




City of Tacoma

Resolution No.:

Meeting Date: April 25, 2023

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

TO: Board of Contracts and Awards
FROM: Josh Diekmann, P.E. PTOE, Interim Public Works Director/City Engineer 
Mina Zarelli, Project Manager, Public Works Facilities Management
COPY: City Council, City Manager, City Clerk, EIC Coordinator, LEAP Coordinator, and
Tina Eide, Senior Buyer, Finance/Purchasing
SUBJECT: Beacon Activity Center HVAC Upgrade and Exterior Renovation
Requests for Bids Specification No. PW22-0287F, Contract No. CW2256989 –
April 25, 2023, City Council
DATE: April 4, 2023

RECOMMENDATION SUMMARY:

The Public Works Department recommends a contract be awarded to Western Ventures Construction, Inc., Montlake Terrace, WA, in the amount of \$1,771,000, plus a 15 percent contingency, for a projected contract total of \$2,036,650, plus applicable taxes, budgeted from the General Government Capital Fund, for construction of exterior envelope improvements and new heating and cooling systems at the Beacon Activity Center.

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 natural gas boiler system with a 100 percent electric HVAC system, that will provide energy efficient heating and cooling during increasingly frequent extreme weather and reduced air quality events.

BACKGROUND:

This project will address deferred repair and replacement needs, and modernization of building systems at the Beacon Activity Center. This contract will provide improvements to the exterior including new siding, paint, window replacements, and re-roofing of the flat roofs. A new energy efficient heating and cooling system will be installed, and interior cosmetic upgrades will be made to the existing restrooms.

Improvements will enable the facility to function long-term as a multi-generational center, serving as both a senior activity center and an overnight shelter for young adults, while providing some cross over services and activities between these groups. To minimize impacts to ongoing services at the facility, construction of improvements has been phased. The initial phase was completed in 2022, providing gender-neutral and ADA-compliant shower/restrooms, laundry facilities, kitchen storage space, access modification to stage (wheelchair lift), fire alarm enhancements, security cameras, sloped roof replacement, and new furnishings.

ISSUE: The building exterior is beyond its useful life and needs replacement. The existing building does not have a permanently installed cooling system and is utilizing an antiquated natural gas-fired heating system that is beyond its useful life.



ALTERNATIVES: The alternative is to not move forward with the exterior and HVAC system improvements to the building. The center would continue to utilize the antiquated gas-fired boiler system for heating and inefficient portable units for partial cooling. Prolonging deferred repair and replacements of the building exterior will increase costs and potentially damage the building's structure.

COMPETITIVE SOLICITATION:

Request For Bids Specification No. PW22-0287F was opened February 21, 2023. Two hundred and fifty companies were invited to bid in addition to normal advertising of the project. Three submittals were received.

Western Ventures Construction, Inc. submitted a bid that resulted in the lowest evaluated submittal after consideration of Equity in Contracting participation goals. The table below reflects the amount of the total award.

<u>Respondent</u>	<u>Location</u> <i>(city and state)</i>	<u>Submittal Amount</u>
Western Ventures Construction, Inc.	Montlake Terrace, WA	\$1,771,000
Neeley Construction*	Puyallup, WA	\$1,815,000
Good News Group Inc*	Auburn, WA	\$2,054,962

Pre-bid Estimate: \$1,700,000

The recommended award is 4 percent above the pre-bid estimate.

** Non-Responsive Bids:*

- *Neeley Construction and Good News Group Inc did not list any OMBWBE Certified contractors and do not meet Equity in Contracting Requirements for this project.*

CONTRACT HISTORY: New contract.

SUSTAINABILITY: This contract advances the City's goal of decarbonization by replacing and converting the existing natural gas boiler system with a 100 percent electric HVAC system, that will provide energy efficient heating and cooling during increasingly frequent extreme weather and reduced air quality events.

EQUITY IN CONTRACTING (EIC) COMPLIANCE: The recommended contractor is in compliance with the EIC requirements per memorandum dated March 20, 2023. The memorandum states approval of a partial EIC waiver, due to limited availability of qualified contractors. The EIC requirements for this project are (5 percent MBE, 2 percent WBE, 5 percent SBE). The EIC utilization levels of the recommended contractor, Western Ventures Construction, Inc., are (15 percent MBE, 0.02 percent WBE, 0.02 percent SBE)

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-GGOV General Government Capital	GGV-00021-04	5600000	\$2,036,650
TOTAL			Up to \$2,036,650

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
3210-GENF	814004	6311061	\$336,650
1185 - NCS Special Revenue (MH&CD)	859100	6311000	\$1,700,000
TOTAL			Up to \$2,036,650

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$2,036,650

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

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