



**Contract and Award Letter
Purchase Resolution – Exhibit “A”**

TO: Board of Contracts and Awards
FROM: Ramiro Chavez, P.E. PgMP, Director/City Engineer, Public Works
David Pagel, Project Manager, Facilities Management, Public Works
COPY: City Council, City Manager, City Clerk, EIC Coordinator, LEAP Coordinator, and
Carly Fowler, Finance/Procurement
SUBJECT: Fleet Maintenance Building Decarbonization
Request for Bids Specification No. PW23-0108F, Contract No. CW2260263 –
February 25, 2025, City Council
DATE: February 3, 2025

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RECOMMENDATION SUMMARY: Public Works requests approval to increase Contract No. CW2260263 with Crescent Mechanical Inc., Auburn, WA, by \$727,500.00, plus applicable taxes, budgeted from the Capital Project Fund, for the replacement of the remaining rooftop air handling units at the Fleet Maintenance Building. This increase will bring the contract to a cumulative total of \$2,127,593.75, plus applicable taxes.

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 supports the City’s decarbonization efforts by replacing and converting the existing gas rooftop air handling units with electric systems, improving indoor air quality and reducing greenhouse gas emissions.

BACKGROUND: This project addresses deferred maintenance and aligns with the City’s decarbonization goals at the Fleet Maintenance Building. This contract increases funds for the replacement of the remaining original gas rooftop air handling units, which have exceeded their useful life and are failing. The new electric units will improve system reliability and further the City’s sustainability efforts.

ISSUE: The initial contract included the replacement of approximately half of the gas rooftop air handling units and included electrical upgrades for the conversion to electric. In 2024, the City applied for state funding through the Member Requested Local Community Project process and secured a Clean Building Performance Grant to fund the remaining unit replacements.

ALTERNATIVES: The alternative is to not replace the remaining gas rooftop units, leading to higher maintenance costs and potential system failures. Prolonged delays could disrupt Fleet operations, particularly during extreme weather events.

COMPETITIVE SOLICITATION: Request for Bids Specification No. PW23-0108F was opened June 27, 2023. Two hundred and fifty companies were invited to bid in addition to normal advertising of the project. Six submittals were received.

Crescent Mechanical Inc. submitted a bid that resulted in the lowest evaluated submittal after consideration of the approved Equity in Contracting requirements waiver. The table below reflects the amount of the recommended award.



<u>Respondent</u>	<u>Location</u>	<u>Submittal Amount</u>
*V&R Roofing	Tacoma, WA	\$ 20,300.00
*Auburn Mechanical, Inc.	Auburn, WA	\$1,119,446.00
Crescent Mechanical Inc.	Auburn, WA	\$1,120,075.00
Apex Mechanical LLC	Battle Ground, WA	\$1,437,025.00
A to B Builders LLC	Enumclaw, WA	\$1,510,000.00
Vet First Constructors	Kent, WA	\$1,640,318.00

Pre-bid Estimate: \$1,140,000

The recommended award was 1.7 percent below the pre-bid estimate.

** Non-Responsive Bids:*

- *V&R Roofing: Did not meet contract requirements.*
- *Auburn Mechanical, Inc.: Proposal signature page was unsigned.*

CONTRACT HISTORY:

- Per Resolution No. 41270, this contract was originally awarded to Crescent Mechanical Inc., as a result of Request for Bids Specification No. PW23-0108F on September 19, 2023, in the amount of \$1,120,075.00, plus applicable taxes, plus a 25 percent contingency, for a cumulative total of \$1,400,093.75, plus applicable taxes, for the replacement of air handling units and electrical upgrades at the Fleet-Police Warehouse.
- The proposed contract increase is for \$727,500.00, for a cumulative total of \$2,127,593.75, plus applicable taxes, for the replacement of the remaining rooftop air handling units.

SUSTAINABILITY: This contract increase will provide for the replacement of the remaining original gas rooftop air handling units that are beyond their useful life and failing. The new rooftop units will be converted from gas to electric, advancing the City’s decarbonization goals.

EQUITY IN CONTRACTING (EIC) COMPLIANCE: A total waiver of EIC requirements has been approved for this contract, per waiver number W0523-PW dated July 25, 2023.

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-00007-07	5310100	\$727,500.00
TOTAL			Up to \$727,500.00

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
3211 Capital Project Fund	GNF-00007-FS-AD-03	4334360	(\$727,500.00)
TOTAL			Up to (\$727,500.00)

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$727,500.00

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? No

IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED.
A separate Resolution will be presented for Council consideration for the acceptance of grant funding. Upon Council acceptance, the revenues and expenditures for the grant will be budgeted at the next budget process opportunity.