



TACOMA HOUSING AUTHORITY

RESOLUTION 2010-2-24 (6)

DATE: February 24, 2010
TO: Board of Commissioners
FROM: Michael Mirra, Executive Director
RE: Authorization to award Hillside Terrace Construction Manager/General Contractor Services

Background

On December 18th, 2009, THA issued a Request for Proposal (RFP) for a Construction Manager/General Contractor (CM/GC) Services for the 1800/2500 Hillside Terrace project. The scope of work includes pre-construction, construction management and general contractor services. The RFP was published on the Internet through Washington Electronic Business Solutions (WEBS) and the Bluebook, and posted at various regional plan centers on December 18th, 2009. The following seven Contractors submitted proposals on January 13, 2010:

- Synergy Construction Co.
- Andersen Construction, Co.
- Walsh Construction, Co.
- RAFN Construction, Co.
- Rushforth Construction, Co.
- Construction Enterprise & Constructors
- Absher Construction, Co.

An RFP evaluation committee consisting of THA staff and a representative from the City of Tacoma reviewed proposals using the criteria outlined in the RFP. The committee reviewed the proposals and determined a shortlist of the top three proposers to be Walsh, Absher and RAFN based on a preliminary scoring of all (7) submittals. These three proposals were qualified to advance to the interview stage of the selection process. Interviews were held on January 27 & 28, 2010, during which time the committee sought additional clarification on each respondent's proposal. Post interviews, the committee requested additional cost information from each of the top three for the completion of the committees cost analysis. The committee then completed scoring the proposals and concluded that Absher was the highest scoring respondent and recommends Absher Construction be awarded the contract.

The recommendation to select Absher Construction is based on the following scoring and explanations:

FIRM EXPERIENCE (Total possible points 15)

Average score Walsh: 14.17
Average score Absher: 12.67
Average score RAFN: 12.33

Although the top three proposers scored closely and all possess extensive experience as a firm, Walsh Construction scored highest for this category due to their extensive experience with THA through our Salishan project. THA's experience with Walsh over the past 6 years has been exceptional. Walsh as a firm also has significant CM/GC experience and has contracted on other regional HOPEVI projects.

Absher was rated second highest due to the extensive firm experience including multi-family CM/GC contracts, their experience with other Housing Authorities and work completed under other HOPEVI programs. Absher also has a local presence with their main office being in Puyallup.

RAFN ranked third due to their extensive multi-family developments for non-profits under CM/GC contracts, although they had not had prior experience working with Housing Authorities, or HOPEVI programs. Their main office is in Bellevue and most of the firms prior contracts have been in the Seattle area.

RECORD OF SAFETY (Total possible points 15)

Average score Absher: 13.67
Average score Walsh: 12.67
Average score RAFN: 12.67

All respondents have excellent safety records. Industry safety records are tracked and rated through Workers Compensation using the Insurance Experience Modifier (EMR) rating system. All proposers provided summary overviews of their safety plans but Absher included their entire Accident Prevention Program. For the committee this indicated the seriousness that Absher applies to safety. The industry standard for EMR is 1.0. Below is the 2009 rating for each contractor from lowest to highest.

Absher: .58
RAFN: .599
Walsh: .89

CM/GC PROJECT TEAM (Total possible points 15)

Average score Walsh: 13.67
Average score Absher: 12.67
Average score RAFN: 12.33

The Walsh team is well staffed with personnel who have years of experience in multifamily, wood framed large residential construction projects. The proposed team has worked with THA on the Salishan project. The team is led by Bill Reid and Ron Ward and the proposed project manager, Greg Linnell, had been promoted from his project engineer role on Salishan.

Absher has proposed a very qualified team. The majority of the selection committee ranked Absher's staffing plan as equal to the Walsh team in regards to prior successes and experience. Their team is led by Doug Orth with Blaine Wolfe assigned as Sr. Project Manager. Both Doug and Blaine were behind the successes of the Greenbridge and High Point HOPE VI projects in Seattle. The entire proposed teams has collectively worked on (7) CM/GC contracts.

The RAFN team scored a close 3rd primarily due to most of their prior work had been mid-rise construction vs. garden style which the other contractors have worked extensively. The RAFN team has had no prior HOPEVI program experience, although a very capable team.

PROJECT APPROACH (Total possible points 20)

Average score Walsh: 17.33
Average score RAFN: 17.00
Average score Absher: 16.67

Overall, all three contractors ranked very well in this category. They all presented a very thorough and logical approach. The average scores above indicate a close ranking with .66 of a point spread between the three.

FEE PROPOSAL (Total possible points 15)

Average score Absher: 14.00
RAFN score: 12.00
Average score Walsh: 11.00

All three proposers submitted ample detail for the committee to conduct a thorough cost analysis. The below chart shows the cost breakdown after the appropriate adjustments were made by aligning the tasks and cost items after reviewing the contractors actual cost details.

Task	Walsh	RAFN	Absher
Pre-Construction	141,320	63,580	147,833
Discount	none	included	(72,833)
Total	\$ 141,320	\$ 63,580	\$ 75,000
GC's	\$1,179,064	\$1,050,876	\$785,800
Direct Construction	\$18,384,609	\$18,101,945	\$ 19,738,157
Fee	\$512,981	\$687,847	\$700,000
Sub-total	\$20,076,683	\$19,840,668	\$21,223,957
Liability & All Risk Ins	\$289,884	\$206,481	\$146,167
B&O Tax	\$128,377	\$139,973	\$107,500
Sub-total	\$20,494,944	\$20,187,122	\$21,477,624
Performance Bond	\$120,853	\$157,113	\$126,365
Total	\$20,615,797	\$20,344,235	\$21,603,989
Total Pre-Con & Constr.	\$20,757,117	\$20,407,815	\$21,678,989

Less Direct

Construction

Total GC's & Fee \$2,372,508 \$2,305,870 \$1,940,832

In this comparison Absher becomes the apparent lowest proposer. The spread between Absher as the lowest and Walsh the highest is: \$431,676.

UTILIZATION PLANS FOR TARGETED BUSINESS, SECTION 3 AND INCORPORATION OF APPRENTICESHIP/TRAINING PROGRAMS (Total possible points 20)

Average score Walsh: 18
Average score Absher: 17.33
Average score RAFN: 15.67

The majority of the evaluation committee members scored Walsh and Absher equally in this category. Each of the two top contractors has an excellent reputation and submitted excellent plans that propose to exceed THA's goals for this category.

TOTALS

Total Possible Points: 100
Average score Absher: 87.00
Average total score Walsh: 86.83
Average score RAFN: 82.00

In summary, all three contractors submitted excellent proposals and are all experienced and capable of meeting the challenge of revitalizing the two Hillside Terrace sites. RAFN ranked the

overall lowest of the three primarily due to their lack of HOPEVI and Tacoma area experience when compared to Walsh and Absher. The selection committee's recommendation to select Absher Construction was primarily based on their lowest cost proposal.

The CM/GC initial contract is for Pre-construction Services with subsequent modifications for Construction Management Services and Construction services. Staff will negotiate each modification with the contractor. The estimate for the total construction for this project is \$22.5 Million. Staff will request Board approval for each modification of the contract. At this time staff is requesting the approval to negotiate the Pre-Construction Services agreement in an amount not-to-exceed \$75,000.

Recommendation

Approve Resolution 2010-2-24 (6) awarding the contract for 1800/2500 Hillside Terrace Redevelopment project to Absher Construction, Co. and authorize the Executive Director to negotiate and execute the Pre-construction Services agreement in an amount not-to-exceed \$75,000.



TACOMA HOUSING AUTHORITY

RESOLUTION 2010-2-24(6)

1800/2500 HILLSIDE TERRACE CONSTRUCTION MANAGER/GENERAL CONTRACTOR (CM/GC) SERVICES

Whereas, The Housing Authority of the City of Tacoma (the "Authority") solicited proposals for CM/GC Services;

Whereas, The timely advertisements for proposals were placed in the following publications and dates;

Various Plan Centers	12/18
William M Factory Small Business Incubator	12/18
Washington Electronic Business Solutions (WEBS)	12/18
The Blue Book	12/18

Whereas, Seven contractors presented proposals;

Whereas, The proposals were evaluated using the criteria outlined in the Request for Proposals;

Whereas, Absher Construction Co. was the highest ranking firm;

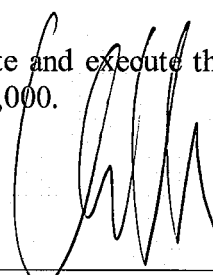
Whereas, The Authority has developed a preliminary budget of \$22.5 Million for the project; and

Whereas, The Pre-Construction Services will be funded through Capital Funds;

Resolved by the Board of Commissioners of the Housing Authority of the City of Tacoma, Washington that:

1. The Executive Director has the authority to negotiate and execute the contract for Construction Manager/General Contractor Services for 1800/2500 Hillside Terrace with Absher Construction. The contract will be awarded in phases through amendments to the Pre-Construction Services Agreement.
2. The Executive Director has the authority to negotiate and execute the Pre-Construction Services Agreement in the amount not-to-exceed \$75,000.

Approved: February 24, 2010



Ken Miller, Chairman