

Date: June 27, 2018

To: Board of Directors

From: Doug Kelsey 

Subject: **RESOLUTION 18-06-51 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT WITH SKYWARD CONSTRUCTION, INC. FOR CONSTRUCTION SERVICES FOR THE RUBY JUNCTION BACKUP OPERATIONS COMMAND CENTER**

1. Purpose of Item

The purpose of this item is to request that the TriMet Board of Directors (Board) authorize the General Manager to execute a contract with Skyward Construction, Inc. (Skyward) for Construction Services for the Ruby Junction Backup Operations Command Center (Project).

2. Type of Agenda Item

- Initial Contract
- Contract Modification
- Other _____

3. Reason for Board Action

Board approval is required for goods and services contracts obligating TriMet to pay in excess of \$1,000,000.

4. Type of Action

- Resolution
- Ordinance 1st Reading
- Ordinance 2nd Reading
- Other _____

5. Background

The contractor will perform the reconfiguration/remodel of four rooms at the Ruby Junction Rail Operations facility into a redundant backup operations command center (1 Backup Operations Command Center, 2 training rooms, 1 quiet room, and replacement of the rooftop HVAC unit).

TriMet initially solicited for this work in early 2018. Prior to the Invitation to Bid (ITB) being issued, staff reached out to 20 certified disadvantaged business enterprises with the expertise to perform these services. TriMet invited them to a pre-solicitation informational session to inform them of this opportunity and encourage them to participate. Five (5) firms attended this informational session. The TriMet Project Manager, Diversity & Transit Equity

representative, and the Contract Administrator were on hand to answer questions related to the project and the solicitation process.

The initial ITB did not receive any responses. Staff consulted with contractors to identify the reasons the initial solicitation was not successful. Due to increasing demand in Portland, the primary issue was the timing of the solicitation, though there were also questions regarding the specifications of the Project. TriMet amended the solicitation to improve the specifications and reissued the solicitation in May.

6. Procurement Process

On May 9, 2018, TriMet issued an ITB for the requested services. The ITB sought firms with general construction expertise. Vendor outreach was also performed through publication in the Daily Journal of Commerce. The solicitation notification was sent to 285 vendors registered in TriMet's procurement system. A pre-bid meeting and site visit walkthrough was held on May 16, 2018; 10 firms attended, 1 of which is a certified firm. On June 12, 2018, TriMet received three bids in response to the ITB as follows:

Ross Builders NW	Skyward Construction	Lorentz Bruun
\$2,163,860.00	\$1,835,373.00	\$2,058,373.00

The bid submitted by Skyward has been determined to be fair and reasonable. The Independent Cost Estimate (ICE) was based on a 90% estimate prepared by ACC Cost Consultants, LLC and TriMet IT estimates for the non-Buy America items (manufactured end-products such as computers). The ICE for the project was \$1,400,000.00.

Following receipt of bids, but prior to the issuance of the Notice of Intent to Award, staff performed a responsibility determination and determined that vendors were responsive. Accordingly, staff recommends award of a contract to Skyward in the amount of their bid. Customary changes will likely be incurred during performance of the work that will require additional expenditures under the contract, and since the work must comply with Federal Railroad Administration requirements, the attached Resolution includes authority for future change orders up to \$367,074.60.

7. Diversity

Skyward intends to self-perform all of the work except for electrical, plumbing and HVAC services. The contractor made no DBE commitments.

8. Financial/Budget Impact

This contract will be funded with federal funds. The attached Resolution authorizes the award of a contract in an amount not to exceed \$1,835,373, plus a 20% change order allowance for the services on the Project. This amount is within the established budget for this Project.

9. Impact if Not Approved

The Board could elect not to approve the contract. However, TriMet's alternative would be to hire additional permanent full-time staff and find additional funds to procure equipment to perform the services as solicited, which would be at a greater cost than the proposed contract. This option is not preferred. In addition, staff has determined that Skyward is the lowest responsive, responsible bidder for this procurement, and that its bid price is fair and reasonable. Therefore, contract award is the only option recommended.

RESOLUTION 18-06-51

RESOLUTION OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT WITH SKYWARD CONSTRUCTION, INC. FOR CONSTRUCTION SERVICES FOR THE RUBY JUNCTION BACKUP OPERATIONS COMMAND CENTER

WHEREAS, TriMet has authority under ORS 267.200 to enter into a contract with Skyward Construction, Inc. for Construction Services for the Ruby Junction Backup Operations Command Center (Contract); and

WHEREAS, the total amount of the Contract is expected to exceed \$1,000,000; and

WHEREAS, the TriMet Board of Directors (Board), by Resolution dated October 27, 2017, adopted a Statement of Policies requiring the Board to approve goods and services contracts obligating TriMet to pay in excess of \$1,000,000;

NOW, THEREFORE, BE IT RESOLVED:

1. That the Contract shall be in conformance with applicable laws.
2. That the General Manager or his designee is authorized to execute the Contract in an amount not to exceed \$1,835,373.
3. That the General Manager or his designee is further authorized to execute change orders to the Contract in an amount not to exceed \$367,074.60.

Dated: June 27, 2018

Presiding Officer

Attest:

Recording Secretary

Approved as to Legal Sufficiency:



Legal Department