CITY OF TAKOMA PARK, MARYLAND
(MINUTES ADOPTED 2/14/05)

CLOSED SESSION, PRESENTATION, REGULAR MEETING, PUBLIC HEARING & WORKSESSION OF THE CITY COUNCIL

Monday, April 26, 2004

OFFICIALS PRESENT:
Mayor Porter
Councilmember Mizeur
Councilmember Seamens
Councilmember Williams
City Clerk / Treasurer Waters

OFFICIALS ABSENT:
Councilmember Austin-Lane
Councilmember Barry
Councilmember Elrich

The Council convened at 6:00 p.m. in the Council Chambers of the Municipal Building, 7500 Maple Avenue, Takoma Park, Maryland.

The Council voted to convene in Closed Session to discuss the applicants for the City Manager position. Following the Closed Session, the Council reconvened in open session.

Closed Session 4/26/04 - Moved by Mizeur; seconded by Seamens. The Council voted unanimously to convene in Closed Session at 6:00 p.m. in the Conference Room of the Municipal Building (VOTING FOR: Porter, Mizeur, Seamens, Williams; ABSENT: Austin-Lane, Barry, Elrich). OFFICIALS PRESENT DURING DISCUSSION: Porter, Austin-Lane, Barry, Elrich, Mizeur, Seamens, Williams; STAFF/OTHERS PRESENT: Waters, Hampton, Jim Mercer (by conference call). The Council discussed candidates for the City Manager position. Information reviewed included candidates' resumes and written responses to questions posed in the application process, the citizens City Manager Selection Committee recommendations, and the Mercer Group matrix of semi-finalist candidates. The Council reached a decision about the candidates to interview in the final selection process. (Authority: Annotated Code of Maryland, State Government Article, Section 10-508(a)(1)(i).

OFFICIALS PRESENT:

Mayor Porter
Councilmember Austin-Lane
Councilmember Barry
Councilmember Elrich
Councilmember Mizeur
Councilmember Seamens
Councilmember Williams

City Manager Finn
City Clerk / Treasurer Waters

COUNCIL COMMENTS

None.

ADDITIONAL AGENDA ITEMS

None.

ADOPTION OF MINUTES

None.

PUBLIC COMMENTS

Howard Kohn, Resident of Ward 3 recalled a petition process some 25 years ago calling for a community center. Nothing happened at that time. He did not know the details of why it did not happen. He made the point to illustrate how those in the future will see this project. They will not know all of the difficulties and challenges. It will happen only if we see it through.

Ray Scanal, Park Avenue said he was a member of the Programming Subcommittee back in early stages of the discussion. He has been absent from the process over the past couple of years. He said he followed the process, noting the importance of needs that we identified four years ago. They remain. Needs are still unmet. The County has not filled the gap. The population continues to grow. Kids still need a place to go that is safe and supervised. He noted that his son made the remark that he would never get to use the community center–he is going to college now. Mr. Scanal would like to tell his son that he will be able to come back on visits and use the center. We need to get the center done and done right. He is still willing to accept a tax increase to see the project completed.

Jane Lawrence, Takoma Avenue remarked that she has no problem with biting bullets. She just wants to know the bullets we are biting. One of the goals of Sustainable Takoma is to operate with more transparency. The Council has not been transparent. The Council was not up-front about Mr. Finn's status after his resignation. She noted the double mailing of the storm water bill. The billing should have included a public notice explaining the use of storm water funds for the project. The City has already diverted $200,000 from the fund. She understands that the

Council is going to divert another $200,000. Residents need to know exactly what is happening with the fund. She noted that there are a number of questions for which answers will assist the community in better understanding the fund. She read her e-mail (as forwarded to the Council and Ms. Waters). She noted Mr. Kohn's remark at a recent meeting about bankrupting the fund. She is not questioning the community center; actually, she supports the project. She would like to suggest that Councilmember Williams include comments about borrowing from the Storm water Fund and the impact on other funds, in weekly updates.

Councilmember Williams clarified that any Storm water funds that would go toward project would be for storm water work related to the community center. In the fund, there is a maintenance portion which would continue to be funded. The borrowed funds would come from the capital portion.

Ms. Lawrence said she wants to understand the impact of diverting funds. She cannot find information about the balance in the fund.

City Manager Finn said that many of the questions asked will be covered in the recommended budget, coming out later this week.

Dave Lorentz said he is in favor of going forward with the community center any way that we can. He is here as a resident to make a proposition. For a number of years, he has been trying to get a set of banner poles put up in the City for use by various interest groups. He has not had a lot of support on the Art and Humanities Commission (AHC)–it was not one of their recommended items for funding. He wants to do good for arts organizations and others. He is in process of finding out the costs for banner poles, and has visited with Public Works which explored the costs (less than $5,000). He would offer to pay half the cost. He believes in this project. If the AHC will not take on the effort, perhaps the Council will.

Mayor Porter replied that his timing is good, since we are getting ready to start budget discussions.

Councilmember Austin-Lane asked whether he has discussed the project with business associations. They are also interested. It might be good to partner with them so that everyone is on the same page. You should have the proposal reviewed by the business associations and the AHC.

Dave Lorentz restated that the AHC is not interested.

Ms. Austin-Lane said she is not asking that he continue to appeal to AHC. This is something that has been on the Economic & Community Development (ECD) agenda.

Mr. Finn said he has looked at this idea, but we have not had the required funds. There are a number of requests. The Crossroads Development Authority (CDA) has requested banners. This is the first time that we have heard from Mr. Lorentz. Mr. Finn said that his first-hand

knowledge first hand is that the AHC does not have the authority to use the funds that way since the funds were reserved for a master plan. Ultimately, the Council can change the direction if desired.

Ms. Austin-Lane commented that she would be happy to work with Mr. Lorentz on this.

Mr. Lorentz said it would be wonderful if business associations could contribute and that the City should offer some contribution.

Ms. Austin-Lane thanked him for his offer. It is very generous.

Juanita Cus-Lorentz said she supports the idea of the banner poles. She thinks that they would bring more people into the City. She heard a comment from Mr. Seamens that the poles might be "illegal". If true, we should find a way to make them fit within regulations. There should be at least one set of the poles. She hopes that this community venture goes forward.

PRESENTATION

1. Councilmember Williams' Update on the Community Center Construction Project.

Mr. Williams commented on the selection process for colors, materials, etc. The exterior railing color decision is coming up (whether it would be black to match the roof color). He talked about the exterior aluminum gutters and down spouts, and the modified corners on the building versus the brick corners (e.g., pre-cast concrete). He described the exterior steel tube color (could be changed at our discretion); the exterior steel color; and the Dormer face color, noting the dormers under consideration. There has been a discussion about adding a window between the City Manager and the Deputy Manager offices. He is getting more information about an exterior cover for the stairway, and will integrate this information into the data base that he has begun.

Ms. Porter said they are in the process of making a decision on the colors.

Mr. Kohn said the original decision about the traditional red colored brick was made by the citizens committee. The roofing color choice was made through a very random poll he conducted that included a variety of people (color: Dullas Gray). These are the colors that were on the original rendering. He would recommend the same for future decisions.

Ms. Porter indicated that, speaking for herself, she does not want to be picking colors. They should either have a formal process or let the liaison committee handle it.

Mr. Williams said he will be providing information about the schedule for selecting colors through discussion and postings to the web. If someone has a suggestion about color, they should come forward.

Ms. Porter suggested that the liaison committee make a recommendation for the Council's

ratification.

Councilmember Elrich remarked that a lot of recommendations were made in the process of discussing the original rendering. The contractor should deliver this as close to style and color as originally agreed.

Mr. Williams said that has been the intent with the roof color. We would want to know of changes from the original rendering that have a significant cost impact. There may not be things that have changed.

Mr. Kohn stated the interior colors are not in the rendering. He agrees with Mr. Elrich that they should stick with colors in the original rendering.

Councilmember Seamens noted that Mr. Williams identified some things that are more than colors. He was surprised to see the additional covered porch.

Mr. Williams said this will be coming back to Council as an additional cost item.

Ms. Porter agreed with the general sentiment that they do not bring back things that have already been agreed upon.

REGULAR MEETING

2. Resolution re: Condolence (Lenore Robinson).

Ms. Porter commented on the resolution. Lenore Robinson, who was a fixture in the City and a leader for the planning of the Folk Festival for many years, passed away very suddenly. Most of her personal dealings with Lenore were with respect to the festival. She was a warm and welcoming person. In spite of her low key way of bringing people into the process, she managed to perform a lot of complicated work in pulling together the festival. We will be much the worse for her loss.

Moved by Austin-Lane; seconded by Barry.

Ms. Austin-Lane expressed sadness about Lenore's passing. It was sudden and a surprise. She is a sweet person who we will miss. She attended the funeral service last Wednesday. It was very well attended. We will not fill her shoes any time soon and know that her family will not be able to either. It is important that the Council remember her as a committed and dedicated resident.

Mr. Elrich said he met Lenore shortly after moving to the City. He knew her as a political and peace activist. He remarked about her untiring devotion to the festival. She was wonderful at getting people motivated. She was steady and anchored in pulling together the festival over the

years. She will be missed by all. It was very saddening.

Kevin Adler, Treasurer, Takoma Park Folk Festival thanked the Council for taking up the resolution and for its continued support for the festival. The board has not yet met, but will be thinking about how to memorialize her contributions. He will keep the Council informed.

Dave Lorentz, Jazz Festival said he did not learn of Lenore's passing until Thursday. He called Larry Robinson to express condolences. Her death has left a big hole in the community. He worked with the folk festival for a number of years as the food vendor coordinator. He considers the festival the place where he learned how to run a festival. Lenore was in charge for a number of years in his seven-year tenure. She was always very well organized. She was calm. She was running the largest organization he knows of in the City. She will be sorely missed. He will be interested to know her successor.

George Taylor, Park Avenue expressed the City has lost one its best and finest citizens. She was his friend and neighbor, and one of rare individuals who is given the honor of the title of "mench" (one who serves others for the good of others). He cited a comment made at the funeral. She gave to the City through a variety of contributions, but perhaps she was most well known for work on festival. He proposed to honor her with a Gooding Memorial (memorial fund to be administered by City or festival organizers, funded through individual contributions). He would be happy to work on the memorial with other interested persons. He said "goodbye" to Lenore, thanking her for the gifts she gave to this community.

Paul Comrand, Construction Specialist, Folk Festival said she put in a lot of effort, without making it look like it was not a lot of strain.

Juanita Cus-Lorentz expressed condolences. It was very admirable how she was able to run the festival. She was very talented.

Howard Kohn read an e-mail from the AHC of Montgomery County. The funeral was joyously filled with music and dance. She brought many area artists together. She was a tireless leader and visionary. As one of her friends, her work is what she was known by. That is a pretty high tribute in a society where the opposite is pretty much the case.

Resolution #2004-14 was adopted unanimously (VOTING FOR: Ms. Porter, Ms. Austin-Lane, Mr. Barry, Mr. Elrich, Ms. Mizeur, Mr. Seamens, Mr. Williams).

RESOLUTION #2004-14
(Attached)

3. Resolution re: Municipal Government Week.

Moved by Seamens; seconded by Mizeur.

Mr. Seamens announced that every year the Maryland Municipal League (MML) honors municipal governments with the Municipal Government Week (April 26-30). This year, the Council talked about ways to raise citizen interest in the government. He feels that it is the employees of the City who should be recognized for their work. He read the resolution.

Ms. Porter said this is something that MML has encouraged municipal governments to do. The City has not been in the forefront with this recognition in recent years. She thanked Mr. Seamens for taking the initiative to put forth this resolution. Also, she wanted to join in thanking the City employees for their work.

Ms. Mizeur thanked Mr. Seamens (and wife) for his work to bring this to the attention of the Council and City. It Is very important that we be engaged in activities to increase the participation of youth and residents. We have engaged in discussions about trying to put forth a youth advisory council. She noted her work at federal and city levels, recognizing the challenging issues that are faced at the city level. She recognized the non-citizen voting rights in the City; this is something that has made our community special to a larger range of citizens. She would like to suggest an opportunity to look at the idea of lower the voting age in the City to 16 to further encourage voting.

Ms. Austin-Lane thanked the City employees who work very hard for Council and resident interests. She recognized that they are spread very thin over a number of priorities. She encouraged that we work together through the transition with a new City Manager.

Resolution #2004-15 was adopted unanimously (VOTING FOR: Porter, Austin-Lane, Barry, Elrich, Mizeur, Seamens, Williams).

RESOLUTION #2004-15
(Attached)

PUBLIC HEARING

4. Street Rehabilitation and Potential Short-term Funding Mechanisms.

Ms. Porter explained the topic.

Mr. Finn said this proposal is very similar to the one made about a year ago, with the exception of the funding source. They are no longer talking about long-term debt. They are looking for a shorter term bond. He noted the significant rise in fuel prices. If we were not with our current contract for street work, based on numbers given by the consultant and contractor, we would be faced with a significant increase in cost for our street rehabilitation. The contract will expire this Fall. We are proposing to take the balance of the streets that have not been resurfaced or repaired and incorporate them into a one to two year program to get all of the work done. The second proposal would cut down the work to only the poor and troublesome streets, and not address the “fair” condition streets. It would cost about $2,900,000 to do all of the streets. The

numbers came from a recent street study. In the near future, we will be asking the Council about direction on how to proceed. The proposed FY05 budget will include $500,000. He proposed to take the $500,000 and instead of using it each year for milling/surfacing, take a portion or all of it and use it to pay back a short term loan. The one thing that is new information that makes this even more exciting and a good idea is the cost factors (i.e., increase cost for materials).

Mr. Lott said the contract expires on November 11, 2004 with VMP Construction. After talking with them, EBA and other contractors, we believe that if we bid this contract out in the Fall, the bids will come in about 20% higher than the current contract with VMP. He talked to Ramos today about the possibility of extending the contract to complete work on streets in the City. He indicated a willingness to hold rates if the Council authorizes the extended work. We have an opportunity to get the work done at possibly, 20% cheaper than if we were to bid the contract and go with the lowest bidder. Asphalt is a petroleum product for which the cost will increase.

Ms. Austin-Lane asked if experts were providing the projection.

Mr. Lott replied that EBA Consultants provided the information. They are an engineering firm. They did the study for us. They would not be bidding on the work. They have been doing work with us for a while.

Mr. Finn said the rates that we are citing right now came from one of the local banks. It is very economical to proceed with the project now as opposed to waiting. The cost of the interest is far less than when we did numbers for long-term debt.

Mr. Elrich asked can we confirm the assumptions through SHA and the County, in terms of how they are planning for contract prices. He said it would be good to have that information as a reference point.

Ms. Austin-Lane asked how we are finding the study data to hold up with respect to the work that is taking place. Are there costs in excess of what was planned?

Mr. Lott replied in the negative. They found a sub-basin issue on one street. Staff has found EBA to be helpful in keeping our contractor on track in terms of correct techniques and materials. They have been on track with cost estimates. Staff is comfortable.

Mr. Seamens stated that in the EBA study that was presented last month, it mentioned a percentage of street miles that were found to be in good/excellent shape. There is a chart at the bottom of page 3 which shows miles recommended for rehabilitation. There appear to be about 4 miles of road that are not included in the break-outs.

Mr. Lott replied that these were probably included in one of the other break-outs of “fair” roads. Some are not recommended for renovation, depending on condition and structure of the road itself.

Mr. Seamens said it would be helpful to know how much money it takes on an annual basis to maintain roads over a 20-year cycle.

Mr. Finn stated that it is a big part of the new maintenance program and that we have put about $100,000 in the operating budget for this project.

Mr. Lott said it was for crack sealing, patching and other inexpensive/quick repairs on the streets.

Mr. Seamens asked how much do we have to allocate each year to repair/replace roads as needed on a regular basis if roads last about 20 years.

Mr. Finn commented on the crack sealing that was approved and put into place last Summer. If we do it every year (fill the cracks with tar) we will extend the life of road for 20-25 years.

Mr. Seamens confirmed that new blacktop is required about every 20-25 years. What should be budgeted each year for the replacements?

Mr. Lott said he will have to explore that question. There are some variables (e.g., use of street, etc.) He said he can come back with more information.

Ms. Mizeur asked how is it that the current contractor is willing to hold costs.

Mr. Lott said he spoke with Mr. Ramos who said he would be willing to extend current rates through the end of the project. He explained that even though he would lose money on the asphalt, he would recoup those funds on the milling and overlay. He thought that he could recoup some money through the tree contract.

Ms. Mizeur said she was a little leery about doing work with a sole source contractor, without putting the project out to bid.

Mr. Finn said we would actually do a work order under his current contract, but with the agreement it would take more time to get all of the work completed (longer than November). This has been done in the past. It is allowable.

Mr. Lott said they have very good rates with this contractor. He said he knows this from comparing the SHA contractors.

Ms. Mizeur said she is not sure that they should go with the assumption that his would be the lowest bid. There should be Council discussion about whether we are getting the value we want out of the contractors. If we were to take-on doing this level of work, it seems like a lot of work without going out to bid or having an evaluation of the quality of work.

The public hearing opened at 8:49 p.m.

Alain Thery, Erie Avenue said that after the street study, he ran a simulation. He referred to his executive summary. The cycle for street repair is about 29 years. A 20-25 year cycle would require $715,000+ allocation for street monies. They need to establish a repair cycle. With respect to borrowing, it will have no benefit to streets after the term of borrowing. After five years, additional borrowing and interest costs will be needed. He said that in 17 years, his street has not been repaired and is considered in excellent condition. It is true that borrowing can accelerate street rehab, only if the debt service is not taken out of annual CIP allocations. The Council can structure it in another way which would save the interest costs. Borrowing is a very cosmetic remedy. It hides the problem and does not solve it. He is fascinated with Mr. Finn who comments on inflation costs, but is willing to continue to fund streets at only $500,000. Council has to look at this seriously. If we go with borrowing, we would be pursuing a bandaid. We have not paid attention to this problem for many years. This should not be looked at in isolation but should be an integral part of the budget discussion. There is talk of borrowing for streets. However, we may need more funds for the community center, and there is discussion about borrowing from Storm water Fund. He will be happy to answer questions about the package he provided to the Council today.

Jane Lawrence said when the street study was presented to the Council, staff made a point about $500,000 in future years, which will not be enough to cover a regular cycle of maintenance. She supports Alain's points. She agrees with Mr. Elrich's point about getting more information from SHA and the County. She would encourage the Council to further explore this matter. She recognized the earlier remarks complimenting staff. We are faced with a bad fiscal picture. Many of her friends and self have not gotten salary increases. Cuts are not always pretty. We should look at in this context and what we will face in next few years.

Laguire (Male), Carroll Avenue remarked about traffic problems that are channeled onto Carroll, Philadelphia and Maple. Everyone should bear the brunt of traffic and not have their streets closed off for traffic.

The hearing was closed at 9:00 p.m.

WORKSESSION

5. Street Rehabilitation.

Mr. Finn said he is looking for Council's direction. He will get the additional information and clarifications requested during the hearing. Should the staff continue to pursue this? If so, he will need to know whether the Council wants to proceed with the total list of streets, or hold off on the "fair" condition streets until later.

Mr. Elrich said he was generally inclined to want to do the project. It does not make sense unless the cost of borrowing is less than inflation and what we anticipate in terms of extra costs.

Mr. Finn noted that staff can run some scenarios with respect to borrowing and maintenance

costs given certain assumptions.

Mr. Elrich remarked that if there is a SHA number for what they spend, he would like to see that (along with the information from the County). He wants to better evaluate the value of the contract we have and what they are anticipating in future years, with respect to costs.

Mr. Finn said he can do that.

Ms. Austin-Lane requested that the minutes and public comments made in September 2003 be distributed to new Councilmembers, so they are fully aware of the comments/concerns raised. It is worth bringing everyone up to speed on the ground already covered. Her position then and now, was that borrowing should be the very last option to pursue in this matter. They would increase costs through interest and project management expenses. It should be an integral part of budget discussions and not a separate issue.

Mr. Williams said they did not want to borrow when it was discussed in the past, but could be changed by the analysis done on the borrowing and anticipated costs. He remains skeptical.

Mr. Seamens pointed out that a resident raised a question about the condition of the road in the Boyd/Jackson area which was rated excellent but appears to be in poor condition.

Mr. Lott said when the streets were studied, Boyd was in excellent condition. When they did work on the street a year ago, they did not do any base repairs because of budget constraints. They plan to do repairs this summer. Over the winter, the cracks occurred.

Mr. Seamens asked for clarification about the core samples taken on the streets.

Mr. Lott said there was one taken in each street. They tried to address the base failure.

Mr. Seamens concluded the assessment may not be 100% accurate. An excellent road may still need work.

Mr. Lott said that the rating is also based on a visual observation.

Mr. Seamens said that during the recess, he checked the study for the “missing” miles identified earlier. It still seems there is over 1.5 miles missing.

Mr. Lott said he will check.

Mr. Seamens remarked he agrees that this is a potentially significant expenditure. The Council should consider this as part of budget process.

Ms. Porter said that basically, she agrees with the kinds of things that have been stated. She suspects that the new Councilmembers are coming to this discussion having heard a fair amount

of comments from residents (Wards 2 and 6). This is an analytical issue. They have to get a sense of inflation in road repair costs and look at how fast roads are deteriorating which is hard, because it depends on the weather. The have to compare these factors against the interest costs of borrowing money. The Council has said that they would be willing to borrow over a short period of time if it makes economic sense and would like to see the numbers. We have allocated on top of the $500,000, an additional $100,000 for maintenance. If we can keep up with the crack filling and sealing, we should not have this problem in 20-25 years. It is only in the last 10 years that Council has had a regular program for street renovation. We are trying to do a more regular program of road renovation. When we finish this program, the roads will be in better shape than when we started.

Mr. Seamens asserted, as part of the analysis of costs, that information include feedback on current use of the contingency for the curbs and gutters. He wants to see how that is running with the current contract.

Ms. Austin-Lane said she is not sure that she understands the reference to the 10 year program that the Council has been committed to (as stated by Ms. Porter). She was of the impression that they did not have a maintenance program in place until in the past couple of years. She does not believe we have been devoting a substantial amount of money to road repaving in the last 10 years. Prior to the last couple of years, it was less than $500,000.

Mr. Williams said we thought we were allocated enough money. It has been a moving target, but a concerted effort to address the program.

Mr. Elrich commented we were just doing what was in the budget and making efforts to increase what is put into the budget. There is not one local jurisdiction that is on a 20 year cycle (or cycle program). This was a change from any philosophy that existed on prior Councils.

Ms. Porter summarized the outcomes. She gave a more detailed analysis of the costs over time (i.e., cost of borrowing, inflation, some information about assumptions being made by SHA and the County). Also, she included that they try to factor in the cost for repairing continuing deterioration.

Mr. Seamens asked for the timing on a continued discussion.

Ms. Porter said the Public Works budget will propose $500,000. How the Council allocates the use of that money is open for discussion. They could also decide to increase the amount.

Mr. Finn said he will have that information for the budget discussion. Based on discussions at the federal level, it is a good guess that interest rates will go up. As it starts to rise, some of the incentives will start to go away. A quick decision one way or another is probably in the City's best interest.

Ms. Porter asked that when he prepares the analysis, he should run the scenario with the

assumption about an increasing interest rate. She will come back to this in the budget discussion.

6. Community Center Construction.

Doug Norway and Larry Abell, Larry Abell & Associates gave a presentation.

Mr. Finn said, at Council's direction, we sent out the requests for proposals on the upstairs work. This is the last meeting prior to our current bid expiring (Knott bid of $331,000). The bid information has been compiled. It was distributed as a spreadsheet.

Mr. Norway said they had three bidders who participated through this process and three items outlined on the bid form. He remarked on the bids. The system designed would reuse some of the systems in place. He came up with an alternative design of a split system heat pump. He described how the system would be designed, and is not sure where Molina Construction was coming from with the highest bid. The other two came in around 17% higher than the Knott estimate. This is in line with the 15% increase we projected if the work were delayed--due to increased materials costs. Costs are going up.

Ms. Porter asked when a contractor is bidding, do they look at the cost of materials at that moment, or do they estimate the cost of materials in e.g., 60 days.

Mr. Norway affirmed that it could be a part of the thinking process. He knows from discussions with contractors that bids are only being held for a short period of time. Sometimes, the sub-contractor is only holding the price for a week.

Ms. Porter asked if we would have gotten a different number if had said would make a decision immediately.

Mr. Abell replied, it was possible. Time is money. In the market we are in with prices escalating, everyone is concerned about what will happen in the next 90 days. Subcontractors cannot lock in numbers until they have a contract in hand. Looking at the bids that came in, he did not think that they would get a bid lower than the Knott price even if he said the Council were to make an immediate decision.

Mr. Norway concluded that the Knott price remains low.

Ms. Porter asked how many contractors got information on this bid.

Mr. Norway said there were nine who seemed highly interested when we first started out. These final three were the only ones that attended the pre-bid conference. He made an effort to contact all of the contractors who bid on the original contract. Some did not bid because of the small size of the project. He noted a couple of advertising agencies that were used.

Mr. Finn added that the project was advertised in the Washington Post.

Mr. Norway confirmed the information did get out to a number of contractors via several sources.

Ms. Porter asked about the size of these companies (those that bid).

Mr. Norway said they are in the mid-range size.

Ms. Austin-Lane advised how these bids might be different if they were part of the Phase II projects that are still down the road (gym, facade, etc.). How would that change the response and some of the bid prices? It might depend on the size of the package impact.

Mr. Abell clarified that we tried to adjust the size of the contract to those who bid in this range. We tried to get smaller contractors to bid on this because of the lower overhead, although we went back to the longer list of original contractors. There were some who chose not to bid. It is a fairly busy market right now. The construction market is going extremely well. The vendors are experiencing some cost increases due to materials going to Iraq.

Mr. Williams said he was expecting to get lower numbers, but we got higher numbers. However, he was glad to have this information tonight to take into consideration. It is a clear message.

Ms. Porter referred to the Knott bid on the original HVAC system. She commented that the existing HVAC is falling apart. It looks like we can put in a cheaper, alternative HVAC system. Can we go back to Knott with the new design and bring down the cost? At the time Knott bid, the HVAC system was okay.

Mr. Abell responded that Knott declined to bid, so we do not know where they would be. The logical thought is that the number would be lower. However, we would have to go back and discuss this with Knott. The Council has to agree to award this before May 2, and then we could go back to them and propose that they consider a lower number based on the alternate HVAC system. Knott does not have to agree.

Mr. Seamens said this particular item follows with history that we have seen with other contracts in the City, when the advice that we get on projects is considerably lower than what comes in with the bids. We still have expenditures that are in excess of revenues, not to say anything about the contingencies that are still on the table. He fully supports the development and completion of the center. He reiterated his suggestion that the Council develop a plan for how we complete the center in a phased approach that fits within the available means.

Ms. Austin-Lane asked if there were others who attended the pre-construction meeting.

Mr. Norway replied in the negative. There were indications that 2-3 others were going to attend,

who did not attend. They participated in the process up until last week. He did not expect to get anything late. The deadline was today.

Ms. Austin-Lane said she was in line with Mr. Seamens' comment and feels this is something that they need to work out as more of a "whole" instead of "piecemeal" approach. With what we have reviewed on this, is there some alternative? The question was about the timing on the availability of the main level office space.

Mr. Norway replied that when the upstairs is renovated, staff will be moved upstairs/downstairs, as appropriate.

Ms. Austin-Lane confirmed that none of the cost deals with the renovation of main level space. We should consider savings that might involve putting employees in trailers. We should first take care of community space and then grapple with other commitments that have been made. This needs to be part of a larger discussion.

Mr. Williams said the only thing that would happen if we do not go forward with Knott's price is that the cost of doing this work in the near future or further out, would be that the price would only go up. We have the plan and need to stick with it. If we start doing redesign work this will only increase costs more. Once we do this piece, we are then in a position to get information back on the possible change orders. We will have the numbers that we need to get the big picture that we all want. We will be clearer on revenues and expenditures. He referred to information previously provided. He would not be in favor of letting the Knott bid go by.

Ms. Porter agreed. When we made a commitment to the community and having heard public comments over the next couple of weeks, we need to proceed with the design as planned. To make the main level a community space, we have to move the staff offices. We do not want to put staff in trailers. A large part of the cost is related to the storm water construction. She agreed with Mr. Williams. We should let the storm water fund pay for the related facility and let the other monies pay for the community center. If we do not take this bid, the only thing that will happen is that it will cost us more.

Ms. Mizeur remarked that while sharing the frustration about the higher bids, she has not heard a question about "why" the bids came in higher. It is interesting that the other contractors came in higher than the publicly stated Knott bid of $331,000.

Mr. Abell stated he was not sure that the companies would have known about the Knott price until bid day.

Ms. Mizeur commented there as an assumption that the bids would be lower based on the public knowledge about the $331,000 bid.

Mr. Finn replied that the discussion of the Knott bid was public record. He can ask the contractors to respond to this question.

Ms. Mizeur wondered is there some kind of underlying message that they assumed we would get to suggest that they were better candidates for the work. Maybe, it is just a case of companies not doing good homework before putting together a bid.

Mr. Elrich said that his assumption would be that the City was not sitting on a bid. He can easily imagine that they looked at the RFP notice without knowing where we were in our discussion. He agrees with Mr. Williams' comment about the costs only going up.

Ms. Porter said she would imagine that the contractors do not watch our Council meeting discussions.

Mr. Seamens referred back to Mr. Williams' revenue and expenditure numbers. He gave clarification about his previous comment. He is uncomfortable discussing expenditures that exceed revenues.

Ms. Porter said she has had discussions with various members of the County Council and have been told that we are good with the County money. The question on the table is whether to accept the Knott bid.

Mr. Elrich addressed Mr. Seamens' broader question about stopping this process, it will only cost us more. The delay and remobilization will add substantially to the project costs. We are at the point of, if we did not move the administrative offices upstairs, we will be left with one big open room and no community space as promised.

Ms. Mizeur reiterated that this is what we already have.

Mr. Williams noted the designated $300,000 for the upstairs renovation.

Mr. Seamens said he is not suggesting that we should breach any contract.

Mr. Elrich noted that Mr. Seamens raised the question of resolving all of the issues before proceeding with the upstairs renovation. How can we do that? We need to find money for the gym, but it was not intended that those monies be found in the resources we have identified so far. We need to do the inside of the building and then see how to fix the outside within residents' expectations.

Mr. Williams, Ms. Mizeur, Mr. Elrich, Mr. Barry, Ms. Porter – all expressed that they are in favor of proceeding with the Knott bid. (Mr. Seamens said he was opposed.)

Ms. Austin-Lane offered no position. She is unhappy with this situation. If there is an issue with putting staff in trailers, then someone should point out that the Police have been in trailers for some time now.

Ms. Porter agreed that this has been a problem.

Mr. Finn said he will approach Knott this week for a change order. We will attempt to negotiate the different HVAC system.

Ms. Porter said we will come back and talk more about the costs of doing renovations to this floor.

Mr. Williams said he hopes to have more information in the near term. With current contractor, he would hope to get the upstairs work done within the contract time. When Phase I is completed by the end of the calendar year, staff could move out of this level. As that phase is completed, some contractor should be ready to do the build-out on this level.

Mr. Abell commented that there is no alternate for the main level. That would add some time to the project. The process should be to look at the spaces currently available and take a look at the design.

Mr. Williams said he does not want to delay too long because we want to provide that community space.

ADJOURNMENT

The Council adjourned for the evening at 10:17 p.m.