



April 4, 2025

TO: Capitol Area Development Authority (CADA) Board of Directors

**SUBJECT: April 18, 2025 Board Meeting
AGENDA ITEM 6
HVAC UNIT REPLACEMENTS PROJECT AT 1515 8TH STREET**

CONTACT PERSON: Josh Palmer, Asset Management and Facility Maintenance Director

RECOMMENDATION:

Staff recommends the Board adopt a resolution (Attachment 1) authorizing the Executive Director to enter into a construction contract for the Heating, Ventilation and Air Conditioning (HVAC) Unit Replacements Project at 1515 8th Street with THP Mechanical LLC in the amount of \$170,840.

BACKGROUND

The Capital YMCA at 1515 8th Street was built in 1982. The building's heating and air conditioning is currently being provided by an aging and inefficient HVAC system which is rapidly approaching the end of its useful life. When CADA took ownership of the building from the Capital Athletic Club, the HVAC units had deferred maintenance and required full assessment with scheduled replacement. Staff has determined that the best approach to address the building's heating and cooling needs will be to replace five (5) of the fifteen (15) aging HVAC units. Over the course of the next few years CADA will need to replace the remaining nine (9) units to achieve a stable system. CADA replaced one (1) unit in 2024 after failure of the unit.

Staff solicited bids for the 1515 8th Street HVAC Unit Replacements Project through CADA's formal bidding process. The bid package was released on March 5, 2025. The project scope of work calls for contractors to replace existing inefficient roof-mounted HVAC systems with new energy-efficient HVAC systems. The contractor will install the new HVAC systems using an approach that will minimize inconvenience to the commercial tenants and members by replacing the five (5) units while the functional ten (10) units continue to operate.

The mandatory Pre-Bid Job Walk was held on Wednesday, March 26, 2025 at 11:00 a.m., and was attended by nine contractors (See Attachment 2, Job Walk Sign-in Sheet). Eight bid submissions were received on the due time/date of 10:00 a.m. Friday, April 4, 2025 (See Attachment 3, Bid Tabulation Form).

THP Mechanical LLC submitted a bid of \$170,840, which was determined to be the lowest responsive, responsible bid following staff review of the bid submissions. Accordingly, staff recommends the Board authorize the Executive Director to enter into a construction contract with THP Mechanical LLC in the amount of \$170,840.

If the Board approves this recommendation, staff will immediately issue a notice of award to THP Mechanical LLC. The work should commence by April 28, 2025, and take approximately 60 days to complete.

The approval will allow CADA to move forward with the HVAC Unit Replacements Project for our building at 1515 8th Street and allow our tenant, the YMCA, to operate in buildings where their HVAC units are safe, functioning well, and performing reliably.

ANALYSIS

As CADA took over 1515 8th Street from the Capitol Athletic Club, staff conducted a thorough inspection of the 52,000 SF facility. During the inspection CADA staff worked with Villara to determine the useful life of the HVAC systems. Staff determined the five (5) units under consideration of this project were in greatest need of replacement. Staff has also determined the remaining units still have some useful life remaining. In the event that one of the remaining nine (9) units fail prior to a new upgrade project, CADA will replace the unit as needed.

POLICY

This item comes before the Board because the contract award amount exceeds the \$100,000 contract approval authority of the Executive Director. Construction contracts in excess of \$100,000 must be formally bid in accordance with CADA Contract Policy, and authorization for a contract award must be granted by the Board of Directors.

FINANCIAL IMPACT

Work under this contract will be performed using funds allocated in the Capital Investment Program (CIP) budget. The FY 24/25 Major Construction CIP budget, which was adopted by the Board in June 2024, included a total of \$450,000 budgeted for these HVAC upgrades. There is \$427,150 remaining in the budget for this contract after CADA's previous replacement of one (1) of the HVAC units in the amount of \$22,850 after the unit failed.

ENVIRONMENTAL ISSUES

This item does not require CEQA review or certification. This project falls under the categorical exemption for existing facilities in class 1, section 15301. Class 1 consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use.

CADA STRATEGIC PLAN

The proposed action addresses the following 2024-2029 CADA Strategic Plan goals: "Ensure Fiscal Strength and Operational Excellence." Replacement of these HVAC units furthers CADA's goals of being a leader in sustainability and providing quality housing.

Attachments:

1. Resolution 25-13
2. Job Walk Sign-in Sheet
3. Bid Tabulation Form

RESOLUTION NO. 25 – 13

Adopted by the Capitol Area Development Authority

April 18, 2025

**RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR
TO ENTER INTO A CONSTRUCTION CONTRACT FOR THE HVAC
UPGRADE PROJECT AT 1515 8th STREET WITH THP MECHANICAL
IN THE AMOUNT OF \$170,840**

WHEREAS, CADA Staff inspected and worked with Villara to assess the HVAC systems;

WHEREAS, CADA Staff and Villara identified the HVAC units in most need of replacement;

WHEREAS, CADA conducted a formal bid process for the 1515 8th Street HVAC Unit Replacements Project; and

WHEREAS, THP Mechanical LLC was the lowest responsive, responsible bidder with a bid of \$170,840.

NOW, THEREFORE, BE IT RESOLVED, by the Capitol Area Development Authority that the Board of Directors hereby authorizes the Executive Director to enter into a contract with THP Mechanical LLC in the amount of \$170,840 for completion of the HVAC Unit Replacements Project at 1515 8th Street.

Ann Bailey, Chair

ATTEST:

Tara Gandara
Secretary to the Board of Directors

PLEASE COMPLETE THE INFORMATION REQUESTED BELOW.

The preferred method of contact is email, so be sure to include the email contact information and provide a business card.

CAPITOL AREA DEVELOPMENT AUTHORITY - JOB WALK SIGN IN SHEET**HVAC Unit Replacements Project – 1515 8th Street, Sacramento****Job Walk Date: Wednesday, March 26, 2025 @ 11:00 a.m. @ 1515 8th Street, Sacramento****Bid Due Date: Friday, April 4, 2025 @ 10:00 a.m. @ 1522 14th Street, Sacramento – tgandara@cada.org****CADA**

| | Name and Address of Company | License Type and Number | Phone | Email | Signature/Date |
|----|--|----------------------------|-----------------|------------------------------------|----------------|
| 1. | Hometown Construction Inc. | B, C-20, C-36 704382 | 916 991 2486 | Bid4jobs@yahoo.com | 3/26/25 |
| 2. | EMCOR MESA | B, C-20 C-36 611215 | 916 6777093 | KDALKE@EMCOR.NET | 3/26/25 |
| 3. | Champion Industrial Contractors | B, C-20, C-36 | 209-524-6601 | bwalker@championindustrial.com | 3/26/25 |
| 4. | COMFORT AIR INC 1407 Turnpike Stockton, CA 95206 | 85895 C-20 | 209-466-4601 | jweirle@comfortairinc.com | 3/26/25 |
| 5. | Grimes Hvac 6210 miners ranch rd Oroville CA 95966 | C20 950254 | 530 9236298 | Bryan@grimesac.com | 3/26/25 |
| 6. | THP MECHANICAL 1261 HAWKS FLIGHT CT STE E EL DORADO ARIZ CA | B, C20, C36 790840 | 933-847-6324 | ESTIMATING & THP MECHANICAL.COM | 03-26-25 |
| 7. | AGLO Engineering Systems 10590 ARMSTRONG AVE Mather, CA | B, C20 120693 | 914-596 5124 | pdegreuning@acces.com | 3-26-25 |

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CAPITOL AREA DEVELOPMENT AUTHORITY - JOB WALK SIGN IN SHEET

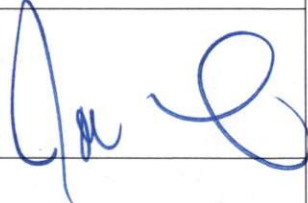

HVAC Unit Replacements Project – 1515 8th Street, Sacramento

Job Walk Date: Wednesday, March 26, 2025 @ 11:00 a.m. @ 1515 8th Street, Sacramento

Bid Due Date: Friday, April 4, 2025 @ 10:00 a.m. @ 1522 14th Street, Sacramento – tgandara@cada.org



CADA

| | Name and Address of Company | License Type and Number | Phone | Email | Signature/Date |
|-----|--|---|-----------------|-----------------------------|--|
| 8. | Premier Home | C-20/Grenada 945184 | 530 574-4225 | Joelwismech@gmail |  |
| 9. | THE ASS C 10381 OLD Placerville RD | 406794 615 812 8205 | 916 812 8205 | J Bucci@ AIRSYSTEMS1.COM |  3-26-25 |
| 10. | | | | | |
| 11. | | | | | |
| 12. | | | | | |
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| 14. | | | | | |



CAPITOL AREA DEVELOPMENT AUTHORITY — Bids Received

Project: HVAC Unit Replacements Project – 1515 8th Street, Sacramento**Job Walk: Wednesday, March 26, 2025 @ 11:00 a.m. @ 1515 8th Street, Sacramento****Bid Opening: Friday, April 4, 2025 @ 10:00 a.m. @ 1522 14th Street, Sacramento**

| | Name of Company | Bid | Non-Responsive |
|-----|---------------------------------------|---------------|-----------------|
| 1. | ASSC | \$ 254,241.00 | |
| 2. | EMCOR Services | \$ 196,118.00 | |
| 3. | Hometown Construction, Inc. | \$ 231,769.00 | |
| 4. | Grimes Heating and Air, Inc. | \$ 238,437.00 | |
| 5. | Champion Industrial Contractors, Inc. | \$ 184,967.00 | Missing Addenda |
| 6. | Comfort Air Inc. | \$ 230,300.00 | |
| 7. | THP Mechanical LLC | \$ 170,840.00 | |
| 8. | ACCO Engineered Systems, Inc. | \$ 171,250.00 | |
| 9. | | | |
| 10. | | | |

Verified: 4/4/2025
Date

 Signature


 Signature