



AGENDA
Special Commission Meeting
Port of Portland Headquarters
7200 N.E. Airport Way, 8th Floor
February 23, 2011
2:30 p.m.

Action Item

1. CONSTRUCTION AND PERSONAL SERVICES CONTRACT –
RUNWAY 10R/28L REHABILITATION – PORTLAND
INTERNATIONAL AIRPORT

*DAREN GRIFFIN
CHRIS EDWARDS*

Requests approval to award a construction contract for the Runway 10R/28L (South Runway) Rehabilitation project at Portland International Airport.

**CONSTRUCTION AND PERSONAL SERVICES CONTRACTS – RUNWAY 10R/28L
REHABILITATION – PORTLAND INTERNATIONAL AIRPORT**

February 23, 2011

Presented by: Daren Griffin
General Manager,
Airport Operations
Chris Edwards
Engineering Project Manager

EXECUTIVE SUMMARY

This agenda item requests approval to award a construction contract to Icon Materials, Inc. (dba of CPM Development Corporation) to construct the Runway 10R/28L (South Runway) Rehabilitation project at Portland International Airport (PDX). This item further requests approval to amend the existing personal services contract with project design consultant HNTB Corporation to provide for project construction support services.

BACKGROUND

The Port of Portland (Port) will fully reconstruct PDX's South Runway as the third and final phase of the Port's three-year runway rehabilitation project. In 2009 the Port completed phase 1 of the runway rehabilitation project, and completion of phase 2 occurred in the Fall of 2010. Phases 1 and 2 extended PDX's North Runway so that it can accommodate all airplanes serving PDX under most conditions, including large cargo and passenger jets as well as military jets which previously could only use the South Runway. Completion of phases 1 and 2 of the runway rehabilitation project enables the South Runway to be completely closed for a six-month period during 2011, in order to complete phase 3 of the project as efficiently as possible.

In October, 2010, the Commission, acting as the Port's Contract Review Board, approved an exemption from competitive bidding to allow for the use of an alternate contracting method to select the South Runway project construction contractor. Under the approved method, the Port prequalified a group of general contractors which were then invited to bid on the project. The Port utilized a prequalification process due to the technical and operational complexity of the South Runway project, which must be accomplished within an extremely tight schedule in a constrained work environment.

The Port advertised a Request for Statements of Qualifications (RSOQ) for the project on October 25, 2010, and received responsive statements of qualifications (SOQ's) on November 17. A Port evaluation committee reviewed and scored the SOQ's based on the approved criteria set forth in the RSOQ. On November 23, the following contractors were notified that they had been prequalified and would be invited to bid on the South Runway project:

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ACME Concrete Paving, Inc.	Spokane, WA
ICON Materials (dba CPM Development Corp.)	Tukwila, WA
Kerr Contractors, Inc.	Woodburn, OR
Walsh Construction Company	Walnut Creek, CA
Granite Construction Company	Watsonville, CA
Gary Merlino Construction Co., Inc.	Seattle, WA
Northwest/Coffman, A Joint Venture	San Diego, CA
Kiewit Infrastructure West Co.	Vancouver, WA
Wildish Standard Paving Co.	Eugene, OR

Construction Contract Award

On December 17, 2010, the aforementioned contractors were invited to bid on the project based on contract documents and specifications made available on that date. Bids were received from seven of the prequalified contractors on January 20, 2011, but the second low bidder protested award of the contract to the low bidder. The low bidder defended its bid compliance, having interpreted the solicitation documents differently than the protesting bidder. After analysis, the Port concluded it was in the public interest to reject all bids and re-bid the project to the same set of nine prequalified bidders on an expedited basis, in order to address the perceived ambiguities in the solicitation documents. Bids were received on the re-bid solicitation documents on February 8, 2011, as follows:

1. Icon Materials, Inc. (dba of CPM Development Corporation)	\$39,776,000.00
2. Kerr Contractors, Inc.	\$40,235,653.20
3. Northwest/Coffman, A Joint Venture	\$40,765,000.00
4. Granite Construction Company	\$42,577,577.00

No bidders protested the re-bid or award.

The Port engineer's estimate for this work, as informed by the first round of bidding, was \$43,525,852.50. Substantial completion is expected by September 30, 2011, and the runway is expected to re-open on October 6, 2011. In order to complete the project work within the available construction window, work is expected to commence on April 6, 2011, and the Port expects to give the contractor notice to proceed by March 7, 2011. Accordingly, approval of the award of the re-bid construction contract is being sought at this special Commission meeting.

Personal Services Contract Amendment

In September, 2009, a competitive Request for Proposal (RFP) process was completed to select the primary project consultant. After evaluation HNTB Corporation (HNTB) was awarded a personal services contract for this work. The RFP and contract allowed for the award of only certain phases of the work based on project progress, with the award of subsequent phases of

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work subject to HNTB's satisfaction of stated performance criteria. In March, 2010, the Commission approved the amendment of the HNTB contract to authorize the provision of detailed engineering design services. HNTB has consistently demonstrated its ability to meet the stated performance criteria during each phase of work, including scope, schedule, and budget requirements. The Port now wishes to engage HNTB for the construction support phase of the project, under a contemplated continuation of the existing contract.

The current HNTB contract amount is \$4,470,900. With a contract amendment of \$801,550 to provide for the construction support services described above, the total HNTB contract amount would be \$5,272,450.

EXECUTIVE DIRECTOR'S RECOMMENDATION

The Executive Director recommends that the following resolutions be adopted:

BE IT RESOLVED, That approval is given to award a construction contract for the Runway 10R/28L (South Runway) Rehabilitation project to Icon Materials, Inc. (dba of CPM Development Corporation) in accordance with its bid; and

BE IT FURTHER RESOLVED, That approval is given to amend the existing personal services contract with HNTB Corporation to provide for services relating to the construction phase of the Runway 10R/28L (South Runway) Rehabilitation project, consistent with the terms presented to the Commission; and

BE IT FURTHER RESOLVED, That the Executive Director or his designee is authorized to execute the necessary documents on behalf of the Port of Portland Commission in a form approved by counsel.