



# CITY OF PORTLAND

OFFICE OF MANAGEMENT AND FINANCE

Sam Adams, Mayor  
Kenneth L. Rust, Chief Administrative Officer  
Jeffrey B. Baer, Director, Bureau of Internal Business Services

Christine Moody  
Chief Procurement Officer  
Procurement Services  
1120 S.W. Fifth Avenue, Rm. 750  
Portland, Oregon 97204-1912  
(503) 823-5047  
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## CONSENT CALENDAR

ORIGINALS

April 6, 2011

TO THE COUNCIL:

The Chief Procurement Officer has advertised and received bids for Bid Number 112560 for Fire Station 18 Seismic Upgrade and Facility Remodel for the Bureau of OMF/Internal Business Services/Facility Services, with a project construction estimate of \$1,509,700.00. The Bureau of OMF/Internal Business Services/Facility Services rated the level of project estimate confidence as Optimal.

Bids were opened on February 8, 2011, and seven (7) bids were received. The low bid of 2KG Contractors, Inc. was deemed responsive to the requirements of the Good Faith Effort Program. Therefore, it is recommended that the bid of 2KG Contractors, Inc. be accepted at the lump sum quoted in their bid for a total amount of \$ 1,365,000.00.

The Bureau of OMF/Internal Business Services/Facility Services along with Procurement Services, identified thirty one (31) Divisions of Work as potential M/W/ESB subcontracting opportunities for this project, resulting in \$ 650,815.00 awarded to subcontractors.

The Divisions of Work identified were:

Asbestos Removal	Asphalt Paving	Carpentry	Clearing/Grubbing	Concrete Cutting
Fencing	Concrete Work	Demolition	Drywall/Sheetrock	Electrical
Excavating	Floor Coverings	Glass Services	Hauling Services/Trucking	HVAC
Insulation	Landscaping	Lead Paint Abatement	Masonry	Painting
Plumbing	Roofing	Sewer, Water & Storm Drain	Structural Steel	Utilities
Waterproofing	Welding	Window Coverings	Hazardous Waste Removal	Irrigation
Metal Fabrication				

In their bid 2KG Contractors, Inc. indicated their intent to self perform the following divisions of work:

*An Equal Opportunity Employer*

*To help ensure equal access to programs, services and activities, the Office of Management & Finance will reasonably modify policies/procedures and provide auxiliary aids/services to persons with disabilities upon request.*

Carpentry	Concrete Work	Demolition	Lead Abatement	Paint	Waterproofing
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M/W/ESB participation represents 45.1 % or \$ 293,672.00 of the estimated subcontracting dollars.

- MBE - \$ 68,408.00 performing Fencing, HVAC, Painting.
- ESB - \$ 225,264.00 performing Plumbing, Drywall, Paving, Utilities, Excavating, Sewer, Water, & Storm Drain Work, Hauling, Roofing, Structural Steel, and Welding.

2KG Contractors, Inc. has a current City of Portland Business License and their EEO Certification is current through May 31, 2012. The company is located in Portland, OR, and is not a State Certified M/W/ESB Contractor.

2KG Contractors, Inc. is in Full Compliance with the Equal Benefits Program.

Funds are available for this project under Owner Cost Center MFOP000042.

It is further recommended that a Performance Bond and a Payment Bond each in the amount of 100% of the contract amount be furnished by the Contractor.

It is also recommended that a one (1) year Maintenance/Warranty Bond for 20% of the final contract amount be furnished by the Contractor before final payment is released.

The bid sureties of the remaining bidders should be returned immediately in compliance with Section 5.34.410D of the City Code.

Recommended by:



Christine Moody  
Chief Procurement Officer

CM:mp



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(503) 823-5288  
FAX (503) 823-6924

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## MEMORANDUM

**DATE:** March 14, 2011  
**TO:** Michael Perrie  
**FROM:** Connie Johnson  
**SUBJECT:** Bid #112560  
Fire Station 18 Seismic Upgrade and Facility Remodel

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The bids have been reviewed by OMF/BIBS/Facilities Services and the designer and it is recommended that a contract be entered into with **2KG Contractors, Inc.** for **\$1,365,000** as the bidder submitting the lowest, responsive, responsible bid.

cc:

Ted Grund, MCA Architects  
Brian Alcid, PF&R

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**GOOD FAITH EFFORT  
COMPLIANCE REPORT**

Submission substantially complies with Good Faith Effort Requirements		<b>YES</b>	<b>NO</b>
Reviewed by:	Brenda Kern		
Date:	3-14-2011		

**PROJECT INFORMATION**

<b>PROJECT NAME &amp; BUREAU</b>	Fire Station 18 Seismic Upgrade and Facility Remodel (FAC)
<b>BID NUMBER</b>	112560
<b>PRE-BID DATE</b>	1-19-2011
<b>BID OPEN DATE</b>	2-8-2011
<b>BID AMOUNT</b>	\$1,365,000
<b>CONTRACTOR</b>	2KG Contractors Inc

**AT BID SUBMISSION**

QUESTION	YES	NO
Did contractor submit the GFE Form 1 (Subcontractor and Self-Perform Work List)?	<b>X</b>	

**MWESB PARTICIPATION – Total Bid**

PARTICIPATION TYPE	TOTAL \$	PERCENTAGE OF TOTAL BID AMOUNT
<b>MBE</b>	<b>\$68,408</b>	<b>5%</b>
<b>WBE</b>	<b>\$0</b>	<b>0%</b>
<b>ESB</b>	<b>\$225,264</b>	<b>16.5%</b>
<b>Total MWESB Participation</b>	<b>\$293,672</b>	<b>Total bid – 21.5% Subcontract percentage – 45.1%</b>

**MWBE PARTICIPATION – Subcontracting (35% Aspirational goal)**

TOTAL OF ALL SUBCONTRACTS (including non-certified firms)	TOTAL MBE & WBE SUBCONTRACTS	PERCENTAGE OF MWBE SUBCONTRACTS
<b>\$650,815</b>	<b>\$68,408</b>	<b>10.5%</b>

**GOOD FAITH DOCUMENTATION (24 HOURS AFTER BID OPENING)**

	<b>QUESTION</b>	<b>YES</b>	<b>NO</b>	<b>NOTES</b>
1.	<i>Did prime contractor attend the mandatory pre-bid meeting? (If pre-bid meeting was waived, note in NOTES column.) Check sign-up sheet with Buyer.</i>	<b>X</b>		
2.	<i>Did contractor explain why identified divisions of work (DOW) were not included for subcontracting? (See Form 1)</i>	<b>X</b>		
3.	<i>Were letters or faxes sent to all M/W/ESBs (in identified DOW's to be subcontracted) at the pre-bid meeting?(Form 2)</i>	<b>X</b>		
4.	<i>Was a minimum of five (5) M/W/ESB firms contacted (in each identified DOW to be subcontracted) by letter or fax to bid on this project?(Form 2)</i>	<b>X</b>		
5.	<i>Were M/W/ESB firms contacted at least seven (7) calendar days before the bid opening?(Form 2)</i>	<b>X</b>		
6.	<i>Is a copy of the letter or fax sent to potential M/W/ESB subs included in Good Faith documentation?</i>	<b>X</b>		
7.	<i>Did prime provide a completed M/W/ESB Contact/Bids Received Log (Form 2)?</i>	<b>X</b>		

**GOOD FAITH EFFORT ANALYSIS**

1.	<i><b>Divisions of Work Identified by City:</b> Asbestos Removal; Asphalt Paving; Carpentry; Clearing/Grubbing/Mowing/Brushing; Concrete Cutting; Concrete Work; Demolition; Drywall/Sheetrock; Electrical; Excavating; Fencing; Floor Coverings; Glass Services; Hauling Services (Trucking); Hazardous Waste Removal; HVAC; Insulation; Irrigation; Landscaping; Lead Paint Abatement; Masonry; Metal Fabrication; Painting/Wallpapering; Plumbing; Roofing; Sewer, Water &amp; Storm Drain Work; Structural Steel (install/erect); Utilities; Waterproofing; Welding; Windowcoverings.</i>
2.	<i><b>Rationale for non-utilization of subcontractors for suggested Divisions of Work:</b> Self-performing.</i>
3.	<i><b>All Divisions of Work to be used on this project:</b> Same as #1.</i>
4.	<i><b>Certified Subcontractors' name, Cert Type, and Subcontract amount used on the Project:</b> Reed Plumbing (ESB) - \$64,457; Suhs &amp; Son Mechanical (MBE HVAC) - \$39,981; Bronze Construction (ESB Drywall) - \$34,630; C&amp;W Grading (ESB Paving, Utilities, Clearing/Grubbing/Mowing/Brushing, Excavating and Sewer, Water &amp; Storm Drain Work, and Hauling Services (Trucking)) - \$42,912; MSD Construction (MBE Fencing) - \$15,977; Uican Corp (MBE Painting) - \$12,450; Bland Construction (ESB Roofing) - \$74,265; Rockhard Unlimited (ESB Structural Steel (install/erect) and Welding) - \$9,000.</i>
5.	<i><b>Subcontractor names and subcontract amounts awarded to non-certified firms:</b> Canby Electric - \$218,467; Rubensteins Contract Carpet - \$29,289; A Line Concrete Cutting - \$19,000; F Rogers - \$8,600; Dons A-1 Glass - \$5,000; Howard Jacobs Masonry - \$52,120.</i>
6.	<i><b>Divisions of Work retained by Prime:</b> Carpentry; Concrete Work; Demolition; Lead Paint Abatement; and Waterproofing.</i>
7.	<i><b>Bids received from certified firms (not used):</b> Zilco LLC(ESB) - \$11,780; Vancouver Paving (WBE) - \$5,165; Daleys Trucking (WBE) - \$75hr; Don Hines Trucking(WBE) - \$80hr; Avalon Heating (ESB) - \$56,555; Green Art Landscape (MBE) - \$15,750; Gregory Law Landscape (ESB) - \$12,302; Buffalo Welding (MBE) - \$12,284; Kevin Cooper Excavating (ESB) - \$45,000; Lake Oswego Insulation (ESB) - \$63,585.</i>
8.	<i><b>Check Compliance file for prime contractor. Are there any contract compliance issues in the prime's Compliance file (last 3 years) that should be noted for the Purchasing Agent's Report to Council?</b> No.</i>

9.	<i>Any special Good Faith Efforts undertaken by the Prime Contractor? No.</i>
10.	<i>List of other prime bids received: Note any special Good Faith Efforts taken by the Prime Contractor and if good faith effort documentation submitted (Forms 1/2). Payne Construction - \$1,478,522 (Form 1); Nomarco Inc - \$1,368,000 (Form 1); Skyward Construction - \$1,518,190 (no forms); Cor Construction Inc - \$1,794,773 (no forms); Corp Inc - \$1,414,000 (Form 1); and Par-Tech Construction Inc - \$1,638,000 (no forms).</i>

**NOTES:**

EEO cert: 5/31/12  
 COP Lic: 394400  
 CCB Lic: 80251

**Clarifications:**

1. Info for contractor only – did not contact:
  - a. Distinctive Painting and Integrity Window Coverings – not a certified firm, not needed to meet compliance
  - b. Minority Abatement – a DBE only, not needed to meet compliance

**Issues:** None

**Recommendation:**

Approval. The prime is in compliance with the GFE Program Requirements.

- MWESB Bids Solicited – 135 in 26 DOW's
- MWESB Bids Received – 23 in 17 DOW's
- MWESB Bids Used - 8 in 15 DOW's
- OBE Bids Used – 9 in 11 DOW's

Comparatively, the next low bidder...Nomarco Inc had only \$76k of MWESB participation.

**Level of effort:**

	<b>High</b>	Met the aspirational goal.
x	<b>Moderate</b>	Exceeded the solicitation requirements and/or achieved some participation.
	<b>Low</b>	Met the minimal solicitation requirements but achieved NO participation.

Cc: Susan Wheaton – BES reports

# TABULATION OF BIDS

CITY OF PORTLAND  
PROCUREMENT SERVICES

**Project: FIRE STATION 18 SEISMIC UPGRADE AND FACILITY REMODEL**  
**Bid Opening: February 8, 2011**

<b>Bid Number: 112560</b> <b>Bureau: BIBS/FACILITIES</b> <b>Estimate: \$ 1,509,700.00</b>					
<b>Bidder's Name</b>	<b>Lump Sum</b>	<b>UNIT PRICING No.1:</b>	<b>UNIT PRICING No.2:</b>	<b>Bid Surety</b>	<b>OCCB License Number</b>
2KG CONTRACTORS INC	\$ 1,365,000.00	\$ 125.00	\$ 400.00	Y	80251
NOMARCO INC	\$ 1,368,000.00	\$ 87.00	\$ 300.00	Y	71958
CORP INC	\$ 1,414,000.00	\$ 140.00	\$ 800.00	Y	120031
PAYNE CONST	\$ 1,478,522.00	\$ 72.00	\$ 158.00	Y	38215
SKYWARD CONST INC	\$ 1,518,190.00	\$ 135.00	\$ 600.00	Y	158289
PAR-TECH CONST INC	\$ 1,638,000.00	\$ 160.00	\$ 390.00	Y	109451
COR CONST INC	\$ 1,794,773.00	\$ 63.25	\$ 387.00	Y	43093

Buyer: Michael Perrie



Agenda No.  
**REPORT NO.**  
Title

4/14/0

Accept bid of 2KG Contractors, Inc. for the Fire Station 18 Seismic Upgrade and Facility Remodel for \$ 1,365,000.00 (Procurement Report - Bid Number 112560)

<p align="center"><b>INTRODUCED BY</b> Commissioner/Auditor: <b>Mayor</b> <i>K. Blimann on behalf of Mayor Adams</i></p> <p align="center"><b>COMMISSIONER APPROVAL</b></p> <p>Mayor—Finance and Administration - Adams</p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Leonard</p> <p align="center"><b>BUREAU APPROVAL</b></p> <p>Bureau: Procurement Bureau Head: Christine Moody <i>CM</i></p> <p>Prepared by: Michael Perrie Date Prepared: 3/24/11</p> <p>Financial Impact Statement</p> <p>Completed <input checked="" type="checkbox"/>      Amends Budget <input type="checkbox"/> Not Required <input type="checkbox"/></p> <p>Council Meeting Date <b>April 6, 2011</b></p> <p><b>City Attorney Approval</b></p>	<p>CLERK USE: DATE FILED <u>APR 01 2011</u></p> <p align="right">LaVonne Griffin-Valade Auditor of the City of Portland</p> <p>By: <u><i>Susan Saurous</i></u> Deputy</p> <p>ACTION TAKEN: <b>APR 06 2011 ACCEPTED PREPARE CONTRACT</b></p>
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**AGENDA**

**TIME CERTAIN**   
Start time: \_\_\_\_\_

**Total amount of time needed:** \_\_\_\_\_  
(for presentation, testimony and discussion)

**CONSENT**

**REGULAR**   
**Total amount of time needed:** \_\_\_\_\_  
(for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	✓	
2. Fish	2. Fish	✓	
3. Saltzman	3. Saltzman	✓	
4. Leonard	4. Leonard	✓	
Adams	Adams	✓	