

**Pleasant Grove City
City Council Special Meeting Minutes
March 22, 2017
6:00 p.m.**

PRESENT:

Mayor: Michael W. Daniels

Council Members: Dianna Andersen
Eric Jensen
Cyd LeMone
Ben Stanley
Lynn Walker

Staff Present: Scott Darrington, City Administrator
Mike Smith, Police Chief
Kathy Kresser, City Recorder
Tina Petersen, City Attorney
Dave Thomas, Fire Chief

The City Council and Staff met in the City Council Chambers at 86 East 100 South, Pleasant Grove, Utah.

1) **CALL TO ORDER**

Mayor Daniels called the meeting to order and noted that all Council Members were present.

2) **BUSINESS**

A) **PRESENTATION OF CONSTRUCTION MANAGER/GENERAL CONTRACTORS (CM/GC) FOR PUBLIC SAFETY BUILDING FACILITIES.**

• **HUGHES CONSTRUCTION.**

Lynn Hinrichs, from Hughes Construction, identified himself as the Project Executive with over 30 years in the construction business. He reported that he has been a Licensed Architect for 26 years and a building owner for 22 years in both the state and federal government. Mr. Hinrichs introduced the rest of the team from Hughes Construction. Mike Nichols, the Project Manager, had been with Hughes Construction for 22 years. Estimator, Greg Robinson, had 19 years of experience in the business. Superintendent Blaine Gibson, had 40 years of experience. Project Engineer, Sarah Piggott, had been with Hughes for two years and had nine years of total experience.

Mr. Hinrichs explained that Hughes Construction had been in business since 1958 and 80% of their work volume was CM/GC. The other 20% was building design. Hughes has 244 employees who offer a wide range of highly specialized expertise. They also have more heavy pieces of equipment than any other general contractor in the state, and they have their own asphalt plant. Mr. Hinrichs presented photographs of other projects that were similar to the proposed Public Safety Building, including Santa Clara City Hall, Farmington City Hall, North Salt Lake City Hall, Duchene County District Court, Bluffdale City Hall and their equipment building, and the Murray School District Administration Offices and Maintenance facility.

Mr. Hinrichs described the CM/GC process and stated that the City needs input from the contractor to make important decisions at the right time. If important information is not managed appropriately, the project could yield bad results, such as being over budget. Mr. Hinrichs believed that Hughes could do the project within budget on the first attempt. They would achieve this by doing an in-depth estimate where the Hughes team would look at the building and site in an intricate fashion on several different levels. This process is done continually throughout the process to ensure a predictable outcome. Typically, Hughes comes within 1 to 2% of their estimate.

Mr. Hinrichs understood that they would be working within a hard-fixed budget. Their pre-construction service would allow the project to transition quickly into the construction phase, without having to rebid or redesign.

Greg Robinson, Estimator, stated that accurate estimating is the key to the success of the pre-construction phase. Hughes has processes in place that ensure an accurate estimate so that there are no surprises when the project goes to bid. Mr. Robinson addressed projects completed in Duchene County and Bluffdale City. The team intended to work with the architect and City officials to make sure that the building meets their needs, functions well, and stays within budget. Mr. Robinson also stated that Hughes has positive relationships with qualified subcontractors who will bid the project very competitively.

Blaine Gibson, Superintendent, stated that safety is his highest priority with the project. To facilitate that, about 90% of all Hughes' employees are OSHA certified. He stated that this project will require constant nurturing because of the site location and its proximity to public amenities. He intended to erect a 10-foot privacy fence around the site after Strawberry Days is over and he would work with City staff to make sure that they comply with all City ordinances regarding noise and construction hours. He would also work with the Police and Fire Chief to meet their needs. The existing asphalt will remain as long as possible to reduce dust and other nuisances to the public. To control traffic, the subcontractors will park off-site and carpool in.

Mike Nichols, Project Engineer, discussed their scheduling approach. He explained that Hughes involves their subcontractors in putting together the project schedules so that the City will receive a realistic and timely schedule. They will also update the schedules monthly. Mr. Nichols stated that a preconstruction conference would be held with the Hughes team, subcontractors, the architect, and owners. There would also be regular pre-installation meetings and a mock fire marshal inspection so that there are no surprises when the building is inspected.

Sarah Piggott, Project Engineer, spoke about communication and documentation. She explained that Hughes uses Blue Beam, which is a cloud based platform that allows everyone on the project to view all documents in real-time. Ms. Piggott stated that she would receive submittals from subcontractors, review the information, and compare it to the specification, and then send it to the architect. All of these documents will be shared on Blue Beam. She will also document all meetings and upload minutes within a few days of the meeting.

Mr. Hinrichs stated that he has a qualified team but he will also be deeply involved throughout the project. Hughes has experience with projects of similar size, scope, and type, and yield good results. Hughes would also provide a comprehensive preconstruction service, accurate estimates, and quality workmanship.

Council Member Jensen reported that he spoke with Mayor Derk Timothy from Bluffdale City about their ongoing project. He was impressed with the process and the open dialogue. Council Member Jensen asked about Hughes' experience working with JRCA, the architect chosen for the Pleasant Grove project.

Mr. Hinrichs addressed some of the challenges they faced with the Bluffdale project, how they overcame them, and what they learned from the experience. He emphasized the importance of communication in creating successful products. Mr. Hinrichs stated that they worked with JRCA on two projects and they work well together.

Council Member LeMone stated that the Old Recreation Center has a lot of history and heritage and asked how Hughes intends to handle that situation. Mr. Hinrichs stated that they will be as sensitive or insensitive as the City Council needs them to be. The Old Duchene Courthouse had several murals on the sheetrock walls that the City wanted to preserve, so the team found a way to save those murals, which now hang in the new building.

City Administrator, Scott Darrington, stated that the instructions given to the CM/GCs said that the City would be taking care of the Old Recreation Center, so it was outside of this bid.

Mayor Daniels asked if anyone on the Hughes team had worked with Owners' Representatives, Dave Holdaway and Guy Fugal. Mr. Gibson stated that the company had but he had not personally worked with them.

Council Member LeMone asked if Hughes would be holding any open houses or other public meetings. Mr. Hinrichs stated that they would hold such a meeting if the City Council felt that would be most beneficial for the City. He gave examples of how they've interacted with the residents on past projects, including online accessibility.

Council Member Stanley expressed interest in the Blue Beam software and asked how frequently the City Council would be updated on cost estimates. Mr. Hinrichs stated that the system was easy to use and Ms. Piggott would train the City Council and staff to use it. Updated cost estimates would be given out at every meeting and the cloud base would be updated immediately.

Mayor Daniels said that they would be interested in keeping the public informed through the City website. He then asked what they could expect as far as a timeframe for the project. Mr. Hinrichs

said that a 12-month period was a reasonable amount of time, considering the size of the building proposed. However, the timeline could be extended depending on what time of year construction begins, how extensive the courtroom finishes are, and if the project is to be phased to keep the existing fire station operational.

Mayor Daniels asked about a warranty. Mr. Hinrichs stated that they provided the typical one year warranty. Some products, such as roofing, may have a longer warranty. Mr. Nicholes noted that the team would walk through the site quarterly after construction was complete to ensure that there were no issues.

Mayor Daniels thanked Hughes Construction for their presentation.

- **HOGAN CONSTRUCTION.**

Chris Hogan, President of Hogan Construction, introduced his team including Steve Spencer; Scott Bryner, Project Manager; Ross Cox, Lead Estimator; Aaron Metcalf, Marketing Director; Dave Andersen, Project Director; and Mark Jensen, Preconstruction Manager. He said that his team is very experienced in municipal buildings and he felt they were the perfect fit for the project. Mr. Hogan stated that the company has a reputation for building schools, but that is not the only type of building they have experience in.

Scott Bryner, Project Manager, stated that they were currently working on a project in Grand County remodeling the Justice Court and Jail. This project is similar to Pleasant Grove because the site was in close proximity to public amenities and it had great historic significance to the residents. Much of the experience gained in Grand County could be used in Pleasant Grove.

Mr. Hogan stated that their two most recent projects were the West Jordan Fire Station and the Heber City Public Safety Building. He presented a positive video referral from Chief Booth in Heber City. Mr. Hogan said that one thing that sets Hogan Construction apart from other CM/GCs was that they are emotionally invested in each project.

Steve Spencer gave some details about the project in Heber City, as it was very similar in size and function as the proposed facility. He explained that the Heber building was also in close proximity to a public park.

Mr. Bryner said that they had spent some time surveying the Pleasant Grove site to try to better understand some of the challenges they would be facing, particularly in keeping the existing fire station functioning during construction.

Mr. Spencer explained that they were able to recycle part of the old structure in Heber by crushing up the old masonry and concrete and using it as backfill. This was a huge cost savings for the City. They were also able to cut costs because Hogan Construction does a lot of self-perform work such as concrete, steel erection, and utility work. Mr. Hogan noted that the recycling of the old building saved Heber City approximately \$30,000. There may be an opportunity to do the same thing in Pleasant Grove.

Mr. Spencer presented information about the recently completed Grove Crest Elementary to showcase the working relationship between the City, School District, and Hogan Construction. With regard to a construction schedule, Mr. Spencer said that the project could be done in 12 months. One of the major risks they were facing in the construction market was that there was a lot of work out there, but a shortage in manpower. He explained that Hogan would work with subcontractors to mitigate some of the issues, and they would be communicating early on and throughout the process.

Ross Cox, Lead Estimator, addressed pre-construction and said that this would be a collaboration of many people. The team has worked with JRCA on previous projects, so they know that they will work well together. Hogan's pre-construction philosophy is to try and save the City and the taxpayers' money. During the pre-construction phase, the team will identify potential construction challenges and minimize them. They like to approach the project as a value design rather than value engineering. Mr. Cox stated that Hogan was always pushing the envelope with new construction technology and gave examples of this. With proper preconstruction communication and the use of new technology, they have seen an average cost savings of 7%. They believe in honesty, transparency, open communication and providing the City with all documentation and information.

Council Member Stanley asked how the team intended to provide transparency. Mr. Cox explained that they would be sure to provide all information to the City Council as they go through the different levels of construction. They would meet often with the City Council and provide updated budget information in every meeting. Council Member Stanley asked if they had some sort of cloud base for data sharing. Mr. Bryner stated that they do use web-based data sharing with any team member who needs or desires access. Mr. Spencer would provide daily updates. The cloud base would also contain meeting minute, pictures, and other documents.

Council Member Jensen asked about value engineering. Mr. Cox stated that good communication will provide for fast and easy value engineering. He stated that it had been a joy to work with JRCA in the past because they were open to feedback. Mr. Hogan stated that the key to keeping a project within budget was for the construction manager to identify problems early on and resolve them.

Mayor Daniels thanked Hogan Construction for their presentation.

- **BIG D CONSTRUCTION.**

Dennis Knuckles introduced himself as the person in charge of business development and client satisfaction. He introduced Gifford Briggs, the Vice President of the Lindon Office; Brandon Eccles, the Project Manager; Jared Christensen, the Superintendent; Trevor Hunsaker, the Project Director and Preconstruction Director; and Ben Williams, the Estimator.

Mr. Knuckles identified the following project goals:

1. To provide insightful input to develop creative design solutions.

2. To provide superior preconstruction services as it relates to the phasing, cost, scheduling, and impacts of the building.
3. During construction, to provide excellent management of the schedule, the budget, and quality and safety on the project.
4. To provide Pleasant Grove City with unmatched communication, transparency, and fiscal responsibility.

Mr. Knuckles explained that Big D Construction has vast experience in public buildings, and they consider their pre-construction services to be superior. He presented photographs and statistics of several past projects that were similar in function, size, and cost to the proposed Public Safety facility.

Trevor Hunsaker addressed pre-construction and stated that this is the phase where “the magic happens”. The City could expect a very robust preconstruction service from Big D.

Ben Williams, Estimator, explained that they would provide take-offs and real-time cost estimates to help guide the design so that it meets the needs of the end users and stays within the budget. Big D Construction can proudly say that their budgets are normally very accurate. During preconstruction, they would provide budget estimates at the 30%, 60% and 90% design phases. They also provide a detailed analysis of the budget based on past costs and current needs. Mr. Williams stated that they would utilize a value engineering tracking log throughout the entire preconstruction phase. He then spoke about transparency.

Brandon Eccles, Project Manager, explained that they would be utilizing the Blue Beam Studio for cloud based data sharing. Everyone who has an interest in the project can review the documents and make comments on them in real-time. Mr. Eccles stated that they had spent time walking the project site and coming up with concept plans for the building. He presented three options.

Jared Christensen, Superintendent, stated that any of the options would require the same attention to safety and protection of the public. They would also focus on mitigating traffic congestion issues. Mr. Christensen explained that Big D created a program called “THINK” to ensure the safety of those working on the site and the public around it. In terms of quality, Mr. Christensen understood that these facilities will be like a second home to the Public Safety Officials and he wanted to be sure that they receive an acceptable product. This would be achieved with inspection and quality checks throughout the entire process.

Gifford Briggs, Vice President, stated that he will be the executive in charge of the project. Communication was essential for any successful project, and in this case 90% of the team lives within five minutes of the site and are always available. He was determined to keep the stakeholders informed of the progress of the project as well as the City officials. Mr. Briggs stated that they were willing to attend City Council Meetings to give regular reports, if they desired.

Council Member Jensen asked how they intend to do value engineering without redesigning. Mr. Hunsaker stated that they would have a spreadsheet that was essentially a list of needs and

how much everything costs. He would not let the design get to a point where it's being done wrong. Any problems would be detected early on.

Mayor Daniels asked about the accuracy of their cost estimates. Mr. Williams explained that the cost information would constantly be updated as they receive input from subcontractors. Typically, the cost estimates at the 30% and 90% level are within a close margin.

Mayor Daniels asked for the cost difference between a project that is phased and a project that is not. Council Member Stanley asked what the timeline would be for both options. Mr. Williams reminded the City Council that these were very rough estimates but they could expect a phased project to take about 16 months. From a cost standpoint, two building would be more expensive than one.

Mayor Daniels thanked Big D Construction for their presentation.

- **LAYTON CONSTRUCTION.**

Jeff Palmer, Pre-Construction Manager, stated that Layton Construction has had the opportunity to build municipal buildings throughout the country over the past 63 years. They have done fire stations, police stations, city hall buildings, recreation centers, courts and parks. Each project is different, and each is important to the community. Mr. Palmer stated that there was a historical element to consider with this specific project. He stated that one of the purposes of the CM/GC is to manage the risks for the City and this team would be able to do that. He introduced Mike Daniels as the Vice President, Johnny Hollingshead as the Project Manager, Dave Brockman as the Superintendent; Rick Thueson as the Estimator, and Jordan Gillman as a Preconstruction Manager.

Mr. Palmer stated that Layton Construction was the only contractor in the state that supports and attends the Utah League of Cities and Towns. They feel like it is important to understand what it is like to be in the City Council's position in leading their City. Mr. Palmer then presented slides and photos of past projects that relate to the Pleasant Grove project.

Mr. Palmer read a letter from John Park and noted that the team had just finished working with Mr. Park, and he passed on a positive referral.

Dave Brockman reported that he has often dealt with difficult situations and sometimes tough people as a Superintendent, but he loves seeing the outcome. He spoke of a recent experience working on a fire station in Arizona where he worked closely with the fire chief and the owners to meet their expectations. Mr. Brockman stated that he would follow through and deliver a product that meets the City's expectation. In the case of Pleasant Grove, he understood that there would be challenges because of the proximity to the park and the 100 East. He guaranteed the protection of the site and the safety of the residents.

Johnny Hollingshead, Project Manager, reported that he has three main goals with all of his projects: 1) be on budget, 2) be on time, and 3) make sure that he is communicating well. Ultimately, he wanted to ensure predictable outcomes. Mr. Hollingshead would hold a "camp"

for the stakeholders, owners, Police Department, Fire Department, and any other interested parties, and they would discuss how each person will be affected by the project. They would address any issues raised at this meeting during the pre-construction phase. Mr. Hollingshead said that they also make sure there is daily communication with City officials and staff. In the past, they did live feeds on Facebook, gave community tours of the site, and invited City officials to walk the grounds often. This would show transparency to the community.

Mr. Palmer commended the City for choosing JRCA as the architect. Layton Construction has worked with Jim Child on several past projects, and it was wise to have a good relationship between the architect and the CM/GC.

Mr. Palmer reported that pre-construction is vital to the success of the project. Layton Construction was committed to staying within the budget. A major component to that is the responsibility matrix, which addresses who is doing what and how much each element will cost. The responsibility matrix will be created on the first day of preconstruction and updated continually.

Jordan Gillman, Preconstruction Manager, said that they will provide a predictable estimated budget. They will create a value target design with the architect, City Council, and design consultants, and those target values would total or be less than the given budget. This would allow the architect to design the building to budget.

Mike Daniels, Vice President, said that he enjoyed working with this particular team and he promised that the City would get a good result. Layton Construction was competitive in their fee, which was a small percentage of the total cost of the project. Mr. Daniels said that his goal was to find enough cost savings to cover the cost of their fee.

Mr. Daniels gave examples of other projects similar to the Public Safety Building, including projects that had sentimental value for the community. They recently completed a courthouse and Police Department for Cottonwood Heights, and Mr. Daniels had been confident enough to guarantee that they would stay within budget. Mr. Daniels stated that they had saved the City enough money to allow the purchase of their AV system while still coming in under budget. He assured the City Council that they would make the same efforts for this project.

Council Member Stanley asked Mr. Daniels if he could guarantee to come in under budget for this project, and he answered affirmatively.

Council Member Jensen asked how they would do value engineering without going back to redesign. Mr. Palmer explained that one of their goals was to avoid adding value engineering, because that means they would be moving backward and cutting things the City wants or needs. The value target design would help to eliminate value engineering.

Mayor Daniels asked for more information regarding transparency and public access. Mr. Hollingshead stated that they would provide documents, weekly reports, pictures, and timelines that can be uploaded to the City website. Other cities have had a drone fly over the site to take pictures documenting the progress or opted to have a time-lapse camera on site.

Mayor Daniels stated that all of the candidates have worked with JRCA, the architect, and asked if the team had worked with Dave Holdaway, the Owner’s Representative. Mr. Palmer said that he had not personally worked with Mr. Holdaway, but the remodel component of Layton Construction had.

Dave Holdaway reported that he had not done a lot of business with Layton Construction when he was part of the Alpine School District. Mr. Palmer said that they do not generally build schools.

Mr. Palmer thanked the City Council for their time. He had attended meetings where he heard Mayor Daniels plead with the citizens to support the public safety building project, and he could see how important this was to the City Council.

Mayor Daniels thanked Layton Construction for their presentation.

3) **CLOSED MEETING TO DISCUSS THE CHARACTER, PROFESSIONAL COMPETENCE, OR PHYSICAL OR MENTAL HEALTH OF AN INDIVIDUAL (UCA 52-4-205 (1)(a))**

ACTION: Council Member Jensen moved to go into an executive session to discuss the character, professional competence, or physical or mental health of an individual. Council Member Stanley seconded the motion. The motion passed unanimously with Council Members Andersen, Jensen, LeMone, Stanley and Walker voting “Aye.”

The Executive Session commenced at 8:16 p.m.

PRESENT:

Mayor: Michael W. Daniels

Council Members: Dianna Andersen
Eric Jensen
Cyd LeMone
Ben Stanley
Lynn Walker

Staff Present: Scott Darrington, City Administrator
Mike Smith, Police Chief
Kathy Kresser, City Recorder
Tina Petersen, City Attorney
Dave Thomas, Fire Chief

ACTION: Council Member Stanley moved to come out of the closed meeting and reconvene the regular City Council meeting. Council Member Jensen seconded the motion. The motion passed unanimously with Council Members Andersen, Jensen, LeMone, Stanley and Walker voting “Aye.”

The regular session reopened at 9:16 p.m.

4) DISCUSSION AND POSSIBLE ACTION REGARDING SELECTION OF A CONSTRUCTION MANAGER/GENERAL CONTRACTOR FIRM.

Mayor Daniels reported that the City Council had discussed the four applicants for CM/GC for the Public Safety Facility and had agreed to negotiate with Big D Construction.

ACTION: Council Member Stanley moved that the City Council instruct staff to engage in negotiations to retain Big D Construction as the CM/GC for the Public Safety Building Facility project. Council Member Andersen seconded the motion. The motion passed with unanimous consent of the Council.

5) ADJOURN

ACTION: Council Member Jensen moved to adjourn. Council Member Andersen seconded the motion. The motion carried.

The meeting adjourned at 9:18 p.m.

The minutes of March 22, 2017 City Council Special meeting were approved by the City Council on April 18, 2017.

Kathy T. Kresser, City Recorder, MMC

(Exhibits are in the City Council Minutes binders in the Recorder's office.)