

**Date:** July 28, 2021

**To:** Board of Directors

**From:** Sam Desue, Jr.

**Subject: RESOLUTION NO. 21-07-41 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT WITH SKYWARD CONSTRUCTION INC. (SKYWARD) FOR THE COLUMBIA BUS BASE MATERIALS MANAGEMENT CENTER REMODEL PROJECT**

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**1. Purpose of Item**

This Resolution requests that the TriMet Board of Directors (Board) authorize the General Manager or his designee to execute a contract with Skyward Construction Inc. (Skyward) for the Columbia Bus Base Materials Management Center Remodel Project (Contract).

**2. Type of Agenda Item**

- Initial Contract
- Contract Modification
- Other

**3. Type of Contract Procurement**

- Low Bid / Invitation to Bid (ITB)
- Request for Proposals (RFP)
- Request for Qualifications (RFQ)
- Other (inc. sole source)

**4. Reason for Board Action**

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

**5. Type of Action**

- Resolution
- Ordinance 1<sup>st</sup> Reading
- Ordinance 2<sup>nd</sup> Reading
- Other

**6. Background**

In 2019, in order to accommodate its growing bus fleet and staff, TriMet purchased a 30-acre former Caterpillar equipment facility in the Columbia Blvd. industrial district. Over the next ten years, TriMet intends to develop the property into a bus maintenance and transportation facility called Columbia Bus Base. Because the site and existing buildings are in varying states of disrepair, a comprehensive redevelopment of the property will be required before it can be effectively utilized.

As an initial step, TriMet intends to renovate an existing 34,000-square foot warehouse known as Building 10, and convert it into a new Materials Management Center (MMC). The MMC will become TriMet’s main storage and distribution facility for bus and train parts. This remodel is fast-tracked ahead of the larger site development because TriMet has an immediate need for a larger warehouse and office space for its Procurement and Supply Chain Management Department. Utility upgrades, minor site improvements, and limited landscaping are also included in the scope of work for the Contract. The remodel is expected to be complete by Fall of 2022.

**7. Description of Procurement Process**

TriMet issued an Invitation to Bid (ITB) on June 2, 2021, with bids due on June 30, 2021. The ITB was advertised on TriMet’s TriP\$ website. TriMet received five bids in response to the solicited ITB, only three of which were responsive (the bids from First Cascade Corporation and Castle Masonry & Restoration were deemed non-responsive and rejected). Skyward submitted the lowest responsive and responsible bid.

A summary of the responsive bids, which includes alternate pricing, is below:

Skyward Construction, Inc.	2KG Contractors, Inc.	O’Neill Construction Group
\$3,943,470	\$4,168,000	\$5,020,089

Under the ITB procurement process, TriMet is required to award the contract to the lowest responsive and responsible bidder. TriMet’s independent cost estimate for the Project was \$4,200,000. TriMet determined that Skyward was the lowest responsive and responsible bidder, and found its bid to be fair and reasonable based on competition and comparison with TriMet’s independent cost estimate. Accordingly, staff recommends award of the contract to Skyward.

As is typical for construction work, unforeseen circumstances may occur that require changes to the scope of work for the project. Therefore, the attached Resolution includes authority for potential future change orders of up to \$606,530, or 15 percent of the Contract amount.

**8. Diversity**

Skyward has 13 employees, two of whom are minorities and three of whom are female. Skyward intends to use certified Disadvantaged Business Enterprises (DBEs) as subcontractors for 20.3% of the project costs. To achieve this, Skyward has budgeted WFJ Janitorial for 0.4% of the project cost, PMG for 2.5% of the project cost, AEC for 1.6% of the project cost, and Just Right Heating for 15.8% of the project cost. All of these businesses are Minority Business Enterprises (MBEs), with WFJ Janitorial also being a Women Business Enterprise (WBE).

**9. Financial/Budget Impact**

The maximum amount of the Contract will be \$4,550,000, which includes \$606,530 (15%) for possible change orders, through the contract term ending on July 31, 2024. The Contract amount is accounted for under the Engineering, Construction & Planning department’s budget for FY22.

**10. Impact if Not Approved**

TriMet could re-procure the Contract, however, this option is not recommended because Skyward is a well-qualified firm and has offered fair and reasonable pricing. A second procurement is unlikely to result in greater competition or a more qualified firm.

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TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A  
CONTRACT WITH SKYWARD CONSTRUCTION INC. (SKYWARD) FOR THE  
COLUMBIA BUS BASE MATERIALS MANAGEMENT CENTER REMODEL  
PROJECT**

**WHEREAS**, TriMet has authority under ORS 267.200 to enter into a contract with Skyward Construction Inc. (Skyward) for the Columbia Bus Base Materials Management Center Remodel Project (Contract); and

**WHEREAS**, the total amount of the Contract exceeds \$1,000,000; and

**WHEREAS**, by Resolution dated October 25, 2017, the TriMet Board of Directors (Board) adopted a Statement of Policies requiring the Board to authorize goods and services contracts obligating TriMet to pay in excess of \$1,000,000;

**NOW, THEREFORE, BE IT RESOLVED:**

1. That the Contract shall conform with applicable law.
2. That the General Manager or his designee is authorized to execute the Contract in the amount of \$3,943,470, through the July 31, 2024 Contract term.
3. That the General Manager or his designee is authorized to execute change orders to the Contract in an amount not to exceed \$606,530.

Dated: July 28, 2021

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Presiding Officer

Attest:

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Recording Secretary

Approved as to Legal Sufficiency:

***Gregory E. Skillman***  
Legal Department