

Date: October 26, 2022

To: Board of Directors

From: Sam Desue, Jr.

Subject: RESOLUTION NO. 22-10-61 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT WITH PETERSON POWER SYSTEM (PETERSON) FOR THE PURCHASE OF FIVE GENERATORS FOR ITS VARIOUS MAINTENANCE FACILITIES

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 Peterson Power Systems (Peterson) for the acquisition of five generators for the Center, Merlo, Ruby Junction North, Ruby Junction South, and Elmonica maintenance facilities (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) (inc. CM/GC)
- Request for Qualifications (RFQ) (Personal Services)
- Other: Cooperative Purchasing Agreement through Sourcewell

4. Reason for Board Action

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

5. Type of Action

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

6. Background

The primary components of a Facility Emergency Power System consist of Backup Power Generator(s), Automatic Transfer Switches (ATS) that transfer emergency electrical loads to the backup generator, and Uninterruptable Power Supply (UPS) that guarantees power to critical systems as the emergency load is being transferred to the generator. Any generator deemed to be an emergency generator is subject to the National Fire Protection Association (NFPA) 110 and National Electrical Code (NEC) 70 which detail the requirements. These

requirements include fuel capacity for at least two (2) hours, automatic transfer via ATS, and UPS. Most of TriMet's primary facilities have installed Emergency Power Systems with one exception, Elmonica. Agencies may elect to completely rely on battery backup, however this is not as reliable or resilient as emergency backup systems, and are very inefficient to maintain because they require significant time and labor to inspect and replace batteries.

Facilities staff engaged a reputable firm, Alternative Power Systems (Alternative Power), to perform a condition assessment of TriMet's existing emergency backup power systems. Alternative Power's recommendation is to replace the two Ruby North generators with one large unit that runs on diesel and meets the criteria for an emergency generator. Under this recommendation, the existing ATSs and UPSs could be re-utilized and would not need to be replaced. At the Center Bus Maintenance Garage, Alternative Power's recommendation is to replace the generator, ATS, UPS and emergency distribution panel. At the Merlo Bus Maintenance Garage, Alternative Power recommends replacing the generator and ATS switches. At the Washington Park and Robertson Tunnel, the UPS must be replaced. Finally, at the Elmonica Rail Maintenance facility, Alternative Power recommends the installation of an emergency generator that is compliant with code.

Making these significant investments in emergency backup generators and systems will ensure that emergency egress lighting, fire life safety, and related critical systems have emergency back-up power. Facilities Management is working closely with TriMet's Safety and Risk Management Departments to develop a standard that details exactly what assets will be connected to the emergency backup system. This standard will be set out in TriMet's Design Standards to ensure that all occupied TriMet facilities being constructed or renovated in the future feature code compliant emergency backup power.

7. Description of Procurement Process

TriMet utilized a cooperative Price Agreement from Sourcewell, a cooperative purchasing program that serves the procurement needs of governmental, educational and nonprofit organization, to procure the generators. Sourcewell issued a formal competitive Request for Proposals (RFP #120617) for electrical energy power generation with related parts, supplies, and services, and awarded a contract to Caterpillar, Inc. (#120617-CAT). Peterson is an Authorized Dealer for Caterpillar.

The amount of TriMet's proposed contract with Peterson for the five generators is \$3,001,425. TriMet has determined that Peterson's pricing for the five generators is fair and reasonable, and that it is unlikely a better price could be obtained through an open market solicitation.

Unforeseen supply chain issues may affect the procurement of these generators, potentially resulting in increased costs of materials and manufacturing of this equipment. Therefore, the attached Resolution includes authority for executing potential change orders of no more than \$450,214, or fifteen percent (15%) of the Contract amount.

8. Diversity

Peterson's Portland metro office workforce is 69, of whom 21.7% are minorities and 13% are female. In addition to using its own workforce, Peterson will subcontract to Team Electric. Team Electric's Portland metro workforce is 42, of whom 11.9% are minorities and 14.3% are female.

9. Financial/Budget Impact

Funding for the proposed Contract is under TriMet's FY2023 Capital Programs budget.

10. Impact if Not Approved

If this Resolution is not approved, TriMet could conduct its own solicitation for these generators. However, this would be inefficient and not cost-effective because it would duplicate the solicitation process conducted by Sourcewell and would likely result in TriMet paying a higher price. Sourcewell's cooperative pricing agreement includes language that guarantees the pricing submitted to it will be the lowest offered by the vendor, and leverages the collective volume of business from several other agencies.

RESOLUTION NO. 22-10-61

**RESOLUTION NO. 22-10-61 OF THE TRI-COUNTY METROPOLITAN
TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A
CONTRACT WITH PETERSON POWER SYSTEM (PETERSON) FOR THE
PURCHASE OF FIVE GENERATORS FOR ITS VARIOUS MAINTENANCE
FACILITIES**

WHEREAS, TriMet has authority under ORS 267.200 to enter into a contract with Peterson Power Systems (Peterson) for the acquisition of five generators for its Center, Merlo, Ruby Junction North, Ruby Junction South, and Elmonica maintenance facilities (Contract); and

WHEREAS, by Resolution dated May 25, 2022, the TriMet Board of Directors (Board) adopted a Statement of Policies requiring the Board to authorize contracts obligating TriMet to pay in excess of \$1,000,000; and

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

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 \$3,001,425, and to execute change orders in the amount of not more than \$450,214, or fifteen percent (15%) of the Contract amount.

Dated: October 26, 2022

Presiding Officer

Attest:

Recording Secretary

Approved as to Legal Sufficiency:

Gregory E. Skillman

Legal Department