



# City of CHARLOTTE

## MEMORANDUM

TO: Mayor Lewis and City Council Members

FROM: Gregg Guetschow, City Manager

SUBJECT: Reconstruction of Parking Lots 4 and 10

DATE: August 18, 2016

The Expedited Resolutions and Ordinances section Monday's agenda includes two items related to the reconstruction of parking lots 4 and 10 in the 100 block of South Washington Street. You will recall that a portion of this property was formerly occupied by the Corral Building. That property was acquired several years ago by the Downtown Development Authority and the building was demolished by the City in preparation for this reconstruction project.

You will find elsewhere in the agenda packet a letter from Rowe, Inc. that includes a tabulation of the bids received for this project. The tabulation references two components: the base bid and the alternate bid. The alternate bid is for work to be done on the private property of abutting property owners. It is our practice when undertaking parking lot projects to offer the opportunity for other property owners to improve parking areas behind their own buildings. Interest has been expressed but it is unknown whether all will take part until we communicate with them what the expected cost for their individual properties would be.

The resolution awarding the bid recognizes that proceeding with the alternate bid is contingent upon the acceptance of the property owners of their responsibility to pay for this work. It is my expectation that we will enter into reimbursement agreements with the property owners willing to participate in this work.

Our recommendation is to award the bid to the low bidder, Reith-Riley Construction Company, Inc. Council should be aware that unit price contracts are awarded for construction projects. Accordingly, the actual amount paid to Reith-Riley can vary up or down from its bid depending upon quantities actually used and certified by the inspectors.

You will also find a letter proposal from Rowe, Inc. for engineer services related to the construction portion of the project. Council previously awarded a contract for services for the design and bidding phases of the project in the amount of \$23,000. The \$36,000 budget for the construction phase in combination with the earlier contract represents about 16% of the total cost of the construction, which is about what we would expect. We will be allocating 15% of the construction

engineering cost to the private portion of the work to be reimbursed by the participating property owners.

Our recommendation is to accept the proposal from Rowe, Inc. for construction engineering services.

The City's current budget includes a total of \$416,000 for both construction and engineering services for the parking lot project. A small portion of this amount has been used for design engineering services. Sufficient funds remain, however, to cover the estimated cost of \$345,847 which is the City's share of the construction and related engineering services while still allowing for contingencies.

I have placed these items on the Expedited Resolutions and Ordinances portion of the agenda out of concern for avoiding any later start on this project than necessary. The design phase of the project took longer than originally anticipated as we worked to assure that ample opportunities were afforded to abutting property owners and the Downtown Development Authority to comment on design issues and to consider paving of private parking areas. We would like to be able to have this project completed as much in advance of the winter season as possible to provide better curing of concrete. If Council is comfortable in acting after only a single reading of the resolutions, we can avoid a three week delay. If Council is not comfortable, its policy permits moving these items to the Introduction of Resolutions and Ordinances portion of the agenda at the time the agenda is approved.