



City of Killeen

Legislation Text

File #: RS-23-098, **Version:** 1

Consider a memorandum/resolution awarding Bid Number 23-32 for the Terminal HVAC Improvements Phase II-Vestibule Door Upgrades at Killeen-Fort Hood Regional Airport to Valcorp Enterprises, LLC, in the amount of \$299,832.

DATE: June 20, 2023

TO: Kent Cagle, City Manager

FROM: Mike Wilson, Executive Director of Aviation

SUBJECT: Award Bid No. 23-32 Terminal HVAC Improvements Phase II-Vestibule Door Upgrades at Killeen-Fort Hood Regional Airport

BACKGROUND AND FINDINGS:

In FY 2021, the City was awarded a Federal Aviation Administration (FAA) Airport Improvement Program (AIP) grant in the amount of \$3,898,271 to fund the Terminal HVAC Improvement Project. The project consisted of replacing all major components of the HVAC system in the airport terminal including chillers, boilers, water pumps, air handlers, control systems, and other associated components.

Upon completion of HVAC Improvement Project, it was concluded that the AIP grant had remaining funds. The FAA approved the use of the remaining AIP grant funds to replace the existing vestibule doors and frames at the Killeen-Fort Hood Regional Airport with new doors and frames. The existing doors are original to the building and have operated eighteen to twenty hours per day for almost nineteen years. They are currently experiencing multiple failures resulting in extended downtime due to difficulty in finding and procuring parts. By replacing these doors, the City can minimize repair costs and downtime, while providing increased support for the new HVAC system while also increasing its efficiency.

The Vestibule Door Replacement project went to bid in January 2023 with no bids received. The project was then re-advertised on March 26 & April 2, 2023. Advertising appeared in the local newspaper as well as the City's website. Additionally, it was advertised on multiple statewide electronic bidding sites.

Bids were opened on April 13, 2023, and the City of Killeen received two (2) bids as follows:

Bidders	Base Bid
Valcorp Enterprises, LLC	\$299,832
HCS Inc.	\$318,152

A thorough review of each bid package was completed by the airport's consultant and staff. Valcorp Enterprises, LLC was the lowest responsive and responsible bidder. Therefore, the consultant and staff's

recommendation are to award the construction contract to Valcorp Enterprises, LLC in the amount of \$299,832.

The FAA has agreed to amend the AIP grant to cover the additional expense of the project. However, the FAA is unable to process the amendment until FY 2024 when new FAA entitlements funds are released.

THE ALTERNATIVES CONSIDERED:

1. Reject the bid.
2. Approve the construction contract to Valcorp Enterprises, LLC for the Base Bid.

Which alternative is recommended? Why?

Alternative 2 is recommended because the project is funded by the Airport Improvement Program (AIP) grant fund.

CONFORMITY TO CITY POLICY:

This item conforms to local and state policies.

FINANCIAL IMPACT:

What is the amount of the expenditure in the current fiscal year? For future years?

The expenditure for Alternative 2 in the current fiscal year is \$299,832.

Is this a one-time or recurring expenditure?

One-time

Is this expenditure budgeted?

Yes, funds will be available in the Aviation Airport Improvement Program (AIP) Fund account 524.0515.521.6903, upon approval of the budget amendment.

If not, where will the money come from?

N/A

Is there a sufficient amount in the budgeted line-item for this expenditure?

Upon approval of the budget amendment

RECOMMENDATION:

Staff recommends City Council award Bid Number 23-32 for the Terminal HVAC Improvements Phase II-Vestibule Door Upgrades at Killeen-Fort Hood Regional Airport to Valcorp Enterprises, LLC, in the amount of \$299,832 and recommends that the City Council authorize the City Manager, or designee, to execute all contract documents and any and all change orders or actions within the amounts set by state and local law.

DEPARTMENTAL CLEARANCES:

Finance
Legal
Purchasing

ATTACHED SUPPORTING DOCUMENTS:

Bid Proposal
Contract
Certificate of Interested Parties