

METROPOLITAN EXPOSITION-RECREATION COMMISSION

RESOLUTION NO. 02-29

For the Purpose Of Rejecting All Bids for the Portland Center for the Performing Arts New Theatre Building Carpet Replacement Project.

WHEREAS, on July 24, 2002, by Resolution 02-25, the Commission authorized staff to issue bids for the carpet replacement project at the New Theatre Building; and

WHEREAS, MERC Staff subsequently issued a Request for Bids in accordance with the MERC Purchasing Policies and Guidelines; and

WHEREAS, on August 14, 2002, one bid was received from Pacific Modular, Inc. for the amount of \$472,939.89; and

WHEREAS, the budget amount for the project was \$325,000.00; and


WHEREAS, in accordance with the bid documents, MERC is authorized to negotiate the bid amount with the lowest responsive and responsible bidder, provided that there are no substantial changes to the scope of the project; and

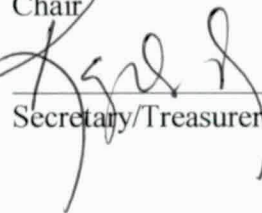
WHEREAS, MERC Staff has concluded negotiations with the only bidder who submitted a bid, Pacific Modular, Inc., and has not been able to reach agreement on a negotiated cost which was within the budget:

BE IT THEREFORE RESOLVED that the Metropolitan Exposition-Recreation Commission:

1. Rejects the bid from Pacific Modular, Inc., for the Carpet Replacement Project at the New Theatre Building.

Passed by the Commission on August 28, 2002.




Chair


Secretary/Treasurer

Approved As to Form:

Daniel B. Cooper, General Counsel

By: 

MERC STAFF REPORT

Agenda Item/Issue: Rejecting all bids for the Performing Arts New Theatre Building Carpet Replacement Project.

Resolution No: 02-29

Date: August 28, 2002

Presented by: Robyn Williams

BACKGROUND: On July 24, 2002, the Commission authorized Staff to issue bid specifications in accordance with the MERC Purchasing Guidelines and Procedures, for the Carpet Replacement Project at the New Theatre Building. On August 14, 2002, the only bid received was opened and read at the MERC Administrative Offices. The bid submitted by Pacific Modular, Inc., Beaverton, Oregon, was \$472,939.89. The budget for the project was \$325,000, which was based on square yardages as originally calculated by Pacific Modular and verified by staff. Staff subsequently contacted Pacific Modular and in accordance with the specifications (without substantial changes to the scope of the project) attempted to negotiate the bid and ascertain the discrepancy between the budgeted amount and the bid. As a result of those negotiations, staff has not been able to come to a negotiated agreed upon price with Pacific Modular, which was within or approximating the budgeted amount.

FISCAL IMPACT: The Project's budget was set at \$325,000, which is included in the MERC Pooled Capital Budget for FY 02/03.

OTHER CONSIDERATIONS: Upon inquiry to other prospective bidders that had been issued specifications, it was discovered that many were too committed to dedicate resources to the potential project bid or the project itself. It may be advantageous to MERC to re-bid the project at a later date when the bidding climate may be more favorable as contractors may have adequate resources available to dedicate to the project.

RECOMMENDATION: Staff recommends that the Metropolitan Exposition-Recreation Commission reject the bid of Pacific Modular, Inc., to replace the Carpet at the New Theatre Building.