



TACOMA HOUSING AUTHORITY

RESOLUTION 2017-11-15 (10)

Date: November 15, 2017

To: THA Board of Commissioners

From: Michael Mirra
Executive Director

Re: Salishan Family Investment Center and Maintenance Shop Renovation - Contractor

This resolution authorizes Tacoma Housing Authority's (THA) Executive Director to finalize the selection of the General Contractor for the Salishan Family Investment Center (FIC) and Maintenance Shop Renovation project to Buchanan General and approve an increased budget amount.

Background

On October 4, 2017, THA staff notified interested General Contractors and publicly advertised an Invitation to Bid (ITB) for the Salishan Family Investment Center and Maintenance Shop Renovation project. The ITB requests competitive bids to perform the construction.

The ITB was posted on Washington Electronic Business Solutions, (WEBS) and THA's website. A notice of opportunity was sent to 35 plan centers and prospective bidders (previous project plan holders). WEBS notified 752 interested parties. Three (3) firms responded to the ITB by the due date of November 1, 2017. THA RED staff reviewed the proposals.

The results are as follows:

Contractor	Base Bid	Deductive Alt 1	Deductive Alt 2	Deductive Alt 3
Christensen, Inc.	\$882,000	-\$77,000	-\$3,000	-\$53,000
Buchanan General Contracting Company	\$1,164,432	-\$64,761	-\$55,456	-\$48,110
P & L General Contractors, Inc.	\$1,477,743	-\$49,817	-\$26,350	-\$91,000

The apparent low bidder at bid opening is Christensen, Inc. On 11-3-17, THA notified Christensen that as the apparent low bidder, THA intended to award the bid to Cristensen pending THA's Board of Commissioner's approval and further negotiations. Following this notification, on 11-3-17

Christensen's Project Manager left a voice message stating that their bid was incorrect. THA requested written documentation from the contractor that would explain any errors associated with their bid. On 11-7-17 Contractor asked to withdraw its bid. For this reason, THA will take the second lowest bid, Buchanan General Contracting Company in the amount of \$1,164,432.00.

The budget for the construction activities is \$866,524 plus contingency of \$20,885 for a total of \$887,409. Buchanan's base bid is \$277,023 over the budgeted amount. As part of the bid process, staff identified three parts of the construction work that would be nice to have completed, but not necessary for a good product. The three parts are described as deductive alternates. In order to achieve a healthy contingency and keep the budget at a reasonable total, deducting the three Deductive Alternates results in a revised cost of \$996,105. This will provide a contingency of \$99,611 bringing the construction budget total to \$1,095,716.

The total budget for the project as approved by the Board of Commissioners is \$1,264,994. The construction portion of the project budget (\$1,095,716) covers the FIC and Maintenance Shop renovations as well as the Heritage Branch office and ATM. The remaining budgeted funding \$377,585 covers Architectural and Engineering and IT costs, testing services, moving services and furniture. In light of the increased construction costs, the overall budget has increased \$208,307 for a total of \$1,473,301.

Recommendation

Approve Resolution 2017-11-15 (10) to increase the overall budget by \$208,307 for a total of \$1,473,301 and to authorize the executive director to negotiate, and if those negotiations are successful to award the contract to Buchanan General Contracting Company in the amount of \$996,105 plus contingency of \$99,611 as needed. The total amount of the contract is not to exceed \$1,095,716 including contingency.



TACOMA HOUSING AUTHORITY

RESOLUTION 2017-11-15 (10)

(Salishan Family Investment Center and Maintenance Shop Renovation – Contractor)

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

WHEREAS, On October 4, 2017, THA staff notified interested General Contractors and publicly advertised an Invitation to Bid (ITB) for the Salishan Family Investment Center and Maintenance Shop Renovation project; and

WHEREAS, The ITB was posted on Washington Electronic Business Solutions, (WEBS) and THA's website and forwarded to 35 plan centers and prospective bidders (previous project plan holders); and

WHEREAS, Three firms submitted proposals by the deadline of November 1, 2017; and

WHEREAS, The lowest responsive and responsible bidder is Buchanan General Contracting Company in the amount of \$1,164,432 with Deductive Alternates totaling \$168,327; and

WHEREAS, In order to keep a reasonable budget, Deductive Alternates 1, 2 and 3 are accepted along with an increase in the total budget of \$208,307 for a total budget of \$1,473,301; now, therefore, be it

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

Approve Resolution 2017-11-15 (10) to increase the overall budget \$208,307 for a total of \$1,473,301 and to authorize the executive director to negotiate, and if those negotiations are successful to award the contract to Buchanan General Contracting Company in the amount of \$996,105 plus contingency of \$99,611 as needed. The total amount of the contract is not to exceed \$1,095,716 including contingency.

Approved: November 15, 2017



Janis Flauding, Chair