

Economic Development Authority

York County, Virginia

Notice of Regular Meeting and Agenda

Board of Supervisors Meeting Room

301 Main Street, Yorktown, VA 23690

June 27, 2023

5:00pm

CALL TO ORDER

ROLL CALL

CITIZEN COMMENT PERIOD

PRESENTATION

Angelic Threads – Melissa Schultz, Owner

ELECTION OF OFFICERS

NEW BUSINESS

1. EDA Operating Budget. To consider approving the FY24 EDA Operating Budget.
2. To consider an amendment to the Agreement for Lease and Construction between the EDA and Marconn Enterprises, Inc.

FINANCIAL REPORTS

3. May 2023 Financial Report. To record receipt of the May 2023 Financial Reports.

APPROVAL OF MINUTES

4. Minutes Approval. To consider approving the May 23, 2023 regular meeting minutes.

COUNTY ADMINISTRATOR'S COMMENTS

DEPUTY COUNTY ADMINISTRATOR'S COMMENTS

COUNTY ATTORNEY'S COMMENTS

DIRECTOR OF ECONOMIC AND TOURISM DEVELOPMENT'S COMMENTS

DEPUTY DIRECTOR OF ECONOMIC AND TOURISM DEVELOPMENT'S COMMENTS

MEMBERS' COMMENTS

CHAIRMAN'S COMMENTS

ADJOURN



York County Economic Development Authority

June 27, 2023

**Consideration of an Amendment to the
Agreement for Lease and Construction
Between the EDA and Marconn
Enterprises, Inc.**

Renovation of Riverwalk Restaurant / Water Street Grille

Attempts to Bid

June 2022

- IFB issued without any responses
 - 4 General Contractors attended pre-bid

Spring 2023

- HVAC rooftop units (\$319,000) and backup generator (\$52,824.54) were purchased in advance of contract re-bid in an attempt to mitigate concerns expressed by potential bidders

April 2023

- Re-bid issued without any responses
 - 7 General Contractors attended pre-bid

Renovation of Riverwalk Restaurant / Water Street Grille

Original Agreement

- EDA responsible for securing construction contract, with Marconn review and approval
- EDA oversees General Contractor (GC) work with Enteros as architect
- EDA processes monthly pay applications from GC
- Marconn reimburses EDA for 37.5% of each monthly pay application
- EDA net fiscal obligation is 62.5% of each monthly pay application
- EDA processes GC change orders with Marconn approval

Proposed Alternate

- Marconn responsible for securing construction contract, with EDA review and approval
- Marconn oversees General Contractor (GC) work with Enteros as architect
- Marconn processes monthly pay applications from GC
- EDA reimburses Marconn for 62.5% of each monthly pay application
- Marconn net fiscal obligation is 37.5% of each monthly pay application
- Marconn processes GC change orders with EDA approval

Renovation of Riverwalk Restaurant / Water Street Grille

Additional Points

- Proposed alternate allows for additional consideration from firms who may not have been able to participate in prior efforts
- Enteros remains the project architect and will provide normal contract administration including site visits and sign-off on pay applications
- Members of the County's Engineering team will provide project oversight and validation through regular site visits and concurrence with required pay application approvals
- EDA still maintains a substantial level of control throughout the project in a similar way a private landlord would maintain control over a tenant improvement (TI) project

Renovation of Riverwalk Restaurant / Water Street Grille

Why Not Wait?

- A substantial amount of investment in the project has already taken place in terms of architectural design services and pre-purchase of long lead-time items
- It is unlikely that construction costs would substantially improve if the project were delayed for any significant length of time
- Current facility would still require substantial maintenance and/or replacement of certain building systems
- The long-term lease between the EDA and Marconn is predicated upon Marconn being able to utilize the full space

Renovation of Riverwalk Restaurant / Water Street Grille

Proposed Timeline

June EDA Board Meeting

Provide authorization for EDA Board Chair to execute an amendment to the existing Agreement of Lease and Construction

July EDA Board Meeting

EDA approve Marconn's proposed General Contractor bid

EDA appropriate funds for the project

August

General contractor begins exterior work

September

Restaurant closes the day after Labor Day and provides GC with full access



Renovation of Riverwalk Restaurant / Water Street Grille

Staff Recommendation

Authorize the EDA Chair to execute an amendment to the Agreement for Lease and Construction between the EDA and Marconn Enterprises consistent with this evening's discussion in order to facilitate tenant improvements to Riverwalk Restaurant / Water Street Grille, and provide the framework for EDA financial support of the project.