Memo

To: David Twiggs, COO General Manager
From: Nicole Good, Business Development Coordinator
Date: March 16, 2016
Re: Motion – Approve Amendment to DeSoto Club Budget for Roof Replacement

Motion
I move to amend the DeSoto Club renovation project budget of $2.2 m to increase in the amount of $63,155 for replacement of the flat membrane roof.

Background:
The existing flat membrane roof at DeSoto Club was installed in 2000 and has reached the end of its warranty period and life expectancy. With the ongoing renovation of the club, it was determined by East Harding, our construction management company, that approximately 80% of the flat membrane roof would need to be patched due to removing and installing a new HVAC unit, installing new exhaust venting systems, new walk-in condensers and the removal of skylights and windows that would not be utilized with the new design. The cost to patch the flat membrane roof is $23,080 which was not anticipated nor budgeted in the project. The life expectancy of the patched roof is expected to be no more than a couple of years.

The POA would need to budget for the entire flat membrane roof to be replaced once the patched roof begins to fail. This would require all mechanical units housed on the roof (HVAC, walk-in condensers, and exhaust systems) to be removed prior to the replacement. The facility would have to be shut down for a period of time during this roofing process. During the past week, the flat membrane roof at Cortez Restaurant has leaked through the ceiling into the kitchen exhaust vent which caused the restaurant to close until it could be repaired.

The POA received the final insurance check for $117,538 in February 2016, which wasn’t considered in this fiscal year’s budget. The additional roof replacement expenses could be used from these proceeds and not have any effect on other budgets.

East Harding solicited bids from two vendors:

Bray’s Sheet Metal Co., Inc. Little Rock, Ar. – $63,155
Final Touch Roofing, Inc, Hot Springs, Ar. – $67,300

Staff recommends awarding the contract to Bray Sheet Metal Co. Inc. in the amount of $63,155. Bray’s is a local vendor with a long standing reputation since 1924. They have extensive knowledge of the scope of the project and provided a very comprehensive site inspection prior to submitting a bid. The staff will continue to explore all value engineered options as presented by the vendor, which has occurred throughout the project.

To be funded from Final Insurance Check $117,538