

City Council – Action Request Form

Date: December 10, 2025

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

From: Ben Rowe, Assistant City Manager

Council Action Requested:

Items Authorizing Capital Expenditures for the Benton Convention Center (North Ward):

- a. Resolution Awarding Sole Source Contract to Schindler Elevator Corporation for Benton Convention Center Freight Service Elevator Modernization Project
- b. Amendment to FY 2024-2025 Project Budget Ordinance

Strategic Focus Area: Economic Vitality and Diversity

Strategic Objective: Promote Travel and Tourism

Strategic Plan Action Item: NA

Key Work Item: NA



Summary of Information:

In 2017, the City completed a major renovation of the M.C. Benton, Jr. Convention and Civic Center (“The Benton”) that invested approximately \$20 million in improvements to enhance the aesthetics and marketability of the building. Except for the years impacted by the COVID-19 pandemic, The Benton has experienced record revenue growth as the City’s operator, Hospitality Ventures Management Group (HVMG), working with Visit Winston-Salem, has attracted larger conference and group business over the last five years. Attachment A provides two tables—one showing the trend in total revenues over the last ten years and the other showing a decreasing subsidy from the City.

The facility assessment conducted in 2012 and 2013 not only identified opportunities to improve the aesthetics of The Benton, but it also identified “back of the house” needs that would impact operations. However, the primary focus of the project was centered on improving the marketability and financial performance of the building.

In recent years, The Benton has experienced an increasing number of issues with mechanical systems, the roof, and elevators. The freight service elevator, which is critical to the efficient

Committee Action:

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

operation of the building, is inoperable and now requires a major refurbishment to restore service. The freight service elevator is used for receiving and transporting large quantities of food and other product deliveries for small and large events held at The Benton. With the freight service elevator down, all items currently are being transported in a small passenger elevator not located next to the kitchen/loading dock, making it a challenge to provide top quality service for customers and those who visit The Benton.

Schindler Elevator Corporation is the contracted service provider for the elevators and escalators at The Benton. There are four elevators that are serviced by Schindler Elevator Corporation, which has investigated and tested the freight service elevator and found it to have defects that are beyond repair due to age. It is critical that this elevator is brought back in service as soon as possible. The parts that need to be obtained require a long lead time, and it takes significant advanced planning to schedule and complete this project.

Property and Facilities Management staff received a proposal from Schindler Elevator Corporation to repair this elevator. The estimated cost is \$376,060 for the modernization. There is also an alternate estimate to replace the cab enclosure for \$44,635 as well as the possible cost for fire system tie-in work by others.

Contracting with Schindler Elevator Corporation, as the contracted service provider for The Benton, would avoid any incompatibility issues or concerns. It would not be prudent to introduce another service provider and have two service providers. Doing so potentially could create an opportunity for multiple service providers to blame the other for any operational issues that may arise. North Carolina General Statute 143-129(e)(6)(iii) authorizes local governments to enter a sole source contract when standardization and compatibility are the primary factors for selecting a particular contractor. The Property and Facilities Management Department has used Schindler Elevator Corporation for other needs of the City, and staff have found them to be reliable on several jobs.

As part of the adopted FY 2024-2025 budget, the City Council appropriated \$1 million to replace the roof at The Benton. City staff have researched the cost for this work and determined that the cost is significantly higher than the budget. In addition, the cooling towers on the roof of The Benton have exceeded their useful life and require replacement. The City would need to consider other financing options to fund this project. As a result, City staff request repurposing the \$1 million originally budgeted for the roof replacement to address the following needs at The Benton:

Modernization of the Freight Service Elevator	\$421,000
Roof Repair	200,000
Facility Assessment	150,000
Winston Ballroom Lights	100,000
Contingency	129,000
Total	\$1,000,000

There is a section of The Benton's roof that requires immediate attention to prevent the infiltration of water into the kitchen area of the building. The facility assessment would focus

on identifying all “back of the house” needs that would improve the efficiency of building operations. This assessment would provide the basis for future consideration of long-term funding to address these needs.

Finally, due to the recent issues with building systems and infrastructure, City staff recommend reserving \$250,000 from the savings realized in FY 2023-2024 as a result of The Benton’s outstanding financial results. These funds would serve as a contingency against future unforeseen capital needs.

This Council Action includes the following items: a resolution authorizing a sole source contract with Schindler Elevator Corporation to modernize the freight service elevator for \$420,695 and an amendment to the FY 2024-2025 Project Budget Ordinance to appropriate an additional \$250,000 to address future facility maintenance needs.