

City Council – Action Request Form

Date: May 14, 2024

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

Ben Rowe, Assistant City Manager

From: George Morales, Property and Facilities Management Director
Darren Redfield, Purchasing Director

Council Action Requested:

Resolution Awarding Construction Contract for N. Cleveland Avenue and Willie Davis Apartments Project (Northeast Ward)

Strategic Focus Area: Service Excellence

Strategic Objective: Ensure Service Delivery Efficiency and Effectiveness

Strategic Plan Action Item: No

Key Work Item: Yes



Summary of Information:

The City-owned apartments at 1200 Willie Davis Drive and 1635 N. Cleveland Avenue were identified as needing major renovations and updating last year. On May 15, 2023, City Council allocated funding for the renovations, and staff initiated the project. An architect was retained to conduct due diligence with Property and Facilities Management staff and to scope the project. The work includes minor demolition, roofing, steel decking repairs, walls and framing, flooring, other interior finishes, plumbing, mechanical, electrical, landscaping, and coordinating the moving of resident belongings to/from units.

City/County Purchasing advertised a bid for the N. Cleveland Avenue and Willie Davis Apartments Project with a mandatory virtual pre-bid meeting held on January 29, 2024 with fifteen contractors and suppliers attending. Bids were scheduled to be received on February 14, 2024, but fewer than three bids were offered as required by North Carolina General Statute (N.C.G.S.) 143-132(a). Therefore, in accordance with N.C.G.S. 143-129, the project was re-advertised, and two bids were received on February 22, 2024, with a summary as follows:

	<u>City/State</u>	<u>Total Bid</u>
Risa Home Improvements & Construction, LLC	Jamestown, NC	\$ 534,055.00
Dreambuilt Construction, Inc.	Advance, NC	1,353,870.00

However, the low bidder did not pass their Good Faith Effort review on March 19, and the second bidder was too far over budget to consider. This necessitated re-bidding the project.

Committee	FC 06/11/2024	Action	Approval
For	3 (Aye)	Against	1 (Nay) CM J. MacIntosh

Remarks:

Purchasing immediately sent the project out for re-bid with another mandatory virtual pre-bid meeting held on April 3, 2024, with three contractors and seven subcontractors attending. Again, fewer than three bids were received as required, so the project was re-advertised as authorized. Bids were opened on April 18, 2024, with only one bid received:

	<u>City/State</u>	<u>Total Bid</u>
Risa Home Improvements & Construction, LLC	Jamestown, NC	\$712,857.43

Risa Home Improvements submitted subcontracting goals less than those established for this project of 10% with minority-owned businesses and 5% with women-owned businesses. Therefore, pursuant to the City's M/WBE Policy, the M/WBE Citizen Advisory Committee met to review and consider all documentation of Risa's good faith efforts, which follows this resolution. The Committee determined that the company did make the necessary good faith efforts.

N.C.G.S. 143-128.2(f) requires a contractor to accumulate a minimum of 50 out of 100 points to demonstrate a Good Faith Effort. In addition to the points system, state legislation explicitly lists the efforts required by a contractor. In the review conducted by the M/WBE Citizen Advisory Committee, the contractor must accumulate a minimum of 115 out of 180 points to demonstrate a Good Faith Effort. The City's stringent modification ensures contractors are exhausting all opportunities, per the statute's specifications, to achieve HUB-certified minority and women-owned business participation.

Risa Home Improvements will be required to subcontract, at a minimum, 11.2% of this contract with certified minority-owned businesses and 0% with certified women-owned businesses as indicated on the Affidavit "D" submitted by the company.

Therefore, it is recommended that a contract be awarded to Risa Home Improvements & Construction, LLC, the lowest responsive, responsible bidder meeting specifications, in the total amount of \$712,857.43. The project estimate was \$700,000 and the Council approved allocation was \$750,000.

M/WBE comment: This project was advertised on the City and State websites, with several electronic plan rooms, and bid invitations were sent directly to 79 general contractors and trade subcontractors. Notifications were sent to all local M/WBE and regional HUB businesses on a bi-weekly basis. See Exhibit A for a complete list of businesses that were notified about the bidding opportunity and the low bidder's workplace demographics. Risa Home Improvements & Construction, LLC is a minority-owned business.