benefits of co-digesting food waste slurry and fats, oil and grease at Columbia Boulevard Wastewater Treatment Plant (CBWTP). Currently, the CBWTP produces digester gas, or biogas, from its anaerobic digestion process that is beneficially used to produce renewable energy. Organic wastes added to the anaerobic digestion process increase the amount of biogas produced and also increases the amount of renewable energy.

Ordinance No. 190048 was approved by City Council on July 15, 2020 authorizing the Chief Procurement Officer to issue a competitive solicitation for the Columbia Boulevard Wastewater Treatment Plant Organic Waste Receiving Facility Project. The construction cost based on bids received is \$7,067,866.

Financial and budgetary impacts:

The engineer's estimate for this project was \$7,821,000 and the confidence level was Moderate. Based on the proposal received, BES anticipates the construction contract cost to not exceed \$7,067,866.

Funding for the Project is available in the Sewer System Operating Fund, FY 2020 Budget, Bureau of Environmental Services, WBS E10804.

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

Community impacts and community involvement:

Because the Organic Waste Receiving Facility is located inside the fence line at CBWTP, the public involvement process for this project was covered by the CBWTP Facilities Plan and CBWTP Master Plan, both of which followed public involvement processes.

In general, this legislation will result in a facility that will have positive impacts on the community. With the addition of a convenient centralized facility in the metropolitan area designed to receive fats, oils and grease (FOG) from restaurant grease traps, there may be less sewer overflows caused by FOG and food service establishments may find their bills from grease trap servicing companies stabilized or reduced because of shorter hauling distances. The facility will not generate additional truck trips in the metropolitan region, instead it will substitute shorter trips for longer hauls and help reduce traffic and congestion.

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 March 1, 2021. A public notice was also posted in the Daily Journal of Commerce on March 5, 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

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