

## Legislation Text

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File #: 15-5591, Version: 1

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### **Mint Museum Uptown Energy Efficiency and Humidification Controls Upgrade**

#### **Action:**

- A. Award a contract in the amount of \$746,724.05 to the lowest responsive bidder McKenney's Inc. for the Mint Museum Uptown Humidification and Controls Upgrade project,**
- B. Authorize the City Manager to enter into a cost sharing agreement with Mint Museum for the mechanical system upgrade at Mint Museum Uptown, and**
- C. Adopt a budget ordinance appropriating \$746,724.05 from the Cultural Facilities Operating fund for the purpose of replacing the humidification control system in the Mint Museum Uptown.**

#### **Staff Resource(s):**

Mike Davis, Engineering and Property Management  
William Haas, Engineering and Property Management

#### **Explanation**

- This action allows for the replacement of the 10-year-old mechanical humidification and controls system at the Mint Museum Uptown, 500 South Tryon Street, for the following reasons:
  - The existing humidification system requires annual maintenance in excess of \$20,000 annually with high operating costs.
  - The artwork in the Mint Museum requires strict humidity control on a 24/7 basis.
  - The proposed water vaporizing humidification system will be more reliable, require less frequent maintenance, and will be significantly more energy efficient.
- The City's maintenance agreement with Mint Museum Uptown is modeled after a traditional owner-tenant relationship where the owner has responsibility for the structure and core infrastructure and the tenant has responsibility for the operating costs.
- Upon completion of the upgrade there will be a significant reduction in energy use at the Museum, resulting in lower utility expenses for the Mint Museum.
- The Mint Museum has agreed to share in the cost of the mechanical system upgrade in return for the expected long-term savings, predicted to be approximately \$140,000 annually.
- The cost sharing agreement specifies that:
  - The Mint Museum will be responsible for \$500,000 and the City will be responsible for \$246,724.05.
  - The City will advance \$500,000 for the Mint Museum's share of the cost that will be repaid to the City over a five-year period.

- The City will be responsible for managing the project.
- The full cost of \$746,724.05 to complete the upgrade will be funded from the City's Cultural Facilities Operating Fund.
- Mint Museum's five annual payments totaling \$500,000 will be returned to the Cultural Facilities Operating Fund.
- On May 4, 2017 the City issued an Invitation to Bid; two bids were received from interested service providers.
- McKenney's Inc. was selected as the lowest responsive, responsible bidder.
- The project is anticipated to be complete by the end of the year. The Mint Museum will remain open during this time.

### **Charlotte Business INclusion**

No subcontracting goal was established for this contract because there are no subcontracting opportunities (Part C: Section 2.1(a) of the Charlotte Business INclusion Policy).

- McKenney's, Inc. has committed 13.50% (\$84,569) of the total contract amount to the following certified firm:
  - Electric System Specialists, Inc. (SBE) (\$84,569) (electrical)

### **Fiscal Note**

Funding: Cultural Facilities Operating Fund Balance

### **Attachment(s)**

Cost Share Agreement

Map

Budget Ordinance