A MEETING OF THE
INGHAM COUNTY BUILDING AUTHORITY
WILL BE HELD ON
Tuesday, April 25, 2017 at 4:00 p.m.

Hilliard Building
First Floor Conference Room A
121 E. Maple Street
Mason, Michigan

AGENDA

Call to Order
Approval of the March 24, 2017 Minutes
Additions to the Agenda
Limited Public Comment

1. Animal Shelter Facility
   a. Overall Cost Reduction by Hobbs & Black materials to be provided
   b. Construction Manager Recommendation materials to be provided

Announcements
Public Comment
Adjournment
DRAFT MINUTES
March 24, 2017

Members Present: Peter Cohl, Tim Dolehanty and Eric Schertzing

Members Absent: None

Others Present: Facilities Director Rick Terrill, Animal Control John Dinon, Purchasing Director Jim Hudgins, Representing Community Mental Health John Peiffer, Carol Keonig, Stacia Chick, Sara Lurie, Bergmann Associates Architect Alan Goschka, PFM Paul Stauder, and Kester So of Dickinson Wright

Call to Order: The Ingham County Building Authority meeting was called to order by Chairperson Peter Cohl at 11:00 a.m., Friday, March 24, 2014 in Conference Room A of the Hilliard Building, 121 E. Maple St., Mason, Michigan

Approval of the November 2, 2016 Minutes: Mr. Stauder noted that there were several statements that were attributed to him but were not his. Mr. Cohl stated the secretary and Mr. Stauder could go over the minutes toward the end of the meeting to work out who said what.

Additions to the Agenda: None.

1a-d. Ingham County Resolutions Approving Contract of Lease and Sublease, Ground Lease, and Bond; Bergmann Associates and Building Authority Contract Agreements

MR. DOLEHANTY MOVED TO APPROVE THE RESOLUTIONS AND TO AUTHORIZE PUBLICATION OF NOTICE OF INTENT AND TO ACCEPT THE CONTRACTS. MR. SCHERTZING SECONDED. MOTION CARRIED UNANIMOUSLY.

1e. Hiring Construction Manager Recommendation

Mr. Terrill introduced the documents for the Hiring Construction Manager. Clark Construction was recommended for Construction Manager. The total cost of the agreement would be $9,048,000 to enter into completion of the expansion. Mr. Terill also stated that rather than having the Construction Manager hold the contingency, the Building Authority should hold that contingency.

Discussion.

Mr. Stauder asked if the $9,000,000 amount was related to the project and included engineering costs.

Mr. Terrill stated that the engineering cost was separate, in the amount $57,360. The costs would be $9,048,000 for the Construction Manager, $57,360 for engineering, and a $300,000 contingency fee for a total of $9,405,360.

Discussion regarding what CMH has already paid for. Mr. Terrill and Mr. Goschka stated that Phase 1 of the project was already paid for, but Phases 2 and 3 were not. Mr. Goschka affirmed that for Phases 2 and 3 the contract amount with Ingham County was not to exceed $51,800 with $5,560 for additional design work required to resubmit an RFP for Construction Manager proposals.
Discussion.

Mr. Terrill stated that Clark Construction would submit a draft copy of the IA for review.

MR. DOLEHANTY MADE A MOTION TO ACCEPT THE CONSTRUCTION CONTRACT. MR. SCHERTZING SECONDED.

THE MOTION PASSED UNANIMOUSLY.

2a. **A&E Firm Recommendation**

Mr. Terrill stated the A&E recommendation for the Animal Control Shelter facility was Hobbs & Black Architects. Hobbs & Black were found to be the most qualified with the third lowest cost. They also partner with a group that was one of the top groups for work on animal shelters. While they did not have the lowest cost overall, they were the third lowest considering qualifications and experience for this type of project.

Discussion.

MR. SCHERTZING MOVED TO ACCEPT THE RECOMMENDATION OF HOBBS & BLACK ARCHITECTS. MR. DOLEHANTY SECONDED.

THE MOTION PASSED UNANIMOUSLY.

2b. **Construction Manager Recommendation**

Mr. Terrill stated that Granger Construction was being recommended as Construction Manager because they scored the highest in the evaluation criteria process. The amount proposed by Granger was $475,140. There were others that were lower, but they did not have experience in a project of this scope and size.

Discussion.

Mr. Cohl observed that Moore Trosper Construction Co. was approximately $200,000 less than Granger.

Mr. Terrill stated that Moore Trosper was brought in through interviewing but they did not have experience with an animal shelter.

Discussion.

Mr. Terrill affirmed that when they were looking at the projects done, they could not find any in comparable size and scope to this project. There were companies that were experienced but not in a project of this size and scope.

Discussion regarding the size, scope, and nature of other projects in comparison done by the companies who submitted proposals.

Mr. Dolehanty asked if the A&E designing management would oversee the construction of the project.
Mr. Terrill stated it was up to the Building Authority to recommend.

Discussion.

Mr. Dolehanty stated he had not heard anything that said Granger is the better company.

Discussion.

Mr. Schertzing asked, if everyone present was comfortable with it, whether or not Mr. Terrill should speak with Hobbs & Black to get a reduced fee.

Discussion.

Mr. Schertzing asked if they had noticed anything wrong with how Moore Trosper conducted their construction that seemed odd.

Mr. Terrill stated no, they were really just trying to narrow it down to projects similar in size and scope. They had certainly done large projects but nothing specific to animal shelters.

Discussion.

MR. DOLEHANTY MOVED TO HAVE MR. TERRILL GO BACK AND DISCUSS WITH HOBBS & BLACK AND GRANGER REGARDING FEE ISSUES. MR. SCHERTZING SUPPORTED.

THE MOTION PASSED UNANIMOUSLY.

Approval of the November 2, 2016 Minutes: Mr. Cohl reviewed the minutes with Mr. Schertzing and Mr. Dolehanty, after taking note of which parts of the minutes Mr. Stauder was referring to, and revised the minutes as attached.

MR. DOLEHANTY MOVED TO APPROVE THE MINUTES AS CORRECTED. MR. SCHERTZING SECONDED.

THE MOTION PASSED UNANIMOUSLY.

Public Comment: Mr. So stated that the Animal Control documents would need to be drafted but that one of the keys before the published notice of intent is that we lock down the site. Mr. So asked when that was going to occur.

Discussion.

Mr. Terrill stated it would not occur until the environmental assessment work was completed.

Mr. Schertzing asked how much Mr. Terrill thought that would be.

Mr. Terrill stated it was not to exceed $12,000 and that he would come back to the Building Authority.
Mr. Stauder stated that money was already being collected from the Animal Control Millage.

Discussion.

MR. SCHERTZING MOVED TO AUTHORIZE THE EXPENDITURES TO MOVE FORWARD WITH THE ENVIRONMENTAL ASSESSMENT IN ORDER TO MOVE FORWARD WITH THE SITE. MR. DOLEHANTY SECONDED.

THE MOTION PASSED UNANIMOUSLY.

MR. SCHERTZING MOVED TO ADJOURN THE MEETING. MR. DOLEHANTY SUPPORTED.

THE MOTION PASSED UNANIMOUSLY.

The March 24, 2017 Building Authority meeting adjourned at 11:55 a.m.
Members Present: Peter Cohl, Tim Dolehanty and Eric Schertzing

Members Absent: None

Others Present: Chief Deputy Controller John Neilsen, Facilities Director Rick Terrill, Animal Control John Dinon, Representing Community Mental Health Stacia Chick, Sara Lurie, and John Peiffer, Ingham County Attorney Matt Nordfjord, Bergmann Associates Architect Alan Goschka, PFM Paul Stauder, and Kester So of Dickinson Wright

Call to Order: The Ingham County Building Authority meeting was called to order by Chairperson Peter Cohl at 2:00 p.m., Wednesday, November 2, 2016 in Conference Room A of the Hilliard Building, 121 E. Maple St., Mason, Michigan

Approval of the June 6, 2016 Minutes: MOVED BY SECRETARY AND SUPPORTED BY TREASURER ERIC SCHERTZING TO APPROVE THE JUNE 6, 2016 BUILDING AUTHORITY MINUTES AS WRITTEN. MOTION CARRIED UNANIMOUSLY.

Additions to the Agenda: None.

1. Discussion Regarding Community Mental Health Building Project

Mr. So, the County Bond Attorney, summarized the content of the documents for Community Mental Health. Drafts of a Resolution were sent out to authorize a notice of intent that starts the clock as well as starts the tax processes for reimbursements. Drafts of the contract lease, sublease, and ground lease. Mr. So indicated it is important to have agreed upon set of documents on file with the Clerk once the notice gets published. Mr. Cohl asked that Mr. So run through the process as far the Board of Commissioners approval of the concept of the project over the summer. Mr. So stated the structure contemplated was that the Building Authority would have the project and they would lease it to the County would then sublease it to Community Mental Health. Community Mental Health would pay rental on the sublease which would the same as the rental on the lease and those revenues would then be determined to be sufficient to pay the debt service on the bond issue accomplished, then at the end of the term Community Mental Health can acquire the property for a nominal amount.

Mr. So clarified there will be a bond issued and the proceeds of the bond issue would be used for project costs and Community Mental Health would be paying the debt service through their sublease rent. Mr. Stauder confirmed that the bond issue is up to 10 million.

Discussion. Phase 1 was 8.2 but there will need to be a re-bid of the project. CMH will need to talk about and finalize the final amount. For Phase 2, the original numbers were based on CMH’s internal team & maintenance acting as the GC and they are not sure if the Building Authority will allow them to operate the second half of the project or if they will need to actually hire a GC. There will be a handful of subs: the capital contractor, pony contractor, etc.—all for renovations. Mr. Terrill asked if $10 million was the right number.
Mr. Dolehanty stated he had met with Ms. Lurie and Ms. Chick to go over the funding for CMH. Mr. Dolehanty is very comfortable with their budget and costs. Mr. Cohl asked what would be best for CMH—the term of the bond or a longer period with smaller payments? Ms. Lurie stated it is better to have the payment schedule match, i.e. a 20 year bond and a 20 year payment schedule as that is what was budgeted for. CMH is also not looking to increase the $10 million. CMH had discussed internally that if they needed to re-bid the project then they would have to look at changing some of the internal renovations within the existing building to come within the $10 million. Mr. Stauder stated that their original concern, however, was that they need to re-bid and the former bids were from March of this year and that they will see increases in those numbers. However, $10 million is approved and can be worked into the Resolution.

Mr. So explained that once the Notice of Intent is published and the period runs, then the Building Authority and County are free to approve the forms of the contract lease, sublease, and the ground lease. Then they will do a bond authorizing resolution with either specified approval of terms and conditions or with a delegation with parameters that would allow for a sale. There may be a special building authority meeting required to determine which.

Mr. Stauder asked if there was any idea as to when the bids will begin or when the notice will be published and when cash would be needed. Mr. Peiffer stated the target dates for getting the notice published are around April 1, perhaps mid-March. Mr. Terrill stated the next step is to put an RFP out on the first of the year for a bid on a Construction Manager for renovations, not the addition. Purchasing will probably be looking at some time in January for availability to put the RFP out. The RFP is significantly complete and is waiting on some information from Mr. Peiffer and Mr. Goschka. It will go out in January, once they have the approval of the Building Authority. The current step is for Mr. Goschka to get the revisions and a copy of the draft of the AIA to Attorney Townsend. Based on Mr. Townsend’s response, changes will be made to the AIA documents.

Mr. Dolehanty indicated that if the Resolution can be done today, it can go to the November agenda or roughly every two weeks, as meetings occur. Mr. Stauder stated the Resolution is ready, but asked if the legal descriptions should be condensed to one legal description.

Discussion. Mr. Cohl stated everything should be included in the legal description so there is no confusion later on. Mr. Stauder stated that right now there are several different legal descriptions and someone should consolidate them to one description. Mr. Terrill was assigned to look into getting a property description and possibly a surveyor to the property, to Mr. Dolehanty to address the issue.

Mr. So then stated the Building Authority should discuss the Replenishment Fund. Mr. Stauder stated that the number for the Replenishment Fund is not relevant to the bond, so they do not have a number. Mr. So stated the Replenishment Fund would be used for repair and refurbishment. Mr. Cohl asked whether it is basically a Contingency Fund, which Mr. So confirmed, then asked what a fair number for the fund is. Mr. Stauder stated that in the past CMH has had a Contingency Fund with the County for about $200K over the past ten years at the facility. It has been used by CMH in the past for different issues, such as floods, but Mr. Stauder was unsure of what the initial amount was to what the repayment costs were. Mr. Lurie estimated that it was about $20,000 a year. Mr. Terrill indicated that at minimum, due to the increase in size of the property, he would double the price but without the information in front of him he cannot provide a number. Mr. Terrill was assigned to get the information then provide his recommendation on the pricing and the fund.

Mr. Stauder asked if the Referendum could be published by the end of the month. Mr. Dolehanty stated it would not be that quick. Mr. Cohl asked how quickly we could get the legal description and whether or not the Building Authority can pass a motion today. Mr. Dolehanty said if the Building Authority really pushes, it could get it to the November 22nd meeting, but that most likely it would be pushed to the
December 13th date. Mr. Nordford indicated the Building Authority could use the existing legal descriptions and later consolidate it into one. Mr. So stated that it is doable, if the Commissioners and Staff approve as the documents don’t necessarily have to be the final documents, but as close to final as possible. Mr. Cohl indicated the Building Authority should wait to see what Mr. Terrill could do. Mr. Terrill stated he would make calls tomorrow morning to see if it is something that could be done internally or if it would be better to hire someone.

Mr. So stated that if the only issue is the legal description, a “WHEREAS” clause could be added to indicate that the legal descriptions will be consolidated into one legal description at a later date, then it would be able to go to the late November meeting.

MR. SCHERTZING MADE A MOTION TO APPROVE THE ATTACHED RESOLUTION OF INTENT TO ENTER INTO A CONTRACTED LEASE WITH THE INGHAM COUNTY BUILDING AUTHORITY AND TO AUTHORIZE PUBLICATION OF NOTICE OF INTENT AND TO DECLARE INTENT TO REIMBURSE AND FURTHER TO CONSOLIDATE THE LEGAL DESCRIPTIONS WHEN RECEIVED. MR. DOLEHANTY SECONDED. MOTION CARRIED UNANIMOUSLY.

2. Animal Control Shelter Facility

Mr. Neilsen began the discussion by going over Resolution 16-409 approving the Building Authority to take over the project and its associated costs. Mr. Neilsen further stated that the understanding of the Board is that the new facility will be placed at the site of the old facility and the costs are based on 6 years and the total at the end of the millage will be about $17.608 9.83 million. Mr. Neilsen clarified that there is some of the millage to be used for supplemental staffing, but the numbers in the resolution only refer to the construction.

Mr. Cohl asked where the project is in terms of bonding, RFPS, and construction. Mr. Neilsen stated this is the first step. No RFPs, bonds, or bids had been done yet, right now there are only cost estimates.

MR. SCHERTZING MOVES TO HIRE MR. SO AS BOND COUNSEL ON THE PROJECT. MR. DOLEHANTY SECONDS. THE MOTION CARRIES UNANIMOUSLY.

MR. SCHERTZING MOVES TO HIRE MR. STAUDER AS FINANCIAL COUNSEL. MR. DOLEHANTY SECONDS. THE MOTION CARRIES UNANIMOUSLY.

Mr. So and Mr. Stauder were then assigned to get together to discuss the documents and another Building Authority meeting will be scheduled for approval for consideration by the Board.

Mr. Terrill proposed, if the Building Authority approves, to proceed with the new construction together by putting together an RFP for both Architect and Construction Manager.

Discussion. Mr. Nordfjord asked whether it was possible that we would end up with the same CM on both projects. Mr. Terrill confirmed that it could but that there are three or 4 major CMs. Mr. Cohl asked if the RFPs can go out combined or separate. Mr. Terrill proposed they go out separately because the time lines for the two projects will entirely different. One of the reasons is because there is not an actual location on the site selected yet. There is some work that still needs to be done with the architect and engineering company that did the preliminary design for the jail complex that they do not want to interfere with future plans. Mr. Terrill further stated the CMH bid will be ready for January but that the bid for the Animal Shelter may not be ready to go out in January.
MR. DOELHANTY MOVES TO HAVE MR. TERRILL PREPARE THE RFPS FOR THE ANIMAL SHELTER PROJECT. MR. SCHERTZING SUPPORTS. THE MOTION CARRIES UNANIMOUSLY.

Mr. Schertzing asked whether there are any proximity issues with the Shelter and the jail being side by side, no issues with drainage, storm infrastructure, or sanitary lines of issue. Mr. Terrill stated there are as well as fiber utilities that may impact the jail’s operation. Mr. Schertzing then asked if how this project is done could impact a future project. Mr. Neilsen indicated that these are things that will have to be taken into consideration.

Mr. Terrill stated once a location on the site is determined he will most likely begin an environmental inspection and soil sampling. Mr. Nordfjord asked when start of building would be. Mr. Terrill indicated that if everything goes smoothly and quickly it could start as early as next summer.

Mr. Cohl asked is a separate RFP needs to be done for the soil samples and Mr. Schertzing asked is the Building Authority needs to legally describe the site and where the activity will take place for the bond. Mr. So stated he would like to talk to Mr. Stauder in order to determine the structure of the documents because it would likely be just a lease, so the new facility would need to have a legal description. Mr. Schertzing indicated that Mr. Terrill would only need to do a legal description within the greater description the county has for the parcel.

**Limited Public Comment:** None.

The November 2, 2016 Building Authority meeting adjourned at 2:53 p.m.