

**AGENDA BILL**

**Beaverton City Council  
Beaverton, Oregon**

**SUBJECT:** Contract Award – City Hall Building Water Damage Restoration and Transfer of Appropriation Resolution

**FOR AGENDA OF:** 02-11-20 **BILL NO:** 20046

**MAYOR'S APPROVAL:** *Dennis Doyle*

**DEPARTMENT OF ORIGIN:** Mayor's *[Signature]*

**DATE SUBMITTED:** 01-30-20

**CLEARANCES:** City Attorney *[Signature]*  
Purchasing *[Signature]*  
Finance *[Signature]*  
Facilities *[Signature]*

**PROCEEDING:** CONSENT AGENDA  
(CONTRACT REVIEW BOARD)

- EXHIBITS:**
1. Transfer of Appropriation Resolution
  2. Bid Summary

**BUDGET IMPACT**

<b>EXPENDITURE</b>	<b>AMOUNT</b>	<b>APPROPRIATION</b>
<b>REQUIRED \$197,896</b>	<b>BUDGETED \$-0-</b>	<b>REQUIRED \$197,896*</b>

\*Account Number 706-40-0010-457 Insurance Agency Fund – General Liability and Comprehensive Insurance Coverage Program – Beaverton Building Flood Damage Expense Account. The \$197,896 Appropriation Required Amount would be established through the attached Transfer of Appropriation Resolution which includes an estimated \$138,000 that will be reimbursed from the City's insurer, City County Insurance Services with the balance of \$59,896 available from the Insurance Agency's Contingency Account.

**RECOMMENDED ACTION:**

City Council awards a contract for the City Hall Building November 2019 Water Damage Restoration to 3 Diamond Construction, LLC of Portland, Oregon, in the amount of \$197,896, in a form approved by the City Attorney, as the lowest responsive bid received from a responsible bidder and authorizes the attached Transfer of Appropriation Resolution recognizing the estimated insurance reimbursement with the balance of the required expenditure funded from the Insurance Agency's Contingency Account.

**HISTORICAL PERSPECTIVE:**

Near midnight on October 22, 2019, a brass ball check valve under the sink in the Mayor's Suite workroom failed causing extensive water damage to the 4<sup>th</sup> and 5<sup>th</sup> floors and east stairwell. There was lessening damage on the 3<sup>rd</sup>, 2<sup>nd</sup>, and 1<sup>st</sup> floors. The valve failure is being investigated by CIS as a manufacturer's and/or construction defect loss. The City & CIS will be seeking financial restitution for our damages resulting from this loss from the appropriate parties.

**INFORMATION FOR CONSIDERATION:**

The purpose of this project is to complete the restoration repairs associated with removing the water damage and relocate the displaced staff back into those areas.

The invitation for bid was advertised in the Daily Journal of Commerce on December 30, 2019. A non-mandatory pre-bid meeting was held on January 9, 2020, attended by 14 prime contractors. Three (3) bids were received and opened on January 23, 2020, at 2:00 p.m. in the Rogue River Conference Room at the Beaverton Building/City Hall. 3 Diamond Construction, LLC of Portland, Oregon, submitted the lowest responsive bid in the amount of \$197,896.

Staff reviewed the qualifications of 3 Diamond Construction, LLC (Oregon - DBE / MBE / ESB) and determined that they are qualified to complete this water damage restoration project.

With City Council approval of the bid award, a Notice to Proceed would be issued to the Contractor on or about February 17, 2020. The estimated substantial completion date of the project is April 30, 2020.

RESOLUTION NO. 4626

**A RESOLUTION APPROVING TRANSFER OF APPROPRIATION WITHIN THE INSURANCE AGENCY FUND OF THE CITY DURING THE FY 2019-20 BUDGET YEAR AND APPROVING THE APPROPRIATIONS FOR THE FUND**

**WHEREAS**, the City Council reviews and approves the annual budget; and,

**WHEREAS**, during the year the Council must authorize the transfers of appropriations from one category of a fund to another fund or from categories within a fund; and,

**WHEREAS**, the City estimates that it will receive approximately \$138,000 under an insurance claim from the City's Insurer City County Insurance Services for the damages that occurred at The Beaverton Building due to the water damage caused on October 22 and 23, 2019; and,

**WHEREAS**, an additional appropriation of \$197,896 is needed in the Materials and Services Category within the General Liability and Comprehensive Insurance Program of the Insurance Agency Fund to repair the damages to The Beaverton Building, and the expenditure appropriation is funded from a combination of the estimated \$138,000 reimbursement from the City's insurer with the remaining \$59,896 available in the Contingency Category of the fund; now therefore,

**BE IT RESOLVED BY THE COUNCIL OF THE CITY OF BEAVERTON, OREGON:**

Section 1. The Finance Director is hereby authorized and instructed to recognize the estimated insurance reimbursement revenue and transfer the following appropriations:

Revenue:

Reimbursements	706-03-0000-399	\$138,000
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Expenditures

City Property Damage Claims	706-40-0010-520	\$197,896
Contingency	706-40-0010-991	<\$ 59,896>

Adopted by the Council this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

Approved by the Mayor this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

Ayes: \_\_\_\_\_

Nays: \_\_\_\_\_

ATTEST:

APPROVED:

\_\_\_\_\_  
Catherine Jansen, City Recorder

\_\_\_\_\_  
Denny Doyle, Mayor

**City of Beaverton**

**BID SUMMARY**

**Project Name: Construction of The Beaverton Building Water Damage Restoration Project, Solicitation #3622-20B**

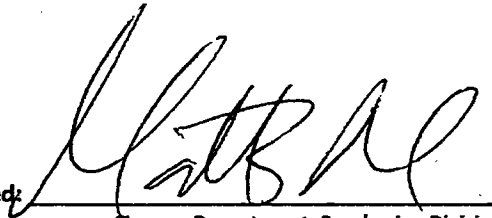
**OPENED ON: January 23, 2020 at 2:00 PM**

**WITNESSED BY: Terry Muralt**

<b>VENDOR NAME CITY, STATE</b>	<b>Bid Form</b>	<b>Bid Proposal Certification - Ack. Addenda</b>	<b>Bid Guaranty</b>	<b>Bidder Construction Schedule</b>	<b>Current Project Info</b>	<b>Bidders Responsibility Form</b>	<b>TOTAL BID</b>
3 Diamond Construction, LLC – Portland, OR	✓	✓	✓	✓	✓	✓	\$197,896.00
Fulcrum Construction Company – Beaverton, OR	✓	✓	✓	✓	✓	✓	\$281,351.91
Portland Construction Solutions – Portland, OR	✓	✓	✓	✓	✓	✓	\$396,416.00

The Purchasing process has been confirmed.

Signed: \_\_\_\_\_



Finance Department, Purchasing Division

The above amounts have been checked:  YES  NO

Date: \_\_\_\_\_

1/23/2020

