



# TACOMA HOUSING AUTHORITY

## RESOLUTION 2015-2-25 (1)

**Date:** February 25, 2015  
**To:** THA Board of Commissioners  
**From:** Michael Mirra  
Executive Director  
**Re:** 902 South L Street Administration Building Tenant Improvement - Contractor

---

### Background

This resolution would authorize the Executive Director to negotiate a contract, and if those negotiations are successful, to execute the contract with a contractor for the remaining fix up of the 902 South L Street Building. On January 27, 2015 THA staff advertised an Invitation to Bid (ITB) from interested General Contractors to provide THA with competitive bids to perform the work.

The ITB was posted on Washington Electronic Business Solutions, (WEBS), THA's website and twelve (12) Plan Centers on January 27, 2015. Five (5) firms responded to the ITB by the due date of February 17, 2015. THA RED staff reviewed the proposals.

The results are as follows:

Contractor	Base Bid	Deductive Alt 1	Deductive Alt 2	Deductive Alt 3	Deductive Alt 4
Stetz Const.	\$1,196,115	-\$12,600	-\$9,000	-\$6,671	-\$13,750
Besley, Inc.	\$1,293,000	-\$5,926	-\$2,455	-\$1,630	-\$12,927
D. P. Wain	\$1,415,525	-\$5,200	-\$2,500	-\$3,900	-\$12,000
Shinstine Const.	\$1,425,000	-\$2,800	-\$7,800	-\$4,200	-\$17,000
Pease Const.	\$1,433,450	-\$4,520	-\$320	-\$1,830	-\$14,980

The budget for the construction activities is \$1,181,196, plus contingency of \$59,059, for a total of \$1,240,255. The base bid is \$14,919 over the budgeted amount, before contingency. As part of the bid process, staff identified four parts of the construction work that would be nice to have completed, but not necessary. These are called deductive alternates. In order to maintain a healthy contingency for the project, staff is recommending using Deductive Alternates 1 and 2 resulting in a revised lower cost of \$1,174,515. This will provide a contingency of \$65,740. The construction budget total remains at \$1,240,255.

The total budget for the project approved by the Board of Commissioners in the 2015 Agency Budget is \$1,550,000. The construction portion of the project budget is \$1,240,255 and covers the 2<sup>nd</sup> floor construction work, the new HVAC for the entire building as well as work in the

lobby on the first floor. The remaining budget (\$309,745.00) covers Architectural and Engineering costs, testing services, moving services and furniture. These services are paid for from different contracts with different vendors.

It is important to note that the approved total project budget does not include funding for the work to be done in the Administration side of the first floor (the north side), other than the HVAC upgrades. The bid documents did include costs for the server room relocation construction, adding a clear glass door to convert a storage room into an office and the relocation of a bookcase. This amount was estimated at \$28,322. The budget is not impacted since the contingency will cover this cost; however, should we run into unexpected items that need to be addressed during the remodel, additional funding will be required.

### **Recommendation**

Approve Resolution 2015-2-25 (1) authorizing the Executive Director to negotiate, and if those negotiations are successful, to award the contract to Stetz Construction in the amount of \$1,174,515.00 plus contingency of \$65,740.00, as needed. The total amount of the contract is not to exceed \$1,240,255.00 including contingency.



# TACOMA HOUSING AUTHORITY

## RESOLUTION 2015-2-25 (1)

### 902 South L Street Administration Building Tenant Improvement - Contractor

A RESOLUTION of the Board of Commissioners of the Housing Authority of the City of Tacoma

**Whereas,** On January 27, 2015 Tacoma Housing Authority (THA) staff advertised an Invitation to Bid (ITB) proposals from interested General Contractors to provide THA with competitive bids to perform the construction for the 902 South L Street Tenant Improvement project;

**Whereas,** The ITB was posted on the Washington Electronic Business Solutions and THA's websites and forwarded to twelve (12) plan centers;

**Whereas,** five firms submitted proposals by the deadline of February 17, 2015;

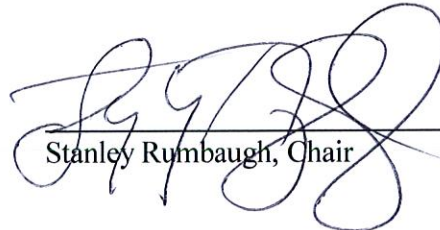
**Whereas,** the lowest responsive and responsible bidder was Stetz Construction in the amount of \$1,196,115;

**Whereas,** in order to keep a healthy contingency and stay within the budget, Deductive Alternates 1 and 2 were accepted;

***Resolved by the Board of Commissioners of the Housing Authority of the City of Tacoma, Washington as follows:***

The Executive Director is authorized to negotiate, and if those negotiations are successful, to execute a contract with Stetz Construction in the amount of \$1,174,515 plus contingency of \$65,740, as needed. The total amount of the contract is not to exceed \$1,240,255.00 including contingency for the construction for the 902 South L Street Tenant Improvement project.

**Approved: February 25, 2015**

  
Stanley Rumbaugh, Chair