

City Council – Action Request Form

Date: August 12, 2025

To: Mayor, Mayor Pro Tempore, and Members of the City Council

From: Darren Redfield, Purchasing Manager
Diana Overbey, Historic Bethabara Park Supervisor
William Royston, Recreation and Parks Director

Council Action Requested:

Resolution Awarding Construction Contract for the Gemeinhaus and Distiller's House Repairs (North and Northwest Wards)

Strategic Focus Area: Good Government

Strategic Plan Objective: GG4: Maintaining and updating infrastructure and facilities

Summary of Information:

Repairs are desperately needed at the 1788 Gemeinhaus and 1803 Distiller's House due to deterioration and storm damage. Given the building age, staff and hired historic architect recommended accepting bids only from general contractors with historic building experience via the prequalification method outlined in N.C.G.S. 143-135.8. On May 5, the City Council approved using the prequalification process, which, following proper advertisement and receipt of four proposals, three general contractors were selected who met the minimum criteria.

The scope is selective demolition, structural framing repairs, exterior finish carpentry, wood shingle roofing, lead-coated copper roofing and flashing, exterior painting, interior plaster work, and other small repair work for the 1788 Gemeinhaus and exterior porch repairs at the 1803 Distiller's House. As a construction/repair bid, M/WBE subcontracting goals were established at 7% MBE and 3% WBE.

City/County Purchasing publicly advertised the formal bid, and a pre-bid meeting was held at Historic Bethabara, with all three prequalified general contractors attending to observe the full scope of work, ask questions, and be informed of the City's M/WBE program requirements. On the bid date of May 20, 2025, three bids were not received as required by North Carolina General Statute 143-132(a). Following proper legal re-advertisement, bids were then opened on May 27, 2025, with a summary as follows:

	<u>City/State</u>	<u>Total Bid</u>
Wilson-Covington Construction Co.	Winston-Salem, NC	\$400,700
Midwest Maintenance, Inc.	Piqua, OH	\$489,247
Frank L. Blum Construction, Inc.	Winston-Salem, NC	\$841,466

Committee Action:

Committee	Finance 08/12/2025	Action	Approval
------------------	--------------------	---------------	----------

For	Unanimous	Against	
------------	-----------	----------------	--

Remarks:

No bidder met the M/WBE goals. The low bidder, Wilson-Covington, failed to properly complete a required M/WBE form, causing its bid to be rejected as non-responsive. The next lowest bidder, Midwest Maintenance, Inc., failed its good faith effort. The third bid was deemed too far over budget to consider.

Following this setback, the project was immediately re-advertised to the prequalified bidders. With the scope unchanged, the M/WBE subcontracting goals remained at 7% MBE and 3% WBE. Bids were then opened on June 26, 2025, with a summary as follows:

	<u>City/State</u>	<u>Total Bid</u>
Wilson-Covington Construction Co.	Winston-Salem, NC	\$430,700
Midwest Maintenance, Inc.	Piqua, OH	\$512,356
Frank L. Blum Construction, Inc.	Winston-Salem, NC	\$670,458

The low bidder, Wilson-Covington Construction Co., submitted M/WBE subcontracting goals of 0% MBE and 0% WBE. Therefore, pursuant to the City's M/WBE Policy, the Internal M/WBE Committee and the Citizen's Advisory Committee met (separately) to consider the bidder's good faith efforts which follow this resolution. Both committees reviewed all good faith effort documentation and deemed the effort insufficient, which renders Wilson-Covington Construction Company's bid non-responsive.

The next lowest bidder, Midwest Maintenance, Inc., submitted M/WBE subcontracting goals of 0% MBE and 0% WBE. Therefore, pursuant to the City's M/WBE Policy, the Internal M/WBE Committee and the Citizen's Advisory Committee met separately to consider the bidder's good faith efforts which follow this resolution. Both committees reviewed all good faith effort documentation and deemed the effort sufficient, so the project may be awarded to them.

Therefore, it is recommended that the contract in the total amount of \$512,356 be awarded to Midwest Maintenance, Inc., who will be required to subcontract 0% to minority businesses and 0% to woman-owned businesses, as indicated on Affidavit 'D' submitted by the company.

The City budgeted up to \$750,000 for this project in FY23-24; however, the architect's estimate was \$571,300. The desired contractor start date was July 1. Now the start date will be mid-September at best. The construction timeline is four months.

M/WBE comment: All three contractors were offered the opportunity to meet with one of the City's Diversity Compliance Specialists on how to fill out the required M/WBE forms and how to perform a good faith effort that will pass the City's M/WBE program requirements. Midwest Maintenance was the only company to schedule such a meeting.