

**Item Title:** Award Construction Contract for Mechanical System Replacement at South Wilmington Street Center

**Specific Action Requested:**

**That the Board of Commissioners awards a construction contract in the amount of \$669,000 to Comfort Systems USA of South Boston, Virginia and authorizes the County Manager to execute this contract for the Mechanical System Replacement at South Wilmington Street Center.**

**Item Summary:**

**Purpose:** State statute requires the Board of Commissioners to approve all public bid construction projects of more than \$500,000.

**Background:** Wake County has responsibility for over 171 buildings totaling over 5 million square feet of building space. In order to protect the County's investment in its facilities, various building components and systems are replaced in County buildings when these systems reach the end of their useful lives.

The South Wilmington Street Center is located at 1420 S. Wilmington Street south of downtown Raleigh. This building was originally renovated in 2001 and serves as an emergency and transitional shelter for homeless men. Facility condition assessments show a need to upgrade major HVAC and control systems in the facility. This Board action approves a contract to upgrade the facility chiller and air handling units and modify the building controls.

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

**Fiscal Impact:** This project was previously funded in the FY2019 Capital Improvement Plan. Additional project funds will be needed but budget will be transferred from other projects within the County Buildings element as is allowable under the budget ordinance.

**Additional Information:**

The South Wilmington Street Center is a one-story building and contains 31,330 square feet. The facility is fully occupied and operates 24 hours per day, 7 days per week every day of the year. The building provides shelter for homeless men with overnight short-term dorms and longer-term dorms to shelter men who engage in various services. In addition to temporary housing, this facility provides case management, budgeting/credit counseling, and mental health/substance abuse treatment.

Many of the core systems in the building are outdated, have exceeded their useful life and are requiring numerous repairs to keep the facility operating. This type of 24/7/365

operating facility can reduce the life cycle of the mechanical systems from an average of 20 years to 12 - 15 years. This project will upgrade and replace essential building HVAC systems, to improve and maintain consistent appropriate temperatures in the work and housing environment for staff, public, and shelter occupants, and will provide essential updates for the controls and maintenance of the facility.



The project construction process will be coordinated and sequenced so that occupied areas of the facility will see limited impacts to operations from this project as most of the work primarily is limited to non-occupant areas of the facility.

On January 29, 2019, bids for this project were received from qualified licensed contractors in accordance with NC General Statutes. A tabulation of bids received is attached for review. Staff recommends that a construction contract be awarded to the lowest responsive, responsible bidder, Comfort Systems USA of South Boston, Virginia in the amount of \$669,000.

Bid pricing was above the budget, which has been consistent with challenges experienced in the current bid market, with high costs due to the labor shortage in the mechanical trades in particular. Thus, County staff identified savings from other two other projects and a reserve holding account for building systems projects within the County Building Improvements CIP Element that will be transferred to this project per the chart on the next page. A Project Cost Summary is attached to this agenda item for reference.

### **Budget Reallocation:**

The chart below identifies the proposed transfer of funds to this project from other projects within the County Buildings Improvement element, as permitted by the Budget Ordinance. This reallocation does not amend the budget appropriation of the County Capital CIP.

Project	Current Appropriation	Reallocation	Revised Appropriation	Impact to Original Project
<b>TO</b>				
S Wilmington St Center HVAC	538,041	246,701	784,742	
<b>FROM</b>				
Sunnybrook HVAC	1,075,862	(175,000)	900,862	Savings available, costs under budget
Mechanical, Electrical, and Plumbing Funding	699,375	(25,000)	674,375	CIP level funding
Crabtree Creek Site 11A Stormwater Device Replacement	205,291	(46,701)	158,590	Project is complete

It is anticipated that a Notice to Proceed will be issued in early April 2019 and that construction will be substantially complete by the end of October 2019.

**Attachments:**

1. Bid Tabulation
2. Budget Summary