06-111

ACCEPT BID/AWARD CONTRACT FOR THE REPLACEMENT OF CHILLER EQUIPMENT AT ROCK CREEK CAMPUS TO COLLINS MECHANICAL, INC

PREPARED BY:

Avelina Gulmatico, Procurement Lead

**FINANCIAL** 

RESPONSIBILITY:

Stephen Sivage, Physical Plant Director

APPROVED BY:

Randy McEwen, Vice President, Administrative Services Dr. Preston Pulliams, District President

REPORT:

The Physical Plant Department has a need to replace existing chiller equipment at Rock Creek Campus, Building 3. The existing equipment was originally installed when the Rock Creek Campus was built. and is constantly having major technical problems. Department staff estimate the College already spent \$90,000 on repair and maintenance cost. Because of the age and rising cost of maintaining the existing equipment, the Department believes it is in the best interest of the College to have the chiller replaced now. Newer equipment will have better and modern technology, be more energy efficient, more reliable and last for a longer period of time. Since this project also includes removal of the existing equipment, installation and maintenance, the estimated cost will go over the \$100,000 threshold and require a formal competitive process.

The Invitation to Bid (ITB) was processed and released on March 24, 2006. It was advertised on the Daily Journal of Commerce, State of Oregon ORPIN system, Asian Reporter and PCC Purchasing Solicitation website. A total of thirteen (13) vendors and five (5) plan centers received a copy of the ITB document, of which two (2) vendors and one (1) plan center are registered as MWESB firms. On the due date of April 26<sup>th</sup>, a total of four (4) bids were received. All bids were reviewed by key staff: Physical Plant, contracted Engineering firm

(Cundiff, Inc) and Purchasing. The award was made to the lowest, most responsible bid. The following are bids summary information:

Bidders Name	Original Cost	Revised Cost
Johnson Controls, Inc	\$139,502	Not responsive
Collins Mechanical, Inc	\$171,744	\$156,720
Hydro-Temp Mechanical	\$158,800	Not responsive
Gormley Plumbing	\$159,500	Not responsive

None of the bidders are registered as MWESB.

The ITB specification indicated a desired brand name/type of chiller equipment and also included alternate brands that are acceptable and equal to the desired equipment. After careful review of all bids, the staff concluded that the alternate equipment proposed by the three (3) bidders: Johnson Controls, Hydro-Temp Mechanical and Gormley Plumbing do not meet the ITB specifications and requirements. And the staff was able to negotiate with Collins Mechanical, the only responsive bidder, to reduce their cost and bring it down within the Department's project estimated cost.

## RECOMMENDATION:

That the Board of Directors accept bid/award contract to Collins Mechanical, Inc for the successful completion of replacing the Rock Creek Campus Chiller Equipment. The contract will be for not-to-exceed \$156,720. Contract will be valid through project completion (or no later than June 30, 2007). Funding for this project will be covered by Bond funds.