

PORT OF HOOD RIVER  
Resolution No. 2024-25-16

A RESOLUTION TO ADOPT FINDINGS SUPPORTING AN EXEMPTION FROM THE QUALIFICATIONS-BASED SELECTION PROCESS FOR HEATING, VENTILATION, AND AIR CONDITIONING (HVAC) MAINTENANCE WORK, RELATED ONGOING HVAC INSPECTION SERVICES, AND SPECIFIC ON-CALL HVAC SERVICES; DECLARING THIS EXEMPTION; AND AUTHORIZING THE DIRECT AWARD OF A CONTRACT TO DIVCO INC.

WHEREAS, the Port of Hood River (“Port”) Board of Commissioners (“Board”) is the Local Contract Review Board of the Port; and

WHEREAS, ORS 279C.335(2) authorizes a Local Contract Review Board to exempt certain contracts from the qualifications-based selection procurement requirements of ORS Chapter 279C.110 upon approval of certain findings of fact; and

WHEREAS, the Port’s Local Contract Review Board has determined that directly awarding a contract to DIVCO Inc. for certain ongoing HVAC inspection services and certain on call related HVAC services will be most beneficial to the Port, is unlikely to encourage favoritism, and is likely to result in substantial cost savings and other benefits, based on the findings attached as Exhibit A; and

WHEREAS, pursuant to ORS 279C.335(5)(b), the Port published notice of the proposed exemption on the Port of Hood River website not less than 14 days prior to the date on which the Port Board intends to take action to approve the exemption; and

WHEREAS, the Port held a public hearing to allow comments on the Local Contract Review Board’s draft findings on December 17, 2024; and

WHEREAS, after due deliberation, the Port Board, acting as the Local Contract Review Board, hereby adopts the findings in support of direct award of a contract for ongoing HVAC inspection services and certain on-call related HVAC services, as set forth in Exhibit A.

NOW, THEREFORE, THE PORT OF HOOD RIVER BOARD OF COMMISSIONERS RESOLVES AS FOLLOWS:

Section 1. Exemption Approval. The Board of Commissioners hereby adopts findings supporting an exemption for a Master Services Agreement to provide HVAC services, declares such an exemption, and authorizes a direct award of this contract to DIVCO Inc. The findings are attached to this resolution as Exhibit A. Section 2. Effective Date. This resolution is and shall be effective from and after the date that it is adopted.


Adopted by the Board of Commissioners of the Port of Hood River on this 17<sup>th</sup> day of December 2024.

SIGNED:

Signed by:  
  
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Kristi Chapman, President

ATTEST:

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Michael Fox, Secretary

Findings in Support of Direct Award of an Ongoing HVAC Inspection Services  
and Certain On-Call HVAC Services

**Resolution No. 2024-25-16, Exhibit A**

Oregon Law generally requires contracting agencies to award contracts for HVAC services via a formal, qualification-based selection process. However, in certain cases, an agency may exempt a contract from this process where its local contract review board (“LCRB”) finds that:

- a) An exemption is unlikely to encourage favoritism in awarding engineering contracts or substantially diminish competition for engineering contracts; and
- b) Awarding a HVAC contract under the exemption will likely result in substantial cost savings and other substantial benefits to the contracting agency.

The Board of Commissioners serves as the LCRB for the Port of Hood River (“Port”). Port staff worked with legal counsel to draft this document, which the Board may adopt to exempt a contract for on-call HVAC inspection services and other related on-call HVAC services from the formal qualifications-based selection process. If approved, staff intends to directly appoint this contract to DIVCO Inc., for the reasons provided below.

**Nature of the Project:**

The project involves the ongoing maintenance, inspection, and on-call services for the Port’s HVAC systems, ensuring their efficient operation and minimizing downtime. This includes routine checks, system diagnostics, repairs, and emergency services as needed. The goal is to maintain optimal performance of HVAC systems critical to the safety, comfort, and operational functionality of the Port’s facilities, with a focus on cost-effective, reliable management through an experienced provider, DIVCO.

**Public Notice and Public Hearing:**

As required by ORS 279C.335(5), the Port published notice for interested parties to request a public hearing to comment on these findings on November 20, 2024, on the Port of Hood River website. Nobody requested a hearing to make a public comment on these findings. Pursuant to OAR 137-049-0210(2), the LCRB exempts solicitation of the contract from the advertising requirement of ORS 279C.360.

**Additional Analysis:**

*The following discussion is offered in support of ORS 279C.335(2) to show the exemption will be unlikely to encourage favoritism and will likely yield cost savings and other benefits to the Port. Because the ORS 279C.335 exemption process applies to both design and construction procurement exemptions, not all considerations that are listed in the statute are directly applicable to this procurement. Accordingly, staff has only listed the applicable considerations from the full list found at ORS 279C.335(2)(b).*

**1. Availability of Potential Proposers:**

If these findings are approved, the Port will directly award this contract to DIVCO Inc. The Port has reached out to the other few companies that perform this work with little interest. With the hands-on experience that DIVCO has with our facilities it takes all the guesswork out of diagnoses due to past issues, which saves time and money. If the contract goes to

another company the Port would spend more than double the time to learn what DIVCO already knows and has documented.

2. Budget:

Retaining DIVCO for HVAC services offers cost savings and efficiency by reducing emergency repairs and downtime. Their familiarity with our systems ensures quicker diagnostics and avoids the need for third-party contractors. Continuing with DIVCO eliminates onboarding costs and redundant services, supporting budget predictability and efficient resource use.

3. Public Benefits of Exemption:

The exemption allows the Port to maintain continuity in essential HVAC services, ensuring safety and comfort for the public and staff. Retaining DIVCO ensures timely, efficient maintenance and prevents costly disruptions. This streamlined process helps allocate resources effectively, respond quickly to needs, and avoid delays, supporting cost-effective HVAC management that benefits both the Port and the public.

4. Cost and Availability of Specialized Expertise:

The exemption allows the Port to retain DIVCO, an experienced HVAC provider familiar with our systems. Their specialized expertise reduces the need for training or new contractors, ensuring quicker response times, cost savings, and minimal service disruptions. Continuing with DIVCO guarantees high-quality, reliable HVAC services.

5. Funding Sources:

Funding for HVAC services will come from the Port's existing maintenance budget, allowing costs to be managed efficiently without additional funding requirements. Retaining DIVCO helps avoid unexpected expenses from switching vendors or system failures.

6. Expertise of Staff and Consultants:

DIVCO's staff and consultants bring specialized expertise in HVAC systems, ensuring high-quality, reliable service tailored to the Port's needs. Similarly, Port staff and legal counsel have the expertise to effectively solicit, negotiate, administer, and enforce the contract terms. A direct appointment would simplify the administrative process for Port staff, making it more efficient than the formal qualifications-based selection process.

***End of Findings***