

**DETERMINATION & FINDINGS
FOR
SOLE SOURCE PROCUREMENT**

Agency: Department of General Services
Contract No.: DCAM-22-CS-SS-0019
Caption: Eastern Market – HVAC System Upgrade
Contractor: Cinnovas Development Group, LLC

FINDINGS

1. AUTHORIZATION:

D.C. Code Section 2-354.04 and 27 DCMR Section 4718.

2. MINIMUM NEED:

The Department of General Services (the “Department” or “DGS”), has the minimum need to complete the upgrade of the HVAC system at the historic Eastern Market, including the installation of three 40-ton chillers and associated work.

3. ESTIMATED FAIR AND REASONABLE PRICE:

The Independent Government Cost Estimate (“IGCE”) to provide the required construction services for chiller replacement, HVAC upgrades, and Building Information Management (“BIM”) system updates is \$829,684.25.

4. FACTS WHICH JUSTIFY A SOLE SOURCE PROCUREMENT:

Cinnovas Development Group, LLC (“Cinnovas”) was awarded a Task Order No. 1 on July 6, 2021 in the amount of \$578,792.27 to provide design-build services to improve the HVAC system at Eastern Market. The award resulted from a competitive solicitation among existing IDIQ contractors in which Cinnovas was the only contractor to offer a proposal. The underlying Contract Number is DCAM-20-CS-RFQ-0002.

The original scope of work of the Task Order 1 included a complete assessment of the building’s HVAC system and the anticipated replacement of one chiller module out of seven modules, the replacement of two compressors in one module, and the update of the Building Information Management system and other associated work. As a result of the assessment, Cinnovas submitted the Conditions Assessment Report which uncovered previously unknown conditions of the HVAC system. DGS and EMCAC reviewed the details of the Conditions Assessment Report and it was concluded that the intended course of action would require further system enhancement by replacement of larger chillers and without this additional work, it would not achieve the desired level of efficiency. To keep the project moving forward without any further delay this sole source action of \$369,000.50 is essential to provide sufficient funding to Cinnovas to order new Chiller units from the manufacturer.

As this project has fallen behind, it would be beneficial to utilize Cinnovas to complete the revised scope of work. Cinnovas has acquired unique knowledge and expertise of the Eastern Market HVAC system due to their recent work at Eastern Market system. This knowledge will be invaluable to ensure the project progresses as planned and achieves an on-time completion of the project.

Cinnovas remains engaged at the site and ready to move forward. Any plan to approach the upgrades to the HVAC system without Cinnovas would result in additional costs and time, neither of which the project can afford.

5. CERTIFICATION BY THE DGS PROJECT MANAGER

I hereby certify that the above findings are correct and complete.

Hares Sayed
Sr. Project Manager
Capital Construction Services

Date

6. CERTIFICATION BY THE DEPUTY DIRECTOR OF CAPITAL CONSTRUCTION SERVICES:

I hereby certify that the above findings are correct and complete.

Tiffany Barthwell Moore
Deputy Director
Capital Construction Services

Date

7. CERTIFICATION BY CONTRACTING OFFICER:

I have reviewed the above findings and certify the findings are true, correct, and complete to the best of my knowledge.

James H. Marshall
Contracting Officer

Date

DETERMINATION

Based on the above findings and in accordance with the cited authority, I hereby determine that it is not feasible or practical to invoke the competitive solicitation process under either Section 402 or 403 of the District of Columbia Procurement Practices Reform Act of 2010 (D.C. Law 18-371; D.C. Official Code § 2-354.02 or 2-354.03). Accordingly, I determine that the District is justified in using the sole source method of procurement.

George G. Lewis, CPPO
Chief Procurement Officer
Chief of Contracts & Procurement

Date

EASTERN MARKET CHILLER REPLACEMENT WORK

Scope of Work for Solesource Procurement

July 6, 2022

Background:

Department of General Services (DGS) initiated a project for the design-build of the Chiller system for the Historic Eastern Market building. The Request For Task Order Proposals (RFTOP) was issued in the DGS ID/IQ Schedule Holders market on January 26, 2021, with a closing date of February 15, 2021. There was no bidder who showed up during the pre-bid Site Visit. The RFTOP was amended on February 26, 2021, with a closing date of March 5, 2021. The scope entails surveying the total building support system and developing a report on the Condition Assessment Survey, presenting the findings, and getting it approved by the DGS and the Eastern Market Community Advisory Committee (EMCAC). The final design will be developed and implemented based on the final approved Condition Assessment Report.

During the closing of the Request For Quotations, only one proposal was received from Cinnovas Development Group, LLC. After reviewing the proposal and doing the proper due diligence, the contract was awarded to Cinnovas Group on July 1, 2021, for \$580,806.27.

After the award, the contractor conducted a complete survey and submitted the Condition Assessment Report with details, as required by the scope of work. Both DGS and EMCAC reviewed the Condition Assessment Report and concluded that it requires a revision of scope.

According to instruction the contractor submitted their new proposed Chiller system comprising of total replacement of the existing chiller system and install 3–40-ton capacity chiller system on the rooftop of the building. To achieve better energy savings, they have submitted an energy survey and proposed a new BIM system. (Attached). They also submitted their price proposal for the total overhauling of the system (Attached).

Revised Scope of Work:

The revised cost for this proposed method will cost the District \$1,410,490.52 inclusive of all work associated with the project. That means it will cost the District an additional (\$1,410,490.52 - \$580,806.27) \$829,684.25, which is reasonable and recommended for approval.

Since the Cinnovas ID/IQ contract does not have enough ceiling during this Option Period, it was decided that to proceed with work without any interruption, Cinnovas will be awarded with a Solesource contract for the amount of \$369,000.50 and the rest of the amount \$460,683.75 will be awarded via a Change Order once the Council approves the Option year during the next fiscal year.

The specific work for this solesource award for the amount of \$369,000.50 includes purchase

of 3 new Multi Stack Chillers, purchase of 2 new CHW pumps.

The remaining work for the amount of : \$460,683.75 will be issued under a Change Order once the ID/IQ contract's Option Period is exercised. The specific work for that Change Order will include, installation of 3 new multi Stack chillers, 2 new CHW pumps, furnish and install 4 new FCU, insulation SOW deferred from base, power monitoring deferred from base, commissioning allowance deferred from base, demolition of 7 existing chillers, demolition of 2 CHW pumps, demolition of 4 FCU. Deferred chiller room sound insulation, chiller room waterproofing.