



TACOMA HOUSING AUTHORITY

RESOLUTION 2017-11-15 (5)

Date: November 15, 2017

To: THA Board of Commissioners

From: Michael Mirra
Executive Director

Re: Alberta J Canada - Enter Into Contract with General Contractor

This resolution would authorize the Tacoma Housing Authority's (THA) Executive Director to finalize the selection of the General Contractor for the Alberta J. Canada Renovation project.

Background

On August 30, 2017, THA staff notified interested General Contractors and publicly advertised an Invitation to Bid (ITB) for the Alberta J. Canada 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. Two (2) firms responded to the ITB during the public bid opening on the due date of October 11, 2017, at 3:00 p.m. The results are as follows:

| Contractor | Base Bid | Deductive Alt 1 | Deductive Alt 2 | Unit Price 1 | Unit Price 2 | Unit Price 3 |
|------------------|-------------|-----------------|-----------------|--------------|--------------|--------------|
| CDK Construction | \$4,680,000 | -\$107,000 | -\$207,500 | \$8,800 | \$11,600 | \$15,900 |
| Marpac | \$6,980,000 | -\$217,266 | -\$53,816 | \$96,095 | \$101,748 | \$33,916 |

The budget for the direct construction activities is \$3,974,610 plus owner contingency of \$481,000. The responsive and responsible low-base bid is \$705,390 over the budgeted amount.

Staff consulted with legal counsel to verify if THA could negotiate with the lowest responsive and responsible bidder. Per Foster Pepper, due to the funding structure not having any state or municipal dollars on the project, it is not considered a public works project. Accordingly, THA could negotiate with the lowest bidder. With this, staff would work with the architect and contractor to reduce the scope of work to lower cost.

Recommendation

Approve Resolution 2017-11-15 (5) authorizing THA's Executive Director to negotiate through a scope of work reduction, and if those negotiations are successful, to award the contract to CDK Construction in an amount not-to-exceed the base bid of \$4,680,000 plus owner contingency of \$481,000, as needed to reduce the cost closer to the budgeted amount of \$3,974,610.



TACOMA HOUSING AUTHORITY

RESOLUTION 2017-11-15 (5)

(Alberta J Canada Renovation – Enter Into Contract with General Contractor)

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

WHEREAS, On August 30, 2017, THA staff notified interested General Contractors and publicly advertised an Invitation to Bid (ITB) for the Alberta J Canada 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; and

WHEREAS, Two firms submitted proposals for the public opening by the deadline of October 11, 2017, at 3:00 pm with the following bid results; and

| Contractor | Base Bid | Deductive Alt 1 | Deductive Alt 2 | Unit Price 1 | Unit Price 2 | Unit Price 3 |
|------------------|-------------|-----------------|-----------------|--------------|--------------|--------------|
| CDK Construction | \$4,680,000 | -\$107,000 | -\$207,500 | \$8,800 | \$11,600 | \$15,900 |
| Marpac | \$6,980,000 | -\$217,266 | -\$53,816 | \$96,095 | \$101,748 | \$33,916 |

WHEREAS, The lowest responsive and responsible bidder is CDK Construction in the amount of \$4,680,000; and

WHEREAS, The lowest bid exceeded the project budget and THA will negotiate a lower price through a scope of work reduction; 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 (5) authorizing THA’s Executive Director to negotiate through a scope of work reduction, and if those negotiations are successful, to award the contract to CDK Construction in an amount not-to-exceed the base bid of \$4,680,000 plus owner contingency of \$481,000, as needed to reduce the cost closer to the budgeted amount of \$3,974,610.

Approved: November 15, 2017



 Janis Flauding, Chair