



# City of Greensboro

Melvin Municipal  
Office Building  
300 W. Washington Street  
Greensboro, NC 27401

## Agenda Report

File Number: 2024-452

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### Agenda Item# I.2.

**Agenda Date:** 6/18/2024. **Department:** Engineering & Inspections  
**Meeting Type:** Council Meeting **Category:** General Business Agenda

**Title:** 2024 – 452 Change Order #1 to Contract 2021-049A with Samet Corporation in the Amount of \$23,977,395 for Construction of a New Equipment Services Garage

**Council Priority: Place an ‘x’ in the box.**

- |                                                          |                                                                                   |
|----------------------------------------------------------|-----------------------------------------------------------------------------------|
| <input type="checkbox"/> Safest City                     | <input type="checkbox"/> Most Skilled Workforce                                   |
| <input type="checkbox"/> Easiest Place to Do Business    | <input type="checkbox"/> Most Connected City                                      |
| <input type="checkbox"/> Youth Sports Capital            | <input type="checkbox"/> Hub of Recreation and Entertainment                      |
| <input type="checkbox"/> Abundance of Attainable Housing | <input checked="" type="checkbox"/> Other/Admin <u>Maintaining Infrastructure</u> |

**Council District:** 1

**Public Hearing:** Yes

**Advertising Date/By:** May 23, 2024

**Contact 1 and Phone:** Marlene Druga, Ext. 2094

**Contact 2 and Phone:** Chris Payne, Ext. 451-1998

**PURPOSE:**

The Financial and Administrative Services Department is requesting approval of Change Order #1 to contract 2021-049A in the amount of \$23,977,395 for the construction of a new Equipment Services garage with Samet Corporation as the Construction Manager at Risk. This change order plus the preconstruction cost contract of \$206,000 will make the total Guaranteed Maximum Price (GMP) for construction \$24,183,395

**BACKGROUND:**

In 2021, City Council approved a Construction Manager at Risk (CMAR) contract with Samet Corporation for preconstruction services for a new Equipment Services garage at a cost of \$206,000. On June 4, 2024, City Council held a public hearing and approved filing an application with the Local Government Commission for the sale of Limited Obligation Bonds to finance the construction and equipping of the garage facility and in addition to reimburse funds for associated design work performed by CPL Architects which were advanced in the amount of \$2,359,500. Samet Corporation has completed the preconstruction services, construction documents, and subcontractor bidding. Subsequently, as the CMAR, Samet Corporation has submitted a not to exceed GMP contract of \$24,183,395 for the construction of the garage, including the initial \$206,000 for preconstruction services.

*Vision Statement: “A Community with Endless Economic Opportunities and Exceptional Quality of Life.”*

Samet Corporation utilized two MBE Mentor Protégé's (Gilgeours Construction and Eagle Hammer Construction) on its CMAR team with a commitment of 10% for preconstruction services in phase I. M/WBE goals for construction phase II were MBE 13.35% and WBE 14.96%. Samet achieved MBE 6.81% and WBE 6.93%. Samet Corporation did not meet the M/WBE goals; however, they achieved the 50 Good Faith Effort points. This change order for phase II construction will increase the total contract Guaranteed Maximum Price to \$24,183,395.00. Samet construction commits to a total contract utilization of MBE 6.83% or \$1,707,908.75 and WBE 6.88% or \$1,662,619.33 utilizing (22) M/WBE firms during the performance of the construction contract.

**BUDGET IMPACT:**

In addition to the \$24,183,395 construction contract with Samet including \$206,000 for preconstruction services, other construction related costs including project design, the equipment package, furniture and fixtures, data wiring, etc. totaling an estimated \$5,816,605 will be funded from \$30,000,000 of the bond issuance. Debt service on the bonds will be included with annual appropriations in the Debt Service Fund. No property tax increase is needed to fund this project.

**ACCOUNT NUMBER:**

689-10-1087001.6013

689-NC-NC.9012

**RECOMMENDATION / ACTION REQUESTED:**

It is recommended that City Council approve Change Order #1 for \$23,977,395.00 with Samet Corporation for the not to exceed Guaranteed Maximum Price of \$24,183,395 for the construction of the new City of Greensboro Equipment Services garage.