

DATE: 1/7/2020 FILE NO: DATE464
TO: Cherokee County Council
SUBJECT: Minutes of PH & Regular Meeting, 1/6/2020

There was a Public Hearing & Regular Meeting of County Council Monday, 1/6/2020, 5:08 PM in Council Chambers. Chairman Tim Spencer presided with Lyman Dawkins leading in prayer. All council members were present along with Administrator Steve Bratton, Attorney Jim Thompson and Master Clerk Doris Pearson. The news media was informed by agenda and it was posted in accordance with the SCFOIA. One news media was present along with 12 visitors.

Administrator Steve Bratton opened the floor for nominations for Chairman of County Council for the New Year 2020. **Quay Little nominated Tim Spencer as Chairman for the New Year 2020. Tracy McDaniel seconded. Charles Mathis made the motion that nominations be closed and Tim Spencer elected as Chairman by acclamation. Council voted in favor.** Chairman Spencer thanked council for their vote and stated that his prayer is that council would continue to work together as a team to do the best for Cherokee County.

Administrator Steve Bratton opened the floor for nominations for Vice-Chairman of County Council for the New Year 2020. **Tim Spencer nominated Quay Little as Vice-Chairman for the NY 2020. Tracy McDaniel seconded and as there were no more nominations from the floor council voted in favor of Quay Little as Vice-Chairman.**

Councilman Mike Fowlkes made the motion to adopt the agenda of the PH & Regular Meeting of 1/6/2020 as received and posted in accordance with the SCFOIA. Lyman Dawkins seconded and council voted in favor.

Councilman Lyman Dawkins made the motion to approve the minutes of the PH & Regular Meeting of 12/16/19 as received in the agenda package. Mike Fowlkes seconded and council voted in favor.

Councilman Tracy McDaniel made the motion to approve the claims for Cherokee County in the amount of \$741,021.53. Mike Fowlkes seconded and council voted in favor.

Administrator Steve Bratton asked council to consider to go into Executive Session pursuant to Section 30-4-70(a)(2) of the SC Code of Laws for discussion of matters relating to future proposed locations, expansion or provision of services including locations & expansions of industries or other businesses in the area served by a public body specifically Project Fortress. **[Quay Little made the motion for council to go into Executive Session for this stated reason. Mike Fowlkes seconded and council voted in favor and went into Executive Session at 5:11 PM.]**

Councilman David Smith made the motion for council to return to Regular Session from Executive Session at 5:34 PM. Mike Fowlkes seconded and council voted in favor. Attorney Jim Thompson stated that no action was taken during Executive Session.

Chairman Spencer opened the Public Hearing on Ordinance No. 2019-27 authorizing the amendment of an existing Fee in Lieu of Tax Agreement dated as of 12/1/09, by and between Cherokee County, SC and Reeves Construction Co., as successor in interest to Sloan Construction Co., Inc. No one was present to speak and the public hearing was closed.

Councilman Tracy McDaniel made the motion to adopt 3rd Reading of Ordinance No. 2019-27 authorizing the amendment of an existing Fee in Lieu of Tax Agreement dated as of 12/1/09, by & between Cherokee Co., SC and Reeves Construction Co. as successor in interest to Sloan Construction Co., Inc. Mike Fowlkes seconded and council voted in favor.

Councilman Quay Little made the motion to adopt the 2nd Reading of Ordinance No. 2019-31 authorizing the execution & delivery of a Fee in Lieu of Tax Agreement by & between Cherokee Co., SC and a company known to the County as this time as Project Fortress with respect to certain economic development property in the County, whereby such property will be subject to certain payments in Lieu of Taxes, including the provision of certain Special Source Revenue Credits; and other matters related thereto. Mike Fowlkes seconded and council voted in favor.

Administrator Steve Bratton & SW Collection Director Brain Estes were present to introduce Ordinance No. 2020-01. Steve stated as we will continue to pick-up residential trash through our roll-out cart system which we have throughout our county of some 18,000 pick-ups/week. We have about 25 or so dumpsters that we also pick up and we are needing to move away from picking up those dumpsters. We have some concerns as far as the mechanism we use called the Reefer System on the top of our garbage trucks and we have had some situations where we have had some injuries. By way of this ordinance we are removing the reference in the County Code to Commercial & Retail trash pickup. We do have dumpsters at a couple of churches. I have spoken to a couple of them and told them we would be happy to replace those with roll-out carts. One has a large day care and I waiting to see what they need. There are several mobile home parks that this will impact and I am in the process of talking with them. The others are at government buildings including our building. We will probably contract with Republic to pick up our dumpster and to provide one at the Detention Center for a minimum fee.

Councilman Quay Little made the motion to adopt the 1st Reading of Ordinance No. 2020-01 to amend the Cherokee County Code of Ordinance, Article III, Solid Waste Disposal, Section 8.58.1. Lyman Dawkins seconded and council voted in favor with Charles Mathis opposing. Motion carried.

Administrator Steve Bratton recognized DP3 Architect Mike Pry to present the Design & Construction Delivery Options for the Public Works Facility designed by DP3 Architects. Mike made a video presentation as well as passed out hand-outs. We have 3 typical design & construction options: Design-Bid-Build “Traditional”, Design/Build “Aging Trend” and Partnering/CM-at-Risk “Hybrid”. The Design-Bid-Build involves 3: owner, architect & contractor. Your advantages with this is you have the right to choose the Architect you want & sign a contract with them; you have a contract with the contractor as well; you will get numerous competitive construction bids on the project from general contractors; and you probably will get the lowest initial cost for the project. Disadvantages – your

building may be built by the low bid contractor who maybe reviewed the drawings for just a few days; or who scrambled on bid day to put his price together; and 2) who was low bid probably because he got the lowest cost sub-contractors, or he made a mistake in his bid, or he lowered his price to get the job, and is probably planning on making up the money he left on the table through change orders. We took off the table the Design/Build option. Partnering/CM at Risk involves a contract with the owner, architect & contractor. Advantages – you have the ability to select the Architect you want & you have a contract with them; you have the ability to select the contractor you want and you have a contract with them; the contractor will be on board early in the design process; you get numerous competitive construction bids on the project from subcontractors; and you get the best quality project for the best value. Mike showed comparisons for design, pricing & construction with this method. We will work with you and the contractor and keep you informed. We work for you to protect your best interest. The contractor is locked in to his price. On the construction side we will continue to do our role. Showing the comparison between Design-Bid-Build and CM@Risk, you will see that CM@Risk doubles the advantages. **Questions:** Tim Spencer asked whenever you sent this bid out, will it be bid out as 1 complex? Mike replied yes, the plan is for all three buildings to be constructed under one contractor. Tim asked would we not want to go out for individual buildings? Mike replied the way the economy scale is to bid all 3 projects as 1 would be more to your advantage. It also gives us the advantage to balance dollars from one site to the other. Quay Little asked how do you determine that contractor? Mike replied we look at qualifications first; work experience and if we work well together; do they have experience in public works facilities; do they work in the upstate; are they familiar with local trade & subcontractors in the area. We look for someone that is pro-active and coming up with options for us. Administrator Bratton replied we will send out RFQ's (request for qualifications) and that will be drafted by DP3 with you selecting that criteria & selection points. When those come back in, then council will decide who they would like to work with. Quay replied I understand that but there are only a couple contractors locally and therefore, we put in our procedure manual the local preference ordinance just so they would have a chance. We have that in place but now this way you are going beyond that and picking the contractor. In my opinion, we are dealing with tax dollars and we set the RFP's up to exactly what you want and we bid on that. Then we are open to all bids for the lowest price. When we choose a contractor to do our work, then we take away our options for any company interested in bidding. It will put us in a situation that looks like we are bias toward a company. Being a smaller community, perception is everything. Mike replied, most of the RFQ's that we send out do have a local preference and we have the point criteria that you can give them a benefit based on qualifications. Most of our contractors today are not self-performing their work; most of them have a clause that states they cannot self-perform more than 20% of their work because we don't want them capturing that cost. We limit them on how much they can self-perform. Most of it is sub-contractor work which is bid and the contractor is putting his markup on it on a daily management process. Tracy McDaniel stated I have the same concerns as Quay in our obligations to the tax payers. I'm not comfortable with this option. We are selecting one contractor over another really without knowing any cost. I'm not familiar with this process. Mike replied this process has been in effect about 10 years. Mike replied what we are trying to

avoid in this whole process is that we make our best guess based on experience that we have done with other projects. We don't want to we design a full set of drawings and put it out for bid and it comes back \$6 million over your budget. If that happens, you will have to decide if you want to pay another engineer to redesign the bids & waste time in the process, or do you want to find more money at the end of the day versus us having made those decisions along the way to guarantee you get the best. Quay replied is this in correlation to your rate? Mike replied, no, our rate is set. Quay replied so you are saying Option 3 gives us the best guess estimate getting us closer to the number as opposed to waiting to see what contractors bid. Administrator Bratton replied this is why I wanted this to be presented to council. First, you have to make the decision and my thoughts are yes you want low bid. However, we do not bid public works facilities very often. It has been 50 years since the last one was built. I want us to get the best value for our option. Council will set a budget regardless, but this way we will know up front what is being designed and that we are getting the best valued engineer. So, as we go forward, we know that what he has designed is exactly what we will get. I don't want to send out a bid, accept low bid and then we start making change orders. I wanted you to have all the options available and that is why Mike is here tonight to present to you those options. Mike replied this does not change the contract we have with you either way you go. We are still the same architect giving the same service from beginning to end. Only thing that has changed in the process is having the contractor on board to help us with that price & exercise and we design a budget verses designing a best guess budget. Administrator Bratton replied you can still put in a local preference clause and the way that will work is when he designs his RFQ, council will score that RFQ based on certain criteria. We can still establish a local vendor preference. Chairman Spencer stated he did not like the fact that contractors will know that we have a \$12 million cap. Mike replied the way the contract is structured, there is a share savings clause that is built in the contract and it will be to the best interest of the contractor to finish early and save along the way giving dollars back to the county. It is all in the book; which is all open book with the contractor. We see every bid; every invoice. Quay asked how long do we have before we make a decision? Mike replied ideally within the next 30 days. The process to advertise for a contractor, getting the qualifications and interviewing is about a 60-day window for us to get it right. We have about 3 months scheduled for the schematic design and we are just now starting that. At the end of 3 months we need to have a contractor selected. Tracy McDaniel replied these buildings are not complex buildings. We are looking at a county shop that will be a metal building and I assume all of them will be a 3" metal building. I know if you cut square footage you can drastically reduce price but we are not looking for an administration looking building on any of these. I envision these to be very utility base type buildings. Where are you going to cut cost on a building that we want to be a very functional building but not over board to begin with. Mike replied we are not talking fancy buildings. One building we built was more economical rather than expanding that steel building over to do it in wood. We will evaluate whether it be an insulated concrete block or precast or whether it is metal lining panel on the wall. All those have a life cycle value cost associated with that. We are talking about a process that us to design and get ready to put out will be 8 months. During those 8 months a lot will pricing will change. Having that contractor on board will help us to navigate that through the design process.

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No report from Attorney Thompson.

No appointments at this time.

As there was no other business to come before council at this time, Chairman Spencer adjourned the meeting at 6:17 PM.

APPROVED: 1/21/2020

BY ITS: CHAIRMAN Tim Spencer

RESPECTFULLY SUBMITTED:

Master Clerk Doris F. Pearson