

April 19, 2018

18-108

ACCEPT PROPOSAL AND AWARD CONTRACT FOR  
ROCK CREEK CAMPUS BOILER REPLACEMENT  
PROJECT TO JH KELLY, LLC

PREPARED BY: Tina Parkvold, Buyer/Contract Specialist

FINANCIAL  
RESPONSIBILITY: Tony Ichsan, Director, Facilities Management Services

APPROVED BY: Jim Langstraat, Vice President, Finance and  
Administration Mark Mitsui, College President

REPORT: The College has a need to hire a qualified contractor to provide all labor and materials to replace two (2) existing boilers that serve buildings 1, 2, 3 and 6 for heating at Rock Creek Campus. These boilers are over forty (40) years old and past the 25 year life cycle for this equipment. In addition, the replacement will be an opportunity to purchase new boilers with updated technology and provide much more energy efficient. As part of this project, the existing Victaulic fittings for these buildings that are currently leaking and will be repaired and/or replaced. The estimated cost of the project exceeds the \$150,000 threshold, which requires formal solicitation process and Board of Directors approval.

On July 27, 2017, BA 18-017, Bids were rejected from an ITB that was issued on April 24, 2017. Two bids were received and both exceeded the allowed budget for the project.

The FMS department released a Request for Proposals on February 26, 2017 and published in the Daily Journal of Commerce newspaper, State Oregon ORPIN system, and PCC Solicitation Website. The mandatory pre-proposal meeting was held on March 6, 2018 attended by representatives from seven (7) different vendors. On the proposal deadline, March 27, 2018 at 2:00 P.M., the College received a total of one (1) proposal from JH Kelly. After careful review the committee recommended awarding the contract to JH Kelly.

**Note:** *The vendor who submitted the proposal was not an MWESB firm.*

**RECOMMENDATION:** That the Board of Directors accept proposal and award the contract to JH Kelly, LLC to provide all labor and equipment/materials needed for the Boiler Replacement Project at Rock Creek. The contract is valid through project completion. The contract is for a not to exceed \$2,418,661.00 (which includes the base proposal of \$2,011,131.00, the fuel oils system alternate of \$114,048.00, replacing underground piping at \$73,482.00 and a 10% project contingency of \$220,000.00 )The funding is covered by the Capital Funds.