



City of Tacoma

Resolution No.:

Meeting Date: November 14, 2023

**Contract and Award Letter
Purchase Resolution —Exhibit "A"**

TO: Board of Contracts and Awards

FROM: Ramiro A. Chavez, P.E. PgMP, Public Works Director/City Engineer
David Pagel, Project Manager, Public Works Facilities Management

COPY: City Council, City Manager, City Clerk, EIC Coordinator, LEAP Coordinator, and Tina Eide, Finance/Purchasing

SUBJECT: Fire Stations 11 and 13 HVAC Improvements
Request for Bids Specification No. PW23-0159F – November 14, 2023 City Council

DATE: October 20, 2023

^{DS}
RACPP

RECOMMENDATION SUMMARY:

The Public Works Department recommends a contract be awarded to Capital Heating & Cooling, Inc., Lacey, WA, in the amount of \$934,524.24, plus a 20 percent contingency, for a projected contract total of \$1,121,429.09, plus applicable taxes, budgeted from the Capital Project Fund, for electrical upgrades and installation of new energy efficient heating, ventilation, and air conditioning (HVAC) systems at Fire Stations 11 and 13.

STRATEGIC POLICY PRIORITY:

- Strengthen and support a safe city with healthy residents.
- Ensure all Tacoma residents are valued and have access to resources to meet their needs.
- Assure outstanding stewardship of the natural and built environment.

This contract advances the City’s goal of decarbonization by replacing and converting the existing oil-fired boiler heating systems at both stations with 100 percent electric and energy efficient HVAC equipment.

BACKGROUND:

This project will address deferred repair and replacement needs and advance the City’s decarbonization goals at historic Fire Stations 11 and 13. This contract will provide for the replacement of the original oil-fired boiler systems that are beyond their useful life and in need of replacement. The new heating and cooling system will be energy efficient and powered solely by electricity, eliminating the fossil fuel reliant existing system and leading to reduced CO2 emissions at these two facilities.

ISSUE: Fire Station 11 and Fire Station 13 have oil-fired boiler heating systems that are at the end of their useful life and need replacement. The original boiler/radiator system has been in operation at these fire stations since their construction in the early 1900’s. These units are beginning to fail, which could impact the Fire Department’s ability to provide critical services to the Tacoma community.



ALTERNATIVES: The alternative is to not move forward with the replacement of the failing oil-fired heating system. The facilities would continue to utilize the antiquated oil-fired boilers to heat both Fire Station 11 and Fire Station 13 and postpone electrification of each facility. Prolonging deferred repair and replacement of the units will increase costs and continued failure of the units could adversely impact Fire Department operations, especially during the winter months. In addition, the fire fighters who occupy these fire stations will continue to occupy a building with no central cooling system in increasingly warmer summer temperatures.

COMPETITIVE SOLICITATION:

Request for Bids Specification No. PW23-0159F (re-bid) was opened September 12, 2023. Over two hundred and fifty companies were invited to bid in addition to normal advertising of the project. Three submittals were received.

Capital Heating & Cooling, Inc. submitted a bid that resulted in the lowest evaluated submittal. The table below reflects the amount of the recommended award.

<u>Respondent</u>	<u>Location</u> <i>(city and state)</i>	<u>Submittal Amount</u>
Capital Heating & Cooling, Inc.	Lacey, WA	\$934,524.24
Apex Mechanical LLC	Battle Ground, WA	\$1,260,000.00
Regency NW Construction, Inc.	Bellevue, WA	\$1,352,800.00

Pre-bid Estimate: \$1,150,706.00

The recommended award is 18.8 percent below the pre-bid estimate.

CONTRACT HISTORY: New Contract

SUSTAINABILITY: This contract advances the City’s goal of decarbonization by replacing and converting oil-fired boiler heating systems to electric heating and cooling. This project will replace the oil-fired boilers, radiators, and make-up water lines at both Fire Stations 11 and 13 with electrically powered heating and cooling units.

EQUITY IN CONTRACTING (EIC) COMPLIANCE: A total exception of all EIC requirements has been approved for this contract, per EIC’s exception granting email dated August 15, 2023, due to the lack of certified contractors.

LOCAL EMPLOYMENT AND APPRENTICESHIP TRAINING PROGRAM (LEAP) COMPLIANCE: The LEAP requirements for this project are 15 percent of the project labor hours must be worked by Local Employees and an additional 15 percent of the labor hours must be worked by Apprentices, per TMC 1.90.040.



FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
3211 Capital Project Fund	GNF-00007-09	5310100	\$1,121,429.09
TOTAL			Up to \$1,121,429.09

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
3211 Capital Project Fund	GNF-00007-FS-AD-02	6311101	(\$1,121,429.09)
TOTAL			Up to (\$1,121,429.09)

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$1,121,429.09

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes. Funds are budgeted and available in the Capital Project Fund for this procurement.

IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED. N/A