



# MEMORANDUM

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**To:** Mayor and City Councilors

**From:** Rich Olson, City Manager

**Date:** January 22, 2015

**Re:** Consideration – Award of Bid to Rehab Boatworks Property Metal Building

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***BACKGROUND:***

In March 2013, the City Council authorized staff to apply for a CAMA Public Beach and Coastal Waterfront Access Grant to purchase the property located at 702 and 708 Riverside Avenue from Riverside Houses LLC, in the amount of \$310,837.59. The City was notified in December 2013 that the grant had been awarded in the amount of \$260,157 to purchase the two parcels of property adjacent to the Pasquotank River and the Charles Creek Bridge. The City entered into a contract with NCDENR in April 2014 and closed on the property August 20, 2014. In anticipation of purchasing the property, the City placed \$78,000 in the Parks and Recreation Department's FY 2014-15 budget to demolish three dilapidated buildings and boat garages and restore some of the shoreline along the Riverside property. On May 26, 2014, the City authorized staff to apply for a second CAMA grant in the amount of \$117,000 to improve public access to the deteriorating urban waterfront property through reconstruction and rehabilitation. In July, the City received notice that we were invited to submit a final application for CAMA funding due on October 17, 2014 for \$75,000. In this application, we needed to re-define our scope of work to lower the total project costs. The City was notified in December 2014 that we were approved for the CAMA grant in the amount of \$67,500. The City is required to match the grant in the amount of \$7,500 with \$3,750 being in cash and \$3,750 being in-kind. The City has also applied for a Boating Infrastructure Grant Program (BIG) that will cover the construction of fixed piers, floating docks and dinghy docks. This grant application was submitted on August 28, 2014 and the City received notice on September 15, 2014 that our grant proposal for the BIG was selected by the BIG Review Team to be submitted to the US Fish and Wildlife Service for their funding consideration for the T-dock in the amount of \$42,667. The Federal share of this expense will be \$32,000 and the City's share \$10,667. We should receive final notification of grant funding in March 2015.

***ANALYSIS:***

In December 2014, City staff requested bids from Revels, Cobalt Construction, A.R. Chesson and Harrellsville Metal Works to rehab the existing metal 50' wide X 75' long building. Only two bids were received. There is a \$342 difference in the bids with A.R. Chesson bidding \$54,287 and Harrellsville Metal Works bidding \$53,945. The only difference in the two bids centers on the flood vents. A.R. Chesson will use five (5) stacked (quad) SMART Vents that cover 800 square feet per vent. These vents do not have to be manually opened or closed. Harrellsville Metal Works will use three (3) vents and they did not specify whether they will be dual or quad or if they will have to be manually operated.

As mentioned above, the City had budgeted \$78,000 for the re-skinning of this building and tearing down the buildings over the water. Since we have received the CAMA Grant, we will be able to complete all work included in the Fiscal Year 2014-2015 budget.

***FINANCIAL:***

The Finance Committee discussed this matter during their meeting of January 21, 2015. Upon motion by Mayor Peel, seconded by Councilman Horton, the committee unanimously recommended approval by the City Council.

***STAFF RECOMMENDATION:***

By motion, award the bid from A.R. Chesson in the amount of \$54,287 to rehab the existing 50' X 75' metal building on the Riverside property;

And further, authorize City Manager Rich Olson to enter into required contract documents for the project.

BW/vdw