

TOWN OF MOUNT PLEASANT, SOUTH CAROLINA
BIDS AND PURCHASES COMMITTEE
Tuesday, January 2, 2018
Municipal Complex, Committee Meeting Room, 3rd Floor
100 Ann Edwards Lane
Mount Pleasant, SC 29464

MINUTES

Members Present: Jim Owens, Chairman; Gary Santos and Kathy Landing

Staff Present: Eric DeMoura, Town Administrator; Marcy Cotov, Chief Financial Officer; Rick Griles, Procurement Officer

Mr. Owens called the meeting to order at 9:45 a.m.

1. Approval of Minutes from the December 4, 2017 meeting

Mr. Santos moved for approval; seconded by Ms. Landing.

2. Public Comments

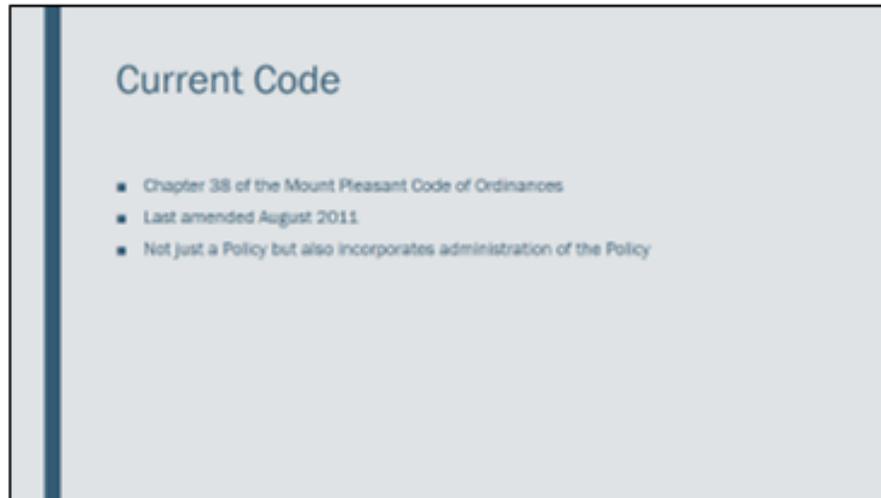
[None]

3. Consideration of updates to the Town of Mount Pleasant's Procurement Code

Mr. DeMoura said that the last time amended updates to the Procurement Code were brought before Council was in August 2011. He said with the fairly sizeable and complex operation and being mindful and wise of the public funds with efficiencies, staff has recommendations and thresholds to make the Town even more efficient and ask for Committee to consider these. He said that Committee should also be pleased that there is even more ethical responsibility with procurement on how we procure bids and services.

He said that staff would like to present this today and will work with Committee until they are comfortable with the updates.

Ms. Cotov stated that the procurement code is currently Chapter 38 of the Town's Code of Ordinance, which was last updated in August 2011.



She said that the current code is approximately 30 pages and when reviewing it for the update, staff realized that it incorporated much of the administration of the code. She said the code sets the policy and how to accomplish the details was also included.



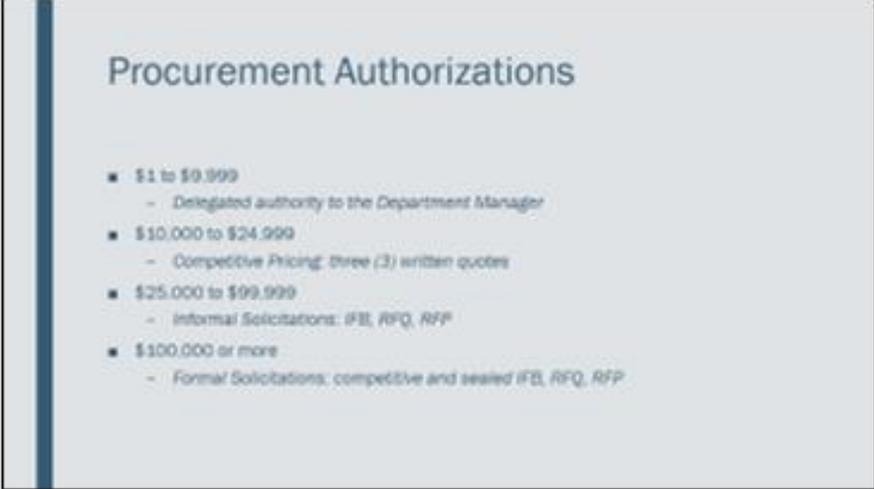
She said when staff brings this to Committee as an ordinance, they will be looking at removing the regulations that the Procurement staff handles, as opposed to the policy setting of the code. She said that

some of the regulations include items such as: insurance requirements, bid specifications, bid evaluations, performance bonds, and pieces that staff does internally and not necessarily as part of policy. She said when staff reviewed the code, you do not see the line in and line out, because staff removed approximately 28 pages. She said that it removes the administration and more closely follows some best practices, which is not only Government Finance Officers or the Municipal Association, but also the National Institute of Public Procurement, so all those components have been incorporated. She said when it refers to the actual policy, staff is not removing anything, but including more enhancements and more specificity such as compliance requirements, procurement ethics, purchasing thresholds, and have also incorporated the Local Vendor Partnership into the code, instead of a separate policy, and this also governs the surplus or disposition of property.



Ms. Cotov said that when it comes to Ethical Procurement, in the past the Town's policy has stated that we are going to follow the State Procurement Ethics Act; however, this spells out in more detail, rebates, kickbacks, and that staff and elected officials should not receive financial benefit. She said there is allowance if there is an issue, for it to go to full Council for acceptance if it is in the best interest of the Town. She said that this details and outlines those items that staff feels strongly about.

Ms. Cotov stated that in the Procurement Authorizations, this is where the Town balances the level of risk they are willing to tolerate versus efficiencies.



Procurement Authorizations	
■ \$1 to \$9,999	- Delegated authority to the Department Manager
■ \$10,000 to \$24,999	- Competitive Pricing: three (3) written quotes
■ \$25,000 to \$99,999	- Informal Solicitations: IFB, RFQ, RFP
■ \$100,000 or more	- Formal Solicitations: competitive and sealed IFB, RFQ, RFP

She stated that they are looking at less than \$10,000 to provide the departments more leeway. She said that it is currently only \$2,500 and there are a number of small items. She said as due diligence, staff looks at how they procure all their items and look at what kind of assets really fall below \$10,000 and 96% percent of the Town's assets are over \$10,000 so these are primarily services that help the departments move forward in their day to day operations and not procuring assets. She said the next threshold is \$10,000 to just under \$25,000 and this requires three written quotes at the minimum, which allows staff to obtain the best price for the Town. She said the \$25,000 to just under \$100,000 remains the same, which is Requests for Proposals, Requests for Qualifications and Invitation for Bids. She said at any time, they do allow departments to use a more stringent requirement, but this allows them to use less up to \$25,000. She said that it is monitored and believes the risk is low considering the efficiencies that can be gained. She added that anything over \$100,000 would always come back to the Bids & Purchases Committee, even if it is in the budget. She said that

the Procurement Regulations are out on draft form on SharePoint and are 28 pages and continues to outline the detail of how Procurement is accomplished. She said that staff has added components that allow for a design build and construction manager at risk and believes they are procurement avenues that will benefit the Town in the future in doing some of the major projects in the Town. She said they allowed flexibility with the procurement of information technology, as it is difficult to have Microsoft agree to the Town's terms and conditions. She said that they do believe there is a level of comfort. She said the regulations also cover the resolution of vendor issues, contract requirements and surplus property. She said these are the main highlights of what staff is looking at. She said if the Committee recommends approval, staff will bring forth an ordinance that will discuss "repeal and replacement", because this is the core of it, but it does not have all the detail. She said that two other things that have come up when reviewing is adopting the ability to have four members of Bids and Purchases. She said what is not addressed is if there is a tie vote. She said they will be adding this language in when going to full Council or back to Committee. She said in the case of a tie, it would go to full Council. She said that it does not clarify in defining the Committee's role that the Committee has oversight on the procurement to ensure staff has completed it properly. She said that staff would like to consider adding more detail to show that they have followed all statutory requirements for procurement.

Mr. DeMoura stated that through the CIP and the budget process, full Council approves the expenditure of money or approves a project. He said the concern came in that if a fourth member of the Committee is appointed, that the procurement of that particular service or the approval of a contract for a project could be held in Bids & Purchases through a tie vote and could delay a project that Council had approved. He said that this provision allows Council to break the tie vote. He said that this is why this language will be inserted.

Mr. Owens asked if there have been any changes to South Carolina law that precipitated the updates in any of the procurement code.

Mr. DeMoura stated that he is not aware of any. He said that this was mostly due to a newly elected body and new Committee prior to any adjustments and changes.

Mr. Owens said that he believes it is an advantage and strengthens the Town ethics and procurement authorizations and regulations. He asked if there were staff members that are currently or were previously certified in the CSI, which is the Construction Specification Institute. He said that it is an advantage that each one could have as a CDT provides a comprehensive overview for anyone who writes or interprets, enforces or manages construction documents. He reviewed the CCCA, CCPR and the CCS certifications. He asked if staff has completed any or all of the certifications.

Mr. Griles stated that procurement staff is certified through the National Institute of Governmental Procurement and in this is a construction element, where staff enrolls in classes which brings in some construction.

Mr. DeMoura stated that with the amount of construction, projects and activities that the Town has, if the Committee saw fit to increase training in this regard, staff would be happy to enroll.

Mr. Owens said that it would be an excellent opportunity for advancement or incentives in the department and would also provide Council with a comfort level, realizing that these certifications are in place by staff and the best management practices are being followed. He said that he would like to see more staff with these certifications.

Ms. Cotov stated that the Assistant Procurement Officer does have a wealth of background in federal procurement and has very detailed knowledge. She added that she has been a great benefit to the Town.

Mr. Owens stated that Town staff is the “best of the best” and this would only provide Council with another level of assurance.

Mr. Santos asked if staff is now able to track the vendor partners and the funding that is being expended.

Mr. Griles stated that the Town currently initiated a procurement vendor registry software program where vendors are able to go online and register, which includes the vendor partnership. He said they are now able to track these.

Ms. Landing said in general, the Town's procurement code would be shortened from 30 pages to 8 for simplification, increase ethics and transparency aspects and perform inflation-oriented adjustments to some of the numbers.

Mr. DeMoura responded in the affirmative.

Ms. Landing moved to approve the new updated procurement code for the Town of Mount Pleasant as advised by staff; seconded by Mr. Santos. All present voted in favor.

4. Award of contract for fully automated refuse trucks

Mr. Griles stated that as shown, this is the picture that was presented at Committee last month.



He said that this is the automated side-loading packer, which has an arm that extends out to grab the receptacle, then place it back without the driver having to step out of the vehicle. He said that these are more efficient. He said that the specifications were for New Way's Sidewinder XTR which is the dump body and on a Mack chassis LR64 truck. He said that staff received three bids. He said that Amick Equipment Company,

Inc., came in with the highest bid; however, it has a Labrie Automizer body, rather than a New Way Sidewinder that was specified and deemed not to be an equal due to the lifting mechanism not being mounted to the chassis and the arm cycle time was two seconds slower which would make a significant difference over a one year period of time, and the lifting capacity was 600 lbs. versus 1,000 lbs. He said that it is a less abrasive resistant tailgate body, as well. He said there is also a parts availability issue, due to the Labrie being manufactured in Canada and the New Way is manufactured in the United States. He said that there were two other bids that were responsive and responsible and the lowest base response bid was received from Hughes Motors, Inc., in the amount of \$587,724. He stated that there were three add alternates associated with this bid, which was a spare automated arm assembly and the other was a spare gripper assembly sub assembly. He said that these two items will be necessary. He said while staff did bid add alternate #3 for the display sign rack, staff has determined that this item is not necessary. He said that based on the information provided, staff recommends awarding to Hughes Motors for the base bid and add alternatives #1 and #2 for a total bid amount of \$630,729.40

Mr. Owens asked if the arm assembly has an extension.

Mr. Peele stated that he believes it extends out 10 feet.

Mr. Santos made a motion to approve Hughes Motors, Inc., in the amount of \$587,724 for the base bid and add alternate #1 in the amount of \$39,453.09 and add alternate #2 in the amount of \$3,552.31 for a total of \$630,729.40 to purchase the two residential garbage refuse packer trucks and one spare automated arm assembly and one spare gripper assembly as mentioned by staff; seconded by Ms. Landing. All present voted in favor.

Mr. DeMoura added that the shift to the fully automated packer trucks is a significant operational improvement for the Town and over time as the use of these vehicles are expanded, it will allow manpower currently operating in that division to move over to other areas of Public Services that are experiencing heavy demands.

Mr. Santos stated that Charleston County has the lowest unemployment rate in the state and it is very difficult to hire at this time.

5. Award of contract for renovations to the Darby Building

Mr. Griles said that the improvements to the Darby Building include ADA improvements on the exterior, the bathrooms and drinking fountain. He said work also includes additional storage, cabinets, ceiling tile replacements, stairwell landing repairs and other minor repairs that are necessary. He said staff received three bids with the lowest bid being Med Pro Systems, LLC dba MPS. He said that they were both responsive and responsible and within budget. He said staff recommends approval in the amount of \$139,314.

Mr. Santos made a motion to approve Med Pro Systems, LLC dba MPS in the amount of \$139,314 to perform the GM Darby Building ADA upgrades and interior renovations as described by staff; seconded by Ms. Landing. All present voted in favor.

6. Award of contract for stormwater ditch rehabilitation at Whipple Road

Mr. Griles stated that staff is requesting to utilize the on-call contractor which is Utility Asset Management, Inc. to regrade the channel of the ditch which is 1,951 linear feet and runs parallel to the Mount Pleasant Tennis Complex on Whipple Road. He said the ditch runs perpendicular to Whipple Road. He said that staff recommends awarding the contract to Utility Asset Management, Inc., in the amount of \$190,527.

Mr. Owens asked what the timeline would be as well as the start date.

Mr. Griles said it is a 120 day project and they anticipate completion by March 31, 2018.

Ms. Landing moved to approve the Whipple Road Ditch Rehabilitation and award to Utility Asset Management, Inc., in the amount of \$190,527; seconded by Mr. Santos. All present voted in favor.

7. Award of change order for a water quality monitoring program and consulting services

Mr. Griles stated that the Town previously awarded a contract to Woolpert, Inc., to provide water quality monitoring and consulting services for Shem Creek and the Wando River watershed. He said since the initial contract, Woolpert developed a monitoring plan for Shem Creek in accordance with the SC DHEC (South Carolina Department of Health and Environmental Control) Municipal Separate Storm Sewer Systems (MS4) permit requirements, installed a water quality monitoring station in the Shem Creek watershed, operated and maintained the monitoring station, and developed a monitoring plan for the Wando River watershed in anticipation of a future Wando River MS4 permit requirement. He stated that staff requests approval of a change order to Woolpert, Inc.'s, existing contract to provide these additional consulting services in the amount of \$200,991 which include the purchase and installation of monitoring station equipment for the Rathall Creek monitoring location in the Wando River watershed, operation and maintenance activities for both the Shem Creek and the Rathall Creek monitoring locations, sampling in the Rathall Creek to supplement the continuous monitoring activities, project management and a summary report for the Shem Creek watershed station.

Mr. Owens asked if there is a timeline for this work.

Mr. Griles stated that it is a one year contract. He stated that if all the elements are completed within that time, they anticipate one year; however, if the process is delayed, it may take a longer period of time.

Ms. Landing moved to approve the contract to do a change order for Woolpert, Inc.'s existing contract to provide additional consulting services in the amount of \$200,991; seconded by Mr. Santos.

Mr. Santos stated that when he previously sat on the Water Supply Committee, there was discussion regarding monitoring and testing the water in Shem Creek and the possibility of having a type of system to

alert the citizens if there are pollutants in the water. He asked if this would assist with this process or is this completely separate.

Mr. Griles stated that this is for additional monitoring and sampling.

Mr. Santos asked who would conduct the testing. He asked if Mount Pleasant Waterworks would perform the testing. He said that he recalls that they offered to perform the testing at no charge.

Ms. Hillary Repik, Stormwater Division Chief, stated that the consultant with this contract has been running a special station for the Town on the stormwater system, not actually in the creek itself. She said that this is a wrap-up of the Shem Creek Station and the Town would then need to implement a new station in the Wando River for the NPDS (National Pollutant Discharge Elimination System), TMDL (Total Maximum Daily Load), requirements. She said that this is separate from the Shem Creek Boat Landing project and staff is still working with Charleston Water Keeper and Mount Pleasant Waterworks to work out how this may be feasible. She said that they are going to keep the station in place to provide background data while they work on the larger Shem Creek plan.

All present voted in favor.

8. Recommendation to reject the Whipple Road Tennis Center Clay Court construction bid

Mr. Griles stated that staff spent additional time on this bid due to the specialty component of the clay courts. He said that two bids were received and were not able to bring those bids within budget. He said that staff negotiated with the low bidder and were able to reduce the amount, but not within budget. He said that staff recommends rejecting all bids.

Mr. Owens asked if there was opportunity to rebid the project at a later date this year.

Mr. Griles responded in the affirmative and said there were some elements involved that drove the costs higher; however, it still should

have been within the budget amount. He said there were ADA improvements and electrical work, but still believes it could have been within budget.

Ms. Landing asked what the budgeted amount for this project was.

Mr. Griles said that it was \$134,805.

Mr. DeMoura stated that if this particular project is rejected due to funding, this Committee will need to reconsider or ask the Recreation Committee to reconsider during the Capital Budget Planning later in January. He said that the Whipple Road Complex does not have funding for several years. He said that without action for this particular project to be considered with additional funding, it will not be funded going forward.

Ms. Landing asked for additional information, as the lowest bid was double the budget amount. She asked if the budgeted amount is unreasonable or does staff believe the bid amounts are incorrect.

Mr. Griles stated that this project includes the clay courts, which is a specialty item. He said that this amount was within what was anticipated. He said that it is difficult to attract contractors to provide the work, because it is a small job. He said it is not a large project compared to the work that is being offered elsewhere.

Ms. Landing asked if the scope of work was too small and needed to be more comprehensive.

Mr. DeMoura responded in the affirmative and said that it was not just the clay courts. He said the clay court component came within budget, but the ADA improvements and other work were bid higher than the budgeted amount. He stated that the Recreation Committee Chair also sits on this Committee and said if this Committee is agreeable, staff will mention this project later this month with regard to the other capital projects and if full Council decides to provide additional funding to complete this portion, then it can be done at that time. He said that staff will prepare for Council to consider later this month.

Mr. Santos made a motion to approve staff's recommendation to reject the Whipple Road Tennis Center Clay Court construction bid, as mentioned by staff; seconded by Ms. Landing. All present voted in favor.

Mr. Santos made a motion to approve the minutes from the December 4, 2017 meeting; seconded by Ms. Landing. All present voted in favor.

Mr. Owens asked Legal Counsel if the Chair has the authority to approve the minutes once a motion has been made and seconded without asking for a vote.

Mr. Pagliarini stated that it is not provided in the guidance; however, the default is Roberts Rules which would require a vote in that situation.

Ms. Landing said that when the Whipple Road Clay Court project is communicated to the public, she would not wish for the public to assume that this Committee or Town Council is against them having the clay court and to ensure they are aware that there were extenuating circumstances in the bidding.

9. Adjourn

Mr. Santos moved to adjourn; seconded by Ms. Landing. All present voted in favor.

There being no further business, meeting adjourned at 10:23 a.m.

Respectfully submitted,

Barbara Ashe

January 2, 2018