



Legislation Details (With Text)

File #: 2019-258 **Version:** 1 **Name:**
Type: New Business **Status:** Passed
File created: 5/15/2019 **In control:** Board of Commissioners
On agenda: 6/6/2019 **Final action:** 6/6/2019
Title: HIGH POINT PUBLIC HEALTH HVAC RENOVATION

Sponsors:

Indexes:

Code sections:

Attachments: 1. HM Kern Contract CM1463 5-28-19, 2. Affidavit C - HP Public Health HVAC 648 REVISED, 3. MWBE-GFE Memo_2019-0523

Date	Ver.	Action By	Action	Result
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TITLE

HIGH POINT PUBLIC HEALTH HVAC RENOVATION

SPONSOR

Dan Durham/Tari Maynor-Brady

BACKGROUND

The heating, ventilating, and air-conditioning (HVAC) system in the High Point Public Health Building is original to the building (circa 1984) and past its expected service life. This project will replace the HVAC system components and connect it to a building automation system to allow remote monitoring of the HVAC system operation. Guilford County competitively solicited bids for the High Point Public Health Building HVAC Renovation project as Event #648. On May 9, 2019 we held a public bid opening to review the 3 bids that were received.

H.M. Kern Corporation	Base Bid \$1,870,000.00
S&S Building and Development	Base Bid \$1,982,451.00
Bar Construction	Base Bid \$2,624,000.00

Of the 3 bids received, H.M. Kern Corporation was the apparent low bidder with a base bid of \$1,870,000.00. This is 5.7% below the next lowest base bid. H.M. Kern is based in Greensboro, NC and has been in business since 1977. They have extensive experience with renovation projects.

The project bid included five alternates:

-Alternate 1 is to provide integration into Guilford County's building automation system if a control system other than Alerton is used. H.M. Kern Corporation's additive cost for this alternate is \$35,000.00. The subcontractor identified in H.M. Kern's base bid price is Hoffman & Hoffman, an Alerton supplier, which makes this alternate unnecessary. Rejection of this alternate is recommended.

-Alternate 2 is a deduct to leave the existing hot water pumps and piping in place in lieu of replacement pumps outfitted with variable frequency drives. H.M. Kern Corporation's deductive cost for this alternate is \$46,000.00. The projected energy savings for new hot water pumps do not indicate that new equipment and piping will provide a significant return on this investment, therefore acceptance of this deductive alternate is recommended.

-Alternate 3 is a deduct to leave the existing exam room ceiling mounted exhaust fans in place in lieu of replacement. H.M. Kern Corporation's deductive cost for this alternate is \$9,000.00. The existing fans are noisy and thought to be original to the building so rejection of this alternate is recommended.

-Alternate 4 is a deduct to leave the existing exam room electric duct heaters in place in lieu of replacement. H.M. Kern Corporation's deductive cost for this alternate is \$5,000.00. The existing duct heaters are thought to be original to the building so rejection of this alternate is recommended.

-Alternate 5 is to insulate the new chilled water piping with cellular glass in lieu of fiberglass. H.M. Kern Corporation's additive cost for this alternate is \$9,000.00. This alternate will reduce future maintenance cost as cellular glass is more impact resistant and provides a superior vapor barrier compared to fiberglass insulation so acceptance of this alternate is recommended.

After review by stakeholders and the design team, Deduct Alternate 2 and Add Alternate 5 are recommended for acceptance. H.M. Kern Corporation remains the lowest responsive, responsible bidder with the 2 alternates at \$1,833,000.00. This includes \$150,000 (8.2%) in contingency. At this project cost, H.M. Kern Corporation has identified an MWBE participation rate of 12.3% with the following breakdown:

Female: \$93,780 (5.1%)
Hispanic: \$87,000 (4.7%)
Black: \$45,000 (2.5%)

If approved, this project is expected to begin in July and be completed in 365 days.

BUDGET IMPACT

NO ADDITIONAL COUNTY FUNDS REQUIRED

REQUESTED ACTION

Approve award of the construction contract, in substantial form, including acceptance of Alternates 2 and 5 to H.M. Kern Corporation for the High Point Public Health HVAC Renovation project in the amount of \$1,833,000; and authorize staff to make all necessary

budget amendments to align budgeted funds for this contract. This project is expected to begin in July 2019 and be completed in 365 days.