

# MINUTES of the PUBLIC WORKS COMMITTEE

Meeting held: Wednesday, March 12, 2014, 7:30 AM

Main Conference Room, Leawood City Hall.

## Committee Members in attendance:

James Azeltine, Chair and Ward 4 Councilmember  
Adam Abrams  
Jim Rawlings, Ward 2 Councilmember  
John Burge  
Jon Grams  
Abbas Haideri  
Marsha Monica

## Committee Members absent:

Carrie Rezac, Vice Chair and Ward 3 Councilmember  
Andrew Osman, Ward 1 Councilmember  
Ken Conrad  
Christopher White

## Staff in Attendance:

Joe Johnson, P.E., Director of Public Works  
David Ley, P.E., City Engineer  
Julie Stasi, Administrative Services Manager

- Chair Azeltine, called the meeting to order at 7:32AM.
- OLD BUSINESS: Review Previous Minutes.  
Marsha Monica motioned to approve Minutes from the previous meeting of September 11, 2013. John Burge seconded the motion to approve. All present members were in favor. Motion passed unanimously.
- The next item of business was NEW BUSINESS: Selection of a 2014 Design Build Team for the 2014 Curb Replacement Program, 2014 Residential Mill & Overlay Program and the Mill & Overlay of Briar between 133<sup>rd</sup> and 135<sup>th</sup> Streets (1 Project).

Packets were distributed to Committee Members on March 6<sup>th</sup> for their prior review of the Design Build Team Qualification Proposals. Scores were collected and averaged. Bid prices were then opened at the meeting and points were assigned with the lowest price receiving the most points.

Scorecard attached. (*Note: Members voting: Azeltine, Rezac, Rawlings, Abrams, Burge, Grams, Haideri, Monica. No votes were received from Members Osman, Conrad or White.*)

## Questions:

Marsha Monica asked about the Design/Build concept and asked Staff to explain.

Joe Johnson advised the concept has been around for a while. States and DOT's have a hard time doing these due to the rules and regulations they have set and have to follow. So many companies will select a contractor based on low bid. However many projects (buildings and construction) can use a Design/Build project. The Bond Bridge is a good example here in Kansas City. A lot of it has to do with the complexity of the project and in trying to get it done in a quicker time. Once a team is selected, as the design progresses, they can start on parts of the work as the design is moving along. Instead of a contractor waiting for the entire design to be done. The contractor can build the items that are ready and construction can start as the design progresses through on other portions of the project. When a Design/Build approach is used, you establish what the budget is. For example, if it's a bridge, you have x amount of money and you say, design and build me a bridge for this amount. They will have 5 or 6 teams and submit preliminary engineering designs to show the scale of the project and the general concept. Everybody knows they are going to have to meet the budget. It speeds up the project. There is a lot of work on our project that can be done with no engineering at all. We have

State Line and Briar that have a little bit of engineering but as they are doing construction on the other pieces, they can be designing those.

Abbas Haideri-added too that this is a product of sustainable design to some extent with the whole integrated design approach (and someone used that term in their presentation). The intent was that the designers bring the contractors and other parties on board early on at the front so (they won't be designing it and then going out to bid and find out it will be higher than what the budget was going to be)...where there is a lot of going back and forth. It takes away the adversarial relationship that sometimes comes out of design professionals and contractors.

Joe Johnson-There won't be any bickering or pointing to the other one because they are a team in this situation. If the design is wrong, it is the team that has to fix it. They can't come back to the City with a change order if it was their design. They have to figure it out.

Abbas Haideri-Read in the Minutes of the previous meeting comments about the bicycle lanes. Will that anyway impact the curb on this project?

Joe Johnson-No, not with this project.

Marsha Monica-Asked about the firms/contractor teams.

Joe Johnson-Advised we selected large companies that are used to doing 10 to 20 millions of dollars of projects a year. All have done favorable work in the metropolitan areas and most all of them (all but one) have done work in Leawood on our large projects. Staff would be comfortable with any of these teams.

Marsha Monica-Advised she was trying to review costs they mentioned in their presentations, but it was unclear. When they speak about Project Managers, Administrations costs etc...

Joe Johnson-Said not to really worry about those. We were looking mostly at the engineering.

David Ley-Advised in the meetings they also told those interested to check the quantities that they think they will need and include that in their bids.

Jon Grams-Asked where are the bids?

Joe Johnson-Advised we have them here (still sealed).

Julie Stasi-We will collect your scores first on the presentations before we open the bids.

Joe Johnson-Advised we set up the score sheets to come to 90 points. The other 10 points is based on the bid amount. Once we total the scores, we will divide by the number of scorers so we have the average. There are several ways. You can take the low bid and divide it by the high bid and then multiply by 10, which is what we talked about with the teams. We did a spread sheet, but did not get much differentiation. We did not see much separation.

Adam Abrams-Commented on the time schedules. Some have listed November while others say the end of September. Is that a reasonable amount of time?

Joe Johnson-Thought it was. Some have 6 or 7 curb crews so they could be in 2 or 3 areas at the same time. A lot of it will depend on how much other work they have picked up during the year. Also the weather will play a part. We have spoken with all of the groups and all think it is a reasonable time frame.

Chair Azeltine-said reading through these makes him realize that with his job how some people feel when he is presenting financial plans.

Adam Abrams-It makes you appreciate how much work they put into creating the proposals.

Chair Azeltine-It does.

Joe Johnson-Is hopeful this process will turn out good. We are in our second year for this program. Next year will be another 4.9 million dollar program and the one after that we will stand back and see where we are at for curbs. This one has curb, mill & overlay, storm sewer, sidewalk. The curb is

bonded. All the other work is Pay-as-you go.

Joe Johnson-This is the first time we have done a Design Build with the road projects. The last time we used Design Build was when we build the Public Works Facility; and that turned out real well. We talked with a lot of folks around town (contractors and other folks) about doing Design/Build for this type of work. Everybody thought it lent itself to what we were wanting.

Staff collected the score sheets and tallied the totals.

James Azeltine: You said you were talking about taking the low bid and dividing it by the high bid?

Joe Johnson-There are two ways to look at it. Yes. You would either take the low bid and divide it by all the other bids and then multiply it by 10.

James Azeltine: You mean divide into?

Joe Johnson-Yes divide into.

The second step is just to say the low bid gets 10, the next one gets 9 points, the next 8, then 7 then 6. Then we would add those points to the proposal scores.

We did it several different ways and really did not have much effect on the spread.

Next time we may make the cost instead of 10%, make it 25% of the overall points.

We have spoken to many and a lot of people did it like this. But after talking I think the next time we do this we may make the cost 25% of the total overall score.

David Ley opened the sealed bids and read the bid prices. There was one (1) addendum.

O'Donnell/Olsson Team	Addendum present	\$6,079,488.35
Miles/Affinis Team	Addendum present	\$6,444,509.54
Fahey/SKW Team_____	do not see addendum	\$6,207,514.50
(Joe thought their addendum was in their packet)		
Emery Sapp/BHC Team	Addendum present	\$6,581,874.81
Kissick/Uhl Team	Addendum present	\$6,107,963.00

Joe Johnson-So the low is O'Donnell, the next is Kissick

Adam Abrams-Not sure if it matters, but does not see Fahey's Addendum in their submittal.

David Ley-Fahey is the only one that did not have an Addendum with their bid.

Julie Stasi-Asked what the Addendum was for.

Joe Johnson-Just clarification.

David Ley- The bid tab, talked about including incidental costs; like for Engineering.

Joe Johnson-Overall, O'Donnell/Olsson Team are the top score.

Jim Rawlings-So in looking at the second placed point wise in presentation, their firm had the highest bid. That's the choke point there-\$600,000 grand.

Adam Abrams-Wonders if a lot of their savings is because of their subs. Are they subbing a lot of it out?

Joe Johnson-Probably does. Emery Sapp is a big in concrete so they have a sub with asphalt. O'Donnell does their asphalt and also has their own plant. Everybody is buying concrete, so everybody has the same expense on material cost for doing the curb. Where you get some savings like with Fahey and O'Donnell, both of them have their own plants; so some have a better ability to adjust asphalt prices because they are making it.

David Ley-O'Donnell was \$160,000 less on the mill & overlay portion; which was priced at about a million. Emery Sapp was at about 1 million. And O'Donnell was at 835,000.00 or so. Plus we told them the square yards on the mill & overlay and we told them to go out and look and determine how much asphalt they needed to put in there. Actually O'Donnell included more asphalt (about 10%

more) in their bid, so they are lower price plus and they included more asphalt.

Joe Johnson-All of these groups are good to contract with and have done jobs in and around our communities.

Marsha Monica-commented on the scoring. If all the groups selected are ones we can work with and have no trouble with then more points should be placed on the price. If the quality and performance is already there, money is everything. As long as all the people are good people. The differential should be more with the price. Instead of doing 10 points, 9, 8 7 and so on; do even 80, 70, 60, 40.

Jim Rawlings-Where the lowest bidder would get more of a point credit.

David Ley-Possibly even figure out a price difference and use points somehow to determine that. Because if we had five really tight bids, it really would not be fair to take someone who may only be \$100,000 more if he is the high bid and only be 2 points. So maybe look at the difference.

Joe Johnson-Does not know if Overland Park even does this. The ones we are aware of are Olathe, Johnson County, and Lenexa. They all had the bid as 10% of the selection process like how we are doing it. We've talked several folks around here to make sure we were following what others are doing. Yes, we are thinking next time we will make the price more 25% of the overall score system. For us to do this we had to come before the Governing Body to exempt ourselves from our standard, which is Design/Bid/Build. We did it by Ordinance to go to Design/Build to go through this process.

James Azeltine-And that makes the most sense when you have a minimum of engineering cost?

Joe Johnson-No it can be big engineering costs, a lot of it has to do with the speed and how quick do you want it done? It can shave off a whole year of a project.

Adam Abrams-Is there also a contingency you put into the cost?

David Ley-We have a force account that we use. That helps with contingencies that happen out in the field. So we will probably add \$200,000.

James Azeltine-David, do they know you put that contingency in there?

David Ley-We do it after.

Joe Johnson-We've told them.

Marsha Monica Motioned for the Committee to recommend to the Governing Body the selection of the O'Donnell & Sons/Olsson Design Build Team for the 2014 Design Build (Curb) Project.

Abbas Haideri seconded the motion. All present members were in favor. Motion passed unanimously.

Joe Johnson advised the recommendation would go to Council at the April 7<sup>th</sup>, 2014, Meeting.

- Chair Azeltine-Adjourned the meeting at 8:23 A.M.

Minutes submitted by: Julie Stasi, Administrative Services Manager  
Leawood Public Works Department  
attachments (2) [scorecard]