



# BUILDING AUTHORITY

CITY OF NOVI

Building Authority Meeting

Thursday, October 9, 2008 | 8 A.M.

Council Chambers | Novi Civic Center | 45175 W. Ten Mile Road

Meeting was called to order at 8:02 a.m.

**MEMBERS PRESENT:** Larry Czekaj, Julie Farkas, Rob Hayes, Clay Pearson, Steve Rumble, Kathy Smith-Roy, Mark Sturing

**OTHERS PRESENT:** Mary Ellen Mulcrone, Ramesh Verman, Kristin Kolb

## APPROVAL OF AGENDA

**Motion by Farkas, seconded by Pearson, CARRIED UNANIMOUSLY:** To approve the agenda with addition as 4. Owner's Representative.

## APPROVAL OF MINUTES

**Motion by Sturing, seconded by Farkas; CARRIED UNANIMOUSLY:** To approve the minutes as amended.

## PURPOSE OF THE MEETING

### 1. Report of Bid Addendums and Schedule for Library Construction Bidding

Mr. Ron McKay from BEI started the discussion by giving a brief overview of the progression of addendums. The majority of the changes were minor tweaks and clarifications. Because of the change, there is a ripple effect involving the time to review the documents. It appeared to be a good idea to issue another week for the bidder to have the opportunity to formulate a better bid. Bids are due by 3 p.m. October 23, 2008.

Mr. Czekaj asked if addendums number 4 and number 5 were a result of questions/comments from the bidders or were they generated because of drawing changes. Mr. McKay said the responses included clarifications, City comments, and questions generated by contractors. Mr. Hayes commented over 100 drawings were included in the addendums. Mr. McKay explained the changes represented less than 1% of the project or \$120,000. A lot of the changes were detail sheets with additional clarifications; size and location changes were minor.

Mr. Sturing appreciates the changes now to help reduce the number of change orders. However, why the \$120,000 for these addendums? Mr. McKay responded the City wants bidder to have the cleanest bid documents. Addendums always drive the cost of a bid upwards. Mr. Rumble is concerned that the project will be paying the tab. Were the changes driven by the City? Mr. McKay explained the documents would have to be reviewed page-by-

page in order to provide a detailed report. A report can be prepared if that is a request of the Board. As an example, the life safety drawings came from City staff and other discussions.

Mr. Pearson commented if most of the changes were minor, why make those changes at this time to cost the project another week delay. Ms. Smith-Roy said it would have been nice to have a summary of the changes included at the beginning of the addendums/drawings to make the process more efficient for all, and would have preferred the BEI web-link had been set-up at the beginning to access all the drawings and addendums. Mr. Czekaj commented things happen and have to be dealt with such as this instance. Who pays for this report if it is requested? Mr. Pearson does not see any value in having a report. Mr. Sturing concurs. It is important for BEI to spend time on other areas. Mr. McKay confirmed bid submittals are due October 23<sup>rd</sup>, and BEI is hosting the bid documents on their website.

Ms. Farkas asked that the next addendum include the addition of conduits for a security book system for a gate at the back patio door for future planning consideration. Mr. Dwayne Henderson explained that while the building foundation is open it will be easier and affordable to include a floor to ceiling conduit at this time. Mr. Sturing commented the change might be handled by the contractor at a later date. Mr. McKay said yes, but it could be more costly. Ms. Smith-Roy's preference is to include in addendum number 6.

**Motion by Farkas, seconded by Sturing; CARRIED UNANIMOUSLY: To include a floor to ceiling conduit for a security gate at the patio door in the next addendum.**

## **Discussion**

Mr. Pearson asked Mr. McKay for his impression on the pre-bid meeting attendees. Mr. McKay said the City should expect six to ten competitive bids. Mr. McKay commented given the current economic conditions the project should attract large general contractors and a number of competitive bids.

Mr. Pearson said the next tentative date to review the bids is October 24, 2008. Because of the change to the submittal deadline, the meeting date will need to be changed. It was determined the meeting will be October 30, 2008 at 8:00 a.m.

- 2. Assistance for evaluation of General Contractor Proposal before awarding bid**
  - a) Skanska proposal letter**
  - b) McCarthy & Smith, Inc. proposal letter**

Ms. Smith-Roy said four firms were contacted and two responded, one declined and one did not submit. The recommendation is to engage McCarthy & Smith, Inc.

**Motion by Smith-Roy, seconded by Farkas; CARRIED: To engage McCarthy & Smith, Inc. to assist the City with evaluating bids for the not-to-exceed amount of \$5,000 and to disclose prior business relationships with firms being considered.**

**Yeas: Farkas, Pearson, Rumble, Smith-Roy, Sturing      Nays: Czekaj, Hayes**

## **Discussion**

Mr. Hayes commented it is not a good idea for one general contractor to evaluate another general contractor. There could be an illusion of improprieties. Mr. Sturing said his understanding was the firm was to conduct a background check on the top two or three firms. Ms. Smith-Roy explained a bidder may submit voluntary alternates. There is a concern if there is five or six bidders close in costs based on the alternates. Mr. Rumble said that Skanska's letter states they will review five proposals. Ms. Smith-Roy clarified the cost was higher than McCarthy & Smith, Inc. Mr. Czekaj agrees with Mr. Sturing about background checks and with Mr. Hayes about not reviewing another contractor. Mr. Pearson voiced the cost should not be more than \$5,000, and they should disclose who they have worked with/for, and he is comfortable since they will not be making the decision on which firm to recommend to City Council. Mr. Rumble commented they will only be reviewing a few bids and he is comfortable, too.

Ms. Smith-Roy said the firm will help set up bid tabs and assist with determining qualified bidders based on due diligence. Is BEI preparing a bid tab? Mr. McKay is not sure and will have to review the contract. Ms. Kolb explained BEI is obligated to evaluate and form a recommendation. Mr. Czekaj clarified that McCarthy & Smith, Inc. would not be making a recommendation but evaluating bids reviewed by BEI.

### **3. Library Board Updates/Questions**

- **IT/FFE Consultant presentations**
- **Budget for building project/additional funds**

Ms. Farkas mentioned both consultants presented their current budget opinion at the last Library Board meeting. Based on the budgets presented, the Library Board is looking at additional revenue sources to purchase additional "wow" factors for the new building. A budget meeting with Ms. Smith-Roy is being planned for early November to discuss what options might be available.

- **Patron access to the building during construction**

The current route for patrons to travel to enter the building is not direct. The plans show patrons having to go along Taft Road and loop back. The suggestion is to have a walk along Ten Mile Road to bring patrons more directly into the building, said Ms. Farkas. Mr. Czekaj commented the Building Authority will look at making the route a safe, convenient and at a sound cost.

### **4. Owner's Representative**

Mr. Sturing would like to know if this project will be overseen by an owner's representative or a general contractor. How much time will BEI be on-site during construction? Mr. McKay does not know. Mr. Sturing said probably not full time. He would like the use of an owner's representative. Ms. Smith-Roy said there is a meeting scheduled to discuss this issue. Mr. Sturing said there is a significant difference between tasks performed by a building inspector and an owner's representative. Mr. Hayes recalls BEI will be on-site for some visits. Mr.

Czekaj mentioned with the senior center project there was a project manager hired at an hourly rate. He reported when needed, and his time was flexible. It worked very well.

## **AUDIENCE COMMENTS**

**Ramesh Verma** – said the Building Authority never asked for a firm to review bids. He strongly disagrees with this decision. The architect should be reviewing the bids. Who will be looking over the consultant?

## **Discussion**

Mr. Pearson clarified that McCarthy & Smith, Inc. will not be reviewing the bids. If the Building Authority decides to interview firms, they may assist along with the background checks. They will only be looking at the bidders that have gone through the initial bid review analysis.

**Motion by Farkas, seconded by Sturing; CARRIED UNANIMOUSLY: To adjourn the meeting at 9:09 a.m.**