



Rick Moorefield, County Attorney, referenced the “Summary of Proposed Terms of Lease with Employment Source”, for lease of a portion of the Washington Street School property which was provided to the Facilities Committee. Mr. Moorefield explained the lease term would be indefinite, commencing May 1, 2012, with a two-year notice for termination at any time. Commissioner Keefe asked that the correct name of the lessee be established for the lease. Mr. Martin, County Manager, stated that the lessee had reported that the metal building formerly used by the Bicycle Man was not part of the area leased by Employment Source. Mr. Moorefield stated he would verify the correct information for both of these issues.

MOTION: Commissioner Edge moved to approve the proposed terms of the lease with Employment Source.  
SECOND: Commissioner King  
VOTE: UNANIMOUS (3-0)

#### 4. DISCUSSION OF THE COUNTY DETENTION CENTER EXPANSION PROJECT

Bob Stanger, County Engineer, referenced his memorandum, which was provided to the Facilities Committee. Mr. Stanger stated the following progress has been made on the project since the last update to the Facilities Committee on October 6, 2011:

- Design development plans have been approved and submitted to the NC Division of Health Service Regulation (DHSR) for review and comments.
- The Construction Manager at Risk (CMaR), Metcon/Balfour Beatty, a joint venture, has been awarded a contract for pre-construction services.
- The CMaR has prepared a preliminary construction cost estimate based on the design development documents in the amount of \$15,771,821, which does not include a contingency. Mr. Stanger received this estimate on December 7, 2011.
- Mr. Stanger received a revised construction estimate of \$15,893,776 (subcontractor pricing) to \$16,652,812 (Balfour Beatty in-house estimators) on December 12, 2011. These estimates include a 2% CMaR contingency but no owner contingency.
- A meeting with representatives from the design team and CMaR team was held on December 14, 2011, to review the preliminary construction estimates, review differences between the architect’s and CMaR’s construction estimates and to begin developing a list of items to evaluate for potential cost reductions (value engineering).

Mr. Stanger stated the categories where he saw the most significant difference in cost were the estimates for electrical work, thermal and moisture protection, and electronic safety and security. Mr. Stanger explained the estimates he considered to be “soft costs”, which include: design fees, surveying, geotechnical/special inspections, fixtures, furnishings and equipment, operations and transition services, and miscellaneous permit fees. Mr. Stanger stated when you add the CMaR’s estimate of \$15,771,821 to the

estimated “soft costs” and the CMAr contingency, the figure is about \$3.5 million over the \$15 million budget the Board of Commissioners set for this project.

Mr. Stanger stated the project team has identified about thirty-five (35) items which the CMAr will price in an attempt to reduce construction costs. Mr. Stanger further stated these items range from changing the materials of construction to reducing site improvements. Mr. Stanger stated the last resort value engineering efforts will include is reducing square footage, which will translate into a reduced bed count for the Detention Center. Mr. Stanger explained more definitive information will be provided to the Project Committee at their next scheduled meeting on January 12, 2012. Questions and discussion followed.

Mr. Stanger stated at this time he is not suggesting the Board find more money for this project; the Project Committee will do everything they can to get the cost back down to the budget the board established without sacrificing the quality of the project. In response to questions from the committee members, Mr. Stanger reported that he did not know the reason for the significant variance in the architect’s and CMAr’s estimates.

Mr. Martin stated there were no recommendations from staff at this time; this item was for information only.

## 5. OTHER MATTERS OF BUSINESS

Mr. Stanger stated the county attorney would like to make some minor modifications in his office suite to create an additional office. Mr. Stanger further stated the budget would be approximately \$10,000.

Commissioner Keefe asked for a brief overview of plans on the former Public Health building. Mr. Martin stated management is trying to make adaptive re-use of a county building at a minimal cost. Mr. Stanger stated most of the area on the first floor will be occupied by the Board of Elections; there will be some space on the first floor for the wellness area and the pharmacy. Mr. Stanger further stated the HVAC improvements are primarily focused on the first floor at this time. Mr. Stanger stated improvements on the second floor will be very minor; the center of the second floor will be used for the clinical suite. Mr. Stanger further stated there will be nothing done to the third and fourth floor at this time. Mr. Stanger stated all electrical and demo work will be done in-house. Mr. Stanger advised the expectation is to have everything completed by late May 2012.

There were no other matters of business.

MEETING ADJOURNED AT 9:31 AM.