

## MEMORANDUM

To: Mayor and City Council Members  
Douglas Faseler, City Manager

From: Pamela Centeno, Director of Planning and Codes

Through: Rick Cortes, Assistant City Manager

Subject: Award of Contract to The Koehler Company for Construction of the Development Services Center at 108 E. Mountain Street

Date: September 12, 2018

On April 3, 2018 City Council authorized staff to execute an agreement with TSG Architects for the design and engineering services related to the construction of the Development Services Center in the existing building located at 108 E. Mountain Street. Upon completion of the construction documents, the City of Seguin released a notice to receive sealed bids for the project. A mandatory Pre-Bid Conference was held on August 17, 2018 at which the attendees were invited to walk the building and site prior to formulating a construction bid for the project.

On August 28, 2018, the City of Seguin opened bids for the renovations and construction of the Development Services Center. Bids were received from six different contractors ranging from a low base bid of \$1,772,475.00 from The Koehler Company to a high base bid of \$2,095,000.00 from Onyx Construction. The base bid includes selective demolition within the building, roof repairs, and construction/renovations to the existing building. In addition to the construction of offices and work spaces, the bid includes IT/Communications installation, new mechanical/plumbing/electrical, and exterior façade restoration. The base bid also includes a \$250,000.00 general construction contingency allowance. Landscaping, furniture, and IT/Security equipment are not included in the bids received and will be funded separately.

The estimated budget for construction as presented to City Council on April 3, 2018 was \$1,937,534.00 or \$191.84/sq ft. The low bid of \$1,772,475.00 submitted by The Koehler Company is \$175.49/sq ft. Tim S. Gescheidle, AIA, Principal and Owner of TSG Architects and City staff have reviewed the bids and are recommending entering into contract negotiations with The Koehler Company based on experience with similar projects and being the lowest qualified bidder.