



TO: Board of Contracts and Awards
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COPY: City Council, City Manager, City Clerk, SBE Coordinator, LEAP Coordinator, and
Joe Parris, Finance/Purchasing
SUBJECT: Parking Services Tenant Improvement Project
Request for Bids - Specification No. PW16-0046F – June 21, 2016
DATE: June 6, 2016

SUMMARY:

The Public Works Department recommends a contract be awarded to Construct Incorporated, Tumwater, WA, in the amount of \$478,000, plus sales tax, plus a 20 percent contingency, for a cumulative project total of \$573,600, budgeted from the Parking Enterprise Fund 4140, for interior tenant improvement of City-owned leasable office space located at 942 Pacific Avenue (North Parking Garage).

STRATEGIC POLICY PRIORITY:

- Assure outstanding stewardship of the natural and built environment.
- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

The intended improvements will positively impact the Parking System budget by reducing on-going office rent expense and increasing revenues through a market rate lease agreement with a partner sub-tenant of the space.

BACKGROUND:

ISSUE: Parking Services previously occupied 2,600 square feet in the Tacoma Municipal Building North basement. This space will be converted into a locker room facility for the City's Health and Wellness Program. The conversion requires Parking Services to relocate operations. Due to constrained floor space in the Municipal Building complex, Parking Services explored the option to relocate in vacant office space in the City-owned North Parking Garage.

The proposed tenant improvement will reactivate a visible Pacific Avenue frontage that has remained vacant for nearly ten years. The City will lease a portion of the space to the City's parking operator. This unique cost saving arrangement consolidates system-wide parking operations for the benefit of customers and citizens. The Parking Fund will benefit from ongoing revenues from monthly rents as part of a lease agreement with the sub-tenant of the space.

ALTERNATIVES: With the need to relocate Parking Services, several alternatives were considered. Relocating to another floor within the Municipal Building complex was undesirable because it would not enhance customer service, would not offer private and secure entry for officers into the space, and other downtown office space was too costly.



COMPETITIVE SOLICITATION: Request for Bids Specification No. PW16-0046F was opened May 10, 2016. Ten companies were invited to bid in addition to normal advertising of the project. Two submittals were received. The table below reflects the amount of the total award.

<u>Respondent</u>	<u>Location</u> <i>(city and state)</i>	<u>Submittal</u> <u>Amount</u>	<u>Evaluated</u> <u>Submittal</u>
Construct, Incorporated	Tumwater, WA	\$478,000.00	\$478,000.00
Oak Hills Construction, LLC dba Allen-Bradbury Construction	Algona, WA	\$483,000.00	\$478,613.64

Pre-bid Estimate: \$533,346.00

The recommended award is 10.4 percent below the pre-bid estimate.

CONTRACT HISTORY: New contract.

SUSTAINABILITY: The project contractor is expected to utilize a waste management plan to separate construction waste from recyclable materials. Low-emitting materials such as paints and coatings will be used. Delivery of materials will be consolidated as much as possible from the different suppliers to reduce the number of deliveries to the work site. Electronic correspondences will be used except in the cases where physical submittals are needed.

SBE/LEAP COMPLIANCE: The recommended contractor is in compliance with the Small Business Enterprise (SBE) Regulation requirements per memorandum dated May 19, 2016. The SBE goal for this project is 22 percent. The SBE participation level of the recommended contractor is zero percent. Construct, Incorporated submitted the lowest evaluated bid per the SBE Regulation requirements. The Local Employment and Apprenticeship Training Program (LEAP) goal is 270 hours.

RECOMMENDATION:

The Public Works Department recommends a contract be awarded to Construct Incorporated, Tumwater, WA, in the amount of \$478,000, plus sales tax, plus a 20 percent contingency, for a cumulative project total of \$628,665.60, budgeted from Parking Enterprise Fund 4140, for interior tenant improvement of City-owned leasable office space located at 942 Pacific Avenue (North Parking Garage).

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4140 - Parking Enterprise Fund	PRK-00003-EX	5600000	\$573,600
TOTAL			\$573,600

* General Fund: Include Department



REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4140 Parking Enterprise Fund	532600	4300000	\$573,600
TOTAL			\$573,600

POTENTIAL POSITION IMPACT:

POSITION TITLE	PERMANENT/ PROJECT TEMPORARY POSITION	FTE IMPACT	POSITION END DATE
N/A			
TOTAL			

This section should only be completed if a subsequent request will be made to increase or decrease the current position count.

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$573,600

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

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

