

PORT OF NEWPORT COMMISSION SPECIAL MEETING AGENDA

Thursday, August 13, 12:00 pm

This meeting will be virtual by invitation only.

You can view the live stream of this meeting on our YouTube Channel, Port of Newport Commission Meeting Audio, <https://www.youtube.com/channel/UCCAo3VCV9Yt4coXK7pUXAIQ/videos>.

Live chat will not be monitored.

To submit public comment, please complete the form on our website here, no later than 12:00 pm on Thursday, August 13, 2020: <https://www.portofnewport.com/public-comment-special-commission-meeting-8-13-2020>

Your comment, up to 3 minutes, will be read into the meeting at the appropriate time.

- I. Call to Order
- II. Public Comment (3 minute limit per person)
- III. Port Dock 5 Pier Project Management
- IV. Adjournment

Regular monthly meetings are scheduled for the fourth Tuesday of every month at 6:00 p.m.

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OLD BUSINESS ITEM

DATE: August 11, 2020
RE: Port Dock 5 Pier Project Management
TO: Paula Miranda, General Manager
ISSUED BY: Aaron Bretz, Director of Operations

BACKGROUND

The Port of Newport issued a request for proposals for Project Management on the Port Dock 5 Pier project; five firms attended the initial required site meeting; two firms declined to bid, and no others expressed interest except HDR. They have submitted a proposal that meets the needs of the Port of Newport, and includes support during the construction bidding process to ensure that the construction bid documents meet Economic Development Administration (EDA) requirements and best represent the needs of the Port.

DETAIL

Through the spring and early summer, the Port was performing EDA administrative requirements that were prerequisites for accessing the approved EDA funding, which compressed the time table for the Port Dock 5 Pier project. The abbreviated window for start-up resulted in a challenge for some firms to field a qualified project manager and proposal. HDR is a well-qualified firm with experience working on very similar projects, and direct experience working with the design engineers.

BUDGET IMPLICATIONS

The project budget includes \$220K for professional services; the EDA budget allows for these services, but must first approve the expenditure to back the reimbursement. Staff is still working with the EDA to get approval.

RECOMMENDATIONS

I RECOMMEND A MOTION TO AUTHORIZE THE GM TO NEGOTIATE A CONTRACT WITH HDR ENGINEERING TO PROVIDE PROJECT MANAGEMENT SERVICES ON THE PORT DOCK 5 PIER PROJECT NTE \$220,000.00 PENDING FURTHER APPROVAL BY THE EDA.

**PORT OF NEWPORT
RESOLUTION 2020-12
A RESOLUTION AUTHORIZING A CONTRACT WITH HDR ENGINEERING FOR
PROJECT MANAGEMENT FOR THE PORT DOCK 5 PIER PROJECT**

WHEREAS the Port of Newport issued a Request for Proposals for Project Management on the Port Dock 5 Pier Project on July 2, 2020; and

WHEREAS five firms attended the initial site meeting on July 10, 2020 with HDR Engineering being the only firm to submit a proposal; and

WHEREAS HDR Engineering's proposal meets the needs of the Port of Newport and includes support during the construction bidding process to ensure that the construction bid documents meet the Economic Development Administration (EDA) requirements; and

WHEREAS HDR Engineering is a well-qualified firm with experience working on very similar projects and direct experience working with the design engineers; and

WHEREAS the project budget originally approved by the EDA includes \$220K for professional services, but staff is still working with EDA to get approval for this expenditure to back the reimbursement;

NOW THEREFORE,

**THE PORT OF NEWPORT BOARD OF COMMISSIONERS RESOLVES AS
FOLLOWS:**

The General Manager is authorized to negotiate a contract with HDR Engineering to provide Project Management services on the Port Dock 5 Pier Project not to exceed \$220,000 pending further approval by the EDA.

APPROVED AND ADOPTED BY THE BOARD OF COMMISSIONERS this
13th day of August 2020.

ATTEST:

James Burke, President

Walter Chuck, Secretary/Treasurer



August 5, 2020

Port of Newport, c/o Director of Operations
600 SE Bay Boulevard
Newport, OR 97365
Attention: Aaron Bretz
Email: abretz@portofnewport.com

RE: **Port Dock 5 Pier Project / Construction Management**

Dear Mr. Bretz:

The Port is seeking a consultant to provide high quality Construction Management services to construct Pier 5. HDR is that consultant. We are proposing a seasoned, professional construction manager that is immediately available to assist you.

With HDR, you get a team with:

- **Recent, relevant experience.** HDR has earned an exceptional record for safely constructing high quality projects at port facilities in the Northwest. We have a history of collaborating with Oregon's maritime clients and other agencies on significant capital improvement projects.
- **Experience meeting compliance requirements associated with funding sources.** We understand that the Port's project may be delivered with funds that have specific requirements from EDA funding sources. As you will see in our submittal, we have experience delivering projects from many funding sources, including EDA, FHWA, FRA, and ARRA.
- **Experience maintaining cost control.** We know that controlling costs is important to your success. We have a record of administering projects on time and within budget. We also have the experience and knowledge to offer strategic methods for reducing costs during construction.
- **Understanding of how to work with project stakeholders.** We foster a team atmosphere and work towards win/win solutions for stakeholders while maintaining the Port's control and decision-making.

Construction manager Ken Hockstein will be dedicated to the Port for the duration of this contract. He will be the Port's primary point of contact. If you have questions or require additional information, please contact Kevin Christiansen at 503.995.2736.

Sincerely,

HDR Engineering, Inc.

Tracy Ellwein, PE
Vice President and Oregon Area Manager

hdrinc.com

1050 SW 6th Avenue, Suite 1800, Portland, OR 97204
T 503.423.3700

Project Understanding and Approach

The Port is replacing the 50-year-old wooden pier at Dock 5 complex at the heart of the Commercial Marina. Following several years of planning and design, this project has been funded and the Port is ready to begin construction.

This pier is a vintage late 1960's structure made of creosote-treated timber pilings and planks. It is the main artery to the shoreline for the fishing vessels moored at Port Dock 5, and it has reached the end of its lifespan.

The new pier will be environmentally friendly, featuring fewer pilings made of steel, and topped with a pre-form concrete slabs and a stormwater collection system. The pier will establish driving access all the way to the Port Dock 5 ramp.

"A new Port Dock 5 Pier is needed to both retain the Commercial Fishing Industry, which is a vital part of Lincoln County's economy, and to configure the Port's infrastructure to allow for growth and changes in vessel construction over the next 40 years."*

Project Approach

We will integrate with your staff to quickly, efficiently, and cost-effectively deliver construction services. This enables the Port to meet construction schedules and exceed tenant expectations.

We've reviewed the Port Dock 5 Pier Project plans and specifications available through the Port of Newport's website as well as the U.S. Department of Commerce Economic Development Administration (EDA) Standard Terms and Conditions for Construction Projects to gain an initial understanding of the project and the expectations for meeting and adhering to the EDA's terms and conditions.

Our first task, as we understand the development of the process/need, will be to review the plans/specifications and compare them with the EDA Standard Terms and Conditions. This is to make certain that the documents are compatible and that the plans and specifications capture the essential requirements of the EDA standard terms and conditions for construction projects.

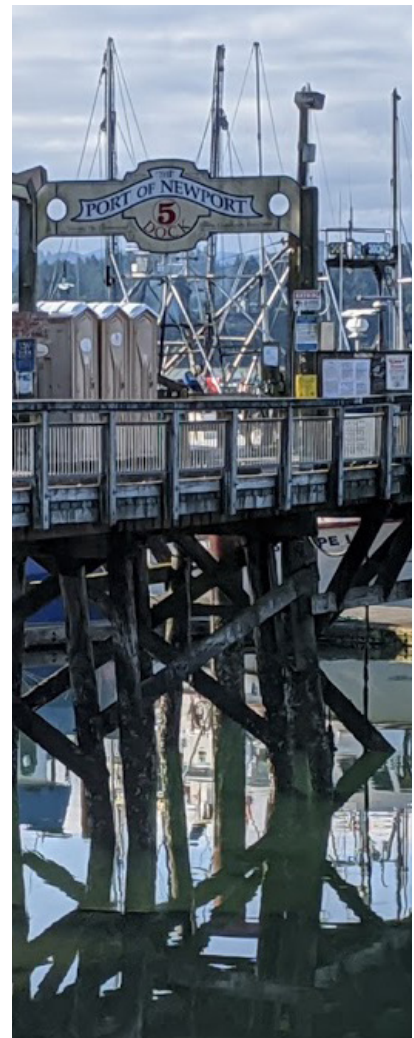
After that, we'd engage the engineer to address differences so that we meet the EDA requirements and match the needs of the Port. This would be followed by preparation of contract bidding documents with the Port and assisting with the bidding process in general. Following the bidding of the project, we'll work with the contractor on the Port's behalf to help establish the construction contract and prepare for the project work to begin.

Since time is of the essence on this project due to the November 1 – February 15 in-water work window, we'll have a full-time construction manager onsite to work with Port personnel and the engineer as needed throughout the life of the project.

Our approach includes:

- **Understanding of compliance requirements with state, federal, and local agencies.** We understand that funding sources also come with compliance requirements. Through decades of serving local municipalities, our staff

*Quote from the Port's website



WHY HDR?

- Collaborative and reliable construction manager with experience successfully constructing port facilities
- Staff with the expertise, experience, and communication skills needed to complete this project successfully
- Established management tools and effective project control to achieve on-time delivery and minimize contractor claims.

have proven our ability to deliver projects that meet varied funding requirements.

- **Experience with construction standards, practices, and quality contract administration.** Our staff have decades of experience constructing projects in Oregon. We know how to deliver safe projects on time and within budget.
- **Diligence in complying with environmental commitments.** We will work diligently to foster an understanding of permitting goals so that your partnerships with regulatory agencies are maintained.
- **Collaboration with stakeholders.** We understand that the project involves the Port and other stakeholders that may be providing project funding, and all may be affected by the project (or may be building the project). Guided by your direction, we will engage project stakeholders to foster partnerships among all parties while maintaining Port control and decision-making.

HDR's staff have earned an exceptional record for safely constructing in-water projects throughout Oregon. **Construction manager Ken Hockstein will be dedicated to the Port for the duration of this contract.** With long-term experience delivering in-water construction for dozens of bridges statewide, he is devoted to first-rate client service. His knowledge includes a familiarity of shoring/falsework, driven piles/drilled shafts and the various challenges associated with their installation. He maintains quality construction standards and the use of proper construction techniques, meeting contractual requirements.

Construction Management

We will monitor the Contractor's work to observe whether it is in compliance with the plans and specifications. We will maintain written documentation of all issues and record resolutions and decisions in project files. Review schedules will be monitored to make sure they are met and prevent delays caused by excessive review times. Daily work reports of all onsite activities will be provided to serve as daily documentation of the Contractor's activities, issues, conversations, and resolutions.

Pre-construction

We live the adage, "Plan the Work, Work the Plan." Our team applies our decades of experience in construction, providing guidance on cost, schedule and contracting strategies that will achieve your goals. We will be prepared from the first day of construction to assist the Contractor in building a successful project. It's essential to document critical information, so we will capture key information in hard copy project files, electronic project files, and submittal logs. We will review and analyze risk, schedule, Contractor proposed methods, cost and phasing, and alternative technical concepts, as well as perform design review on final designs, shop drawings, and proposed materials.

Services for Every Phase



Pre-construction. We live the adage, "Plan the Work, Work the Plan." Our team applies experience in construction early, providing guidance on cost, schedule, and contracting strategies that allow you to achieve your project goals.



Construction. We believe an integrated project team is best, which is why we work with you to construct your project. Our scalable team, consisting of construction managers, field inspectors, and back office engineers, schedules, and administrators, allows us to maintain positive guidance of the work throughout the entire construction phase.



Post-construction. From the outsider's perspective, a project appears complete when the construction is done. But we know there is much to accomplish once the keys have been turned over. From record drawings and warranty filing to operating the facility after construction, we provide a full lineup of post-construction services.

Construction Contract Management

Change management is critical to maintaining your budget. This would include negotiating pricing with the Contractor as well as preparing change orders, while continually monitoring the budget. We will assist with independent cost estimates for changes and work through the negotiations with the Contractor for change order requests. We will independently review Contractor pay requests and generate the monthly pay estimate.

Final inspections and punch lists will be generated throughout the project. We will monitor the Contractor's progress in completing the punch lists, and document final conformance with the plans and specifications.

Qualifications and Experience

HDR has earned an exceptional record for safely constructing high quality projects at port facilities in the Northwest. Our firm was founded on the simple principle that collaborating with our clients and understanding their goals achieves success. We have a long history of providing high-quality and responsive construction management and inspection services to local clients such as the Port of Cascade Locks and the Port of Hood River, where we maintain annual on-call maintenance contracts as well as administer capital improvement projects.

In the past two decades, HDR has helped clients deliver over \$1B in roadway, utility and bridge projects in Oregon. **We have the qualifications and experience to provide the Port quality, on-time construction.**



What We Bring

Effectively implementing construction management services requires a solid understanding of the process. An experienced team can provide the leadership and expertise necessary to protect your investments. Our construction management staff pairs proactive leadership with practical risk management methods to help you achieve your goals. We know that our performance will be judged by how well we control costs and schedules while helping deliver a high quality project. We consider our construction management team to be your:

- Trustworthy, long-term consultant
- Connector of key resources, tools and methods
- Extension of staff that offers contractual oversight
- Liaison and partner
- Provider of efficiency through integration
- Reinforcer of project expectations
- Provider of true value, expertise and experience

Cooperative Ability / Willingness

We have a long history of collaborating with clients and consulting design staff to construct projects. While HDR and the project design engineer (DOWL) aren't contractual partners on this project, we have decades of experience supporting ODOT with design services as well as construction administration and construction engineering inspection (CA/CEI) services. We currently have several contracts where we are partnering with DOWL to deliver design and construction to improve Oregon's infrastructure. We anticipate continuing this solid professional relationship for the duration of this project to construct a quality product for the Port of Newport.

References

We are proud of the work that we perform, and we encourage you to contact the references to learn more about our performance.

- Bryan Strasser, Resident Engineer (Consultant Projects), ODOT Region 5, 541.823.4039
- Carol Earle, P.E., City Engineer, City of Happy Valley, 503.783.3815

Fee for Services Provided

The following table represents our 2020 hourly billing rates.

PORT OF NEWPORT: PIER 5 CONSTRUCTION MANAGEMENT	
TITLE	2020 BILLING RATE
Principal	\$290.00
Project Manager	\$245.00
Construction Manager	\$185.00
Project Accountant / Coordinator	\$100.00

Rates will be escalated annually beginning on January 1, 2021
Mileage - in accordance with current federal rates
Other expenses or outside services - at cost + 5%

Experience with In-Water Construction:

Oregon Bridge Delivery Program, ODOT

For this statewide program to repair, rehabilitate or replace more than 350 of Oregon's bridges, HDR acted as ODOT's construction manager by providing project management, quality assurance, schedule control, cost control, and document control. We coordinated and led pre-construction meetings, prepared cost estimates, prepared change orders, and managed field inspection staff that included HDR and ODOT employees. We also led communication for the corridors under construction. Our CM team met with corridor stakeholders on a monthly basis to brief the stakeholders on corridor activities. We also monitored real-time construction impact to the corridor mobility.

River "S" Bridge Replacement, FHWA, Western Federal Lands Highway Division

Following design of a new bridge over BNSF's rail tracks to access the Ridgefield Wildlife refuge in Washington State, HDR also provided engineering services during construction, bid assistance and construction support, which involved direct coordination with staff from Western Federal Lands.

Experience with Federally Funded Projects

EDA Experience

HDR has supported successful grant applications and grant management through numerous federal agencies, including the U.S. Department of Commerce's Economic Development Administration (EDA). For example, we are currently supporting the Southeast Missouri Regional Port Authority with managing an EDA grant for its new port terminal loop track project. We are also supporting the Southeast Arkansas Economic Development District with an EDA grant for a series of rail rehabilitation and port infrastructure improvement projects for three lower Mississippi River ports.

We have assisted our clients with federal and state grant programs, through project identification, grant application strategies and development, economic analyses, and grant administration. We employ nearly 40 professionals who are dedicated to working with clients to achieve success with transportation grant funding.

Some recent examples in Oregon include:

- Schmeer Road Improvements (OR 99W: N. Victory Boulevard to N. Argyle Street) | ODOT (FHWA federally funded)
- I-5 Bridge Seismic Retrofit and Widening Project | ODOT (FHWA federally funded)
- Burnside Bridge Rehabilitation | ODOT and Multnomah County (FHWA federally funded)
- NE Airport Way Interchange Improvements | ODOT (FHWA federally funded project)



Port of Newport - Port Dock 5 Pier Project/Construction Management

HDR - April Siebenaler (Project Principal)

2 Hours

September 2020 - February 2021
(6-months)

Estimated Hours

0.50	years	x	52	weeks/year	x	1	HR/Week	=	26	Hours
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26	Hours	/	7%	=	2	Hours
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HDR - Kevin Christiansen (Project Manager)

78 Hours

September 2020 - February 2021
(6-months)

Estimated Hours

0.50	years	x	52	weeks/year	x	6	HR/Week	=	156	Hours
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156	Hours	/	50%	=	78	Hours
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HDR - Ken Hockstein (Construction Manager)

832 Hours

September 2020 - February 2021
(6-months)

Estimated Hours

0.50	years	x	52	weeks/year	x	40	HR/Week	=	1,040	Hours
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1,040	Hours	/	80%	=	832	Hours
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HDR -Kristine Bakley (Accounting/Administrative)

59 Hours

September 2020 - February 2021
(6-months)

Estimated Hours

0.50	years	x	52	weeks/year	x	3	HR/Week	=	78	Hours
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78	Hours	/	75%	=	59	Hours
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HDR - TBD (Construction Inspector)

260 Hours

November 2020 - February 2021
(4-months)

Estimated Hours

0.33	years	x	52	weeks/year	x	30	HR/Week	=	520	Hours
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520	Hours	/	50%	=	260	Hours
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**Port of Newport Rate Schedule
Construction Management Services**

Title	2020 Bill Rate
Principal	\$290.00
Project Manager	\$245.00
Construction Manager	\$185.00
Construction Inspector	\$125.00
Project Accountant / Coordinator	\$100.00

Rates will be escalated annually beginning on January 1, 2021

Mileage - in accordance with current federal rates

Other Expenses or outside services - at cost

Level of Effort		HDR Engineering										Total Fee (includes sub-consultant mark-up and escalation)			
		Project Principal	Project Manager	Construction Manager	Construction Inspector	Project Accountant	Project Coordinator	Hours	Labor	Travel	Total Expenses		HDR Fee		
Port of Newport - PoN Construction Management		Billable Rates	\$290.00	\$245.00	\$185.00	\$125.00	\$100.00	\$100.00							
Task Description															
Task 001 Project Management of CA/CEI Services															
1.1	Coordination		20	350			36	406	\$ 73,250		\$ -	\$ 73,250	\$ 74,349		
1.2	Status Reports & Invoices - 7 ea + project set-up	2	35			24		61	\$ 11,555		\$ -	\$ 11,555	\$ 11,728		
	Sub-total	2	55	350	0	24	36	467	\$ 84,805	\$ -	\$ -	\$ 84,805	\$ 86,077		
Task 002 Construction Contract Administration / Construction Engineering & Inspection (CA/CEI)															
2.1	Pre-Construction Conference - assume mileage only		5	10				15	\$ 3,075	\$ 403	\$ 403	\$ 3,478	\$ 3,524		
2.2	Public, Utility & Fuel Dock Coordination / Meetings			40				40	\$ 7,400		\$ -	\$ 7,400	\$ 7,511		
2.3	Monthly Preliminary Progress Estimates - assume 7			42				42	\$ 7,770		\$ -	\$ 7,770	\$ 7,887		
2.4	Project Progress Meetings - assume 16			16				16	\$ 2,960		\$ -	\$ 2,960	\$ 3,004		
2.5	Design Modifications			50				50	\$ 9,250		\$ -	\$ 9,250	\$ 9,389		
2.6	Claim Support			20				20	\$ 3,700		\$ -	\$ 3,700	\$ 3,756		
2.7	Public Records Request Support			5				5	\$ 925		\$ -	\$ 925	\$ 939		
	Sub-total	0	5	183	0	0	0	188	\$ 35,080	\$ 403	\$ 403	\$ 35,483	\$ 36,009		
Task 003 Construction, Environmental Compliance and Work Zone Monitoring & Inspection															
3.1	Environmental Compliance & Mitigation Monitoring			50	30			80	\$ 13,000		\$ -	\$ 13,000	\$ 13,195		
3.2	Construction Activity Monitoring			100	200			300	\$ 43,500	\$ 2,550	\$ 2,550	\$ 46,050	\$ 46,702		
3.3	Quality Control Monitoring			50	30			80	\$ 13,000		\$ -	\$ 13,000	\$ 13,195		
	Sub-total	0	0	200	260	0	0	460	\$ 69,500	\$ 2,550	\$ 2,550	\$ 72,050	\$ 73,092		
Task 004 Construction Surveying															
4.1	Coordination, Calculations & Quality Assurance (QA) of Construction Contractor's Survey Work		5	20				25	\$ 4,925		\$ -	\$ 4,925	\$ 4,999		
	Sub-total	0	5	20	0	0	0	25	\$ 4,925	\$ -	\$ -	\$ 4,925	\$ 4,999		
Task 005 Project Close-out															
5.1	Final Inspection & Submittals			20				20	\$ 3,700		\$ -	\$ 3,700	\$ 3,756		
5.2	As-Constructed Plans			10				10	\$ 1,850		\$ -	\$ 1,850	\$ 1,878		
5.3	Submittal of Final Project Documentation		10	40				50	\$ 9,850		\$ -	\$ 9,850	\$ 9,998		
	Sub-total	0	10	70	0	0	0	80	\$ 15,400	\$ -	\$ -	\$ 15,400	\$ 15,631		
Hours		2	75	823	260	24	36	1,220							
Fee		\$580	\$18,375	\$152,255	\$32,500	\$2,400	\$3,600		\$ 209,710	\$ 2,952	\$ 2,952	\$ 212,662			
Escalation									\$ 3,146						
Total Non-Contingency													\$ 215,808		