

March 10, 2015

A Special Board meeting of the Electric and Water Plant Board of the City of Frankfort, Kentucky, was held at the FPB Clubhouse located at 98 Tanglewood Drive, Frankfort, Kentucky, on Tuesday, March 10, 2015, beginning at 1:00 p.m.

ATTENDANCE:

Ralph Ludwig, Board Chair
Rick Pogrotsky, Board Secretary/Treasurer
Patricia B. Lynch, Board Member
Arthur McKee, Board Member
James Liebman, Board Attorney
Katrina Cummins, Asst. Finance Director
David Denton, Finance Director
Sharmista Dutta, Water Engineer
Vent Foster, Chief Electric Engineer/Asst. GM Operations
Dana Hawkins, Executive Assistant
John Higginbotham, Asst. GM Cable/Telecommunications
Karl Pitzer, IT Director
Kathy Poe, Executive Assistant
Hance Price, Staff Attorney/Asst. GM Administration
Glenn Waldrop, Public Information Officer
Aaron Nickerson, Engineer, GRW Engineers
Shane Lyle, Vice President, GRW Engineers

AGENDA

The Agenda for the Board Meeting was received and entered into the Minute Book as follows:

MARCH 10, 2015 SPECIAL BOARD MEETING AGENDA

1. **Action Item: Consider Award of Bid Invitation #1596, for construction of the Frankfort Plant Board Administration Building, to Marrillia Design and Construction for \$15,730,293.**

BOARD ACTION

Mr. Ludwig called the meeting to order at 1:00 p.m. Ms. Poe noted four (4) board members in attendance and noted Dr. Green absent.

1. **Action Item: Consider Award of Bid Invitation #1596, for construction of the Frankfort Plant Board Administration Building, to Marrillia Design and Construction for \$15,730,293.**

In April 2014, the Board approved an agreement with GRW to perform design and construction administration services for a new administration building. The final bid documents were received in January 2015, and the project was publicly advertised from January 21, 2015 through February 25, 2015.

Bids were received from the following contractors. A copy of the bid tab is included in the board package.

Marrillia Design and Construction	\$15,730,293
Morel Construction Company	\$16,110,000
Rising Sun Developing	\$16,150,000
Calhoun Construction Services	\$17,000,000

The project has been budgeted over two fiscal years, FY 14-15 and FY 15-16, under Capital Additions in the Administration Budget. (Section 8 Pages 34-35).

The upcoming FY 15-16 budget will reflect the associated costs based on the bid and any necessary contingencies.

GRW and FPB have reviewed Marrillia's resume. GRW will present information about the bid documentation review process, their previous experience with Marrillia, and the results of the reference checks.

Staff concurs with GRW's recommendation to select Marrillia Design and Construction and recommends awarding the contract to Marrillia in the amount of \$15,730,293.

Ms. Dutta discussed the history of the project, bid advertisement, pre-bid meeting and bid opening. She explained the project schedule and budgeting over the remainder of the 14-15 fiscal year as well the 15-16 and 16-17 fiscal year budgets.

Mr. Nickerson explained the bid review process and discussed the letter of recommendation. He reiterated specifics of the bid advertising, the pre-bid meeting and the bid opening and noted that there was a great deal of interest. He further advised that there were eight (8) qualified bidders and four (4) actual bids submitted.

Mr. Nickerson advised that the apparent low bidder was Marrillia Design and Construction at \$15,730,293. He explained documents included in their bid package and discussed the review of references for Marrillia and its sub-contractors. He further discussed sub-consulting, unit pricing, debris removal, and materials and equipment forms. He noted that Marrillia's materials and equipment form was the most compliant in all phases. Mr. Nickerson further advised that some of the sub-contractors were already familiar with the project.

Mr. Nickerson and Ms. Dutta discussed pre-cast panels for the exterior and explained that the FPB logo was included. Ms. Dutta discussed color and texture of the exterior panels.

Mr. Nickerson discussed Marrillia's team, qualified statement, bonding capacity and references and discussed similar projects performed by Marrillia. He stated that there were some change orders on the projects but they were reasonable, very well versed with communications. He advised that all clients considered the projects successful and stated that they would work with Marrillia again on future projects.

Mr. Nickerson discussed Marrillia's financial information. He discussed current projects, issues and concerns, and the manner in which Marrillia resolved the issues. Mr. Nickerson noted October 3, 2016 as the substantial completion date for the project and discussed liquidated damages related to the completion date. He advised that GRW had reviewed all documents, prices, and materials and equipment lists and found everything to be satisfactory and in order.

In discussion, Mr. Lyles explained the manner in which the company was established and noted mentors and backing from other experienced contractors as well as bonding capacity.

At the request of Mr. McKee, Mr. Nickerson explained phases of the project and coordination between the general contractor and sub-contractors. He further explained monthly progress meetings with GRW, FPB and Marrillia to keep the project on track. Mr. Lyles noted that GRW will stay on top of major issues and keep in contact with Marrillia to ensure all contractors remain on track throughout the project.

Mr. Nickerson explained mobilization, ground breaking, payment schedule applications and inspections. He advised that GRW would be diligent and conservative with approval of payments given the scope and bonding of the project.

In discussion, Mr. Lyles, Mr. Nickerson and Mr. Price explained options with the amount for liquidated damages and advised that the amount of \$750 was in line with industry standard.

Ms. Dutta explained comments she received from local owners which had utilized Marrillia as a general contractor and noted some minor scheduling issues due to the number of sub-contractors. She advised that GRW and FPB would make every effort to ensure that everyone adheres to the schedule and to the timeline to meet the substantial completion date as scheduled.

Mr. Pogrotsky moved to award bid invitation #1596, for construction of the Frankfort Plant Board Administration Building to Marrillia Design and Construction for a total amount of \$15,730,293. Ms. Lynch seconded.

In response to Mr. McKee, Ms. Dutta stated that Notice of Award would be sent to Marrillia immediately after the Board meeting, then Marrillia would have ten (10) days to complete the required documentation and send back three (3) executed copies of the contract to be signed by FPB Board Chairman. She noted that Marrillia stated that they would be on-site by April 6 and that Staff would hold a groundbreaking ceremony that same week.

With no further questions, Ms. Poe polled the Board and the motion passed unanimously.

With no further business, Mr. Pogrotsky moved to adjourn. Mr. McKee seconded. The motion passed and the meeting adjourned.





ATTEST: