

METROPOLITAN EXPOSITION-RECREATION COMMISSION

RESOLUTION NO. 10-22

For the purpose of selecting Hydrotemp Mechanical Inc. as the lowest responsive and responsible bidder in response to a Request For Bids, relating to the Portland Center for the Performing Arts (PCPA), Antoinette Hatfield Hall "Chiller Replacement Project," and authorizing the General Manager to execute a contract with Hydrotemp Mechanical Inc.

**WHEREAS**, the existing chiller was installed as part of the original construction and has experienced many significant failures and is currently at the end of its useful life; and

**WHEREAS**, in the public interest, for purposes of providing effective facility temperature maintenance, protection of the environment and significant energy savings, PCPA desires to replace the chiller; and

**WHEREAS**, Section 4(D)(1)(a) of the Commission's Contracting and Purchasing Rules delegates authority to the General Manager to prepare and approve Request for Bids (RFB) documents and to solicit bids; and

**WHEREAS**, Section 4(D)(1)(c) of the Commissions Contracting and Purchasing Rules requires the Commission to select the lowest responsive and responsible bidder, approve the contract award, and approve the written contract by resolution; and

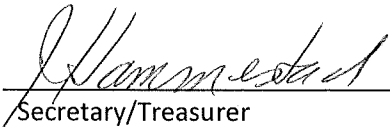
**WHEREAS**, MERC staff has evaluated the bids, and Hydrotemp Mechanical is the lowest responsive and responsible bidder.

**BE IT THEREFORE RESOLVED** as follows:


1. The Metropolitan Exposition Recreation Commission selects Hydrotemp Mechanical as the lowest responsive and responsible bidder in response to the Request for Bids for the PCPA, Antoinette Hatfield Hall Chiller Replacement Project;
2. The Metropolitan Exposition Recreation Commission approves the award of a contract, in a form substantially similar to the attached Exhibit "A," to Hydrotemp Mechanical.
3. The Metropolitan Exposition Recreation Commission delegates authority to the General Manager to execute the contract on behalf of the Commission.

Passed by the Commission on September 1, 2010.

  
Chair

  
Secretary/Treasurer

Approved As to Form:  
Daniel B. Cooper, Metro Attorney

By:   
Nathan A. Schwartz Sykes  
Senior Attorney

## MERC STAFF REPORT

**Agenda Item/Issue:** For the purpose of awarding and executing a written contract with Hydrotemp Mechanical for the Chiller Replacement at PCPA's Antoinette Hatfield Hall.

**Resolution No:** 10-22

**Date:** September 1, 2010

**Presented by:** Robyn Williams

**BACKGROUND:** The existing Chiller at the Antoinette Hatfield Hall which was installed as part of the original building in 1984, has experienced a number of failures and repairs over the last few years. During this past summer season it has become apparent the chiller may not be able to function properly for another season and has substantially met its useful life expectancy. Because of the chillers ageing technology, refrigerants in use that need to be eliminated and because parts are difficult to obtain it is in the public's best interest that the chiller be replaced as soon as possible so the purchase and installation may take place during the upcoming winter months and it can be in place and ready for use prior to next summer when warm weather warrants chilled air conditioning.

MERC Staff prepared and issued Bid Documents and a Request for Bids in accordance with MERC's Purchasing Policies for the replacement of the Chiller. The work consists of purchasing and installing a complete chiller system. MERC Staff conducted on site visits for potential bidders and five mechanical contractors were in attendance. Two bids were received on July 21, 2010, and ranged from \$287,500 to \$317,448. Neither bid was submitted by a certified M/W/ESB or FOTA contractor, nor did either contractor have any second tier sub-contractors listed as a part of their bid. The lowest responsive and responsible bidder was Hydrotemp Mechanical, in the amount of Two-hundred eighty seven thousand, five hundred & NO/100 dollars (\$287,500).

The \$287,500 fiscal impact will be offset by an incentive offer rebate from the Energy Trust of Oregon (ETO) in the amount of \$26,301. Upon completion of this project, the ETO will pay MERC the guaranteed incentive rebate amount of \$26,301, which will ultimately reflect a project cost of \$261,199.

**FISCAL IMPACT:** The Project shall be paid for from the 2010-2011 budget.

**RECOMMENDATION:** Staff recommends that the Metropolitan Exposition-Recreation Commission approve Resolution No. 10-22 for the award and execution of a written contract (attached hereto) with Hydrotemp Mechanical, for the amount of Two-hundred eighty seven thousand, five hundred & NO/100 dollars (\$287,500) for the Chiller Replacement at the Antoinette Hatfield Hall.

# Standard Public Contract

---

For Public Contracts Greater than \$50,000

CONTRACT NO. \_\_\_\_\_

## PUBLIC CONTRACT

THIS Contract is entered into between Metropolitan Exposition-Recreation Commission ("MERC"), whose address is 777 NE Martin Luther King, Jr., Blvd., Portland, Oregon 97232-2742, and **HydroTemp Mechanical, Inc. (CCB# 63907)**, whose address is **28465 SW Boberg Rd, Wilsonville OR 97070**, hereinafter referred to as the "CONTRACTOR." Work is to be take place at the Portland Center for the Performing Arts – Antoinette Hatfield Hall, located at 1111 SW Broadway, Portland, OR 97205.

THE PARTIES AGREE AS FOLLOWS:

### ARTICLE I TERM OF CONTRACT

The term of this Contract shall be for the period commencing **September 13, 2010** through and including **May 15, 2011**, with substantial completion by March 30, 2011, unless terminated or extended as provided in this Contract.

### ARTICLE II CONTRACT SUM AND TERMS OF PAYMENT

MERC shall compensate the CONTRACTOR for work performed and/or goods supplied as described in the Scope of Work. 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, in an amount not to exceed (written amount) **Two Hundred Eighty-Seven Thousand, Five Hundred Dollars and NO/100 (\$287,500.00)**. Payment shall be on a unit price only for those goods or services received in a condition or manner acceptable to MERC. CONTRACTOR'S Invoice shall include an itemized statement of items purchased or services provided, and shall be sent to MERC, Attention: Accounts Payable, 777 NE Martin Luther King, Jr. Blvd., Portland, Oregon 97232-2742. As per Article VII of this document, Contractor's invoice must breakout and withhold retainage as obligated by Public Contracting Code, and submit certified payroll with their invoice as per Prevailing Wage Requirement Law. MERC will pay Contractor within 30 days of receipt of an approved invoice.

### ARTICLE III SCOPE OF WORK

CONTRACTOR shall perform the work and/or deliver to MERC the goods described in the Scope of Work All services and goods shall be of good quality and, otherwise, in accordance with the Scope of Work.

**CONTRACTOR is to provide and install a new Chiller to replace the existing water-cooled 295-ton chiller at the PCPA Antoinette Hatfield Hall. Scope of Work is to include: design and construction, equipment purchase, installation, demolition and removal of existing system and minimal Control Work as specified in the "PCPA – Antoinette Hatfield Hall Chiller Replacement Project Request for Bids" Documents dated July 6, 2010, hereto attached as "Attachment "A".** Contractor agrees to comply with each and every term, condition and provision of the contract documents. Contractor agrees to provide all labor, tools, equipment, machinery, supervision, transportation, and every other item and service necessary to perform the work described in the contract documents. Contractor agrees to comply with each and every term, condition and provision of the contract documents. Contractor may be subject to liquidated damages if work not in compliance with Request for Bids Documents as referenced above, and Contract Agreement. **All work on this contract is subject to Prevailing Wage Rates.**

Additional Requirements:

CONTRACTOR must provide to MERC:

- A written Workplace Safety Program and Drug Policy prior to start of work
- A copy of Contractor's Certificate of Insurance as specified in Article VI below
- A written Work Schedule to be approved by Owner 48 hours prior to start of work. Work must be performed without causing any disruptions to scheduled events. Owner will make every effort to keep construction areas off limits to the public to accommodate the Contractor's Work Plan.

Contractor must coordinate all work with MERC Project Manager.

The Contract Time shall commence upon issuance of the Notice to Proceed which is anticipated to be issued following execution of the contract. Contractor shall commence work under this Contract within no more than ten (10) calendar days after issuance of written Notice to Proceed. Contractor shall bring the Work to **substantial completion no later than March 30, 2011, or at such date as may be extended by Change Order approved by Contractor and Owner.** By executing this Contract, Contractor confirms and accepts that the Contract Time so stated is a reasonable period for performance of all of the Work.

The end date of the Contract Term is intended to allow for finalization of all closeout requirements, receipt of warranties, manuals and final payment, but does not alter requirements for substantial completion of the work by the date specified.

Owner will coordinate with Contractor regarding the dates and approximate shifts that are available and unavailable to the Contractor to perform the required work, depending on the location in the building of the scheduled event, the type of event and the Work being conducted simultaneously with the event. **Due to the likely possibility of additional "bookings" or cancellations of events in the building, this schedule may be modified, which may positively or negatively impact the work schedule. It is not anticipated however, that the net number of days available to the Contractor as indicated on the schedule included as part of these documents will be lessened. In the event of a schedule change, the Owner will notify the Contractor directly following the implementation of the change so that work plans may be modified accordingly.** Due to the nature of the Public Events Facility industry, it will be necessary for the Contractor to work closely with the Project Manager and applicable building staff to coordinate day-to-day logistical requirements for the benefit of the Contractor and to afford Owner Staff the necessary time to perform event or non-event related functions. Contractor shall be liable to incur liquidated damages if not substantially complete by contract terms. Liquidated damages shall be assessed at no less than One Thousand Dollars (\$1,000.00) per day.

#### ARTICLE IV LIABILITY AND INDEMNITY

CONTRACTOR is an independent contractor and assumes full responsibility for the content of its work and performance of CONTRACTOR'S labor, and assumes full responsibility for all liability for bodily injury or physical damage to person or property arising out of or related to this Contract, and shall indemnify, defend and hold harmless MERC, Metro, its agents and employees, from any and all claims, demands, damages, actions, losses, and expenses, including attorney's fees, arising out of or in any way connected with its performance of this Contract. CONTRACTOR is solely responsible for paying CONTRACTOR'S subcontractors and nothing contained herein shall create or be construed to create any contractual relationship between any subcontractor(s) and MERC.

#### ARTICLE V TERMINATION

MERC may terminate this Contract upon giving CONTRACTOR seven (7) days written notice. In the event of termination, CONTRACTOR shall be entitled to payment for work performed to the date of termination. MERC shall not be liable for indirect, consequential damages or any other damages. Termination by MERC will not waive any claim or remedies it may have against CONTRACTOR. Contractor may be liable for liquidated damages.

ARTICLE VI  
INSURANCE

CONTRACTOR shall purchase and maintain at CONTRACTOR'S expense, the following types of insurance covering the CONTRACTOR, its employees and agents.

- A. Broad form comprehensive general liability insurance covering personal injury, property damage, and bodily injury with automatic coverage for premises and operation and product liability shall be a minimum of \$1,000,000 per occurrence. The policy must be endorsed with contractual liability coverage. **MERC, Metro, and their elected and appointed officials, departments, employees and agents shall be named as an ADDITIONAL INSURED.**
  
- B. Automobile bodily injury and property damage liability insurance. Insurance coverage shall be a minimum of \$1,000,000 per occurrence. **MERC, Metro and their elected and appointed officials, departments, employees, and agents shall be named as an ADDITIONAL INSURED.** Notice of any material change or policy cancellation shall be provided to MERC thirty (30) days prior to the change.

This insurance as well as all workers' compensation coverage for compliance with ORS 656.017 must cover CONTRACTOR'S operations under this Contract, whether such operations be by CONTRACTOR or by any subcontractor or anyone directly or indirectly employed by either of them.

CONTRACTOR shall provide MERC with a certificate of insurance complying with this article and naming MERC and Metro as additional insureds within fifteen (15) days of execution of this Contract or twenty-four (24) hours before services under this Contract commence, whichever date is earlier.

ARTICLE VII  
PUBLIC CONTRACTS

All applicable provisions of ORS chapters 187 and 279A & B, 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 Contract. Specifically, it is a condition of this contract that Contractor and all employers working under this Contract are subject employers that will comply with ORS 656.017 as required by 1989 Oregon Laws, Chapter 684.

All applicable provisions of ORS Chapters 187 and 279A & B, 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 Contract including, but not limited to, ORS 279B.220 to 279B.235.

**For public work subject to ORS 279C.800 to 279C.870, the contractor shall pay Prevailing Wage Rates** as per the *Oregon Bureau of Labor and Industries (BOLI) "Prevailing Wage Rates for Public Contract Works Contracts in Oregon - Effective January 1, 2010"*, pursuant to the administrative rules established by the Commissioner of Labor and Industries. Contractor must provide a written schedule to employees showing the number of hours per day and days per week the employee may be required to work; and must pay daily, weekly, weekend and holiday overtime in accordance with, and as required by ORS 279C.520.

Contractors must promptly pay, as due, all persons supplying to such contractor labor or material used in this contract. If the contractor fails to pay for labor or services, the contracting agency can pay and withhold these amounts due the contractor. Additionally, 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 promptly pay for any medical services they have agreed to pay in accordance with ORS 279C.530.

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.

**Contractor is required to Submit Certified Payroll Reports each month to MERC as Contracting Public Agency to: MERC–Construction/Capital Projects Dept–Att: Renee, 777 NE MLK Jr Blvd Portland, OR 97232;** as well as to BOLI. In addition to any other retainage obligated by the Public Contracting Code, the Prevailing Wage Requirement Law requires public agencies to withhold 25 percent of any amount earned by the prime contractor if the prime contractor does not submit certified payroll reports. Once the certified payroll reports have been submitted, the public agency must pay the 25 percent withheld within 14 days. ORS 279C.845(7)

Contractor and every subcontractor must have a Public Works Bond filed with the Construction Contractors Board prior to starting work on the Contract, unless exempt, in accordance with ORS 279C.830(3). Contractors are required to pay the Department of Revenue all sums withheld from employees pursuant to ORS 316.167.

CONTRACTOR shall meet MERC Bonds and Bid Security requirements as follows:

1. Bid Security not exceeding 10 percent of the amount bid for the contract is required unless the contract is for \$50,000 or less.
2. For public improvements, a labor and material bond and a performance bond, both in the amount equal to 100 percent of the contract price are required for contracts over \$50,000.
3. Bid security, labor and material bond and performance bond may be required even though a contract is of a class not identified above, if the General Manager determines it is in the public interest.

CONTRACTOR shall meet the Metro “Good Faith Efforts” Requirement for Construction Projects as below:

For construction contracts of \$100,000 or more, the Commission adopts in principle, policy, and content, the “Good Faith Effort” program established by Metro Code§ 2.04.100 through 2.04.190 (Metro Minority Business Enterprise, Women Owned Business, and Emerging Small Business Program) as they apply to contracts of the Commission. This adoption includes any and all ordinances subsequently adopted by the Metro Council relating to Metro’s Minority Business Enterprise, Women Owned Business and Emerging Small Business Program. The General Manager shall designate MERC staff to perform the functions of the Liaison Officer to carry out the MBE/WBE/ESB program as it relates to MERC contracting activities. Metro and MERC have a compelling government interest to ensure that their contracts provide fair and equal employment opportunities for minority, women, and emerging small businesses reflecting the diversity found in the Portland Metropolitan area. **Therefore, MERC aspires to utilize 15% (by dollar value) MBE/WBE/ESB subcontractor participation on this project.** Accordingly, the prime contractor is required to submit proof showing that Good Faith Effort has been made to contract with MBE/WBE/ESB subcontractors. **Additionally, MERC aspires to utilize 10% (by dollar value) of subcontractors within the First Opportunity Target Area (FOTA).** Contractor shall submit an MWESB/FOTA report along with certified payroll for compliance.

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

## ARTICLE VIII QUALITY OF GOODS AND SERVICES

Unless otherwise specified, all materials shall be new and both workmanship and materials shall be of the highest quality. All workers and subcontractors shall be skilled in their trades. CONTRACTOR guarantees all work against defects in material or workmanship for a period of one (1) year from the date of acceptance or final payment by MERC, whichever is later. All guarantees and warranties of goods furnished to CONTRACTOR or subcontractors by any manufacturer or supplier shall be deemed to run to the benefit of MERC.

ARTICLE IX  
OWNERSHIP OF DOCUMENTS

Unless otherwise provided herein, all documents, instruments and media of any nature produced by Contractor pursuant to this contract are Work Products and are the property of MERC, including but not limited to: drawings, specifications, reports, scientific or theoretical modeling, electronic media, computer software created or altered specifically for the purpose of completing the Scope of Work, works of art and photographs. Unless otherwise provided herein, upon MERC request, Contractor shall promptly provide MERC with an electronic version of all Work Products that have been produced or recorded in electronic media. MERC and Contractor agree that all work Products are works made for hire and Contractor hereby conveys, transfers, and grants to MERC all rights of reproduction and the copyright to all such Work Products.

ARTICLE X  
SUBCONTRACTORS

CONTRACTOR shall contact MERC prior to negotiating any subcontracts and CONTRACTOR shall obtain approval from MERC before entering into any subcontracts for the performance of any of the services and/or supply of any of the goods covered by this Contract.

MERC reserves the right to reasonably reject any subcontractor or supplier and no increase in the CONTRACTOR'S compensation shall result thereby. All subcontracts related to this Contract shall include the terms and conditions of this contract. CONTRACTOR shall be fully responsible for all of its subcontractors as provided in Article IV.

ARTICLE XI  
RIGHT TO WITHHOLD PAYMENTS

MERC shall have the right to withhold from payments due CONTRACTOR such sums as necessary, in MERC's sole opinion, to protect MERC against any loss, damage or claim which may result from CONTRACTOR'S performance or failure to perform under this contract or the failure of CONTRACTOR to make proper payment to any suppliers or subcontractors.

If a liquidated damages provision is contained in the Scope of Work and if CONTRACTOR has, in MERC's opinion, violated that provision, MERC shall have the right to withhold from payments due CONTRACTOR such sums as shall satisfy that provision. All sums withheld by MERC under this Article shall become the property of MERC and CONTRACTOR shall have no right to such sums to the extent that CONTRACTOR has breached this Contract.

ARTICLE XII  
SAFETY

If services of any nature are to be performed pursuant to this contract, CONTRACTOR shall take all necessary precautions for the safety of employees and others in the vicinity of the services being performed and shall comply with all applicable provisions of federal, state and local safety laws and building codes, including the acquisition of any required permits. Contractor shall supply a written safety program/policy that all employees must follow. Workplace safety MUST be in compliance with OSHA regulations at all times

ARTICLE XIII  
INTEGRATION OF CONTRACT DOCUMENTS

All of the provisions of any procurement documents including, but not limited to, the Advertisement for Bids, Proposals or responses, General and Special Instructions to Bidders, Proposal, Scope of Work, and Specifications which were utilized in conjunction with the bidding of this Contract are hereby expressly incorporated by reference. Otherwise, this Contract represents the entire and integrated contract between MERC and CONTRACTOR and supersedes all prior negotiations, representations or agreements, either written or oral. This Contract may be amended only by written instrument signed by both MERC and CONTRACTOR.

ARTICLE XIV  
JURISDICTION

The Contract was entered into in the State of Oregon. This Contract will be interpreted, construed and enforced in accordance with the laws of the State of Oregon. Both parties agree that exclusive jurisdiction for any claim under this Contract will be in Multnomah County, Oregon.

ARTICLE XV  
SEVERABILITY

The parties agree that any provision of this Contract that is held to be illegal, invalid, or unenforceable under present or future laws shall be fully severable. The parties further agree that this Contract shall be construed and enforced as if the illegal, invalid, or unenforceable provision had never been a part of them and the remaining provisions of the Contract shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance from this Contract. Furthermore, a provision as similar to the illegal, invalid, or unenforceable provision as is possible and legal, valid, and enforceable shall be automatically added to this Contract in lieu of the illegal, invalid or unenforceable provision. Any failure by MERC to enforce a provision of the Contract is not to be construed as a waiver by MERC of this right to do so.

ARTICLE XVI  
BINDING ON ASSIGNS AND SUCCESSORS

This Contract is binding upon the parties hereto and upon the heirs, administrators, representatives, executors, successors, and assigns, and will inure to the benefit of said parties and each of them and to their heirs, administrators, representatives, executors, successors and assigns.

ARTICLE XVII  
COMPLIANCE

CONTRACTOR shall comply with federal, state, and local laws, statutes, and ordinances related to the execution of the work. This requirement includes, but is not limited to any requirements associated with the grant funds used for this project, non-discrimination, safety and health, environmental protection, waste reduction and recycling, fire protection, permits, fees and similar subjects.

ARTICLE XVII  
COUNTERPARTS

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

ARTICLE XIX  
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: Commission            Robyn Williams, Executive Director, Portland Center for the Performing Arts  
                                 Heather Peck, Division Managers, Construction/Capital Projects MERC  
                                 777 NE Martin Luther King Jr. Blvd.  
                                 Portland, Oregon 97232

To: Contractor            HydroTemp Mechanical, Inc.  
                                 28465 SW Boberg Rd.  
                                 Wilsonville OR 97070



ARTICLE XX  
ASSIGNMENT

CONTRACTOR shall not assign any rights or obligations under or arising from this Contract without prior written consent from MERC.

**CONTRACTOR**

Signature: \_\_\_\_\_

Printed Name \_\_\_\_\_

Date: \_\_\_\_\_

Title: \_\_\_\_\_

Company: HydroTemp Mechanical, Inc

Address 28465 SW Boberg Rd

Wilsonville, OR 97070

Telephone: 503-582-8525

Tax I.D. or SS#: 93-0893475

CCB 63907

**METROPOLITAN EXPOSITION-RECREATION  
COMMISSION**

Signature: \_\_\_\_\_

Printed Name Teri Dresler

Date: \_\_\_\_\_

Title: General Manager

*Copy 1 - MERC Contracts*

*Copy 2 - Facility*

*Copy 3 - Contractor*