

**Item Title:** Award Construction Contract in the Amount of \$2,882,000 for the Wake County Office Building Second Floor Renovation

**Specific Action Requested:**  
**That the Board of Commissioners:**

- 1. Awards a construction contract to Harrod and Assoc. Constructors, Inc. of Raleigh, North Carolina in the amount of \$2,882,000 for the Wake County Office Building 2<sup>nd</sup> Floor Renovation; and**
- 2. Approves the reallocation of \$130,000 in savings from various Wake County projects to the 2<sup>nd</sup> Floor Renovations in the Wake County Office Building.**

**Item Summary:**

**Purpose:** State statute requires the Board of Commissioners to approve all public bid construction projects more than \$500,000. Also, Section 9 of the Capital Improvement Fund Project Ordinance for FY2015 requires Board of Commissioners' approval for transfer between elements or programs.

**Background:** The Waverly Akins Wake County Office Building was constructed in 1940. It is a 16-story high-rise building containing 264,000 square feet of space. In 1978, Wake County became the owner and operator of the building.

In 2011, a Building Master Reuse Study was completed for the Office Building. The study established a long term, 20-year plan for how each floor would ultimately be occupied, renovated, and "restacked."

This project is the third phase of the re-stack for the Office Building. The scope of this phase is to upfit the entire 2<sup>nd</sup> Floor (19,480 square feet). The renovation includes new office space, conference rooms, training rooms, elevator lobbies, support spaces, new mechanical, electrical, plumbing and sprinkler services and ADA compliant restrooms to serve Information Services and Human Resources Training. In preparation for this new renovation phase, a contract was previously awarded in December 2017 for demolition and abatement of asbestos containing pipe insulation. The demolition and abatement work on this previously awarded contract is complete.

**Board Goal:** This Board action supports routine County business.

**Fiscal Impact:** For this project, professional services, construction and FF&E are funded separately in the FY18, FY19 & FY20 Capital Improvement Plan. A reallocation of savings from other projects is requested to support funding of construction contingency as described below. There is no impact on the budget appropriation of the County Capital CIP.

### **Additional Information:**

The Waverly Akins Wake County Office Building was originally designed for the Durham Life Insurance Company, and also housed a local broadcast media outlet. The building was not only one of the first skyscrapers in Raleigh, built in 1940, but housed retail and dining facilities making it one of the first true urban buildings in the city center. Wake County purchased the building in 1978.

In 2011, a Building Master Reuse Study was completed for the Office Building. This was in anticipation of several floors that would be vacated once the Wake County Justice Center was completed in 2013. The study established a long term, 20-year plan for how each floor would ultimately be occupied or “restacked.” In addition to this, over the years, several building systems have exceeded their useful lives, building codes have evolved, and the American for Disabilities Act (ADA) was enacted.

The Board of Commissioners have approved \$12,500,000 in total funding through CIP allocations from FY15 thru FY19 to the WCOB to support the 20-year restack plan and system upgrade projects. The 2<sup>nd</sup> Floor Renovation construction funds are part of the approved FY19 allocation.

The Building Master Plan Study completed in 2011 established a comprehensive multi-year, multi-purpose renovation plan for the building to accomplish the following: 1.) Renovate Floors 2, 4, 8, 9, 11 and 13 (with minor renovations on other floors) 2.) Update restrooms where possible to meet ADA requirements 3.) Replace Air Induction HVAC units with energy efficient heating and air conditioning units 4.) update the main electrical system in the building to a more efficient transformer size and feeders 5.) update the fire and life safety systems 6.) update telecommunications wiring and termination points to accommodate the County’s migration to a new internet based phone system (Voice Over Internet Protocol or VoIP). The scope of this long-term plan is not unlike what was completed over a twelve-year period with renovations in the Wake County Courthouse.



The 2nd Floor Renovation to the Wake County Office Building aligns with the goals and objectives of the Master Plan. This is the third project in the plan.

On October 18, 2018, bid proposals were received for this renovation project in the Wake County Office Building. Unfortunately, only two bids were received. In accordance with NC Statutes, less than three bids were received so bids could not be opened, and the project was re-bid.

On November 8, 2018, bid proposals were again received. Two qualified general contractors submitted bids. Staff recommends award of a construction contract to the lowest responsible, responsive bidder, Harrod and Assoc. Constructors, Inc. of Raleigh, NC in the amount of \$2,882,000. A bid tabulation of bids received is attached for review.

The bid price for construction is higher than the original designated FY19 budget but within the funds available. However, in order to provide adequate contingency for a renovation project of this complexity, a reallocation of savings from two other projects is proposed for this project budget. The total of this reallocation is \$130,000, as described further below in a reallocation table and in the attached Project Cost Summary.

With award of this contract, construction is scheduled to begin in February, and will be completed in Fall 2019.

**Savings Reallocation:**

Project savings have been identified in two projects within the County Buildings CIP element to be reallocated to this project. This reallocation does not amend the budget appropriation of the County Capital CIP.

<b>CIP Reallocation</b>			
<b>Fund 4100: County Capital CIP</b>			
<b>Project</b>	<b>Current Appropriation</b>	<b>Reallocation</b>	<b>Revised Appropriation</b>
<b>FROM</b>			
PSC Deck Coating	731,000	(30,000)	701,000
Annex Roof	882,500	(100,000)	782,500
<b>TO:</b>			
WCOB Renovations	8,463,254	130,000	8,593,254

**Attachments:**

1. Bid Tabulation
2. Project Cost Summary