

Legislation Details (With Text)

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| File created: | 9/4/2018 | In control: | | City Council Business Meeting | |
| On agenda: | 11/26/2018 | Final action: | | 11/26/2018 | |
| Title: | Construction Manager at Risk Services for the Charlotte Convention Center Phase I Renovation | | | | |
| Attachments: | 1. Location Map - Charlotte Convention Center Phase 1 - Construction Phase, 2. Convention Center Ordinance C, 3. Convention Center Ordinance D, 4. Convention Center Ordinance E | | | | |
| Date | Ver. | Action By | Action | | Result |
| 11/26/2018 | 1 | City Council Business Meeting | Approve | | Pass |

Construction Manager at Risk Services for the Charlotte Convention Center Phase I Renovation

- A. Approve a Construction Manager at Risk contract in an amount not to exceed \$98,000,000 with Holder-Edison Foard-Leeper Company for the construction phase of the Convention Center Phase I Renovation project,**
- B. Approve a contract in the amount of \$2,000,000 with TVS North Carolina, P.C. for architectural services during bidding, construction, and close-out phases,**
- C. Adopt a budget ordinance appropriating \$110,000,000 from the Convention Center Tax Fund for the Convention Center Phase I Renovation,**
- D. Adopt a budget ordinance to amend the Fiscal Year 2019 budget to transfer \$2,500,000 from the Convention Center Tax Fund to the Convention Center Phase I Renovation, and**
- E. Adopt a budget ordinance appropriating an additional \$2,500,000 from the Convention Center Tax Fund Balance for the Convention Center Phase I Renovation.**

Staff Resource(s):

Tracy Dodson, City Manager's Office
Mike Davis, Engineering and Property Management
Robert Campbell, Finance

Explanation

- In 2015, the Charlotte Regional Visitors Authority (CRVA) initiated a study to improve competitiveness of the 22-year-old Charlotte Convention Center, a City-owned and maintained facility (Council District 1). The study concluded that several improvements would advance the Convention Center's marketability and competitiveness.
- On September 25, 2017, City Council approved the set-aside of \$110,000,000 of future debt capacity for the Convention Center Phase I Renovation.
- The Convention Center Phase I Renovation incorporates several facility improvements identified in the study, including:
 - Enhancing the meeting experience,
 - Increasing the amount of breakout space,
 - Creating new, pedestrian-friendly connections between the Convention Center and Center City, and

- Upgrading technology and buildings systems.
- City Council has received several presentations from CRVA and City staff throughout the life of the project since 2016. The most recent presentation, which outlined the proposed renovation, budget, and construction schedule, was provided during the Strategy Session on November 5, 2018.

Action A

- The City has selected the Construction Manager at Risk (CMAR) project delivery method to provide more effective coordination, more control of project costs and schedule, and to better mitigate risks during construction.
- Representatives from the City and CRVA selected Holder-Edison Foard-Leeper Company using the qualifications-based selection process to provide construction management services for the proposed improvements to the Convention Center.
- This contract with Holder-Edison Foard-Leeper Company is for Construction Phase Services for the coordination of all construction activities and delivering the project in collaboration with the City and the design consultant.
- Holder-Edison Foard-Leeper Company as the CMAR will not be allowed to self-perform the construction work. The CMAR is required to prequalify all first-tier subcontractors and competitively bid the work to subcontractors.
- Holder-Edison Foard-Leeper Company will be responsible for managing the subcontractors' work and delivering the project on schedule and on budget.

Action B

- This contract with TVS North Carolina, P.C. will provide architectural services during the bidding, construction, and close-out phases.
- On November 3, 2016, CRVA issued a Request for Qualifications (RFQ); two proposals were received.
- TVS North Carolina, P.C. was selected by the City and CRVA as the firm best qualified to meet the Charlotte Convention Center's needs on the basis of demonstrated competence and qualification of professional services in response to the RFQ.
- CRVA entered into a contract with TVS North Carolina, P.C. for \$5,850,000, effective October 1, 2017, for architectural services during the design, development, and construction phases.
- Per the City Policy on Sustainable Facilities, the Convention Center Phase I will be designed to achieve LEED version 4 certification for building operations and maintenance.
- LEED certification is awarded to buildings that demonstrate a high level of energy efficiency and sustainable design.

Action C

- This action appropriates the previously discussed \$110,000,000 for Phase I construction. This funding will be moved from Convention Center Fund Balance into the project account.
- As part of the \$110,000,000 total, City Council agreed to reimburse CRVA up to \$8,500,000 for Convention Center design/development costs.

Actions D and E

- In FY 2019, City Council approved \$2,500,000 in the Convention Center Tax Fund to cover half the cost of replacement and repair of an existing chiller plant, estimated to be \$5,000,000.
- Action D moves the original \$2,500,000 from the Convention Center Tax Fund into the project account.
- Action E appropriates an additional \$2,500,000 from the Convention Center Tax Fund for the remaining cost of the chiller plant replacement. This funding is being accelerated from the planned FY 2020 allocation and is incorporated in existing debt models.
- Combining the chiller plant replacement and the renovation construction allows the City and CRVA to use resources more efficiently and reduce the amount of time the facility is out of operation.
- The addition of the replacement and repair of the chiller plant to the project scope brings the total budget to \$115,000,000.

Charlotte Business INclusion

Construction Manager at Risk Contract

The City has established subcontracting goals of 14% Minority Business Enterprise (MBE) and 7% Small Business Enterprise (SBE) for this project and Holder-Edison Foard-Leeper Company has committed to meeting the established goals. (Part G: Section 2.7 of the Charlotte Business INclusion Policy).

Contract with TVS North Carolina, P.C.

The City negotiates subcontracting participation after the firm is selected for this services contract (Part C: Section 2.1(h) of the Charlotte Business INclusion Policy). TVS North Carolina, P.C. has committed 34.27% (\$685,494) of the total contract amount to the following certified firms:

- Neighboring Concepts, PLLC (MBE) (\$221,520) (architectural support)
- McCracken & Lopez, PA (SBE) (\$348,469) (mechanical, electrical, plumbing)
- Wescott Structures, PA (SBE, WBE) (\$67,205) (structural engineering)
- Hartranft Lighting Design, LLC (SBE) (\$7,800) (lighting design)
- Superior Mechanical Systems, Inc. (MBE) (\$27,000) (mechanical design)
- Howard Brothers Electric of Charlotte, LLC (WBE) (\$13,500) (electrical design)

Fiscal Note

Funding: Convention Center Tax Fund

Attachment(s)

Map

Budget Ordinances