

A meeting of the Mayor and Council of the City of Sidney, Nebraska, was convened in open and public session at 7:16 P.M. on July 23, 2013 in the Council Room. Present were: Mayor Gaston and Council Members: Gallaway, Nienhueser, Gay and Arterburn. Others present: City Manager Person, Attorney J. Leef, and City Clerk Anthony. Notice of the meeting was given in advance thereof by publication in *The Sidney Sun Telegraph*, the designated method for giving notice, a copy of the proof of publication being attached to these minutes. Advance notice of the meeting was also given to the members of the City Council and a copy of their acknowledgment of receipt of notice is attached to these minutes. Availability of the agenda was communicated in the advance notice and in the notice to the City Council. All proceedings shown hereafter were taken while the convened meeting was open to the attendance of the public.

Mayor Gaston informed the public of the location of the posted Open Meetings Act.

Arterburn moved, Gallaway seconded "That the minutes of the July 9, 2013 meeting be approved as printed." Roll call vote: Yeas: All council members present.

A review of the Municipal Golf Course Improvements project bid process was given by Andy Staples of Staples Golf Design, Don Mahaffey of Greenscape Methods, and Scott Bustos of Project One. One Bid was received at the July 17th opening from Wadsworth Golf Construction Co. as follows: 1. New irrigation Pond \$280,500 (Budget \$165,800); 2. Pump Station Building \$298,500 (Budget \$29,200); 3. Complete Irrigation \$1,139,740 (Budget \$924,335); 4. Performance Bond \$128,000 (Budget \$100,000); 5. Total Base Bid \$1,846,740 (Budget \$1,219,335). Alternate bids amounted to \$564,686 (Budget \$391,500) to the Base bid making the Overall Total \$2,411,426 (Budget \$1,610,835). The consultants expected to receive bids from at least seven other companies that had expressed interest. Some contractors gave notification that they were not bidding because of project timing/crew availability, time to complete the project, and the availability to provide the bid bond in time for the bid opening. It was also noted that a prebid conference was conducted on July 9<sup>th</sup> at the Hillside Golf Course with eight qualified bidders and a few supplying vendors for the project in attendance.

After detailed review of the RFP response received from the above firm, it was determined that having a phone interview was warranted with Wadsworth Golf Construction Company to see if there were some clarifications with the submittal. This conversation occurred at Project One's office and was conducted by Scott Bustos, Andy Staples, Doug Long, and Don Mahaffey along with the President of Wadsworth Golf Construction, Pat Karnick. The phone interview was conducted to review the intent of the bidder to determine if the bid submitted was appropriate to the specific needs of the City. The interview also allowed the team the opportunity to ask project specific questions to determine how to properly approach to the project, schedule, and the overall costs of the base bid plus the alternates.

**Selection of Construction Firm for Recommendation to City Council** - The City is ultimately seeking a Construction Firm that takes the time to understand the issues and critical factors for successful delivery of the project, provides qualified professional construction and a staff that offers creative solutions to project challenges, is committed to working through a collaborative team approach and demonstrates an overall level of specialized knowledge to complete the project to the City's highest level of expectations.

Based upon direct conversation with the bidder's list, the consultants "interviewed" each company as to why they were not able to bid and these factors and reasons are shown below:

1. Current work load of the bidder, currently busy through end of August
2. Timing of the year of the bid vs. start date
3. Time frame to complete
4. Lead time on getting the required materials for the irrigation system
5. Lead time on the pump station went from 6 to 8 weeks to a solid 10 weeks
6. Raw product costs for the HDPE had a price increase of over 18% a week prior to the bid
7. Specific completion by the end of November 30<sup>th</sup> with a significant liquidated damages clause at \$1500 per calendar day
8. The bidders not spending enough time on their bids
9. Not utilizing enough local companies to supplement their bids to keep costs lower
10. And the availability of other work currently bidding
11. All contributed into not having a suitable bid environment for this round of bidding for the project.

Lastly, the consultants asked the Contractor's list of potential bidders what factors they would like to see "changed" if the project were to be rebid and the following were some of those items:

1. Time frame to complete the work, start is September instead of August
  2. Relax the completion date, complete later in the year or next spring
  3. Reduce the amount of liquidated damages, i.e. \$500 per calendar day
  4. Allow the contractor to submit clarifications with bid
  5. Revisit the rock clause and allow the bidder to bill for any rock encountered per a unit price
  6. Allow the contractor to submit "value engineering" concepts with their bids to the Owner directly
    7. Need more time to find a suitable building contractor for the pump house, i.e. lower cost
    8. Spring seeding is better than fall seeding if the contractor is responsible for germination and acceptance after 28 days
    9. Would like to see more time allocated to secure material supplies for the project
- The Contractors were also asked that, if the project was rebid, when would they like to see it rebid. Six Contractors preferred the Fall of 2013 and two preferred the Spring of 2014.

Recommendation to City Council

It was recommended that the City does not approve the submitted bid from Wadsworth Golf Company based upon being over budget.

The next recommendation would be to restructure the rebid to reflect the current bidding environment to have a better result. Based upon on conversations with the potential bidders, they would be eager to rebid this project under some different circumstances. The changes that are recommended would be:

1. Start date will be later into September.
2. Completion will be late spring/ end of May.
3. Spring grassing for the project would be better for the project.
4. Relax the liquidated damages to a lower amount.
5. Staples Golf to review specifications to "value engineer" some portions to lower the construction costs without sacrificing quality.
6. Provide "aid" to the bidders with finding more local contractors to supply viable bids for the pond excavation, pump station building construction, and electrical work.
7. City to consider the removal of the performance bonding requirement from the project.

This recommendation would be to break the base bids into different bids:

- 1- New pond reservoir, lining, new pump station, wet well, intake, and Pump station building
- 2- New irrigation system installation
- 3- Alternate items to be restructured to only bid the tee renovation work
- 4- The resulting schedule recommendation is shown below:

SCHEDULE	Start	End
Re-Issue Bid Documents	7/24/2013	8/13/2013
Public Notice of Bid		8/13/2013
Pre-Bid Meeting	8/27/2013	8/27/2013
End of Question Period		8/30/2013
Contractor Bids Due		9/3/2013
Recommend to Council	9/10/2013	9/10/2013
Construction - Start	9/23/2013	

Based on the above, the recommendation is for the City to approve the recommendations as shown above- 1) the bid from Wadsworth Golf Construction not be approved, 2) approve to rebid the project with bid document modifications, 3) approve the revised bid schedule with a completion set for May 31, 2014.

Discussion was held with questions and comments made by the City Council as follows: Nienhueser - Specifications written too tight; i.e. time frame, performance bond/liquidated damages not realistic-too high, etc.' Gay - should this be one bid for one contractor or split up to contractors of specific expertise; Arterburn - asked for explanation of value engineering and the rock clause; Gaston - felt there were too many levels of consultants involved in the project which he felt was a detriment to the project. All members expressed their disappointment

in the process and the result of same. City Attorney Leef interjected that the Nebraska State Statutes require performance bonds on municipal projects.

Galloway moved, Nienhueser seconded “That the recommendations of the consultants be accepted and (1)the bid from Wadsworth Golf Construction be rejected; (2) that the project be rebid with bid document modifications; (3) the revised bid schedule be approved; and (4) that the bidders be given the options of the a complete project bid or separate bids for the pump station, pond & irrigation systems, etc. Roll call vote: Yeas: All council members present.

Jason Petik, CEO of Sidney Regional Medical Center appeared to provide a Project Overview and description for their Replacement Facility: In 2011, SRMC contracted w/Project One Integrated Services to provide project management/owner’s representative services and assist in the evaluation of the existing hospital facility and consideration for 1) renovating existing or 2) planning a complete replacement facility. In 2012, following a thorough architect selection process, SRMC contracted w/Leo A. Daly to evaluate the 2007 Facilities Master Plan and provide an updated Master Plan based on the current needs of the Hospital. After review of the 2012 Master Plan, the SRMC Board of Directors approved a replacement facility to be constructed at the northeast intersection of Greenwood road and Toledo Street pending procurement of funding for the project. Construction of the new facility will provide SRMC with a building that enhances the Hospital’s ability to deliver on the mission and vision statements of providing high quality and compassionate healthcare services. In March, 2013 the SRMC Board of Directors provided formal authorization to proceed with design and construction of the replacement facility. Contractor selection interviews are scheduled for July 29, 2013 with anticipated award of same by late August. Major Milestone Project Dates are as follows: Design-March 28, 2013-March 12, 2014; Permitting- March 12, 2014-May 6, 2014; and Construction Start- May 7, 2014. Contractors will submit their construction schedules for the project as part of their RFP response. Mr. Petick said they planned to give the Council monthly updates. Public meetings were suggested.

Arterburn moved, Galloway seconded “That RESOLUTION NO. 20130707 be passed and adopted.” Roll call vote: Yeas: All council members present.

#### RESOLUTION NO. 20130707

RESOLVE: That in order to provide for a coordinated response to a disaster or emergency in Cheyenne County, the City of Sidney and other cities and villages in Cheyenne County, the Sidney City Council deems it advisable and in the best interests of the community and the County to approve the attached Cheyenne County Local Emergency Operations Plan. Acceptance of this 2013 Local Emergency Operations Plan supersedes all previous approved Cheyenne County Local Emergency Operations Plans. PASSED AND APPROVED THIS 23rd DAY OF JULY, 2013.

Brad Rowan, Chief Building Inspector, presented a proposed ordinance which would adopt the 2012 International Energy Conservation Code which provides an energy efficiency goal. After discussion by the City Council, they felt they would like more information in order to evaluate the affect this ordinance would cause compared to the current code. The proposed ordinance was tabled.

City Manager Person reported that in regards to the proposed Ordinance No. 1699, Olsson Associates, the stormwater project engineering firm, would not have the requested information from the last Council meeting until August. The ordinance was tabled until the August 13<sup>th</sup> meeting.

Nienhueser moved, Gay seconded “That the Budget Reports for all City Departments for June, 2013 be approved.” Roll call vote: Yeas: All council members present.

City Manager Person gave a report on recent and upcoming meetings and events; i.e. Internal Budget Workshops 7/15-19, Tom Satchell to be at the 8/6 workshop, County Officials meeting, League Legislative Committee meetings starting, DED 7/25 to review projects, National Guard Commander requesting a meeting, Cabela's Master Plan scheduled for Planning Commission meeting 8/19, Underpass closed 8/5-11, mosquito spraying on Sunday evenings, Bank representatives re: financing assistance 7/22, etc.

Council Member Nienhueser asked for a Grants report at the budget workshops. Mayor Gaston shared a phone call he had received from the State HHS thanking Sidney for cautioning the public re: rabies in the area.

Meeting adjourned at 8:32 p.m.

/s/ WENDALL GASTON, MAYOR

ATTEST: /s/ G.F. ANTHONY, CITY CLERK



