

**CITY COUNCIL WORK SESSION
CITY OF RAMSEY
ANOKA COUNTY
STATE OF MINNESOTA**

The Ramsey City Council conducted a City Council Work Session on Tuesday, August 27, 2019, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Acting Mayor Chris Riley
 Councilmember Nadine Heinrich
 Councilmember Mark Kuzma
 Councilmember Jeff Menth
 Councilmember Debra Musgrove

Members Absent: Mayor John LeTourneau
Also Present: City Administrator Kurtis Ulrich
 Captain Brad Bluml
 Public Works Superintendent Grant Riemer
 Administrative Services Director Colleen Lasher
 Community Development Director Timothy Gladhill
 City Engineer Bruce Westby

1. CALL TO ORDER

Acting Mayor Riley called the City Council Work Session to order at 5:30 p.m.

2. TOPICS FOR DISCUSSION

2.01: Review Construction Managers for Public Works Facility

Public Works Superintendent Riemer reviewed the staff report. He stated that the Council will be interviewing potential firms for the project and introduced the first firm, Kraus Anderson.

Mark Cotton, Kraus Anderson, reported that the firm has worked on 28 public works facilities. He provided details on the experienced team that Kraus Anderson has with experience in public works and fleet maintenance and reviewed the different members of the team and the roles that each of them fulfill. He stated that the firm is very team focused noting that the project involves the owner, architect and construction manager. He stated that the firm is budget driven and provided information on the public process, noting that 90 percent of the projects that this team works on are CMA/public projects.

Dustin Phillips, Senior Project Manager stated that this team is well experienced and has worked together on other projects. He stated that the team would assist in the selection of architects, as it is important to have the owner, construction manager and architect work together for a successful project. He reviewed the different members of the team that would assist throughout the process. He referenced the importance of the work done in the preconstruction stage,

providing an example that not only reduced the work required but also provided a better end product to the owner. He stated that making smart decisions upfront can provide a cost savings and increase the lifespan of the product. He stated that setting and staying to the initial budget is the most important element of success, noting that making the right decisions upfront is important to staying within the budget and keeping a project on track. He explained that the knowledge of their team includes historical cost information that can be used to better refine project costs and an accurate budget that will help to drive the design decisions.

Ken Francois explained that historical cost information data can be tweaked and modeled to provide very accurate cost information. He noted that once construction begins, budget and project schedule continue to be the driving force behind the project. He noted that those elements are constantly tracked to provide a big picture throughout the process. He stated that this is an open book process and all costs would be completely transparent. He provided information on the software used for management and the information that is tracked. He reviewed an anticipated project schedule, which would include six months of preconstruction and nine months of construction. He anticipated that the project would begin in May 2020 with completion and move in during February of 2021. He stated that the team has extensive knowledge in different elements of public works projects that could impact schedules. He noted that coordination and communication are key elements of ensuring a successful project.

Chris Larkin, On-Site Superintendent, explained that he would be the contact for daily interaction. He explained that issues during construction are typically related to material, labor, and communication, his role is to minimize the issues that arise from those areas. He noted that he holds weekly foreman meetings and reviewed other communication tools that are used to improve communication with contractors to keep the project on track. He explained that because of the CMA process, there may be 30 different contractors on site and therefore communication and organization is key. He stated that safety is also very important, noting that orientation occurs with every contractor that enters the site. He also provided details on the quality program, noting that the team reviews the materials to order against a list of materials that are known to cause problems based on their experience.

Mr. Francois stated that because communication is key, they holds weekly construction meetings with the architect, owner, and contractors as well as weekly stakeholder meetings.

Megan Barnett-Livgard stated that she is excited to be part of the team. She stated that because of her public sector experience she is very aware of how important communication and public engagement can be. She stated that she likes to make communication and updates efficient and effective, providing an example of an easily updated website that the City can use to provide up to date information on the project.

Mr. Cotton stated that Kraus Anderson's core purpose is to provide enduring relationships and strong communities. He expressed appreciation for the ability for the firm to meet with the Council tonight. He noted that the proposed team has a strong level of experience in the area of public works.

Councilmember Kuzma asked if Kraus Anderson would use its own construction crews or whether subcontractors would be needed for construction.

Mr. Cotton replied that Kraus Anderson would be a construction manager and the elements of the project would be publicly bid out. The firm would manage the project and feel that it would be a conflict of interest to have its own construction workers onsite.

Acting Mayor Riley thanked the members of Kraus Anderson for the presentation.

Public Works Superintendent Riemer introduced the next firm, Bradbury Stamm.

Mike Schoenecker, Bradbury Stamm, provided background information on the firm and introduced the members of his team. He stated that their standard of excellence exceeds the expectations of their clients. He stated that although the business is located in Saint Cloud, the firm completes projects across the metro area. He explained that the firm does not do self-performance work, which means that they are never competing against the bidders. He stated that the firm has extensive experience in construction management and provided examples of public projects ranging from a park building to a high school. He noted that they provide assistance in the hiring of the architect for the project. He stated that his firm is unique in that it is experienced in solar installation and provided examples of recent projects and the cost savings. He reviewed some examples of vehicle maintenance projects that the firm has recently worked on.

Jay Vogel, Senior Vice President/Preconstruction Services, explained that in the 20 years he has been with the firm he has focused on preconstruction. He stated that the largest percentage of cost savings and value engineering items are found in the preconstruction phase of the project. He reviewed some of the partners that the firm works to provide precast options. He estimated that the preconstruction period would range from 12 to 15 months. He reported that there are multiple budget stops throughout the preconstruction process and provided details. He estimated that there would be about 40 contract packages for the different project elements. He believed that the firm is unique in its location because it has experience in the metro and central Minnesota, explaining that additional subcontractors will look at the project because of their experience with Bradbury Stamm compared to only metro contractors. He confirmed that the firm would not self-perform and therefore would only act as a representative of the project owner rather than attempting to compete with the subcontractors bidding the project. He provided additional details on the elements included in the preconstruction process.

Chris Koepp, Project Manager, stated that he along with the Project Engineer and On-Site Superintendent would be involved in preconstruction and would then step up as the three-team members focused on the construction process. He provided details on the software that the firm uses.

Josh Schwinghammer, On-Site Superintendent, explained the information that he has available through the software, noting that he can also access that information through his smartphone so that it is easily accessible on the job site.

Erin Deters, Project Engineer, explained that all the information and photos are added to the software, which makes information easily sharable between the members of the team.

Mr. Schoenecker stated that Ms. Deters has a drone license and therefore they can use the drone to take pictures that can be shared with the public throughout the different phases of the project.

Ms. Deters noted that the information available on the project in the software would also be shared with the subcontractors to ensure that all parties have the most up to date information available.

Mr. Koepp stated that he maintains a master project schedule, which would include an extensive list of line items that are updated and distributed on a monthly basis.

Mr. Schwinghammer stated that he creates a two/three-week ahead schedule for the contractors and also to the project owner and members of the team which allows the progress to be tracked within a three-week period.

Mr. Koepp stated that they would hold bi-weekly meetings with the subcontractors. He stated that the firm would be available to provide updates to the City Council. He stated that communication is another focus and noted that members of the team are always available via cell phone.

Mr. Schoenecker recognized that the Council is interviewing two additional firms and highlighted the fact that his firm would bring exposure and interest from contractors and vendors in the central Minnesota area as well as the metro. He stated that his firm spends a sufficient amount of time on the preconstruction phase to ensure that the building is well constructed and well thought out and budgeted.

Councilmember Heinrich asked if there would be a markup on change orders.

Mr. Schoenecker replied that there would not be a mark up from the firm, unless it were a major scope change that was not included in the original design.

Public Works Superintendent Riemer introduced the next firm, RJM Construction.

Brian Recker, President, thanked the Council for allowing the firm to join them tonight. He provided background information on the construction management experience he has had for the past 15 years, noting that he has worked with the members of his team for nearly that long.

Brad Barickman, Vice President, stated that he would be the project principle and has been in the construction industry for 15 years, currently leading the community market sector, which consists of municipal projects. He believed that a quality team has been assembled with experienced members.

Justin Johnson, Chief Estimator, stated that he leads the preconstruction process specifically in regards to the budget. He stated that he will keep updated figures and continue to look for opportunities in cost savings.

Curtis Sell, Project Manager, stated that he has been with the firm for nine years and has worked on multiple projects with this team. He stated that he is heavily involved in the preconstruction phase to ensure that the scope of the project is captured in full and would remain the main contact to the City from construction through to warranties and closeout. He reviewed the other management activities that he would be responsible for during the project.

Mark Dongoske, Field Superintendent, stated that he has been with RJM for 18 years and for the past 12 years has focused on construction of public works facilities. He stated that his role is focused on quality control, safety, scheduling, subcontractor control, and development of the three/four week look ahead schedule.

Mr. Barickman stated that RJM would be the advocate of the City for this project and would bring their experience and enthusiasm. He stated that they are the fastest growing construction management company in the twin cities, with 26 municipality clients. He stated that this team has experience in building public works facilities together as a team and reviewed some of the public works facilities that they have helped to construct in the metro area. He stated that there is no learning curve with this team as each member is familiar with how the other operates.

Mr. Recker stated that the firm understands that the City has day to day operational activities and that is where the expertise of RJM as the construction manager would provide assistance. He stated that the firm has experience with vendors and contractors for municipal projects and would bring that to the project. He understood that the budget drives the design and it would be the job of the construction managers to provide that result. He noted that his team has never missed a completion deadline and has always come in on time. He stated that they would provide critical input to the design team, offer material selection throughout the process, lead the quality control process with critical meetings on critical components before installed to prevent issues, provide executive leadership, and eliminate surprises.

Mr. Johnson stated that his firm provides a 95 percent estimate check and provided details. He provided information on the additional reviews that are done. He stated that the estimating team makes countless emails and follow-ups to ensure that the owner will get multiple bids on each of the elements of the projects.

Mr. Barickman reported that for the Woodbury project the team completed, the 95 percent estimate was \$23,000,000 and on bid day, they came in \$81,000 under budget.

Mr. Barickman stated that it is important to have the right design team and to have early and continual project engagement.

Mr. Barickman stated that they look at all elements of the project, as the building is not the only part of the project, using the example of equipment layout, fuel island operations, vehicle lift design, underground coordination, flooring design, wash bay operations, and salt storage.

Mr. Dongoske stated that he likes to work with the public works staff as well during the process to ensure that the end product will work for the people using it. He noted that involving the right people early in the process helps to make the project more efficient and provides a cost savings.

Mr. Sell reviewed the proposed project schedule

Mr. Johnson provided additional details on the different elements of the preconstruction process.

Mr. Barickman continued to review the schedule including the different elements of the construction process, estimating a total of around 24 months on the entire process.

Mr. Recker stated that communication with the City is very important throughout the process with all departments including weekly update meetings. He explained that the schedule will include the activities of the day, along with the next six weeks. He stated that they would like to make this a rewarding experience.

Mr. Recker stated that his team pledges to be committed to this project so that it is a rewarding experience that meets the budget of the City, and delivers the vision the City desires. He explained that commitment goes above and beyond the preconstruction and construction process, noting that the City can call the team any time to provide additional assistance.

Councilmember Heinrich asked if there is a markup on change orders.

Mr. Barickman explained that the fee for the firm is based on a percentage of the total project cost and change orders would not have an additional markup.

Acting Mayor Riley commended staff for bringing three great candidates. He asked if there is input from staff.

Public Works Superintendent Riemer stated that his choice would be RJM, noting that the proposal was very personal to the City and the level of detail on elements within was great.

City Administrator Ulrich stated that RJM would also be his top choice. He noted that he spoke with staff from Andover and Maple Grove, with positive input received from both cities.

Councilmember Heinrich stated that RJM was the only company already looking at lead times, which is a sign that they are ahead of things and engaged in the potential project. She stated that she would defer to the recommendation of Public Works Superintendent Riemer and City Administrator Ulrich. She asked if the longer timeline would be an issue.

Public Works Superintendent Riemer replied that he would be willing to wait the additional time to receive a quality product.

Acting Mayor Riley asked if Public Works Superintendent Riemer has spoken with Andover staff to gain input on that process which is currently underway.

Public Works Superintendent Riemer replied that he has not yet spoken with Andover but advised that he has toured the Elk River facility multiple times.

Councilmember Musgrove stated that she liked that everyone from the team was heavily involved in the presentation, which shows they are used to working as a team. She referenced the timeline, noting that the larger planning time on the frontend will help to provide a more efficient construction process.

Acting Mayor Riley asked if the firm hired as construction manager would then be precluded from building the project. He asked if RJM is also a builder. He asked if something is lost in not letting the construction manager actually build the project as well.

Public Works Superintendent Riemer confirmed that the construction manager would not bid to complete the construction internally and would not be building any project elements themselves. He stated that allowing someone to manage and build a project would be double dipping.

Councilmember Menth asked for input on the Elk River facility.

Public Works Superintendent Riemer provided details, noting that he would love to have that facility.

Councilmember Kuzma stated that he thought Kraus Anderson had the strongest/smoothest presentation and he liked that Bradbury Stamm had additional connections in the central Minnesota area. He noted that if staff is comfortable with RJM, he would also support that recommendation.

Public Works Superintendent Riemer stated that RJM has followed up with him on multiple occasions related to the schedule. He stated that there are parts of the process that could be shortened.

Acting Mayor Riley stated that each of the presenters would provide a quality project and noted that the costs were pretty similar. He supported the recommendation of staff and confirmed the consensus of the Council to direct staff to continue with RJM.

3. TOPICS FOR FUTURE DISCUSSION

3.01: Review Future Topics/ Calendar

Noted.

4. MAYOR / COUNCIL / STAFF INPUT

City Administrator Ulrich provided brief updates.

5. ADJOURNMENT

The Work Session of the City Council was adjourned at 6:56 p.m.

Respectfully submitted,

Kurtis G. Ulrich
City Administrator

ATTEST:

Katie M. Schmidt
Administrative Assistant

Drafted by Amanda Staple
TimeSaver Off Site Secretarial, Inc.