



FACILITIES AND PROPERTY MANAGEMENT
301 West Market Street, Suite 400
Greensboro, North Carolina 27401

Date: December 14, 2023

To: Michael Halford, County Manager
From: Eric Hilton, Facilities & Property Management Director

RE: Procurement of design and construction services, Lee's Chapel upfit

Mr. Manager,

The County has purchased the facility at 1411 Lee's Chapel Road for use as a Residential Recovery Center for citizens experiencing substance use disorder (SUD). To provide this service, certain modifications will be required to comply with the Division of Health Service Regulation (DHSR) requirements for licensure. Additionally, space modifications are needed to allow the proper operational configuration of the rooms to meet the service provider's needs.

Due to the needs of the community, the Board of Commissioners has expressed a desire to complete this work in the most timely fashion. Therefore, staff have evaluated the procurement options for the design and construction needed to accomplish the facility modifications. We conclude that the Design-Build method of procurement would best serve the County's needs for this work.

To enter a design-build contract, the unit of government must follow specific procurement procedures outlined in G.S. 143-128.1A.

General statutes require the unit of government to establish written criteria to address the six factors required by general statutes for determining whether the design-build procurement method is appropriate. These six factors are addressed below for the Board's consideration in approving this project for design-build procurement.

1. The unit's ability to "adequately and thoroughly" define the project requirements in the RFQ:

Staff have worked with the service provider to generate programming specifications for the space. We have also worked with DHSR representatives to understand the requirements that must be met for licensure. This input will be included in the RFQ.

2. Time constraints for project delivery:

The community needs expanded services for individuals experiencing SUD. The Board has stated that this facility is a priority in their overall strategy to meet the needs of citizens in the County. The Board has stated that they desire the facility to be operational as soon as possible.



3. The unit's ability to ensure that a quality project can be delivered:

This project will be managed by Facilities with Public Health staff and the service provider serving as key stakeholders throughout the design and construction phases of the project. Facilities will work with DHSR to incorporate their requirements to validate the design approach for the facility

4. The availability of qualified staff or outside consultants experienced in design-build to manage and oversee the project:

Facilities staff have previously worked on successful design-build projects and are capable of managing the work effectively. MWBE and Procurement are familiar with the Design-Build approach as well. Facilities will dedicate a project manager to oversee the delivery of the project.

5. Good faith efforts to comply with historically underutilized business participation requirements (G.S. 143-128.2 and -128.4) and to recruit and select small business entities:

The County has adopted the MWBE Policy and Administrative Manual to maximize the participation of HUB contractors and suppliers. The MWBE office is familiar with the Design-Build delivery method. Facilities and MWBE have worked closely to successfully implement the recently adopted MWBE Policy and Administrative Manual and will apply that experience to this project.

6. The criteria used by the unit, including a cost-benefit analysis of using design-build in lieu of traditional construction bidding methods:

The benefits of Design-Build delivery compared to traditional design-bid-build for the Lee's Chapel Project are listed below:

- Schedule - Design-Build delivery will provide accelerated project delivery to meet the goals of the Board to open the facility as soon as possible. Long-lead equipment can be ordered immediately after completion of that element of design. Equipment lead times are on the critical path for the project schedule. Certain elements of the project can stand alone and be completed in parallel paths without waiting for a full design-bid-build process.
- Budget - This project has several risks that could increase cost under the classic design-bid-build model. Structural walls will need modification to meet the space constraints. The existing conditions may be different than expected, and Design-Build minimizes the risk of change orders. The kitchen upfit and plumbing evaluation present unknown existing conditions that carry the same risk of change orders from design-bid-build contracting.
- Risk - Given the existing conditions, it will be beneficial to have the construction contractor present during the design phase to recommend constructability options to save money and time during construction.

Given the reasons listed above, I recommend pursuing the Design-Build option for project delivery for the Lee's Chapel upfit.

Eric Hilton, Facilities & Property Management Director