

BEFORE THE METRO COUNCIL  
CONTRACT REVIEW BOARD

RESOLUTION OF METRO COUNCIL, ACTING )	RESOLUTION NO. 10-4183
AS THE METRO CONTRACT REVIEW BOARD, )	
FOR THE PURPOSE OF APPROVING A )	Introduced by Chief Operating Officer
CONTRACT AMENDMENT FOR THE IRVING )	Michael Jordan, with the concurrence of
STREET GARAGE PROJECT )	Council President David Bragdon

WHEREAS, pursuant to ORS 279A.060 and Metro Code 2.04.058 the Metro Council is designated as the Public Contract Review Board for the agency; and

WHEREAS, on December 17, 2009, via Resolution No. 09-4102, (“For the Purpose of Authorizing an Exemption from Competitive Bidding Requirements and Adopting Findings Authorizing Use of Alternative Procurement Methods for Repair and Renovation of the Metro Regional Center Irving Street Parking Garage”), the Metro Contract Review Board authorized an alternative procurement process for the Irving Street Garage Project, and after performing an intermediate procurement process, Metro awarded the contract to repair and renovate Metro’s Irving Street Parking Garage (the “Garage”) to D&R Masonry, Inc; and

WHEREAS, on June 17, 2010, via Resolution No. 10-4158 (“For the Purpose of Approving a Contract Amendment for the Irving Street Garage Project”), the Metro Contract Review Board authorized amendments to the Contract for additional work, revising the original \$574,850 Contract amount to \$813,800; and

WHEREAS, under the direction of the Metro’s Construction Manager, D&R Masonry, Inc. is completing the repair and renovation work in accordance with the Irving Street Garage Project specifications and schedule; and

WHEREAS, Parks and Environmental Services has determined that additional work is necessary and appropriate due to the discovery of further damage to the structure of the garage, and that such work is within the contingency budget for the Irving Street Garage Project; and

WHEREAS, amendments to the Contract for additional work are now proposed that would increase the total Contract amount by a projected \$343,836, to \$1,160,000. The additional work has been reviewed by the Metro Construction Manager and the project engineer, and has been approved as appropriately priced; and


WHEREAS, Metro Code 2.04.058 requires Contract Review Board approval for amendments to public improvement contracts that exceed \$25,000 and are over 5% of the initial contract value; and

WHEREAS, the Metro Procurement Officer believes that amending the existing contract with D&R Masonry, Inc. is appropriate, that such action is in the best interests of Metro, and that competitively procuring the additional work would be impractical; now therefore

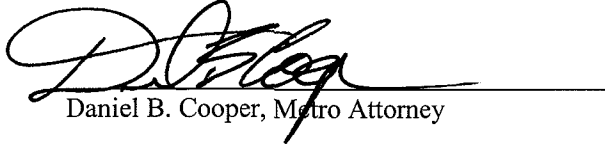
BE IT RESOLVED that the Metro Council acting as the Public Contract Review Board authorizes the Procurement Officer to execute contract amendments up to the amount of \$1,160,000 with D&R Masonry, Inc. for the Irving Street Garage Project.

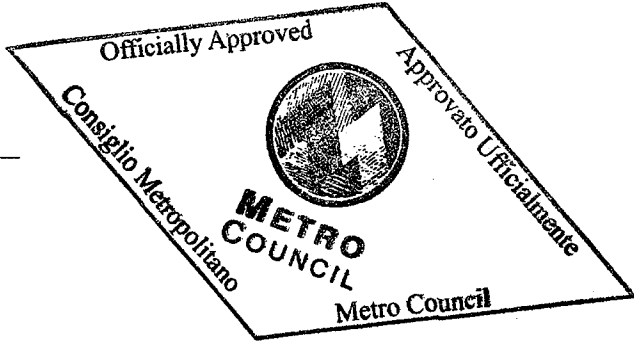
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ADOPTED by the Metro Council Contract Review Board this 19 day of AUG, 2010.

  
David Bragdon, Council President

Approved as to Form:

  
Daniel B. Cooper, Metro Attorney



## STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 10-4183, RESOLUTION OF METRO COUNCIL, ACTING AS THE METRO CONTRACT REVIEW BOARD, FOR THE PURPOSE OF APPROVING A CONTRACT AMENDMENT FOR THE IRVING STREET GARAGE REPAIR PROJECT AND AMENDING THE FY 2010-11-FY 2014-15 CAPITAL IMPROVEMENT PLAN

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Date: August 10, 2010

Prepared by: Lydia Neill

### BACKGROUND

The Irving Street garage was placed into service in the early 1960's. Very little maintenance or improvements have been made until the recent repair project. The renewal and replacement budget has allocated a total of \$425,000 for repairs to the garage over the 2008/09 through 2011/12. The Metro Council had authorized an expenditure of an additional \$388,000 prior to the start of the project for a total project budget of \$813,000. The current project budget is set at \$900,000 between 2009-10 and 2010-11.

An open, competitive Request for Bid (RFB) was issued for the Irving Street Garage Repair project in 2009. An Intermediate Procurement Process was used to facilitate addressing the safety issues in a timely manner. The bid process consisted of a solicitation of five firms and encouraging these firms to conduct outreach to MWESB subcontractors. As a result of this process Metro received three sealed bids which ranged from \$574,850 to \$991,680. In accordance with Metro Code, the lowest responsive, responsible bidder was selected, which was D&R Masonry, Inc.

This contract was awarded on January 8, 2010 in the amount of \$574,850 and work began shortly after. The Construction Manager, Lydia Neill reports that this project has progressed as planned and that D&R Masonry, Inc. has provided construction services in accordance with the contract and has performed additional work as directed by the owner. During the demolition of the damaged areas of the fourth floor parking deck and the removal of the existing traffic coating, additional damage has been uncovered. Repair of the deck is necessary before this floor can be re-coated with a urethane material to prevent moisture from entering the structure. This work is essential to insure the safety and the longevity of the structure and is best completed within the sequencing of the work currently being performed. The work including the change orders are consistently priced with the original bid, is based on unit pricing and a schedule of values provided.

During the course of construction, the following additional services have been approved:

Change Order #1- Engineered shoring design	\$13,114
Change Order #2- Full depth repairs, carbon fiber joist wrap and shoring	2,200
Change Order #3- Additional full depth repairs	226,000
Change Order #4- Additional, topping slab, spall and joist repair (proposed)	343,836
	Total \$1,160,000

The value of the proposed change order is based on a damage assessment resulting from extensive tracking of repairs that have been completed to date. This additional work is likely to cost no more than \$343,836. This estimate is based on unit pricing for the underslab and joist repair, pricing for installation of the topping slab and additional engineering services. Billing will occur as work is completed. Staff is requesting authority to amend the contract not to exceed \$1,160,000.

The Construction Manger and the consulting engineer for the project have reviewed each of the change order requests and verified that the work is outside of the existing contract scope, is necessary and reasonably priced.

Metro Code 2.04.058, Public Contract Amendments, requires Metro Council approval of contract amendment or change orders that exceed \$25,000 and over 5% of the total value of the contract. With change order four the total value of the work exceeds the 5% change order limit although this amount is based on unit pricing. The poor condition of the concrete and inferior construction techniques have contributed to an increase in the scope of the damage that must be addressed. Due to the staging and disruption of business services during the construction process it is most cost effective to complete these repairs within the scope of the current work rather than rebidding this work and competing the remainder of the work at a later date. Therefore, this additional work was outside of the control of the contractor and the Parks and Environmental Services Department feels it is reasonably priced and necessary for the successful completion of the project. The Metro Procurement Officer has deemed this amendment to be appropriate and reasonably related to the original scope of work, and therefore, believes the amendment is in Metro's best interest to approve.

The Construction Manager will continue to manage and administer this contract to ensure construction is in accordance with the contract, including all plans and specifications. Staff continues to look for value engineering opportunities. The Irving Street Garage Project is scheduled to be completed by late September 2010.

#### **ANALYSIS/INFORMATION**

1. **Known Opposition:** None known.
2. **Legal Antecedents:** Metro Code 2.04.058, ORS Chapter 279C.
3. **Anticipated Effects:** Construction will continue on the Irving Street Garage project in accordance with the contract document and project schedule.
4. **Budget Impacts:** Approval of this resolution amends the Capital Improvement Plan see attachment A. There will be sufficient appropriations in the Renewal and Replacement fund to meet this resolution if we follow historical patterns of not all projects being complete. However if all of the projects in the Renewal and Replacement Fund are completed in the current year a budget amendment may be required at a later time. This project will require an increase to the Renewal and Replacement allocation in future years.

#### **RECOMMENDED ACTION**

Metro Council, acting as Public Contract Review Board, approves the attached contract amendment with D&R Masonry, Inc.

**Capital Project Request - Project Detail**

**Project Title:**  **Fund:**   
**Project Status:**  **Funding Status:**  **FY First Authorized:**  **Department:**   
**Project Number:**  **Active:**  **Dept. Priority:**  **Facility:**  **Division:**   
**Source Of Estimat:**  **Source:**  **Start Date:**  **Date:**  **Cost Type:**   
**Type of Project:**  **Request Type:**  **Completion Date:**  **Prepared By:**

Project Estimates	Actual	Budget/Est	Prior							
Capital Cost:	Expend	2010-2011	Years	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016		Total
Construction	\$533,130	\$627,000	\$1,160,130	\$0	\$0	\$0	\$0	\$0	\$0	\$1,160,130
<b>Total:</b>	\$533,130	\$627,000	\$1,160,130	\$0	\$0	\$0	\$0	\$0	\$0	\$1,160,130

**Funding Source:**

Fund Balance - Renewal and Replacement	\$533,130	\$627,000	\$1,160,130	\$0	\$0	\$0	\$0	\$0	\$0	\$1,160,130
<b>Total:</b>	\$533,130	\$627,000	\$1,160,130	\$0	\$0	\$0	\$0	\$0	\$0	\$1,160,130

**Annual Operating Budget Impact**

**Project Description / Justification:** \_\_\_\_\_ **Estimated Useful Life (yrs):**  **First Full Fiscal Year of Operation:**

Parks and Environmental Services (PES) had to increase the scope of the parking garage project due to the necessity to upgrade it to meet health and safety requirements. The project was originally budgeted for \$125,000 in the current year; with a new budget in Fiscal Year 2009-10 of \$600,000 with construction to begin immediately. In order to meet the increased appropriations need, PES will be using \$112,979 that was carried forward for various projects from prior years, \$49,000 for phones and \$48,010 for copy machines that will not be purchased in the current year. The remaining \$265,011 will need to come from the Renewal and Replacement Fund contingency. There are two more items that will be completed in 2010-11 and 2011-12 that will bring the total project cost over three years to \$900,000. Additional damage found on the fourth floor requires increasing the slab depth for an additional cost to the project of \$260,000, bring the entire three year project to \$1,160,000. The parking garage currently brings in over \$320,000 a year in net revenue and is an integral part of the value of the building making it essential to expend the money to maintain the asset and meet health and safety requirements.