

METROPOLITAN EXPOSITION RECREATION COMMISSION

RESOLUTION NO. 15-07

For the purpose of selecting Northwest Control Company, Inc. for the Arlene Schnitzer Concert Hall – “HVAC Controls Upgrade” and authorizing the General Manager of Visitor Venues to execute a contract with Northwest Control Company.

**WHEREAS**, the Arlene Schnitzer Concert Hall (ASCH) HVAC controls system has reached the end of its useful life and requires replacement; and

**WHEREAS**, the ASCH has very limited control of the HVAC system in the facility; and

**WHEREAS**, Portland’s staff have worked with the Energy Trust of Oregon (ETO) to receive an incentive from the ETO in an amount up to 20% of the total project cost; and

**WHEREAS**, Section 7(B) of the Metropolitan Exposition Recreation Commission's (MERC) Contracting and Purchasing Rules, requires competitive sealed bids under ORS Chapter 279C for public improvements such as this project; and

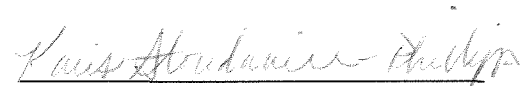
**WHEREAS**, MERC staff has evaluated the bids and Northwest Control Company, Inc. is the lowest responsive and responsible bidder with a bid amount of two hundred sixty-nine thousand, two hundred seventy & 00/100 dollars (\$269,270.00)

**BE IT THEREFORE RESOLVED** as follows:

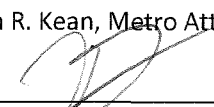
1. MERC selects Northwest Control Company, Inc. as the lowest responsive and responsible bidder in response to the Request for Bids for the Arlene Schnitzer Concert Hall – HVAC Controls Upgrade.
2. MERC approves the contract with Northwest Control Company, Inc. in the form substantially similar to the attached Exhibit A and authorizes the General Manager of Visitor Venues to execute the contract on behalf of the Commission.

Passed by the Commission on May, 6 2015.

  
\_\_\_\_\_  
Chair

  
\_\_\_\_\_  
FOR Secretary/Treasurer

Approved As to Form:  
Alison R. Kean, Metro Attorney

By:   
\_\_\_\_\_  
Nathan A. S. Sykes  
Deputy Metro Attorney

## MERC STAFF REPORT

**Agenda Item/Issue:** For the purpose of selecting Northwest Control Company, Inc. for the Arlene Schnitzer Concert Hall -“HVAC Controls Upgrade” and authorizing the General Manager of Visitor Venues to execute a contract with Northwest Control Company, Inc.

**Resolution No: 15-07**

**Presented by:** Josh Lipscomb

**Date: May 6, 2015**

**Background and Analysis:** The current building controls system is twenty five years old, support from the manufacturer is limited as their personnel are no longer trained on a system of our vintage, and we have experienced random systemic failures. This project is the 2<sup>nd</sup> phase of 3 to replace the HVAC controls at each of the Portland’s facilities. The Antoinette Hatfield Hall was the first building and is almost complete, The Keller Auditorium will be last. This project is budgeted in Fiscal Year 2015-16. We propose to start six weeks early to accommodate the estimated project timeline within the availability of the building’s scheduled events.

Building operations and engineering staff are dependent on buildings control systems to deliver appropriate airflow and insure the comfort of our clients and patrons. The risks associated with losing control of the building systems are very significant. If we are unable to insure the appropriate minimum airflow requirements in our public spaces, then we cannot open our doors to the public.

Building controls systems have improved drastically in twenty five years leading to far more effective decision making with significantly more information available to building operators. We have designed a system and written a specification for all three buildings that can be deployed as money becomes available to fund the projects, but allows for one consistent web-based interface for operators and maximum flexibility for service maintenance vendors.

We expect significant energy use improvements with extensive HVAC scheduling capabilities, labor savings through significantly improved analytics and mobile diagnosis for engineers, and improved patron/client satisfaction by programming the controls system to independently respond to differing conditions in the theater.

The scope of work for this project includes replacement of the original Siemens HVAC building controls system (pneumatic) with a direct digital control (DDC) system to control HVAC. MERC Staff prepared and issued Bid Documents and a Request for Bids in accordance with MERC's Purchasing Policies for the HVAC Controls Upgrade at the Arlene Schnitzer Concert Hall.

MERC contracting code requires competitive sealed bids under ORS Chapter 279C for public improvements such as this HVAC controls upgrade project. As such, MERC is required to accept the lowest responsive and responsible bid. Through the venues’ commitment to contracting with firms owned by and employing individuals from diverse backgrounds, MERC staff included in the bid documents good faith program requirements for outreach to the State of Oregon Certified Minority-Owned, Women-Owned and Emerging Small Business (MWESB) community and the First Opportunity Target Area (FOTA) community.

The program establishes procedures to maximize utilization of MBEs, WBEs and ESBs for MERC projects. The following steps required to help MERC monitor the usage of these firms, were outlined in the RFB and were included in the evaluation of bids:

- “1. Identify areas in which Bidder intends to use sub-contractors.
2. Attend the Pre-Bid meeting if held. Meet any MBE/WBE/ESB firms at the Pre-Bid meeting.
3. Contact several (or all) certified MBE/WBE/ESB firms listed (with the State of Oregon) to perform the work needed.

Metro Procurement Services can provide Bidder with a list of firms upon request

[bidsandproposals@oregonmetro.gov](mailto:bidsandproposals@oregonmetro.gov).

4. Negotiate with interested, available and capable MBE/WBE/ESB firms who submit competitive bids.
5. Report to MERC all sub-contractors contacted. Please include their response and price quoted.
6. List all sub-contractors that Bidder intend to use on this project.

Please note a selected MBE/WBE/ESB firm must be used unless MERC authorizes a substitution after contract award.

The following MBE/WBE/ESB Program forms are to be completed and returned as part of your Bid submission. Contact Procurement services at [bidsandproposals@oregonmetro.gov](mailto:bidsandproposals@oregonmetro.gov) if additional information is required.”

In addition to these requirements, the RFB was published in the online version of El Hispanic News and the Daily Journal of Commerce, as well as ORPIN.

On March 25, 2015, MERC staff conducted a site walk for potential bidders in which 3 mechanical contractors and 4 subcontractors attended: One subcontractor was ESBs, one was a MBE and WBE and none were from the FOTA. Two bids were received on April 8, 2015 and ranged from \$269,270.00 to \$298,180.00. The lowest responsive and responsible bidder was Northwest Control Company, Inc., in the amount of two hundred sixty-nine thousand, two hundred seventy and 00/100 dollars (\$269,270.00). The lowest responsive and responsible bidder, Northwest Control Company, Inc. did include an ESB subcontractor, Jobe Technologies (pipe insulation) for this project. Of the (3) ESB low voltage subcontractors contacted by Northwest Control Company, Inc., only 1 responded and declined a bid but did discuss future opportunity.

**FISCAL IMPACT:** This project is budgeted in FY 2015-16 in the amount of \$275,000.00. There is enough budget appropriation authority in the MERC Fund to approve the entire contract amount in FY 2014-15. . The \$269,270.00 bid amount and other associated costs (i.e. permitting) is expected to exceed the budget amount. Portland’s forecasts budget savings from its FY 2015 Capital Program which will be carried over to FY 2016 to fund an ample contingency for this project. Additionally, the project cost is expected to be offset by both the estimated energy and operational labor savings, and by a rebate from the Energy Trust of Oregon (ETO).

**RECOMMENDATION:** Staff recommends that the Metropolitan Exposition-Recreation Commission, by Resolution No. 15-07, approve the contract award and written contract (attached hereto) with Northwest Control Company, Inc., for the amount of two hundred sixty-nine thousand, two hundred seventy & 00/100 dollars (\$269,270.00) for the HVAC Controls Upgrade at the Arlene Schnitzer Concert Hall.

# Construction Agreement

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MERC CONTRACT NO. 305019

THIS CONSTRUCTION AGREEMENT is between Metropolitan Exposition Recreation Commission, an appointed commission of Metro, located at 600 N.E. Grand Avenue, Portland, OR 97232-2736, referred to herein as "MERC" or "Metro," and Northwest Control Company, Inc., referred to herein as "Contractor," located at 8750 SE McLoughlin Blvd, Portland, OR 97269.

THE PARTIES AGREE AS FOLLOWS:

## ARTICLE I

### SCOPE OF WORK AND CONTRACT TERMS

CONTRACTOR shall perform the work and/or deliver to MERC the goods described in the Scope of Work attached hereto and incorporated herein as Attachment A. All services and goods shall be of good quality and otherwise in accordance with the Scope of Work. CONTRACTOR shall perform the work and/or deliver to MERC the goods described in the Scope of Work strictly in accord with the terms of this Construction Agreement and the General Conditions attached hereto and incorporated herein as Attachment B.

## ARTICLE II

### TERM OF CONTRACT

The term of this Contract shall be for the period commencing May 13, 2015 through and including December 2, 2015. Substantial completion per Section 9.4 of the General Conditions is August 21, 2015.

## ARTICLE III

### CONTRACT SUM AND TERMS OF PAYMENT

MERC shall pay the CONTRACTOR for work performed and/or goods supplied as described in the Scope of Work, in the maximum amount of TWO HUNDRED SIXTY-NINE THOUSAND, TWO HUNDRED SEVENTY AND NO/100THS DOLLARS (\$269,270.00) (the "Maximum Price"). MERC shall not be responsible for payment of any materials, expenses or costs other than those which are specifically included in the Scope of Work. The Maximum Price includes all fees, costs and expenses of whatever nature. Each of MERC's payments to Contractor shall equal the percentage of the work Contractor accomplished during the billing period. Contractor's billing invoices shall include the MERC contract number, Contractor name, remittance address, invoice date, invoice number, invoice amount, tax amount (if applicable), and an itemized statement of work performed and expenses incurred during the billing period, and will not be submitted more frequently than once a month.

Contractor's billing invoices shall be sent to [metroaccountspayable@oregonmetro.gov](mailto:metroaccountspayable@oregonmetro.gov). The MERC contract number shall be referenced in the email subject line. Contractor's billing invoices for services through June 30 shall be submitted to Metro by June 30. Payment shall be made by MERC on a Net 30 day basis upon approval of CONTRACTOR invoice.

## ARTICLE IV

### BONDS

In addition, for public works subject to ORS 279C.800 to 279C.870, CONTRACTOR and every subcontractor shall have a public works bond required by 2005 Oregon Laws Chapter 360 filed with the Construction Contractors Board before starting work on the project, unless exempt under Section 2 of 2005 Oregon Laws Chapter 360.

## ARTICLE V

### PUBLIC CONTRACTS

All applicable provisions of ORS chapters 187 and 279A, 279B, and 279C and all other terms and conditions necessary to be inserted into public contracts in the State of Oregon, are hereby incorporated as if such provision were a part of this Agreement. Specifically, it is a condition of this contract that CONTRACTOR and all employers working under this Agreement are subject employers that will comply with ORS 656.017 as required by 1989 Oregon Laws, Chapter 684.

# Construction Agreement

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MERC CONTRACT NO. 305019

For public work subject to ORS 279C.800 to 279C.870, the CONTRACTOR shall pay prevailing wages. If such public work is subject both to ORS 279C.800 to 279C.870 and to 40 U.S.C. 276a, the CONTRACTOR and every subcontractor on such public work shall pay at least the higher prevailing wage. The CONTRACTOR and each subcontractor shall pay workers not less than the specified minimum hourly rate of wage in accordance with Section 7 of 2005 Oregon Laws Chapter 360. MERC shall pay an administrative fee as provided in ORS 279C.825(1) to the Bureau of Labor and Industries pursuant to the administrative rules established by the Commissioner of Labor and Industries. CONTRACTORS must promptly pay, as due, all persons supplying to such contractor labor or material used in this contract. If the CONTRACTOR or first-tier subcontractor fails, neglects, or refuses to make payment to a person furnishing labor or materials in connection with the public contract for a public improvement within 30 days after receipt of payment from the public contracting agency or a contractor, the CONTRACTOR or first-tier subcontractor shall owe the person the amount due plus shall pay interest in accordance with ORS 279C.515. If the CONTRACTOR or first-tier subcontractor fails, neglects, or refuses to make payment, to a person furnishing labor or materials in connection with the public contract, the person may file a complaint with the Construction Contractors Board, unless payment is subject to a good faith dispute as defined in ORS 279C.580. CONTRACTOR must pay any and all contributions and amounts due to the Industrial Accident Fund from contractor or subcontractor and incurred in the performance of the contract. No liens or claims are permitted to be filed against MERC on account of any labor or material furnished. CONTRACTORS are required to pay the Department of Revenue all sums withheld from employees pursuant to ORS 316.167.

For public improvement work all CONTRACTORS must demonstrate that an employee drug-testing program is in place.

## ARTICLE VI COUNTERPARTS

This Contract may be executed in counterparts or multiples, any one of which will have the full force of an original.

## ARTICLE VII DELIVERY OF NOTICES

Any notice, request, demand, instruction, or any other communications to be given to any party hereunder shall be in writing, sent by registered or certified mail or fax as follows:

To Contractor: Randy Rollins  
Northwest Control Company, Inc  
PO Box 22919  
Milwaukie, OR 97269  
503-656-7609 fax

To Metro: Metro Procurement Services  
600 NE Grand Ave  
Portland, Oregon 97232  
503-797-1791 fax

With Copy to: Randi Selleck  
600 NE Grand Ave  
Portland, OR 97232  
503.-797-1795 fax

CONTRACTOR

METROPOLITAN EXPOSITION RECREATION  
COMMISSION

By \_\_\_\_\_

By \_\_\_\_\_

Print Name \_\_\_\_\_

Print Name \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_

# Construction Agreement

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MERC CONTRACT NO. 305019

## ATTACHMENT A TO CONSTRUCTION AGREEMENT – SCOPE OF WORK

### 1. Purpose and Goal of Work

MERC is contracting for upgrades to the HVAC Controls at the Portland's Centers for the Arts Arlene Schnitzer Concert Hall. The Arlene Schnitzer Concert Hall is located at 1037 SW Broadway, Portland, OR 97205.

### 2. Scope of Work

#### Description of Work

Work is to include all labor, materials, tools, equipment, and services necessary, for upgrades to the HVAC Controls at the Portland's Centers for the Arts Arlene Schnitzer Concert Hall. The scope of work is to be as detailed below and as per the contract attachments as referenced below.

#### Proposed work includes:

Contractor shall replace the existing digital control system in this facility. The existing system is a mix of digital, electric and pneumatic controls. All existing devices and parts not used (tubing, control valves, compressors, sensors, etc.) shall be removed. Contractor shall provide a complete control system for those HVAC as noted on the drawings. Contractor shall provide a completely open Niagara framework control system to operate these systems.

Control System Manufacturer is Honeywell Niagara AX WEBS, BACnet version.

Contractor is responsible for cleanliness of work areas and shall pick up and dispose of debris created during construction. Contractor is responsible for cover up and protection of existing equipment/building materials. Contractor is to maintain a worksite free of hazardous work conditions and construction debris. Contractor shall not interfere with scheduled events or prohibit any tenants or clients from accessing other spaces in the building. Loud noise can be an issue in the facility; therefore any work that may be louder than a hand drill or similar will need to be coordinated with Portland's, so as to not disturb events/clients. Dust control is the responsibility of the Contractor. Although work is expected to be in areas without impact on events, work will need to be done around building schedule. Schedule will need to be coordinated with Portland's project manager. Contractor shall work with the Portland's provided schedule. This project may require Contractor to work "off hours" in order to complete the project in a timely manner as agreed upon with the Portland's.

Material submittals are required before materials are ordered and must be approved by Portland's Project Manager and MFIA.

#### Deliverables/Outcomes

- Contractor is to provide one (1) set of Red Line drawings, and two (2) hard copies and one (1) electronic copy Operation and Maintenance manuals upon project completion.
- Contractor shall provide, or set per Portland's specification, a superuser account for all stations built and all internal credentials for full administration of system, including Platform Authentication Credential(s) for system hardware.
- **Work under this Contract shall commence on May 13, 2015 and "substantial completion" shall occur by August 21, 2015. Commissioning of the system shall begin on August 24, 2015 and shall be completed by October 2, 2015. If Contractor fails to achieve substantial completion by August 21, 2015 or fails to complete commissioning of the system by October 2, 2015, then MERC may assess liquidated damages equal to \$500 per day for each day Contractor is late on delivery.**

The Scope of Work includes the Plan Set, Specifications, any Addenda attached hereto, and any Change Orders entered into in accord with the terms of the Contract.

**ATTACHMENT C:** Planset, Titled "Portland's Centers for the Arts – Arlene Schnitzer Concert Hall" and dated February 27, 2015;

# Construction Agreement

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MERC CONTRACT NO. 305019

**ATTACHMENT D:** Specifications, titled "Portland's Center for the Arts HVAC Control Upgrades", and dated March, 2015;

RFB Addendum 1 and any modifications of any of the foregoing in the form of Addenda or Change Orders entered into in accordance with the terms of the Contract. Where applicable, reference to this Contract herein shall be deemed to refer to all of the Contract Documents.

Contractor shall provide all labor, tools, equipment, machinery, supervision, transportation, permits, and every other item and service necessary to perform the Work described in the Contract Documents. Contractor shall fully comply with each and every term, condition and provision of the Contract Documents.