

Date: December 13, 2017

To: Board of Directors

From: Neil McFarlane *Neil McFarlane*

Subject: RESOLUTION 17-12-84 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT WITH ORTIZ AND ASSOCIATES, INC. FOR BUS STOP SHELTER & AMENITY MAINTENANCE & INSTALLATION

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 Ortiz and Associates, Inc. (Ortiz) for Bus Stop Shelter & Amenity Maintenance & Installation (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 \$1,000,000.

4. Type of Action

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

5. Background

TriMet's service area covers 533 square miles within the tri-county region. TriMet operates 658 buses on 79 lines with 6,591 bus stops and 1,000 bus shelters. Historically, TriMet has hired a contractor to provide services related to the installation, replacement, repair, maintenance, and refurbishment of TriMet's bus stop shelters and amenities, including replacement of broken glass panels and the storage of bus shelters, shelter glass, trashcans, information displays, benches, and other related shelter materials to ensure timely repair and replacement as required.

6. Procurement Process

Prior to issuance of the solicitation, Procurement and Contracts staff conducted outreach to 12 firms, 6 of which are certified Disadvantaged Business Enterprises (DBE). They were also identified as having the expertise to perform the Services. In addition to the outreach, staff

contacted the incumbent firm to gather information about their experiences and any challenges they encountered with the current contract. This information was used to refine the solicitation requirements.

On October 20, 2017, TriMet issued an Invitation to Bid (ITB) for the Services. The solicitation documents were downloaded by 60 firms. A pre-bid meeting was held on November 3, 2017; 5 firms attended, 3 of which were certified firms. On November 15, 2017, TriMet received two bids in response to the ITB as follows:

Firm	Bid Amount
Ortiz	\$1,976,195
Raimore Construction	\$2,950,525

The incumbent firm, Warren Pacific Corporation, declined to bid citing the age of the owner and additional administrative effort. They did, however, offer to help with the transition to a new firm.

The bid submitted by Ortiz has been determined to be fair and reasonable given that it is significantly less than TriMet's independent cost estimate (ICE) of \$2,436,607 for this contract. The ICE was based on pricing from TriMet's current contract, plus escalation. Ortiz's bid is 19% less than the ICE for the 5-year contract term.

Following receipt of bids, but prior to the issuance of the Notice of Intent to Award, staff performed a responsibility determination and determined that Ortiz meets all of the requirements of the solicitation and has the experience, resources, and capacity to perform the Services.

The attached Resolution authorizes the award of a contract in an amount not to exceed \$1,976,195 for the Services on the Project. The proposed contract with Ortiz will have a base term of three years with two one-year options, for a maximum five-year term. This is a requirements contract, with the actual amount paid to the contractor to be based on the amount of work authorized by TriMet and actually performed by Ortiz over the term of the contract.

Pricing is based on firm fixed rates for the Services. No price increases are allowed during the first year of the contract and any rate increases during the subsequent years will be subject to TriMet approval, and will be capped at the Consumer Price Index-All Urban Workers, for the Portland-Salem area.

7. Diversity

Ortiz is a certified DBE firm and anticipates self-performing a majority of the Services. Ortiz has a total of 5 employees, of which, there are four men and one woman. Four of the employees are Hispanic and one is African American.

8. Financial/Budget Impact

All costs for this contract will be paid for with local funds, which are included in the Capital Projects FY18 budget.

9. Impact if Not Approved

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 Ortiz is the lowest responsive, responsible bidder for this procurement, and that its bid price is fair and reasonable. Therefore, contract award is recommended.

RESOLUTION 17-12-84

RESOLUTION OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT WITH ORTIZ AND ASSOCIATES, INC. FOR BUS STOP SHELTER & AMENITY MAINTENANCE & INSTALLATION

WHEREAS, TriMet has authority under ORS 267.200 to enter into a contract with Ortiz and Associates, Inc. for the Bus Stop Shelter & Amenity Maintenance & Installation Services (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 25, 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 \$1,976,195.

Dated: December 13, 2017

Presiding Officer

Attest:

Recording Secretary

Approved as to Legal Sufficiency:



Legal Department