

## CITY COUNCIL MEMORANDUM

### AGENDA ITEM

**Awarding bids 15-18 and 15-19 for Cornerstone renovations**

### ORIGINATING DEPARTMENT

**Support Services**

### BACKGROUND INFORMATION

In August 2013, staff began exploring the potential renovation of 101 E Ave D (aka Cornerstone). The intent was to achieve resource efficiencies by moving Information Technology Services from leased space (\$45,600 per year) to city-owned space, providing the City Secretary an area for archival storage and tasking Support Services to coordinate the renovation process.

In October 2013, contractors completed asbestos abatement and removed interior, non-load bearing walls. Staff found no structural issues, identified funding sources, and recommended the renovation proceed. The city manager agreed. Staff then coordinated architectural and engineering (A&E) designs with LS Johntson, integrated energy system efficiencies proposed by L5E, and issued a consolidated renovation bid in May 2014.

In July 2014, the city opened six bid responses. Staff recommended, and the council approved, rejection of all bids because each exceeded projections by at least \$150,000.

In September 2014, staff completed A&E designs and secured permit approval with Building Inspections.

In October 2014, staff completed an energy audit; coordinated an onsite Oncor assessment; and initiated plumbing, concrete, and mechanical demolition.

In December 2014, contractors removed interior mechanical and plumbing fixtures and council approved the staff request for \$350,000 from the General Fund to fund reconstruction.

In January 2015, staff coordinated the integration of server room and power/network connection changes and physical security features into the A&E design plan.

In March 2015, staff coordinated separate bids for the energy package (15-18) and general construction (15-19) components of the renovation project.

### DISCUSSION/CONCLUSION

In May 2015, the City of Killeen issued two (2) bids with the intent to choose from eligible qualified firms to perform the desired Cornerstone renovations. Bids were advertised in accordance with the Texas Local Government Code requirements.

Bids were due to Purchasing on June 1, 2015. For bid 15-18, four (4) firms furnished a base bid, with a breakdown of the cost of labor and performance, electrical, HVAC, insulation and gypsum board. For bid 15-19, three (3) firms furnished a base bid including ceramic tile, carpet, and floor and ceiling joists, with a breakdown of the cost of labor and performance bonds and plumbing. All respondents provided a statement that the firm complies with all applicable federal, state, and local laws and regulations as they apply to the services being provided.

Staff recommends award of bid 15-18 to cVAL Innovations as the lowest cost, best value, and with a completion cost of \$382,618.00. cVal is associated with our energy consultant 5 and has designed an HVAC system for Cornerstone that will be a resource-efficient model for the city.

Staff recommends award of bid 15-19 to A&L Sanchez Painting and Construction, Inc. as the lowest cost and best value, with a completion cost of \$500,267.00. The city previously awarded A&L Sanchez the contract to renovate the Killeen Homeless Shelter.

### **FISCAL IMPACT**

Funding for the Cornerstone renovation project will be made available in Account Number 010-2705-419.61-95. Project costs will be taken from fund balance and reimbursed following the issuance of Certificates of Obligation.

### **RECOMMENDATION**

Staff recommends the Council authorize the city manager to enter into a contract in the amount of \$382,618.00 with cVAL Innovations for energy efficiency renovations and a contract in the amount of \$500,267.00 with A&L Sanchez Construction, Inc. for general construction and that the city manager is further authorized to execute any change orders within the amounts set by law.