

City Council – Action Request Form

Date: March 15, 2021

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

From: Damon C. Dequenne, Assistant City Manager
Robert Prestwood, Engineering
Jerry Bates, Purchasing Director

Council Action Requested:
Resolution Awarding Construction Contract for Fire Station 13 (South Ward)

Strategic Focus Area: Safe and Secure Community
Strategic Objective: Improve Public Safety Service Quality
Strategic Plan Action Item: Yes
Key Work Item: Yes



Summary of Information:
 The City advertised bids for construction of a new fire station, a 2018 G.O. Bond project. The scope of work includes grading, erosion control, storm drainage and detention areas, 30-space asphalt parking lot, concrete drive and walks, water and sewer lines, trees and landscaping. The 17,400 sq. ft. station will have three apparatus bays, living quarters, kitchen, laundry, etc. A secure vestibule connects to a large training room with offices and warming pantry, which doubles as public meeting space. Add Alternate #1 is for a 2,500 sq. ft. public museum wing to chronicle the history of the fire department.

Bids were received on November 19, 2020, with a summary of bids as follows:

	<u>City/State</u>	<u>Base Bid</u>	<u>Alternate #1</u>
Holden Building Company, Inc.	Greensboro, NC	\$4,299,000	\$295,000
Davie Construction Co.	Advance, NC	4,419,932	363,052
New Atlantic Contracting, Inc.	Winston-Salem, NC	4,514,000	300,000
Fourth Elm Construction, LLC	Kernersville, NC	4,540,160	406,600
Bar Construction Co., Inc.	Greensboro, NC	4,608,000	326,800
I.L. Long Construction Co.	Winston-Salem, NC	4,620,000	296,000
Muter Construction	Zebulon, NC	4,697,000	311,000
H.M. Kern Corporation	Greensboro, NC	4,878,000	359,000
H & M Constructors	Asheville, NC	5,065,000	320,900
Cooper Tacia General Contracting	Raleigh, NC	5,065,000	320,900
Wilson-Covington, Inc.	Winston-Salem, NC	5,270,569	499,388
S & S Building and Development	Greensboro, NC	5,338,000	367,600
MWM Construction, Inc.	Greensboro, NC	6,269,000	386,000

Committee Finance 3/15/2021 **Action** Approval

For Unanimous **Against** _____

Remarks: _____

The low bidder, Holden Building Company, Inc., submitted subcontracting goals less than those established for this project of 19% with minority-owned businesses and 13% with women-owned businesses. Therefore, pursuant to the City's M/WBE Policy, the Citizen's M/WBE Advisory Committee met to review and consider all documentation of the bidder's good faith efforts which follow this resolution. The committee determined that the bidder did make necessary good faith efforts to achieve the established subcontracting goals. 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 point system, state legislation explicitly lists the efforts required by a contractor. In the review conducted by the M/WBE Citizens 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 certified minority- and women-owned business participation. Holden Building Company, Inc. will be required to subcontract, as a minimum, 3.0% of this contract with certified minority-owned businesses and 6.0% with certified women-owned businesses as indicated on the Affidavit "D" submitted by the company.

All bids exceeded the construction budget of \$4,000,000 allocated by the 2018 G.O. Bond. Therefore, the city entered negotiations with the low bidder, as allowed by N.C. General Statute 143-129(b), in an effort to bring the project within the funds available. The following scope was removed or changed: eliminated some parking and associated sidewalks, eliminated a retaining wall by moving the generator, switched to a diesel powered generator, removed the cupola architectural roof feature, changed lobby tile flooring to polished concrete, and Duke Energy will install the site lighting. The lengthy value engineering effort, agreed to by both parties, resulted in a cost savings of \$110,394.

It is therefore recommended that a contract be awarded to Holden Building Company, Inc., the low bidder meeting specifications, in the negotiated total amount of \$4,188,606. The designer's base bid estimate was \$3,777,548. The overall project budget totals \$5,000,000 including design, construction, and project contingency. The additional funding for construction will come from savings in design and project contingency.

M/WBE comment: This project was advertised on the City and State websites and with several electronic plan rooms. Notifications were sent to all local M/WBE and regional HUB businesses on a weekly basis. See Exhibit A for a complete list of businesses that were notified the bidding opportunity and the low bidder's Workplace Demographics form.