



BUILDING AUTHORITY

CITY OF NOVI

Building Authority Meeting

Thursday, October 30, 2008 | 11 A.M.

Conference Room C | Novi Civic Center | 45175 W. Ten Mile Road

Meeting was called to order at 11:05 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 Verma, Thomas Schultz, Bill McCarthy, Melissa Place

APPROVAL OF AGENDA

Motion by Farkas, seconded by Rumble; CARRIED UNANIMOUSLY: To approve the agenda with addition as 2. General Contractor interview, schedule and process.

APPROVAL OF MINUTES

Motion by Farkas, seconded by Rumble; CARRIED UNANIMOUSLY: To approve the October 24, 2008 minutes as amended.

PURPOSE OF THE MEETING

1. Review of bids

Ms. Smith-Roy opened discussion by explaining eight bid tabs were complete and one bid was incomplete. BEI and staff considered the three lowest bids with the inclusion of Alternates No. 2, 4, 5, 6 & 7. The Dailey Company was the lowest base bid with the alternates included. Mr. Czekaj commented the next step is to conduct an interview, correct? Ms. Smith-Roy said yes. BEI will share their findings along with Mr. Bill McCarthy from McCarthy & Smith, Inc. to comment as well.

Mr. Kittides explained the three lowest bids were The Dailey Company, Quadrants, Inc., and Synergy, which all small businesses. The Dailey Company has been in business for 12 years. Their experience is 100% general contractor and 100% commercial/institutional. They provided "blue chip" references, a complete construction schedule and are providing \$30,000 in testing allowance. The subcontractor list needs to be reviewed. The Quadrants, Inc. has been in business for 26 years. Their experience has been 50% general contractor, 30% construction management and 20% design/build. References provided were their own sub-contractors. Synergy has been in business for 12 years. Their experience has been 10% as general contractor, 85% construction management and 5% design/build. Based on these bid and other item as noted in the evaluation, The Dailey Company is recommended.

Mr. McCarthy commented McCarthy & Smith, Inc. was asked to review all three bids regarding background, sureties, etc. Based on the review, all three firms were asked to provide additional information. The Dailey Company along with the others provided additional clarification. The Dailey Company subcontractor list includes vendors that the City has experience with, and a few subcontractors the City may not want to use on this project. All requested information came back in a timely manner.

Mr. Czekaj asked if testing was included in the RFP and if the \$30,000 proposed is sufficient? Mr. Kittides said no not included in RFP but thinks the amount is a healthy number. Mr. Pearson appreciates the fact eight good bids were under budget. The credit goes to BEI/Diamond and Schmitt for leading that charge. If the City partners with The Dailey Company, we should ask about the subcontractors. Mr. Sturing found the schedule for additional work and wanted clarification. He does not understand the work by subcontractors and work by own forces. Mr. McCarthy continued when subcontractors are quoting work they will mark up costs. The Dailey Company will put in the percent to make up for change orders. The consensus was for additional information to be provided during the interview process, examples would be helpful.

Mr. Sturing is not sure if Alternate No. 7 is a meaningful benefit to him. He is leaning to delete this alternate for an extra 60 days to complete the project for a credit of \$5,000. The doors can be opened two months earlier. Mr. Czekaj said patrons would still be walking from the high school parking lot. Mr. McCarthy said The Dailey Company's reasoning was to use the two additional months on the front-end of the project to order materials, line up subcontractors and review plans and shop drawings. This is desirable for the reasons stated and to move into the new building with warmer weather and better utilization of the high school parking lot. Ms. Smith-Roy suggested discussing the schedule at the interview session. Mr. Sturing said if to the project starts in December, would the parking lot be used for staging. Mr. Pearson said the public parking lot would not be used. Ms. Farkas said some of the parking lot may be affected. Mr. Pearson does not want the parking lot restricted until work begins.

2. General Contractor interview, schedule and process

Mr. Czekaj said based on the dollar amount of the bid, The Dailey Company is the most cost effective and recommends an interview as soon as possible.

Motion by Pearson, seconded by Smith-Roy, CARRIED UNANIMOUSLY: As recommended by BEI/Diamond and Schmitt and McCarthy & Smith, Inc., some Members of the Building Authority will meet on November 3, 2008 to interview and finalize open questions with The Dailey Company for the Library Project. The Building Authority can entertain an award based on today's discussion, and The Dailey Company is the low bidder dictated with experience and depth of related construction experience.

Discussion

Mr. Pearson confirmed an interview with The Dailey Company will be on November 3, 2008 at 12:30 p.m. at the Civic Center.

AUDIENCE COMMENTS

Vicki McLean thanked the Board, and is impressed and pleased with the outcome. She would like to have the option of two elevators and a second floor storage area.

Ramesh Verma asked if Alternate No. 7 is out? Is there a penalty if not done?

Mark Tucker from the Garrison Company commented they are disappointed that their bid was not considered. The City is a valued customer, and they have had a great working relationship. Again, he is present to voice disappointment in not having the opportunity to work with the City on this project.

Discussion

Mr. Czekaj said the second elevator and second floor storage area are currently included in the alternates for purposes of the bid evaluation. The final cost of the bid would be \$5,000 less if the two month delay is accepted. If we do not go with Alternate No. 7, The Dailey Company would not be the low bidder. The entire package can be looked at again.

Motion by Farkas, seconded by Smith-Roy, CARRIED UNANIMOUSLY: To adjourn the meeting at 12:10 p.m.

Minutes approved January 8, 2009