

CITY OF OREGON CITY

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Staff Report

To: City Commission Agenda Date: 06/21/2023

From: Public Works Director John M. Lewis, PE

SUBJECT:

Public Improvement Contract with Lee Contractors, LLC for the Beemer Way Stormwater Outfall Improvements (CI 22-007)

STAFF RECOMMENDATION:

Award the bid and authorize the City Manager to execute the Public Improvement Contract with Lee Contractors, LLC in the amount of \$214,595.00 for construction of the Beemer Way Stormwater Outfall Improvements (CI 22-0007).

EXECUTIVE SUMMARY:

This project is to repair the existing outfall and eroded slopes adjacent to the house at 14010 Beemer Way. The City has completed the permitting process and received all necessary permits and approvals to construct the outfall improvements within this year's in-water work period which is between July 15 and August 30, 2023. The outfall improvements include the replacement of the failing concrete outfall, regrading within the ravine to mitigate scouring, repair and armoring of the eroded slopes, and installing mitigation plantings within the ravine and neighboring property.

BACKGROUND:

The City has experienced erosion within the existing stormwater creek/ravine located on the southern half of the property at 14010 Beemer Way in Oregon City, tax lot APN 2-2E-28CB-01700. In 2022, portions of the ravine's slopes had eroded and began to encroach on the neighboring property. Upon notification that slopes within the ravine had eroded, the City hired 3J Consulting, Inc. to analyze and design the improvements to revise this drainageway and provide additional protection for the existing slope and ravine.

On May 17 and May 19, 2023, the project was advertised in the *Daily Journal of Commerce* and the City bid site in accordance with City and State contracting procedures. The bid opening was held on June 6, 2023, and two (2) bids were received. City and consulting staff reviewed the bids and determined that Lee Contractors, LLC

was the low responsive bidder. The contract award value is two hundred fourteen thousand, five hundred and ninety-five dollars and no cents (\$214,595.00).

The list below includes the bidders and bid amounts received for this project:

Lee Contractors, LLC \$214,595.00 Icon Construction \$255,365.00

Engineer's Estimate \$170,360.00

The apparent low bidder was 26% higher than the engineer's estimate. The lack of bids and higher costs can be attributed to current inflation, the tight/constricted work area, and the narrow time window to complete the work.

Construction will occur in the Summer of 2023 and work is anticipated to be completed by Fall 2023.

OPTIONS:

- 1. Authorize the City Manager to execute the Contract.
- 2. Authorize the City Manager to execute the Contract with specific modifications.
- 3. Deny the Contract. If the Commission chooses to deny the Contract, staff requests direction on how to proceed.

BUDGET IMPACT:

Amount: \$214,595.00

FY(s): FY24/25

Funding Source(s): Stormwater Fund