

Date: August 9, 2017

To: Board of Directors

From: Neil McFarlane *Neil McFarlane*

Subject: RESOLUTION 17-08-62 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT WITH LORENTZ BRUUN CO. INC. FOR FACILITIES MAINTENANCE BUILDING RENOVATIONS

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 Lorentz Bruun Co. Inc. (Lorentz Bruun) for Facilities Maintenance Building Renovations (Services).

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 \$500,000.

4. Type of Action

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

5. Background

The Portland to Milwaukie Light Rail Project displaced TriMet's Facilities Maintenance shop located on SE 17th Avenue when the road was widened to accommodate the rail right of way. As a functional replacement, TriMet purchased a warehouse located at 3520 SE 20th Avenue with PMLR grant funds.

This contract provides for a comprehensive renovation of the warehouse located at 3520 SE 20th Avenue. The intent is for the Facilities staff to relocate into this building after renovations are complete. Renovation work will include removal of the existing interior office and support space partitions and installation of new offices, shop areas, and support spaces. New construction will include roof parapets, electrical, lighting, mechanical, and plumbing. Exterior improvements will include a stationary yard ramp, a new pre-fabricated ramp for

accessibility and new pre-fabricated steps at the loading dock. Onsite improvements will include landscaping and fencing. Offsite improvements include sidewalks, curbs, AC paving, landscaping, and irrigation.

6. Procurement Process

Unless otherwise exempted or authorized public agencies must utilize competitive bidding for all construction/public improvement projects. Due to the nature of this construction project, TriMet conducted a solicitation via competitive bidding through the issuance of a formal Invitation to Bid (ITB), with award to the lowest responsive and responsible bidder. The ITB was issued on June 7, 2017, and was posted on TriMet’s vendor registration website, eBidExchange and was also published in the Daily Journal of Commerce. Firms downloading documents via eBidExchange were able to specify they were a sub-Contractor to assist Prime bidders with teaming opportunities. 172 firms and plan holders downloaded the bid documents. A site visit was held on June 14, 2017, with nineteen prospective bidders attending and able to access the interior and exterior of the building.

Bids were due on July 11, 2017 and were publically opened. TriMet received two bids as follows:

**Bid Results – Facilities Maintenance Building Renovation
ITB BC170041RT**

CONTRACTOR	First Cascade Corp Lake Oswego, OR	Lorentz Bruun Portland, OR
Stated Bid Price:	\$1,417,369	\$1,363,863

Following receipt of bids, but prior to the issuance of the Notice of Intent to Award, staff performed a responsibility determination on the lowest apparent bidder, Lorentz Bruun and determined that Lorentz Bruun was both responsive and responsible.

The proposed contract will have a term of 180 days. Contract pricing is based on firm fixed prices for the renovation of the Facilities Maintenance Building. The bid allowed for the base bid and also requested pricing for add alternates for seismic upgrades and exterior painting. Based on availability of funds the add alternates will be included in the project.

Lorentz Bruun	Seismic Upgrades	Exterior Painting
Stated Bid Price:	\$180,000	\$20,000

Therefore, the attached Resolution includes the authority for the base bid in the amount of \$1,363,863 and the add alternates of \$200,000 for a total of \$1,563,863. Pricing was deemed fair and reasonable based on a comparison to the Independent Cost Estimate provided by Capital Projects of \$1,890,600, which was developed in June 2016 and also compared to the other bid received in response to this invitation to bid.

Finally, ordinary and customary changes will likely be incurred during execution of the work that will require additional expenditures under the contract. The nature of the renovation work

to be performed may uncover unknown issues, which increases the likelihood of contract changes. Accordingly, the attached resolution includes authority for approximately 15% for future change orders up to \$235,137.

7. Diversity

Lorentz Bruun is not a DBE and did not propose any DBE firms as subcontractors at this time. The First-Tier Subcontractor Disclosure Form indicates that the subcontractors that will be utilized are not DBE firms. Lorentz Bruun indicated that when soliciting their subcontractors the DBE's were 20% higher than those selected. TriMet will work with Lorentz Bruun to identify additional DBE subcontracting opportunities.

8. Financial/Budget Impact

The Project is funded by the Portland to Milwaukie Light Rail Project grant and is included within TriMet's Capital Budget for Fiscal Year 2018 in the Facilities Program.

9. Impact if Not Approved

If the Board does not approve this Resolution, TriMet could re-procure the contract, which would cause delays in completing the Project. TriMet is currently in the process of ending facility leases in order to relocate facilities staff to this location. Without the renovations to this building there would be the potential for staff and equipment to be displaced.

RESOLUTION 17-08-62

RESOLUTION OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT WITH LORENTZ BRUUN CO. INC. FOR FACILITIES MAINTENANCE BUILDING RENOVATIONS

WHEREAS, TriMet has authority under ORS 267.200 to enter into a contract with Lorentz Bruun Co. Inc. for the Facility Maintenance Building Renovation project (Contract); and

WHEREAS, the total amount of the Contract shall exceed \$500,000; and

WHEREAS, the TriMet Board of Directors (Board), by Resolution dated November 25, 2009, adopted a Statement of Policies requiring the Board to approve goods and services contracts obligating TriMet to pay in excess of \$500,000;

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 \$1,799,000.

Dated: August 9, 2017

Presiding Officer

Attest:

Recording Secretary

Approved as to Legal Sufficiency:



Legal Department