

**Date:** December 13, 2023

**To:** Board of Directors

**From:** Sam Desue, Jr.



**Subject:** **RESOLUTION NO. 23-12-56 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT MODIFICATION WITH TH BUILDERS CORP. FOR ON-CALL BUILDINGS AND SITES MAINTENANCE AND REPAIR SERVICES**

**1. Purpose of Item**

This Resolution requests that the TriMet Board of Directors (Board) authorize the General Manager or his designee to execute a contract modification (Modification) with TH Builders Corp. (TH Builders) for on-call buildings and sites maintenance and repair services (Services).

**2. Type of Agenda Item**

- Initial Contract
- Contract Modification
- Other \_\_\_\_\_

**3. Type of Contract Procurement**

- Low Bid / Invitation to Bid (ITB)
- Request for Proposals (RFP) (inc. CM/GC)
- Request for Qualifications (RFQ) (Personal Services)
- Other (inc. sole source) \_\_\_\_\_

**4. Reason for Board Action**

Board authorization is required for all contract modifications causing contract amounts to exceed amounts previously authorized by the Board.

**5. Type of Action**

- Resolution
- Ordinance 1<sup>st</sup> Reading
- Ordinance 2<sup>nd</sup> Reading
- Other \_\_\_\_\_

**6. Background**

Within its 533 square mile service area, TriMet has numerous facilities, transit centers, and park and rides that require maintenance and repair services. In April 2019, TriMet executed a five-year contract with TH Builders (formerly Todd Hess Building Company) in the amount of \$1,000,000, for on-call building and site maintenance and repair services at facilities owned or leased by TriMet within the service area.

The contract Services primarily entail minor repairs, minor remodeling, and small improvements that require carpentry, drywall, flooring, painting, wall coverings, concrete/masonry, fencing, plumbing, asphalt pavement, glazing, and related services.

Since 2019, unanticipated demand for the Services has consumed \$915,703 of the \$1,000,000 contract mostly due to unforeseen State of Good Repair needs. Given the rapid depletion of the authorized contract value with only four months left in the five-year agreement, TriMet will initiate a procurement shortly to replace the current contract with a new five-year agreement.

This Resolution requests that the Board authorize execution of a Modification to add an additional \$500,000 to the contract. This Modification is intended to cover the immediate need for the Services until a new contract has been procured.

**7. Description of Procurement Process**

The original contract was procured via an Invitation for Bid process.

**8. Diversity**

TH Builders is an emerging small business (ESB) certified by the Oregon Certification Office for Business Inclusion and Diversity (COBID). Its workforce is 9.9% female and 3.7% minority, and its total employee count is 81. TH Builders will continue to use its own workforce to perform the work under this contract Modification.

**9. Financial/Budget Impact**

The costs of the on-call building and site repair and maintenance services are paid for by general funds and are part of the Facilities Management department's FY2024 operating budget.

**10. Impact if Not Approved**

The TH Builders contract will be exhausted before a replacement agreement can be procured. Unless the contract is modified in accordance with this Resolution, the unavailability of the Services could result in significant safety hazards to staff at TriMet facilities and could potentially disrupt operations. Approval of this Resolution is strongly recommended.

**RESOLUTION NO. 23-12-56**

**RESOLUTION NO. 23-12-56 OF THE TRI-COUNTY METROPOLITAN  
TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A  
CONTRACT MODIFICATION WITH TH BUILDERS CORP. FOR ON-CALL  
BUILDING AND SITE MAINTENANCE AND REPAIR SERVICES**

**WHEREAS**, TriMet has authority under ORS 267.200 to enter into a contract modification with TH Builders Corp. for on-call building and site maintenance and repair services (Modification); and

**WHEREAS**, by Resolution No. 22-05-35, dated May 25, 2022, the TriMet Board of Directors (Board) adopted a Statement of Policies requiring the Board to approve contracts obligating TriMet to pay in excess of \$1,000,000; and

**WHEREAS**, the total amount of this Modification exceeds \$1,000,000 and also exceeds the contract amount previously authorized by the Board;

**NOW, THEREFORE, BE IT RESOLVED:**

1. That the Modification shall conform with applicable law.
2. That the General Manager or his designee is authorized to execute a Modification to the contract with TH Builders Corp. in the amount of \$500,000, and to extend the contract's termination date from March 31, 2024 to June 30, 2024.

Dated: December 13, 2023



Presiding Officer

Attest:



Recording Secretary

Approved as to Legal Sufficiency:



Legal Department