

CITY COUNCIL PROCEEDINGS
BEMIDJI, MINNESOTA
Work Session – June 23, 2008

Pursuant to due call and notice, a work session of the City Council of the City of Bemidji, Beltrami County, Minnesota, was held on Monday, June 23, 2008, at 5:30 p.m. in the Conference Room of City Hall, Mayor Lehmann presiding.

Upon roll call, the following Councilmembers were declared present: Lehmann, Markeson, Hellquist, Johnson, Erickson, Downs. Absent: Meuers.

Staff Present: City Manager John Chattin, City Attorney Alan Felix, City Engineer Craig Gray, Rita City Clerk Kay Murphy

Other Present: Leo A Daly Representatives - Jennifer McMaster, Linda Kane and Larry Gleason - CPMI

Motion by Johnson, seconded by Erickson, to add the Non-Disturbance Agreement to the Agenda. Motion carried unanimously.

NON-DISTURBANCE AGREEMENT

Mayor Lehmann stated that the Non-disturbance Agreement is for the Kraus Anderson building (formerly the Market Place Foods) which is in the process of being sold.

City Attorney Felix stated that the street has been there since the building was constructed partially into the platted 80-foot Beltrami Avenue right-of-way. He stated that the encroachment does not interfere with or obstruct the traveled portion of the street or sidewalk. Because it is in the right-of-way, Council needs to approve the Non-Disturbance Agreement.

Motion by Johnson, seconded by Hellquist, to authorize the City Manager to sign the Non-Disturbance Agreement with Kraus Anderson, Inc., in substantially the format provided. Motion carried unanimously.

EVENT CENTER DISCUSSION

Mayor Lehmann stated that the purpose of the meeting was to discuss construction management options for the Event Center.

Linda Kane, Leo A Daly, stated that the goal for the meeting was to discuss options with the City Council to assist during the construction process.

Larry Gleason, CPMI, stated that there are a number of ways to bid out the project as long as it meets the Uniform Municipal Contracting Law. He stated that many public sector institutions have turned to construction management as an alternative to the traditional design-bid-build approach and the benefits are: 1) a construction expert can be brought to the project team early without violating any competitive bidding laws; 2) a much more flexible approach can be used to meet specific project needs; and 3) there is a greater potential for cost savings.

Mr. Gleason stated that "at-risk" CM is a delivery method which entails a commitment by the construction manager to deliver the project within a Guaranteed Maximum Price. The construction manager acts as consultant to the owner in the development and design phases, but as the equivalent of a general contractor during the construction phase. This method is not allowed except with special legislation.

Mr. Gleason stated that it takes approximately six weeks to hire a construction manager.

Discussion continued on cost single prime versus multiple prime. It was noted that the cost depends on the project and whether there are full-time representatives on the site. Gleason stated that when a project is broken down, there can be savings realized.

Kane stated that this will be time consuming for city staff and an owner's representative could be used or another person on staff to oversee the project.

Mayor Lehmann asked who would develop the RFP for a CM. Johnson provided samples to staff of RFP examples that he had gotten at the League of Minnesota Cities conference. Gray stated that Leo A Daly could develop a RFQ. Chattin suggested that the City use a process like what was used to hire Leo A Daly.

Gleason recommended that the Council should do a Request For Qualifications (RFQ) to get it down to a reasonable amount of contractors and then send out the Request For Proposals (RFP) to 8 or 10 contractors.

Motion by Johnson, seconded by Markeson, to select a construction management multiple primes process. Motion carried by the following vote: Ayes: Johnson, Downs, Hellquist, Markeson, Lehmann. Nays: Erickson.

Motion by Downs, seconded by Johnson, to authorize a RFQ for a construction management firm for the Event Center. Motion carried with the following vote: Ayes: Lehmann, Markeson, Downs, Johnson, Hellquist. Nays: Erickson.

Chattin asked if the Council would like to develop a committee to review the RFQ applicants and recommended that the committee be made up of qualified people. Discussion continued and the consensus of the Council was that they should submit their recommendations for this committee to the City Manager.

ADJOURN

There being no further business, motion by Johnson, seconded by Markeson, to adjourn the meeting. Motion carried. Meeting adjourned at 6:42 p.m.

Respectfully submitted,



Kay M. Murphy
City Clerk