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725-2023

Report

Accept bid of Tice Electric Company for the 1900 Building LED Lighting Upgrade Project for \$1,283,043 (Procurement Report - ITB 00002152)

Accepted

TO THE COUNCIL:

On June 29, 2022, Council approved Ordinance Number 190900 for Procurement Services to competitively solicit the 1900 Building LED Lighting Upgrade Project in accordance with PCC 5.34. The Chief Procurement Officer has advertised and received bids for Bid Number 00002152 on behalf OMF Facilities, with a project construction estimate of \$1,726,630. The Bureau rated the project estimate confidence level as optimal.

Bids were opened on July 13, 2023, and four (4) bids were received. The lowest responsive bid is from Tice Electric Company, thus it is recommended that their bid be accepted at the estimated lum sum quoted for a total bid amount of \$1,283,043 which is 25.7% below the engineer's estimate.

This project requires the prime contractor to have an electrical license to do the work so there is little to no subcontracting opportunities available for this work.

The City's equity in contracting aspirational goal of 20% of the hard construction costs for subcontractor and supplier utilization of firms certified by the State's Certification Office for Business Inclusion and Diversity (COBID) applies to this project. **Tice Electric Company has committed to subcontract 0% to COBID Certified firms.**

Tice Electric Company acting as the prime contractor intends to self-perform 100% of the work and to subcontract 0% to non-certified firms.

Tice Electric Company is located in Portland, Oregon, and is not a State COBID Certified Contractor. They have a current City of Portland Business Tax Registration and are in full compliance with all of the City's contracting requirements.

The project is funded out of the Facilities Major Maintenance account for the 1900 Building. The project is included in the FY 2022-2023 budget.

Introduced by

[Mayor Ted Wheeler](#)

Bureau

[Management and Finance;](#)
[Revenue and Financial Services](#)

Contact

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Requested Agenda Type

Regular

Date and Time Information
Requested Council Date

August 30, 2023

Time Requested

15 minutes

It is recommended that a Performance Bond and Payment Bond each at 100% of the contract amount be furnished by the Contractor. Further, it is also recommended that a two (2) 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.

Procurement Services recommends that Council accept this Report and authorize the Chief Procurement Officer to execute the contract with Tice Electric Company.

Recommended by:

Biko Taylor

Chief Procurement Officer

BT: rab

Impact Statement

Purpose of Proposed Legislation and Background Information

The purpose of this legislation is to authorize the Chief Procurement Officer to execute a construction contract for the 1900 Building LED Lighting Upgrade Project for \$1,283,043.

The new lighting system will use less electricity and therefore help the City reach its climate goals.

Ordinance No. 190900 was approved by City Council on June 29, 2022, authorizing the Chief Procurement Officer to issue a competitive solicitation for the 1900 Building LED Lighting Upgrade Project. The construction cost based on bids received is \$1,283,043.

Financial and Budgetary Impacts

The engineer's estimate for this project was \$1,726,630 and the confidence level was optimal. Based on the proposal received, OMF Facilities anticipates the construction contract cost to not exceed \$1,283,043 which is 25.7% below the engineer's estimate.

The project is funded out of the Facilities Major Maintenance account for the 1900 Building. The project is included in the FY 2022-2023 budget.

The purposed legislation will not create, eliminate or re-classify any positions now or in the future.

Community Impacts and Community Involvement

The construction contracting community, including contractors certified with the State of Oregon as minority, women, and emerging small businesses became involved when the Chief Procurement Officer advertised and publicly noticed the project on the City's Online Procurement System on June 15, 2023. A public notice was also posted in the Daily Journal of Commerce on June 16, 2023.

Potential bidders were able to review the competitive solicitation, ask questions, provide comments and submit a bid in response to the Invitation to Bid (ITB). Proposals received resulted in the award of the construction contract. Procurement Services managed the procurement process. No protests were received.

No known persons or groups will be testifying.

No future public involvement is anticipated or necessary for this request.

100% Renewable Goal

The new lighting system will use less electricity and therefore help the City reach its climate goals.

Budget Office Financial Impact Analysis

The bureau previously estimated the total cost of the work to be \$1.726 million, so the bid from Tice Electric is 25.7% lower than projected. The bureau will cover this request out of the Facilities major maintenance account for the 1900 Building.

Agenda Items

725 Regular Agenda in [August 30-31, 2023 Council Agenda](https://www.portland.gov/council/agenda/2023/8/30)
(<https://www.portland.gov/council/agenda/2023/8/30>)

Accepted - Prepare Contract

Motion to accept the report: Moved by Mapps and seconded by Ryan.

Commissioner Rene Gonzalez Yea

Commissioner Mingus Mapps Yea

Commissioner Carmen Rubio Yea

Commissioner Dan Ryan Yea

Mayor Ted Wheeler Yea