THE CITY OF ASHEVILLE

STAFF REPORT

Council Meeting Date: January 10, 2023

Subject: Harrah's Cherokee Center - Asheville Chiller Rebuild Contract

Staff Resource(s): Chris Corl, HCCA General Manager

Action Requested: Adoption of a resolution ratifying the execution of a contract with Daikin Applied Americas Inc. in the amount not to exceed $165,600 for HVAC emergency repairs and upgrades at Harrah's Cherokee Center-Asheville.

Background:

- The Harrah's Cherokee Center-Asheville (HCCA) completed the first phase of an HVAC modernization project in Spring of 2020.
- This included installation of 10 new air handler units, new boiler systems and additional support infrastructure.
- During the initial installation and testing of the project staff raised concerns and immediately after close out of the project, staff concerns were confirmed as cooling issues were prevalent at all shows between close out of the project and COVID shut downs in March of 2020.
- HCCA and Capital Projects Department staff began working with design and construction teams to rectify the issues.
- March 2020, COVID pandemic shut down the event industry, making it nearly impossible to test changes and adjustments to the system in a 'life like' environment.
- In August of 2021, the HCCA 're-opened' to large-scale events with immediate HVAC issues related to cooling the facility with large crowds.
- After adjustments made throughout the COVID closure the facility continued to be unable to adequately cool the space during larger shows.
- As a result, HCCA staff began supporting concerts with significantly more medical staff support, and adding more and free access to water for guests to help combat challenges with overheating and exhaustion.
- In the course of 14 months three of the ten new air handler units have failed, as well as numerous portions of support infrastructure down the line.
- Recently at a concert in December 2022 staff hired a third party company to assess the 'in show' conditions, finding the arena floor to be over 80 degrees, while the balcony seating areas were 62 degrees.
- The company provided an outline of immediate repairs and enhancements that could be made to create more balance in the systems.
- Following the emergency bidding process, HCCA staff found a company able to conduct the suggested repairs and enhancements.
- Due to a break in large scale events in late January & early February 2023, the work could be conducted almost immediately if the project was approved.
- After consultation with the Legal, Purchasing and Capital Projects departments and approval from the City Manager the project was approved on December 15th for the contractor to begin ordering equipment and planning for the work.
- Work will begin on January 9, 2023.

Vendor Outreach Efforts:

- Staff followed all City emergency procurement policies and completed ABI requirements
- No Minority & Women-Owned Business Enterprise service providers responded.

- Of three providers, only one responded with pricing and availability to complete the work in the necessary time window available.

Council Goal(s):
- Financially Resilient City
- A Clean and Healthy Environment

Committee(s):
- None

Pro(s):
- Allows for a more efficient cooling system prior to the spring concert season beginning in March.

Con(s):
- None.

Fiscal Impact:
- Funding for this work is available in the HCCA Capital Fund.

Suggested Motion:
- Motion to adopt a resolution ratifying the execution of a contract with Daikin Applied Americas Inc. in the amount not to exceed $165,600, for HVAC repairs and upgrades at Harrah's Cherokee Center-Asheville.

Attachment(s)
- Resolution

RESOLUTION NO. 23-_____

RESOLUTION RATIFYING THE EXECUTION OF A CONTRACT WITH DAIKIN APPLIED AMERICAS INC. FOR EMERGENCY HVAC REPAIRS AND UPGRADES AT HARRAH'S CHEROKEE CENTER ASHEVILLE

WHEREAS, the City of Asheville has authority pursuant to Article 3 of Chapter 160A of the North Carolina General Statutes to enter into contracts for services with other entities; and

WHEREAS, the City of Asheville desires to enter into the above-referenced contract and repair and upgrade the HVAC system with a contract amount not to exceed $165,600.00 ; and

WHEREAS, funding for said work is included in the Harrah's Cherokee Center Capital Maintenance account;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ASHEVILLE THAT:

The contract with Daikin Applied Americas Inc. for emergency HVAC repairs and enhancements at Harrah's Cherokee Center Asheville for an amount not to exceed $165,600.00 is hereby ratified.

Read, approved, and adopted this 10th day of January, 2023.

_____ _____

City Clerk Mayor

Approved as to form:

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City Attorney