

City Council – Action Request Form

Date: December 10, 2024

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

From: Robert Mulhearn, W-S Public Assemblies Facilities Manager
 Darren Redfield, Purchasing Manager
 George Morales, Property and Facility Management Director
 Ben Rowe, Assistant City Manager

Council Action Requested:
 Resolution Awarding Construction Contract for the Dehumidification Unit Upgrade at the Winston-Salem Fairgrounds Arena (North Ward)

Strategic Focus Area: Economic Vitality and Diversity
Strategic Objective: Promote Travel and Tourism
Strategic Plan Action Item: No
Key Work Item: Yes



Summary of Information:

City Council allocated funding in the 2023 Limited Obligation Bonds (LOBS) for the purpose of updating the Fairgrounds Arena ice rink. On November 18, 2024, the City Council awarded the ice rink reconstruction contract. Upgrading the dehumidification system is the second part of the project, which will strengthen the functionality of the climate control system during the six-month ice season.

This project will replace aged air handlers and install a new dehumidification unit with associated ductwork and hydronic piping. Subcontracting trades include electrical, concrete, selective demolition, and fencing. Given the multiple trades present in the project, it was handled as a formal construction/repair bid with M/WBE subcontracting goals established at 7% MBE and 4% WBE.

City/County Purchasing advertised a formal bid, and a pre-bid meeting was held at the Arena with eight firms attending. On the bid date of October 29, 2024, 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 November 5, 2024, with a summary as follows:

	<u>City/State</u>	<u>Base Bid</u>
Professional Air Systems, LLC	Rural Hall, NC	\$1,339,000
Ridge Mechanical, Inc.	High Point, NC	\$1,453,540

Committee Action:

Committee	Finance 12/10/24	Action	Approval
For	Unanimous	Against	

Remarks:

The low bidder, Professional Air Systems, LLC, submitted M/WBE subcontracting goals of 2% MBE and 8% WBE. Therefore, pursuant to the City's M/WBE Policy, the Internal M/WBE Committee met to consider the bidder's good faith efforts which follow this resolution. The Committee reviewed Professional Air Systems good faith effort documentation and deemed their effort insufficient, which renders their bid non-responsive.

Therefore, it is recommended that the contract be awarded to Ridge Mechanical, Inc., who submitted subcontracting goals of 7.4% MBE and 4.0% WBE, which meets the subcontracting goals established for this project.

The City budgeted \$3,000,000 to rebuild the ice rink and upgrade the climate control system of the Fairgrounds Arena. The funding allocated from 2023 LOBS is sufficient to cover this contract at \$1,453,540 and the ice rink contract at \$1,191,360, for a total of \$2,644,900, and allows a project contingency of 11.8%, if needed.

M/WBE comment: Bid invitations were sent directly to 35 mechanical contractors, including six minority and two woman-owned businesses. 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 bi-weekly basis. See Exhibit A for a complete list of businesses notified about the bidding opportunity and recommended contractor's workforce demographics.