

CUMBERLAND COUNTY FACILITIES COMMITTEE
NEW COURTHOUSE, 117 DICK STREET, 5TH FLOOR, ROOM 564
NOVEMBER 10, 2009 – 8:30 AM
MINUTES

MEMBERS PRESENT: Commissioner Jimmy Keefe, Chairman
Commissioner Billy R. King

OTHERS PRESENT: Commissioner Kenneth Edge
James Martin, County Manager
Juanita Pilgrim, Deputy County Manager
Amy Cannon, Assistant County Manager
Harvey Raynor, Interim County Attorney
Bob Stanger, County Engineer
Al Brunson, Electrical/Mechanical Supervisor
Sally Shutt, Communications Manager
Chris Ragland, Civic Center Assistant General Manager
Walter Vick, LSV Partnership Architects/Planners
Hank Hoomani, Progressive Design Collaborative, Ltd.
Civic Center Commission Members
J. Scott Flowers, Hutchens, Senter and Britton PA
Candice H. White, Deputy Clerk
Press

ABSENT: Commissioner Ed Melvin

Commissioner Keefe called the meeting to order.

1. Approval of Minutes: September 8, 2009 Meeting

MOTION: Commissioner King moved to approve.

SECOND: Commissioner Keefe

VOTE: UNANIMOUS

MOTION: Commissioner King moved to move Item 4 up to Item 2.

SECOND: Commissioner Keefe

VOTE: UNANIMOUS

2. Update on Phase II Improvements at Crown Arena and Theater – Mechanical, Electrical, Plumbing and Life Safety Upgrades

Commissioner Keefe called on James Martin, County Manager. Mr. Martin recognized the Civic Center Commission members in attendance and stated that the plumbing, mechanical and electrical upgrade proposal to be provided by Bob Stanger, County

Engineer, had received their support and recommendation for approval to the Facilities Committee.

Mr. Stanger referenced a memorandum dated February 2, 2005 as provided regarding the Crown Theater and Arena capital improvement short-term and long-term projects. Mr. Stanger advised the short-term projects were subsequently addressed in the Theater Lobby Renovation Project constructed in 2006 and the long-term projects identified as upgrading the mechanical, electrical, plumbing (MEP) and life safety systems have yet to be undertaken and are of top priority.

Mr. Stanger advised that in May 2009, LSV Partnership Architects/Planners was authorized to conduct an evaluation of the MEP systems, which were originally constructed in 1967. Mr. Stanger summarized MEP current conditions as follows:

- The mechanical system does not meet the indoor air quality standards in the current building code and is not energy efficient.
- The original cooling tower was replaced in 2001 with a used tower that is in a state of disrepair.
- The main electrical switchgear and panels were manufactured by a company that is no longer in business and replacement parts are difficult to locate and are expensive.
- The electrical distribution is a two-wire system with no ground and is no longer code compliant.
- The plumbing system contains galvanized steel water piping that needs to be replaced.
- Approximately 80% of the plumbing fixtures need to be replaced.
- The life safety system (fire alarm) is virtually non-existent and the Inspections Department will not allow any additional renovations to the building without upgrading the life safety system.

Mr. Stanger called on Walter Vick of LSV Partnership Architects/Planners and advised the same presentation being provided to the Facilities Committee had been provided to the Civic Center Commission in October 2009. Mr. Vick reported when the coliseum was completed, \$6 million was budgeted for upgrades to the facility but the funds were diverted to other coliseum projects with the exception of the replacement of rigging and lighting over the stage. Mr. Vick further reported there were three options following completion of the study: 1) shut the facility down, 2) continue to use the facility until it grinds to a halt due to multiple deficiencies, or 3) put the facility into a condition to be competitive in an entertaining environment so as to retain entertainment dollars for the county. Mr. Vick advised the third option was the direction elected.

Mr. Vick introduced Hank Hoomani of Progressive Design Collaborative, Ltd., who provided a summary report and presentation of the MEP Systems Study. Mr. Hoomani reported that the existing mechanical system is original to the facility and dates back to the late sixties or early seventies. Mr. Hoomani stated at the time of the design, the thought was that the arena and theater would not be operational at the same time; however, it has been difficult to maintain temperatures and humidity levels during the

past several years when they have operated simultaneously. Mr. Hoomani further stated due to certain refrigerates being outlawed by the federal government, costs to purchase refrigerates for the forty year old air chiller are approximately \$35,000. Mr. Hoomani stated the proposal is to replace the mechanical system using ice tanks to make ice at night and run water over the ice to chill it for use in cooling the building during the daytime. Mr. Hoomani explained the purpose of this type of system is to save energy through reduced kilowatt demand charges.

Mr. Hoomani reported that 80% of the plumbing system needs to be replaced as it is forty years old and most of the piping is galvanized steel with reduced flow capacity. Mr. Hooman further reported that the existing water heater is in good shape but the storage tank needs to be replaced, most of the cast iron sanitary sewer system and roof drain are in good shape and can be used again; and one of the two sewage lift station pumps needs to be replaced.

Mr. Hoomani reported that complete replacement of the electrical distribution system is recommended because most of the equipment is outdated and the manufacturer has been out of business for a number of years, which makes it difficult and expensive to acquire breakers for the system.

Mr. Hoomani stated the preliminary cost estimates include: the MEP system - \$3 million; general construction costs - \$500,000; engineering design fee – 10%; and ice storage system additional cost - \$150,000. Mr. Hoomani further stated annual operating costs for a system without ice storage would be approximately \$164,000 and with ice storage as proposed would be approximately \$85,000, which includes assumptions for kilowatt hours and kilowatt demand charges. In conclusion, Mr. Hoomani stated total operating cost savings per year for a system with ice storage would be approximately \$79,000. Mr. Hoomani further stated the payback of the extra \$150,000 for ice storage tanks would be 1.9 years. Mr. Hoomani displayed a diagram of the new mechanical room location.

Mr. Stanger summarized as follows:

- A new fire alarm system will be installed as required by the building code officials.
- Assuming the project is approved, the design phase would begin immediately with a tentative bid date of early spring 2010; construction to take place during the summer of 2010; the facility would have to be closed for approximately three months, and although the total construction timeframe will take longer, exterior construction can occur while the facilities are in operation.
- The Civic Center Commission unanimously endorsed the project and recommended forwarding to the Facilities Committee for further consideration.

Commissioner King inquired regarding what prompted the need for the MEP system upgrades. Mr. Stanger responded the condition of the infrastructure within the facility, which was forty years old, had met its service life. Mr. Stanger further responded that if the facility was going to continue to operate, the MEP system upgrades will have to be

done or the infrastructure will continue to deteriorate. Mr. Stanger provided additional details. Mr. Vick spoke to the need for a new fire alarm system.

Commissioner Keefe inquired regarding the funding source for the upgrades. Mr. Martin explained proposed funding is a combination of a \$1.1 million allocation from the federal stimulus funds of recovery zone economic bonds and if application is not made for the funds by December 15, 2009, they will revert back to the state and will be reallocated to another county or city. Mr. Martin further explained the county is also looking at additional energy grant funds. Mr. Martin stated the fallback will be food and beverage funds. Mr. Martin pointed out that in order for the county not to be put in a position to supplement federal funds or other types of fund, the intent is to first utilize the current allocation of \$1.1 million, seek additional energy grant funds or other federal funds that may be available to the county and then to supplement the balance.

In response to a question posed by Commissioner Keefe, Mr. Martin briefly spoke to facility bonds and economic development bonds. Amy Cannon, Assistant County Manager, explained the economic development bonds are restricted to public facilities and infrastructure.

Commissioner Keefe stated the arena is not running at full capacity and inquired whether the numbers as provided indicate any real savings. Commissioner Keefe further inquired regarding the number of times the arena was used during the past year. Chris Ragland, Civic Center Assistant General Manager, responded use for the arena and theater was between eighty and one hundred event days. Mr. Vick noted that capacity is reduced when the facility is not in use and with the ice storage system as proposed, capacity will be saved. Commissioner Keefe inquired about the number of times the arena and theater were used at the same time. Mr. Ragland stated the problem with the current system is that it is either all on or all off and there is always a risk that the system may fail either during or just prior to an event thereby creating a financial liability for the county. Mr. Ragland further stated he would gather figures on the number of multiple use days. Mr. Ragland noted another problem is that the current system can not be divided and the proposed system will allow for separation of the arena and theater, which will reduce operation costs.

Commissioner Keefe inquired regarding maintenance as budgeted and expressed concern that the funds might possibly be going towards an under-utilized system. Mr. Martin advised the proposal is to allow for the continued and expanded operation of the two facilities, otherwise the band-aided system could break down thereby placing the two facilities out of business for an unknown period of time. Mr. Martin stated although he understood and shared some of Commissioner Keefe's concern, the situation is somewhat different in that food and beverage funds can only be used for coliseum purposes. Mr. Martin further stated the county generally attempts to keep the financial operations of the crown coliseum entirely separate from the general fund since the coliseum operates under an enterprise fund. Mr. Martin further explained the budget for maintenance is under the general fund, which could only be used on an emergency basis with the Commissioner's authority.

Commissioner King asked Mr. Martin for his recommendation. Mr. Martin responded his recommendation was to recommend the project to the Commissioners with the funding sources as outlined: economic development recovery bonds; seeking of other energy grant funds; food and beverage funds as back up or the final source.

MOTION: Commissioner King moved for the Facilities Committee to approve the update for the Phase II improvements to the Crown Arena and Theater mechanical, electrical and plumbing and life safety upgrades.

SECOND: Commissioner Keefe

Commissioner Keefe requested hard numbers for use of the arena and theater. Commissioner King stated that his understanding was that the project had to move forward in order to continue to do business. Commissioner Keefe stated the question in this situation is whether the county wants to continue to invest when the venues are not out there and when the utilization is not out there. Commissioner King stated that if something is not done, nothing can be done in terms of offering prospects and opportunities.

Commissioner Edge stated a tremendous investment of approximately \$1.3 million has already been made in the facility by keeping it open and the current system is being band-aided, which has also incurred costs over the years.

Harvey Raynor, Interim County Attorney, spoke to liability associated with the fire alarm/ safety issue. Mr. Martin emphasized that during performance events, the county has staff and sheriff deputies serving as watchmen for fire/life safety purposes.

VOTE: UNANIMOUS

Commissioner Keefe inquired when the item would go before the full board. Mr. Martin responded on Monday, November 16, 2009.

3. Follow-Up to Policy Committee Discussion Regarding Consideration of Request of Twelfth Judicial District Bar Association to Place a Plaque in the Courthouse to Commemorate the Service of the Lawyers Who Have Served as President of the Twelfth Judicial District Bar

Mr. Raynor advised that H. Terry Hutchens, current president of the Twelfth Judicial District Bar Association, has requested on behalf of the Bar Association to be allowed to place plaques on the wall of the courthouse to recognize and commemorate past Bar presidents. Mr. Raynor further advised the Bar has requested that the plaques be located on the third floor behind the courtrooms and has offered to be responsible for the cost of purchase and installation. Mr. Raynor explained the Twelfth Judicial District Bar is made up of all lawyers who live in and/or practice in Cumberland County.

J. Scott Flowers, Hutchens, Senter and Britton PA, provided additional information and responded to questions regarding the Twelfth Judicial District Bar, the Cumberland County Bar Association and the North Carolina Bar Association.

In response to a question posed by Commissioner Keefe, Mr. Stanger stated the county would not incur any maintenance costs.

MOTION: Commissioner King moved to go forward and support the request to provide space for the Bar to place the names of the leadership of their organization.

SECOND: Commissioner Keefe

VOTE: UNANIMOUS

4. Status Report on New Public Health Center Construction

Mr. Stanger stated construction of the new Public Health Center began in June 2008 and the completion date in the original contract was November 10, 2009. Mr. Stanger further stated several change orders have been issued, which have extended the construction date to November 23, 2009; however, the contractor has been working diligently to meet the November 10, 2009 date. Mr. Stanger advised critical items to be completed are testing of the fire alarm system, elevator inspections, irrigation and landscaping, exterior railings, pouring a concrete pad at the dumpster location and minor interior finishes. Mr. Stanger noted owner provided furnishings and equipment are being purchased and workstations on the second and third floors are scheduled for delivery on November 9 and November 30, 2009. Mr. Stanger stated the county Information Services Department has begun installing the network equipment and the PWC has installed fiber optic cable in the building. Mr. Stanger further stated the Move Management Team met with the prospective movers to assist them with preparing their proposals for the move. Mr. Stanger stated expectations are for a Certificate of Occupancy (CO) to be issued early to mid December 2009.

Commissioner Keefe inquired when the public would have access to the facility. Mr. Martin responded in all likelihood in mid to late January 2010. Commissioner Keefe inquired regarding a public tour of the facility. Mr. Stanger stated that the Director of the Public Health Department mentioned a ribbon cutting or some type of ceremony for the opening of the facility.

Commissioner King inquired regarding parking for the facility. Mr. Raynor stated one of the properties has been obtained and there is no firm offer on the other property. Commissioner King asked how many additional parking spaces would be generated were the county to acquire all of the land up to Peace Street. Mr. Stander responded approximately one hundred to one hundred fifty additional spaces. Mr. Stanger stated should the county acquire the property and convert it for parking, there would not be a curb cut on Peace Street because a right turn lane on Ramsey Street would be required at a cost of approximately \$250,000. Mr. Stanger stated original plans were to have a driveway cut; however, without a curb cut on Peace Street for traffic to enter/exit the parking area, traffic will have to circle around the facility.

5. Other Matters of Concern

There were no other matters of concern.

MEETING ADJOURNED: 9:35 AM