

**REQUEST FOR BOARD ACTION**

**HENDERSON COUNTY  
BOARD OF COMMISSIONERS**

**MEETING DATE:** January 6, 2025

**SUBJECT:** Architect of Record Contract Approval  
Henderson County / Henderson County Hospital Corporation

**PRESENTER:** Bryan Rhodes, Capital Projects Construction Manager

**ATTACHMENTS:** YES

- 1.) LS3P Proposal Letter for Design Development through Construction Administration; Spartanburg Hwy site

**SUMMARY OF REQUEST:**

The Board is requested to approve the proposal letter from LS3P Architects, for Design Development through Construction Administration Phase (finish), for the Spartanburg Hwy. location MOB and authorize staff to proceed, for the Henderson County / Henderson County Hospital Corporation Medical Office Building.

**BOARD ACTION REQUESTED:**

The Board is requested to approve the proposal letter from LS3P Architects, for Design Development through Construction Administration Phase (finish), for the Spartanburg Hwy. location MOB and authorize staff to proceed, for the Henderson County / Henderson County Hospital Corporation Medical Office Buildings.

**Suggested Motion:**

*I move the Henderson County Board of Commissioners approve the proposal letter from LS3P Architects, for the Spartanburg Hwy. MOB location, for the Henderson County / Henderson County Hospital Corporation Design Development through Construction Administration Phase (finish), and direct Staff to proceed.*

December 16, 2024

Mr. Christopher Todd  
Director of Business and Community Development  
Henderson County, NC

Mr. Bryan Rhodes  
Capital Projects Construction Manager  
Henderson County, NC

100 North King Street  
Hendersonville, NC 28791

RE: Henderson County Government / Henderson County Hospital Corporation  
UNC Health Pardee - Medical Office Building – Spartanburg Highway  
Design Development through Construction Administration Fee Proposal

Dear Chris and Bryan,

LS3P is pleased to submit a proposal for the balance of design services for the for UNC Health/Pardee Hospital Spartanburg Highway Medical Office Building (MOB) in Henderson County, North Carolina, for the balance of services - design development through construction administration. As you are aware, our team has completed advance planning, programming, and schematic design which was used to facilitate cost estimating by the County's selected Construction Manager at Risk – Vannoy Construction. We understand that pending approval from the Henderson County Board of Commissioners, a formal contract for execution will follow this agreement, and it may be the County's preference to amend our already established contract.

#### **PROJECT DESCRIPTION**

The scope of work will include building upon the design work started with your team and the team from Pardee Hospital to advance the design and associated contract documents. We will continue to hold iterative design sessions with your staff, the users of UNC Health Pardee, and our full team of engineering consultants resulting in contract documents for the Spartanburg Highway MOB.

Our understanding of the scope of the project is as follows:

- Henderson County is the 'client/owner,' funder and contract holder.
- UNC Health Pardee is the occupant/user of the buildings.
- Project delivery will be Construction Manager at Risk procurement method; Vannoy Construction has been identified as the CMAR.
- Advance Planning, Programming, Schematic Design, and preliminary cost estimating for multiple buildings including the Spartanburg Highway site have been completed under a separate fee agreement with the County. That contract may be amended to include this work if desired by the County. This fee proposal includes the next phases of design – Design Development, Construction Documents, Bidding, and Construction Administration.

## **SCOPE OF SERVICES**

### **TASK 01: BASIC SERVICES**

#### **Design Development (DD)**

- Refine and supplement the design direction established during Schematic Design.
- Bi-weekly (in-person or virtual) design meetings to revise the architectural planning and design. Owner sign-off prior to issuing Design Development package.
- Submit to Henderson County, Pardee Hospital and the City of Hendersonville if applicable for review and approval.
- Construction cost estimate by Owner selected CMAR, for review and approval.
- Design Development package in PDF format to include:
  - 1/8" architectural plans
  - Specifications, preliminary long form
  - Preliminary MEP and Structural (as required) schedules and specifications.
  - Refined Interior Design selection summary and finish plans.

#### **Construction Documents (CD)**

- Document design decisions during Design Development for construction.
- Bi-weekly (in-person or virtual) design meetings for Owner sign-off prior to issuing Construction Document package.
- Coordination with engineering consultants.
- Submit to Henderson County, Pardee Hospital, and the City of Hendersonville if applicable for review and approval.
- Contract Document package in PDF format to include:
  - Final Construction Documents in PDF format for final CMAR bidding and permitting.
  - Project Manual

#### **Bidding & Negotiations (B/N) & Permitting**

- Assist the Owner in submitting to permit.
- Submit to Henderson County, Pardee Hospital and the City of Hendersonville if applicable for review and approval.
- Imagery for Construction Signage.
- Assist Vannoy (CMAR) in RFIs during bidding.
- Consider cost savings suggestions from sub-consultants.

#### **Construction Administration (CA)**

- Monthly and as needed in-person site visits by the Architect, Dates TBD by selected CMAR for the stated duration of the building construction project to observe construction progress while concurrently attending Owner, Architect, Contractor (OAC) meetings.
- Responsibilities:
  - Review Contractor Shop Drawings and Submittals
  - Review Submittal Log and RFI log.
  - Inspections with City of Hendersonville/Henderson County as required.
  - Punch list inspection at Substantial Completion after the Contractor has provided their own substantial completion inspections.

**PROJECT TEAM**

The LS3P design team is anticipated to include the following team members who have been deeply involved with the schematic design process with additional supporting staff from within the firm.

**Architectural Team:**

Maggie Carnevale, AIA	Principal
Christina Smith, AIA	Healthcare Sector Leader, Project Manager
Helen Byce, AIA	Project Architect, Medical Planner
Jonathan Capp, AIA	Project Architect
Trevor Ream, AIA	Project Architect
Sydney Godfrey, IIDA	Project Interior Designer
Crystal Vaughn, IIDA	Project Interior Designer
John Sunday	BIM Technician / Drafter

**Consultants:**

Newcomb & Boyd	Mechanical, Electrical, Plumbing and Fire Protection
Kloesel Engineering	Structural Engineering
WGLA	Civil Engineering
Equinox	Landscape Architecture

**PROJECT SCHEDULE:**

LS3P will confirm the project schedule with the Owner and Vannoy, the CMAR. Services will commence upon approval of the outlined proposal.

**FEE SCHEDULE:**

We have been asked to propose taking this first project through the remaining design phases, into bidding and negotiations and through construction administration to full occupancy. These are the phases that, along with work already completed in Schematic Design, make up full basic design services. These services will be provided by the Architect and proposed engineering consultants (structural, mechanical, electrical, plumbing and fire protection, civil engineering, and landscape design). Fees were generated using cost estimates prepared by Vannoy Construction based on the Schematic Design packages prepared by our team. A significant Value Engineering effort was held which adjusted original estimates into numbers used to generate this fee. If items are determined in DD or later to be added back to the project, additional design fees will most likely be required and can be negotiated with the Owner at that time. Only one alternate was included in the base cost used to calculate the fee (addition of toilet room floor drains). This fee proposal includes a credit for architectural and engineering fees that have been paid as part of the previous agreement of work in the Schematic Design phase as reflected below.

The Owner shall compensate the Architect for Design Services as detailed above as follows:

<i>Schematic Design Construction Estimate by Vannoy</i>	\$24,986,333.90
<i>Basic Services A/E Design Fee at 6% (SD-CA)</i>	\$1,499,180.03
<u><i>Credit for Schematic Design completed</i></u>	<u>-\$309,610.42</u>
<b>Subtotal:</b>	<b>\$1,189,569.00</b>
	<i>(rounded)</i>
<i>Civil Engineering Fee for DD- CA</i>	\$119,200.00
<i>Code compliant Landscape Design Fee for DD-CD</i>	\$24,800.00
<b>Subtotal:</b>	<b>\$1,333,569.00</b>
<i>Reimbursable Expenses – Not to exceed</i>	\$25,000.00
<b>Total:</b>	<b>\$1,358,569.00</b>

**Note:**

- Upon receipt of an executed proposal, LS3P shall begin design services immediately.
- Should the scope of the project change significantly at the commencement of Design Development or later, additional fees will be required to revisit the Schematic Design phase of work before proceeding into Design Development.

**REIMBURSABLE EXPENSES**

Reimbursable Expenses: Day-to-day expenses incurred solely in the interest of this project shall be reimbursable and include shipping and mailing costs, courier services, supplies, travel to and from sites computer plots, printing, and photographic reproduction. These expenses will be invoiced monthly at our and our consultant’s actual cost times a multiple of one and one-tenth (1.1) for administrative expenses. Reimbursable expenses will be billed as incurred with a not to exceed cost of \$25,000.

**BILLING & PAYMENT**

LS3P shall bill monthly for work completed the prior month. Billing will be on a percentage of the overall work completed per phase. Payments are due and payable 30 days from the date of our invoice. Amounts not paid after 45 days after the invoice date shall bear interest at the rate of 1.5% per month.

### **ADDITIONAL SERVICES**

Additional services not covered in the above scope of work as part of this proposal but found to be necessary in the Advance Planning and Programming and Schematic Design phases shall be approved by the Owner before LS3P proceeds with additional work. Additional services for consultants are billed at 1.25 times the consultant's direct invoice to the Architect. Examples may include but are not limited to:

- Scope associated with site plan approvals, rezoning, or changes for land/project entitlement.
- Cost estimating.
- Further value engineering/redesign changes after design phase sign-off.
- Design for value engineering items reincorporated into the project scope.
- Site Survey, Environmental Surveys and Assessments, Soils Exploration, and Geotechnical Surveys and recommendations.
- Commissioning.
- Coordination of Owner's consultants.
- Furniture, Fixtures and Equipment Design and Procurement and Art Services.
- Specialty Services not called out in this proposal.
- Experiential Graphics and Feature Walls (any wall graphic locations we need to design).
- Interior Wayfinding & Required Signage.
- Traffic Impact Analysis (TIAs) or studies and engineering.
- Traffic signal or pedestrian signal designs.
- Turn lane design.
- Off-Site Utility Design improvements, public water or sewer extensions.
- Flood studies or permitting.
- Stream/Wetland/Environmental delineation or permitting.
- Permit fees.
- Retaining Wall designs.
- Research tours of other facilities.
- Life cycle costs analysis or green building certifications.
- Photorealistic computer-generated and Professional Renderings and Animations and 3D physical models.
- Medical Equipment planning.
- Meetings and design presentations not specifically enumerated in this scope of work.
- Cost associated with stopping and starting the project of a period longer than 45 days.
- Cost associated with the design and assembly of early-release design packages.
- Monumental Project Sign.
- Landscape Design services during bidding and construction.
- Energy Star consulting and engineering audit - \$8,000
- Low Voltage Design - \$40,000
- Exterior and Interior Specialty Lighting Design and Controls - \$21,000

We look forward to continuing our work with Pardee Hospital and our relationship with Henderson County with the Spartanburg Highway medical office building. We know your building will be transformative for the community, and we are proud to be part of the design. Please contact us with any questions regarding this proposal.

Sincerely,



Maggie Carnevale, AIA, LEED BD+C, NCARB  
Principal | Vice President  
**LS3P**

Attachment: Exhibit A, Hourly Rate Schedule

Proposal accepted:  
**Henderson County**

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Signature

Date

## EXHIBIT 1

7/1/2023

### I. STANDARD TERMS

Confidential – Not for distribution without permission of LS3P ASSOCIATES LTD.

#### A. Agreement

This Proposal, including this Exhibit 1, is the entire and integrated agreement between Owner and LS3P, supersedes all prior negotiations or agreements, either written or oral, and shall be governed by the laws of the state of North Carolina without regard to principles of conflicts of law. This Proposal may only be amended in a writing signed by both parties. If any provision of this Proposal is invalid or unenforceable, the remainder of this Proposal will still be valid. By signing, The Owner agrees to the terms of this Proposal, including this Exhibit 1, and agrees to pay LS3P in accordance with the terms stated herein.

#### B. Exclusions

Only those services specifically included in this Proposal are included in the base services.

#### C. Expiration Time

This Proposal is effective up to 90 days from the Proposal date set forth above. After ninety (90) days, the terms set forth herein shall be subject to renegotiation unless otherwise agreed.

#### D. Standard of Care

LS3P shall perform its services consistent with the professional skill and care ordinarily provided by architects practicing in the same or similar locality under the same or similar circumstances. LS3P shall perform its services as expeditiously as is consistent with such professional skill and care and the orderly progress of the Project. Owner agrees that LS3P is not in control of the various authorities having jurisdiction (“AHJ’s”) over the Project or their respective review and approval schedules. LS3P will assist Owner and the Contractor in applying for the necessary approvals by the AHJ’s but ultimate responsibility for obtaining such approvals remains with Owner.

LS3P shall not be required to review and shall not be responsible for any deviations from the Contract Documents not clearly noted by the Contractor nor shall LS3P be required to review partial submissions or those for which submissions for correlated items have not been received. Owner agrees that no set of plans and specifications is entirely free of errors and omissions and that additive Change Orders which arise out of errors or omissions in the plans and specification and which result in an increase in the amount of the contract for the construction of the Project are possible. All costs of architectural errors, omissions or other changes which result in “betterment” or “value added” to Owner shall be borne by Owner, not LS3P (to the extent of the betterment or value added), and shall not be the basis of a claim.

#### E. Owner Information and Services

Owner shall provide full information about the objectives, schedule, constraints, and existing conditions of the Project and shall establish a budget with reasonable contingencies that meet the Project requirements. Owner acknowledges, however, that LS3P has no control over the cost of labor, materials, or equipment, over the Contractor’s methods of determining bid prices, or over competitive bidding, market, or negotiating conditions. LS3P shall be entitled to rely upon the accuracy and completeness of the services and information furnished by Owner, consultants, and contractors



including those consultant services required under the International Building Code sections 1703 (Approvals) and 1704 (Special Inspections), as applicable. Owner shall identify a representative authorized to act on Owner's behalf with respect to the Project. Owner shall render decisions and approve LS3P's submittals in a timely manner in order to avoid unreasonable delay in the orderly and sequential progress of LS3P's services. Owner's Representative is the only person authorized to act on behalf of Owner and to make changes to the scope of work and services under this Agreement. Any change to Owner's representative shall be made in writing and sent to LS3P. Such representative is as follows:

- .1 Name:
- .2 Address:
- .3 Tel No.:
- .4 Email:

Owner identifies the following financial representatives:

Owner's Finance Director

- .1 Name:
- .2 Address:
- .3 Tel No.:
- .4 Email:

Owner's Accounts Payable Contact

- .1 Name:
- .2 Address:
- .3 Tel No.:
- .4 Email:

LS3P will use Newforma Project Center as its project information management software platform. Any change from or addition to that platform shall be for the benefit of Owner and Contractor and will constitute an Additional Service to be billed as a separate task to Owner.

#### **F. Termination or Suspension**

Either party at any time with or without cause may terminate this Proposal by written notice to the other. Termination shall be effective seven (7) days after the date the notice is received. Upon effective termination, all services provided and expenses incurred up to and including the date of termination shall be immediately reimbursable, due, and payable to LS3P. Failure of Owner to make payments to LS3P under this Proposal shall be cause for termination.

In the event of a suspension of services, LS3P shall have no liability for any damages to Owner incurred because of such suspension. Termination or suspension of services by LS3P shall in no way relieve Owner of its obligation to compensate LS3P for services provided and expenses incurred up to and including the date of termination or suspension. If Owner suspends the Project, LS3P shall be compensated for services performed prior to notice of such suspension. When the Project is resumed, LS3P shall be compensated for expenses incurred in the interruption and resumption of LS3P's services. LS3P's fees for the remaining services and the time schedules shall be equitably adjusted.

#### **G. Ownership of Documents**

Designs, drawings, specifications, and other documents prepared by LS3P and/or its consultants are Instruments of Service for use solely with respect to this Project. LS3P and its consultants reserve all respective rights in and to those Instruments of Service including, but not limited to, copyrights.

#### **H. Photography / Job Sign**

LS3P reserves the right to photograph the Project and use said photographs in future promotional material. Photography sessions will be coordinated with Owner to avoid distraction during business hours. Owner shall allow LS3P to post a sign at the Project site at LS3P's expense containing LS3P's name, logo, and contact information. Such sign shall remain at the site during the design and construction phases of the Project. LS3P shall coordinate the appearance and location of its sign with those of the other Project participants.

#### **I. Mutual Waiver of Consequential Damages**

Owner and LS3P waive consequential damages against each other for claims, disputes, or other matters in question arising out of or relating to this Project. This waiver is also applicable to damages due to termination and/or value engineering and will survive termination of this Proposal.

#### **J. Limitation of Liability**

**LS3P'S LIABILITY (IF ANY) TO OWNER FOR ANY AND ALL CLAIMS AND/OR DAMAGES SHALL BE LIMITED TO A MAXIMUM OF AND SHALL NOT EXCEED, EITHER INDIVIDUALLY OR IN THE AGGREGATE, THE TOTAL AMOUNT OF LS3P'S FEE RECEIVED FOR THIS PROJECT.**

#### **K. Insurance**

Owner and LS3P waive all rights against each other for damages to the extent covered by property insurance applicable to this Work except such rights as they may have to proceeds of such insurance held by Owner as a fiduciary. Owner shall cause the general liability insurance policies issued to the Contractor(s) and its subcontractors providing construction related activities in connection with the Project to list LS3P and its consultants as additional insureds under those policies by way of ISO endorsement CG 20 32 or its equivalent. Owner agrees to maintain general liability coverage in the amount of \$1,000,000.00 per occurrence and in the aggregate for the duration of the Project. Owner agrees to name LS3P and its consultants as additional insureds on its general liability policy providing coverage to this Project.

#### **L. Third Party Claims**

This Proposal shall not create any right, remedy, relationship, and/or cause of action in any third party.

#### **M. Means, Methods, Schedule, and Safety**

LS3P has no control over, charge of, or responsibility for hazardous materials or the means, methods, schedule, and/or safety in connection with this Project. LS3P and LS3P's consultants shall have no responsibility for the discovery, presence, handling, disposal of, or exposure of persons to hazardous materials or toxic substances in any form at the Project Site. LS3P or its consultants shall not be held liable for any hazardous materials or toxic substances related claim. Owner will have all hazardous materials or toxic substances removed independently before construction begins. If any additional

hazardous material or toxic substances are encountered during the course of the work, Owner shall be responsible for providing industrial hygienist services necessary to carry out abatement, removal, or encapsulation of the material. LS3P or LS3P's consultants shall not be held liable for the discharge or release of contaminants or other pollutants. Owner agrees to indemnify and hold harmless LS3P and its consultants from and against all third-party claims related to hazardous materials and/or toxic substances.

**N. Notices**

The only valid addresses for receipt of notice are as follows:

LS3P:               LS3P ASSOCIATES LTD.  
                          14 O'Henry Avenue  
                          Suite 210  
                          Asheville, NC 28801

Owner:             \_\_\_\_\_

                          \_\_\_\_\_

                          \_\_\_\_\_

**O. Basis of Opinion**

Projects requiring observation and reporting of existing structures may have conditions concealed from view that differ from available documentation or other information. LS3P is not responsible for the costs or delays resulting from the later discovery of such actual conditions. This Proposal and any subsequent representation is a statement of professional opinion based on the information available during the assessment and/or evaluation of the subject property. Such opinion is formed by the judgment of LS3P from the knowledge of available facts and other information. This Proposal and any subsequent representation only reflect the conditions on the day of site observation. Owner hereby acknowledges that existing conditions can and will change relative to the information contained in this Proposal and/or any subsequent representation.

**P. Payment**

Design Services will be billed monthly in accord with the percentage of work complete and the terms of compensation. Additional Services by LS3P, Additional Services by consultants, and/or reimbursable expenses shall be billed monthly based upon accrued amount including mark-ups. Owner shall pay LS3P the balance due upon receipt of invoice. If unpaid invoices become more than sixty (60) days overdue, LS3P may, upon seven (7) days written notice to Owner, contact Owner directly for payment and/or stop work until payment is received. In the event of non-payment, Owner shall reimburse LS3P for any attorney's fees incurred to collect the unpaid receivables. LS3P will begin work on this Project once the Proposal signed by both parties have been received. Payments on this Project should be sent directly to:

LS3P ASSOCIATES LTD.  
PO Box 96327  
Charlotte, NC 28296-0327

**Q. Dispute Resolution**

Dispute resolution shall be by stepped negotiations in the following order: (1) exchange of written statements of position, (2) meeting of representatives with full settlement authority, (3) mediation, and then (4) litigation.

**R. Enhanced Construction Phase Services**

Owner agrees that Work will progress during the period between LS3P’s Basic Construction Phase Services site visits that can and will be concealed from view during subsequent site visits, resulting in Work that LS3P is unable to observe. If Owner desires to reduce the amount of concealed Work that LS3P is unable to observe, LS3P shall provide Enhanced Construction Phase Services as Additional Services as indicated by Owner:

- Visit the site one (1) time per week;
- Visit the site two (2) times per week;
- Visit the site every “work day” as outlined in the Contractor’s construction schedule; or
- Provide “full time” site representation for the duration of the construction.

Owner further agrees that LS3P explained the benefits of Enhanced Construction Phase Services to Owner. If Owner voluntarily elected not to engage LS3P to perform such services, then Owner agrees that without Enhanced Construction Phase Services the Project may experience scheduling, budget, and/or coordination problems which will be more difficult and more costly to remedy than prevent.

**II. STANDARD BILLING PROVISIONS**

Confidential – Not for distribution without permission of LS3P

LS3P provides Architecture, Interiors, and Planning Services on a time and materials basis as follows:

1. Compensation for Services provided by LS3P personnel shall be at the following hourly rates:

Senior Officer / Principal	\$275
Officer / Principal	\$250
Senior Project Manager	\$225
Senior Project Designer	\$225
Project Manager	\$200
Senior Architect / Senior Interior Designer	\$190
Architectural Staff III / Interior Design Staff III / Design Staff III	\$170
Architectural Staff II / Interior Design Staff II / Design Staff II	\$150
Architectural Staff I / Interior Design Staff I / Design Staff I	\$135
Designer	\$125
Senior Technician	\$135
Technician	\$125
Administrative	\$100

2. For Services of Professional and Engineering Consultants including and not limited to Structural, Civil, Mechanical, Electrical, Plumbing, and Surveying Services, a multiple of 1.25 times the amount billed to LS3P will apply.
3. Billing will occur monthly or at the completion of the work, whichever comes sooner, with payments due upon receipt.
4. After thirty (30) days from the date of invoice, payments due and unpaid shall bear a late charge of one and one-half percent (1.5%) per month from the date of invoice.
5. Reimbursable Expenses (i.e., Travel, Reproductions, Plots, Postage, Handling and Delivery, Renderings, Models, etc.), incur a multiple of 1.1 times the amount expended by LS3P. Large quantity reproductions, blue-line prints, black-line prints, sepia prints, high resolution scans, and other special graphic media formats will be outsourced at vendor pricing plus customary 10% markup.
6. Digital Reproduction of Documents and Instruments of Service (limited to computer generated drawings and not to be considered Contract Documents as defined by the General Conditions for the Contract for Construction) may be obtained for specific qualified purposes with appropriate authorization and subject to an LS3P Letter of Agreement stating Terms and Conditions for release. Drawing Sheets prepared using Autodesk® Revit®, Autodesk® AutoCAD®, and Bentley® MicroStation® application software shall have the following per sheet billing rates as Digital Documents:

<u>Electronic Files Formats</u>	<u>Per Sheet</u>
DWG (Autodesk® Drawing File)	\$30.00
DGN (Bentley® Design File)	\$30.00
DXF (Autodesk® Data Exchange File)	\$30.00
DWF (Autodesk® Design Web Format)	\$10.00
PDF (Adobe® Portable Document Format)	\$4.00

Autodesk Revit and AutoCAD drawing files represented in the DWG and DXF file formats and Bentley MicroStation design files represented in the DGN file format are viewable, printable and editable using application software. Autodesk Design Web Format or DWF files and Adobe® Portable Document Files or PDF files formats are viewable and printable using Autodesk Design Review and Adobe Acrobat Reader, respectively. These software viewers are available as free downloads. DWF and PDF file formats are not editable and may be scaled, red-lined or otherwise marked up without changing the original files. Additional charges for file format conversion may apply.

7. Minimum billable time for Depositions and Testimony is One-Half Day.
8. This standard schedule is subject to change 6 months from date of issuance.