

**Date:** February 22, 2023

**To:** Board of Directors

**From:** Sam Desue, Jr.

**Subject: RESOLUTION NO. 23-02-04 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT MODIFICATION WITH RINU INCORPORATED, DBA REITMEIER, FOR ON-CALL REPAIR, MAINTENANCE, AND/OR MINOR ALTERATION OF HVAC SERVICES**

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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 modification (Modification) with RINU Incorporated, dba Reitmeier (Reitmeier), for on-call repair, maintenance, and/or minor alteration of HVAC services (Services).

**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 (inc. sole source) \_\_\_\_\_

**4. Reason for Board Action**

Board authorization is required for all contract modifications causing contract amounts to exceed amounts previously authorized by the Board.

**5. Type of Action**

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

**6. Background**

TriMet's Facilities Management Department (Facilities) maintains approximately 20 buildings with HVAC systems. These systems regularly require ordinary repair, maintenance, and/or minor alteration to continue functioning properly. TriMet does not have personnel with the training, skills and licenses to perform this HVAC work. Therefore, in 2018, TriMet issued an Invitation to Bid for the Services and awarded a contract to Reitmeier in the amount of \$798,500, for a five-year term.

In addition to performing regular, anticipated HVAC services, Reitmeier has needed to undertake a number of unanticipated repairs and replacements since the initial contract was awarded. This work has been necessary due to the unexpected failures of compressor units and associated components, burner controls, air conditioning units, garage exhaust fans, Liebert dry coolers, and AC condenser units.

As a result, in April of 2022, the Board authorized a modification via Resolution No. 22-04-19, which increased the contract amount by \$451,498 to a new total of \$1,249,998. However, the need to address unanticipated repairs and replacements has continued, and less than \$200,000 remains on the contract at this time.

This Resolution will authorize a Modification of \$500,002, increasing the current contract authority from \$1,249,998 to \$1,750,000, for the remaining six months of the contract through its August 31, 2023 termination date. The Modification will allow payment for completion of various ongoing projects (e.g., pending HVAC work at Merlo and NELA, Accessible Transportation Program offices at Powell), as well as any on-call Services that may be needed between now and the contract's expiration. TriMet will be conducting a procurement for a new contract for regular and on-call HVAC services this Summer.

**7. Description of Procurement Process**

The original contract was procured via an Invitation to Bid (ITB) process.

**8. Diversity**

Reitmeier's workforce is 7% female and 17% minority. Reitmeier will continue to self-perform the work.

**9. Financial/Budget Impact**

Funding for this contract is included in the Facilities operating budget.

**10. Impact if Not Approved**

Board approval of this Resolution is necessary because the Agency has an ongoing need for repair, maintenance, and/or minor alteration of HVAC services, which help keep TriMet's employees and buildings safe. Failure to authorize this Modification could result in significant hazards to staff and buildings, and potentially disrupt operations. Approval of this Resolution is strongly recommended.

**RESOLUTION NO. 23-02-04**

**RESOLUTION NO. 23-02-04 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT MODIFICATION WITH RINU INCORPORATED, DBA REITMEIER, FOR ON-CALL REPAIR, MAINTENANCE, AND/OR MINOR ALTERATION OF HVAC SERVICES**

**WHEREAS**, TriMet has authority under ORS 267.200 to enter into a contract modification with RINU Incorporated, dba Reitmeier (Reitmeier), for on-call repair, maintenance, and/or minor alteration of HVAC services (Modification); and

**WHEREAS**, by Resolution No. 22-05-35, dated May 25, 2022, the TriMet Board of Directors (Board) adopted a Statement of Policies requiring the Board to approve contracts obligating TriMet to pay in excess of \$1,000,000; and

**WHEREAS**, Board authorization is required to increase contract amounts above what was previously authorized by the Board;

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

1. That the Modification shall conform with applicable law.
2. That the General Manager or his designee is authorized to execute a Modification to the contract with Reitmeier, increasing the contract amount from \$1,249,998 to \$1,750,000, through the contract's August 31, 2023 expiration date.

Dated: February 22, 2023

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Presiding Officer

Attest:

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Recording Secretary

Approved as to Legal Sufficiency:



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Legal Department