



**Agenda Action Form Overview**

Approval of Capital Project Amendment No. 20CPA000015 appropriating \$10,029,049 to the Administration Building Renovation I Project and to authorize the County Manager to enter into a contract with Resolute Building Company of Chapel Hill, N.C. for the construction of renovations to the Durham County Administration 1 Building, located at 200 E. Main Street, Durham, in the negotiated amount of \$8,410,000.00 (Base bid as negotiated for Phase 1 and 2 only) and to execute any other related contracts including change orders, if necessary, not to exceed the current construction budget of \$8,914,000.00 (See Attachment 2, Pages 1 - 15).

**Background/Justification**

General Fund dollars will fund purchases made before future financing of Limited Obligation Bonds (LOBs) funds are available through an interfund loan not to exceed \$10,029,049 and will be reimbursed/repaid as the financing funds become available.

The construction of the Durham County Administration 1 Building Renovations project was advertised in local newspapers on June 11, 2019. A pre-bid conference was held on June 19, 2019 and a bid opening was held on July 25, 2019. No bids were received. The project was re-advertised for bid (IFB 20-001R1) on July 1, 2019, and three (3) bids were received on August 20, 2019. Resolute Building Company submitted the lowest base bid of \$10,970,300.00 plus an additional \$1,121,675.00 for the Alternates, totaling \$12,091,975.00 (Base bid plus Alternates).

Due to the strong construction market, combined with the complexity of changing out building systems in an occupied building where the existing systems must remain operational, the construction costs came in significantly higher than anticipated. Value engineering efforts were undertaken but were ineffective in making a significant impact in the overall construction cost.

The architect team, in conjunction with the contractor, felt that the best way to proceed was to divide the implementation into two stages – the first being the implementation of Phases 1 and 2 of the project, effectively addressing the renovation of the Ground, 1<sup>st</sup>, 4<sup>th</sup>, and 4M floors, which constitute the first two planned phases of the project. No alternates would be included, and additionally, the Wellness Center, planned to be relocated from Human Services to the renovated First Floor of the Admin 1, would not be implemented at this time.

This initial work will replace the main building systems infrastructure, as well as the architectural and systems work on each of the renovated floors. Accommodations will be made to allow the building to remain occupied during the phased construction period with minimal impact to personnel. The renovation phasing plan is designed to allow for a single relocation of personnel from their current office to their newly renovated floor. The first phase will renovate the Ground and 1st floors, upon which relocation of Internal Audit, Budget & Management to the Ground floor and Human Resources to the 1st floor will free up floors 4 and 4M for the next phase of renovation. Renovation of these two floors will allow the Attorney's Office and personnel to relocate to the 4<sup>th</sup> floor and IS&T to move personnel from the 5<sup>th</sup> floor to 4M to relieve current congestion issues and to repatriate staff currently residing in CJRC.

The completion of this initial stage, funding through this AAF, would primarily leave floors 2 and 3 unrenovated. The Attorney's Office would have relocated to their renovated space on the 4<sup>th</sup> floor, leaving the 2<sup>nd</sup> Floor Attorney's space available for use as expansion space for the Manager's



Office. The Third Floor will have been vacated as well and could be used for various touchdown areas or temporary office space as needed until the final renovation takes place.

The reduced scope contract for Phase 1 and 2 would be awarded in December 2019 and work would be completed during 3Q2020. The board would have the option during 1H2020 to consider additional funding to continue the phased construction of phases 3 through 5, or any part thereof, to address the remaining components of the overall renovation.

The project will improve department consolidation and adjacencies along with addressing other building issues identified during the programming/evaluation phase, including replacement of all major building system components.

This agenda item has been reviewed and approved by the Purchasing Division. After the review of IFB 20-001, Durham County Administration 1 Building Renovations, Resolute has met the minimum 50 points required by GS 143-128, and has satisfied the necessary Good Faith Efforts. Resolute has identified 20.1% M/WBE participation of the total 27.57% M/WBE goal for construction subcontracting. However, the vendor has committed to working with Durham County to seek additional M/WBE participation if the opportunity prevails.

The Engineering Department has reviewed the bid proposals with the Purchasing Division, General Services, County Manager staff, and DTW Architects & Planners, Ltd., the Project Architects, and recommends that the County proceed with base bid work and award a contract to Resolute Building Company. Funding for this project is available through the Administration Building Renovation Capital Project Account, pending the approval of additional funding through Capital Project Amendment No. 20CPA0000015. Completion of this project will provide a better facility for service delivery.

### **Policy Impact**

This project was approved during the FY 16-17 Capital Improvement Plan update (pg.3). Funding for the design and preliminary activities is available in the Administration Building Renovations Project.

### **Procurement Background**

Construction services for this project were bid under a formal IFB public bid process, where the expected contract cost was over \$500,000, per purchasing guidelines.

#### **Type of purchase**

- ☐ Goods
- ☐ Services
- ☐ Architect, Engineer or Surveyor Services
- ☒ Construction and Repair

**Did this request for purchase go through a bid process? Yes ☒ No ☐**



**Durham County Government**  
**Agenda Action Form Supplemental Document – Contract Approval**

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Goods: Bids required if  $\geq$  \$30,000, BOCC approval if  $\geq$  \$90,000  
Services: Bids required if  $\geq$  \$30,000, BOCC approval if  $>$  \$40,000  
Construction/Repair work: Bids required if  $\geq$  \$30,000, BOCC approval if  $\geq$  \$500,000

If yes, attach a copy of bid tab and the minority and women business enterprise (MWBE) compliance review form provided by the Purchasing Division.

If no, why?

- ☐ Sole source exemption
- ☐ Cooperative purchasing program exemption
- ☐ State and federal contract exemption
- ☐ Contract is an amendment to an existing contract
- ☐ Other (please explain)

**If exempted from bidding, has this request been reviewed and approved by the Purchasing Division in the agenda Legistar system?    Yes ☐ No ☒**

If no, why?

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**Fiscal Impact**

Funding for this Architectural Services contract is available in the Administration Building Renovations Capital Project Account pending approval of the CPA.

**Recommendation**

The County Manager recommends that the Board approve the Capital Project Amendment No. 20CPA000015 appropriating \$10,029,049 to the Administration Building I Renovation Project and to authorize the County Manager to enter into a contract with Resolute Building Company of Chapel Hill, N.C. for the construction of renovations to the Durham County Administration 1 Building, located at 200 E. Main Street, Durham, in the negotiated amount of \$8,410,000.00 (Base bid as negotiated for Phase 1 and 2 only) and to execute any other related contracts including change orders, if necessary, not to exceed the current construction budget of \$8,914,000.00 (See Attachment 2, Pages 1 - 15).