



County of Greenville

"... At Your Service"

Gerald Seals
County Administrator
Phone: (864) 467-7155

COUNCIL MEMORANDUM #97-39

To: County Council
File

From: Gerald Seals, County Administrator

Subject: Procurement Code Section 5-501(b) documentation --
Road Program Manager Services - 1997-98 Road Improvement Program

Date: September 18, 1997

Historically, Greenville County has paved roughly 28 lane miles of roads annually at a budget approximating \$4 million. Staff capacity and staffing levels are based on this historical level of activity. Of the approximately 1,500 lane miles of roads that fall within the responsibility of County Council, roughly 300 miles of roads are in poor condition. During its February 1997 Priority Setting Retreat, Greenville County Council declared the condition of County roads to be a County Council Priority. On May 20, 1997 County Council adopted a policy it calls its "Prescription for Progress, Paving County Roads" (attached) to improve all county roads by 2010.

In directing this effort, County Council directed that the 300 miles of roads that currently are in poor condition be improved by the end of fiscal year 2000. On June 26, 1997, during a special meeting, County Council specifically adopted a final road list, thereby directing that one-half or 148 lane miles of the poor roads be improved and at least one major intersection project be completed during fiscal year 1997/98. That list is attached.

During its meeting of September 16, 1997 County Council adopted Ordinance 3018, thereby clarifying its procurement policy. During that evening's deliberations (Committee of Whole) County Council:

- let stand its original directive that 148 lane miles of the poor roads be improved and that at least one major intersection be completed,
- directed completion within twelve (12) months of an authorization to proceed by the County Administrator, who estimates that the twelve month period will end November 1998, and
- let stand its earlier directive that

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- its concerns with quality and timeliness be addressed, and
- that the bulk of the money it appropriated for roads not be used for staff, and
- that the County continue its current portfolio of services at least at current levels.

Implementation of the 1997-98 Road Improvement Program within one year will affect the normal daily operations of the Department of Public Services and Facilities, and either eliminate or delay some citizen sensitive services and activities. The amount of work needed to implement the 1997-98 Road Improvement Program represents an increase of more than five times the amount of road paving work that the County has performed historically. It exceeds the capacity of staff and will affect normal daily operations in the Department of Public Services and Facilities resulting in important duties, work products and tasks like pothole and drainage repair, both citizen sensitive functions, being delayed or not performed. Reducing these functions will create safety hazards for citizens.

In procuring services for the 1997-98 Road Improvement Program County Council must be mindful of these public safety concerns as well as the twelve month time schedule for completion of this large and complex project, the need to ensure the project is of high quality, and the need to complete the project within the budgetary constraints. Given Council's quality, time line, and budget expectations, I reviewed by own experiences with major but complex public works projects. I believe the competitive sealed proposal method of construction source selection is better suited than the traditional low bid procurement process to procure those services necessary to accomplish the Council's 1997-98 Road Improvement quantity, quality and scope, time schedule, and budgetary goals, while also insuring that an appropriately competitive method of procuring such services is utilized.

Over a 20 year period I have been challenged on numerous occasions by a governing body to complete complex public works projects paying special attention to concerns about cost, quality, time line, and scope and budget. During this time I have successfully fast tracked and overseen the completion of numerous large and complex capital improvements without cost overruns or change orders by using the competitive sealed proposal procurement technique and the design-build concept. Examples of such complex and large (multimillion dollar) projects include, but are not limited to, the Lake Michigan Water project, the Glendale Heights Sports Complex project, numerous drainage, street and utility capital improvements for five municipalities, the Glenbard Wastewater Treatment project, the Springfield Arcade and Hotel/Conference Center project, the Corvallis Library project, and the Greenville County Courthouse project. These projects were fast tracked and let using the competitive sealed proposal procurement method to satisfy tight time schedules, quality and budget requirements. The projects were completed on time and within budget at costs considerably less than original estimates. Several states such as Colorado, Oregon, Indiana, Maine, Utah and Florida have found that the traditional low-bid method of procuring services is not adequate for accomplishing projects on-time, with high quality, and with a minimum of inconveniences to the public, and they are authorizing alternative and innovative construction management, design-build contracting methods. Additionally, I consulted

I believe that construction management services, design-build, or turnkey management services procured through the competitive sealed proposal method is the most advantageous to the County and will result in the most timely, economical, and successful completion of the 1997-98 Road Improvement Program while permitting normal operations to continue. I based these beliefs and

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findings on the aforementioned experience and the following factors which I have learned through experience and research:

- ▶ Low bid is a slower process that requires the County subdivide the varied aspects of the 1997-98 Road Improvement Program into specific and disparate sections and individually solicit a low bid for each service component and each individual road. It should be noted that the 1997-98 Road Improvement Program encompasses more than 400 roads. Broad service components include: general engineering, specific individual engineering of each of the 400 roads included in the program, quality control, drainage inspection and engineering, inspections, and paving. Individualized low bid solicitation for each of road and/or service components means that completing the 1997-98 Road Improvement Program would likely take three to four years, not the twelve months mandated by County Council.
- ▶ Strict low bid procurement solicitation does not eliminate bid rigging or fraud and in fact often results in contract awards based strictly on the price/bid submitted by vendors. "Low ball bidding" is like the old "bait and switch" initiatives which used to prevail in retail. Once a government is hooked and the contract is awarded on the basis of the lowest bid, the vendor who submitted the "low ball bid", knowingly or as a result of inexperience, increases the actual contract using change orders or refusing to proceed until the government corrects its program by increasing the contract.
- ▶ The factors for analysis under low bid procurement is limited -- specifically, the ability to analyze a vendor's history of change orders due to the submission of unrealistically low bids, or a vendor's actual history of performance track record, is restricted.
- ▶ Low bid procurement will require excessive staff time and thus adversely affect other services, such as pothole and drainage repair.

Based on experience and research I believe the competitive sealed proposal method of construction source selection will successfully improve 148 lane miles of roads poor condition and one major intersection project by November 30, 1998. Further, based on experience and research and an awareness of staffing limitations, I believe that the competitive sealed proposal method of construction source selection is best suited to complete the 1997-98 Road Improvement Program by November 30, 1998 while permitting normal operation to continue. I believe that construction management services, design-build, or turnkey management services is the most advantageous to the County and will result in the most timely, economical, and successful completion of the 1997-98 Road Improvement Program.

Pursuant to Ordinance 3018, adopted September 16, 1997, this memorandum serve as notice to County Council that, for the reasons stated herein, I have chosen and intend to use the competitive sealed proposal method to solicit and procure construction management services, design-build services, or turnkey management services (i.e., here after known as road program manager) to "design-build" the \$18 million 1997-98 Road Improvement Program. The specific services that will be performed by a road program manager include but will not be limited to:

- ▶ Management services for implementing and accomplishing the 1997-98 Road Improvement Program
- ▶ Engineering design, inspection, and paving services for 148 lane miles of road

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- ▶ Engineering design, inspection, and construction services for one major improvement project
- ▶ Drainage assessment and corrective design and implementation
- ▶ Assessment, engineering design, and improvement of minor safety hazards along roadways
- ▶ Assessment, engineering design, and improvement of roadways to accommodate growth or potential growth
- ▶ Inspection and quality assurance of paving and construction
- ▶ Attention and sensitivity to citizen convenience and the community's access to information
- ▶ Coordination with the utilities
- ▶ Contain costs and manage the \$18 million budget
- ▶ Facilitation and management of a road improvement team.

Evaluation of responses to the solicitation will be according, but not limited, to on the following criteria:

- ▶ Responsiveness to the competitive solicitation letter/RFP
- ▶ Demonstrated understanding of the project
- ▶ Previous experience on projects of similar size and scope
- ▶ Approach to organizing and managing the project coupled with demonstrated ability to achieve approval from the county engineer
- ▶ Analysis and preliminary approach
- ▶ Record of completing projects within an owner's original mandated time schedule
- ▶ Experience, financial resources, organization, technical competence, management capabilities to carry out project
- ▶ History of containing costs and completing projects within the original budget
- ▶ History of vendor initiated charge orders
- ▶ History of working with and gaining consensus from citizen/neighborhood groups
- ▶ History of developing and implementing work plans and actual construction with a minimum of inconvenience to the public
- ▶ History of completing work under budget
- ▶ Scope and sufficiency of the performance bond
- ▶ Scope and sufficiency of the corporate guarantee
- ▶ Owner satisfaction three years after work completion
- ▶ Reference checks


Pursuant to Ordinance 3018, unless I receive direction from County Council to the contrary by October 7, 1997, on October 8, 1997 I will direct staff to act in accordance with Sections 5-501 (c) and 3-204 of the County Procurement Ordinance to solicit using the competitive sealed proposal method for construction management services, design-build, or turnkey management services to implement and complete the 1997-98 Road Improvement Program. Under this direction staff will proceed in accordance with the following action plan:

- ▶ 10/8 Seals will direct staff to solicit for road program manager
- ▶ 10/9 Staff will advertise the RFP in the legal notices section of the Greenville News
- ▶ Previous respondents will be notified that a new RFP is available
- ▶ Copies of the RFP will be available to all interested parties through the Purchasing Division
- ▶ 10/12 Staff will advertise the RFP in the legal notices section of the Greenville News

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- ▶ 10/14 County Engineer & County Administrator conduct Pre-proposal conference
- ▶ 11/3 Vendor responses to RFP due - 20th calendar day from pre-proposal conference
- ▶ 11/5 Staff reviews proposals and awards contract
- ▶ 11/98 Road Program Manager completes 1997-98 Road Improvement Program

Should you have concerns, please do hesitate to contact me.


Gerald Seals, County Administrator

Attach.: Council Memorandum 97-36
Council Memorandum 97-38
June 26, 1997 Council Adopted 1997-98 Final Road Improvement List



County of Greenville

"... At Your Service"

John Hansley
Acting County Administrator
Phone: (864) 467-7105

COUNCIL MEMORANDUM #2000-236

TO: Dozier Brooks, Chairman, and Members of Greenville County Council

FROM: John Hansley, Acting County Administrator

RE: Road Improvement Program – FY2000-2001

DATE: September 15, 2000

Background

On May 20, 1997, County Council adopted the "Prescription for Progress, Paving County Roads" policy to improve county roads by the year 2010. Since its implementation, 163 miles of road were targeted as part of the improvement program and 536 roads have been repaired or enhanced, including major paving projects such as Edwards Road, Roper Mountain Road, and Scuffletown Road to the Laurens County Line. Furthermore, the road program has afforded the County the opportunity to expand services to include traffic calming, improved storm drainage and intersections, pedestrian safety with sidewalk installations and rehabilitation.

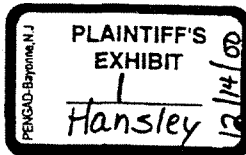
Issue

The FY2000-2001 Road Improvement Program will face the same challenges as the previous road programs. The quantity and quality of work that is necessary for a successful program outweighs the capacity of the current staff. The 2000-2001 program includes major roads such as East Standing Springs Road, Ansel School Road, Chick Springs Road, and Holland Road. Moreover, the County was faced with an unanticipated bridge closure during the 1999-2000 fiscal year. Therefore, achievement of this year's proposed road program, which has nearly doubled in scope, may affect the daily operations of the Department of Public Services and Facilities. The department is faced with budget limitations, increased workloads, three major construction projects and seven designs of projects, as well as a one-year timeframe for the program coupled with overlapping roadwork and special projects from the previous fiscal year.

Based on the issues and past practices, it is my recommendation that the competitive sealed proposal method of construction be utilized for the FY2000-2001 Road Improvement Program. The competitive sealed proposal method should benefit the County by allowing it to accomplish its goals and deadlines in a timely manner, while providing day-to-day services to citizens.

Determination

Based on the challenges of the road program, I have determined to use construction management services, design-build services or turnkey management services for the FY2000-



2001 Road Improvement Program. This determination is made pursuant to the Greenville County Procurement Ordinance, specifically, Section 3-201 – Methods of Source Selections and Section 5-501 – Design-build Services, Turnkey Management Services, or Construction Management Services – as amended by Ordinance No. 3346 (the Procurement Task Force Recommendation) and adopted by County Council on March 21, 2000. In my opinion, procuring construction management services, design-build, or turnkey management services for the County's Road Improvement Program through the competitive sealed proposal, also known as request for proposals, has proven to be the most beneficial to the County.

The County of Greenville has successfully utilized the competitive sealed proposal method with several projects. The following are just a few examples accomplished on time and within budget using this approach:

Project	Budget (per RFP)	Actual cost to the County	Date of Notice to Proceed	Completion date (per RFP)	Actual completion date	Contractor
Greenville County Courthouse	\$17.4 million	\$17.287 million	7/7/95	7/7/97	6/27/97	Fluor Daniel
Parking Garage*	\$9.8 million*	\$3.0 million*	8/18/97	8/18/98	8/10/98	Fluor Daniel
Greenville County Detention Center-Workcamp Facility	\$1.5 million	\$1.5 million	10/1/98	6/30/99	6/22/99	Cely Construction
LEC Parking Lot**	\$110,000	\$110,000	11/1/98	1/25/99	1/25/99	Cely Construction
Forensics Lab Renovations (LEC)	\$290,000	\$290,000	5/28/99	10/15/99	10/15/99	Modern Continental South
Greenville County Family Court Expansion	\$1.3 million	Awaiting final bill Approximately \$40,000 below budget	10/14/99	6/30/00	6/27/00	Cely Construction

* Change order to the Greenville County Courthouse construction project originated by the joint venture of the City and the County of Greenville. The cost to the County totaled \$3 million.

** Change order to the Greenville County Detention Center – Workcamp Facility originated by the County of Greenville

In recent years, the County of Greenville has utilized the competitive sealed proposal/turnkey/request for proposal method of procurement, with several major capital projects involving complex requirements:

- The Road Improvement Program for fiscal years 1997-1998, 1998-1999, and 1999-2000;
- The construction of three public buildings – the Greenville County Courthouse, the Greenville County Detention Center Work Camp Facility, and the Expansion of the Greenville County Family Court;

- The renovations project in the Forensics Laboratory of the Department of Community Services.

Additionally, the County has utilized this process since the inception of the Prescription for Progress Road Program in 1997. In my opinion, it can be firmly stated that the competitive proposal method has proven to be valuable to the County.

Again this year, the County will address its worst roads based on approved criteria. A road program manager will supplement County Staff and assist in executing the \$13.9 million road improvement program for fiscal year 2000-2001. Thus, the public/private partnership will afford the County an opportunity to continue its commitment to providing optimal public services. At the same time, the aggressive road improvement program will continue to meet Council's expectations. Essentially, the process will alleviate the strain on County staff to implement this large scope project and allow staff to continue normal operations that are required and expected by citizens.

One of the goals of the Public Works Division is to ensure that the road infrastructure within our inventory is built and maintained in such a manner to maximize life expectancy and riding surface condition. In order to meet this goal the Road Improvement Program must have an excellent quality control element. Additionally, to meet the county-wide goal of excellent customer service we want to provide as little inconvenience to the general public and affected citizens. These goals are accomplished with appropriate project oversight and field inspection.

Currently the Public Works Division has allocated two full time employees to the Road Improvement Program. One full time Engineering Assistant provides inspection coordination, trouble shooting, and citizen complaint resolution. With the level of effort needed for a program of this size (\$13.9 million), there are multiple crews working simultaneously. Contract inspection is required to have a technician at each project to ensure the quantities of materials are accurate, and the placement technique is according to the specifications. Our full time inspector must travel the entire County, going from job to job to ensure inspection procedures are being followed and to troubleshoot if any field problems occur at these different sites. During the height of construction work, this would mean 11 different sites/inspectors. Our Senior Engineering Technician provides inspection back-up, coordination of evaluation and testing services, reviewing and approving invoices, preparation of specifications and RFP's, developing the estimates for the annual Capital Improvement Program, providing councilors with paving estimates, responding to service requests as well as citizen questions on qualifications for their road paving. Our Maintenance Superintendents provide drainage assistance, ditching/shouldering and cross line replacement as may be required prior to paving, and punch list inspections. In addition, special construction projects may require part time assistance of the other Engineering Technician and Civil Engineer for plan review, drainage calculation and inspection services.

Under our current process, the construction management partner has dedicated staff to the activity of managing, scheduling and coordinating the design, right of way acquisition, utility coordination, and construction of these multiple projects.

In order to maintain the same level of quality assurance received under the current public/private partnership, the County, if it is not determined to use the traditional competitive sealed bid proposal method, will need to hire eight employees and contract out for design, testing and field inspection services. The estimated cost associated with such a change in direction is:

Contract Inspection Services	\$190,000
Paving Testing Services	\$ 60,000
Right of Way Acquisition Services	\$ 40,000
Design Services	<u>\$200,000</u>
Subtotal	\$490,000
Salaries for 8 new employees (*)	\$342,000
Start up cost for vehicles & equipment	\$185,000
Operating Expenses	<u>\$ 39,000</u>
Subtotal	\$566,000
Total	\$1,056,000

(*) This number is based on 20% increase for benefits

Road assessments could not start until staff is on board and trained. The road assessments are required to determine the work needed on each road. Bids for the actual construction could not start until this task is complete. Additionally, with a \$13.9 million program, multiple contract services, hiring of needed employees, and the procurement process, the completion of this program would take at least one more year compared to the design/build process. This will result in a significant delay in successive year programs.

Competitive Sealed Proposals Procurement Process

The Competitive Sealed Proposal or Request for Proposals (RFPs) is formal solicitations inviting responses for delivery of services or projects. RFPs describe the current situation, requirements, and expectations of the County with regard to the final product. RFPs also request respondents to present their best solution to attain the expected results, submit creative ideas, concept drawings, and additional pertinent information to the project(s). Respondents are asked to form a team with expertise in a particular field of work related to the project being considered and to present a proposal that will fulfill or exceed the criteria and/or requirements included in the Request for Proposals. As in the past and because of current success, County staff will prepare the RFP for the 2000-2001 Road Improvement Program in accordance with Ordinance 3346.

The specific services solicited will include, but will not be limited to:

- Facilitation and Management Services for implementing and accomplishing the 2000-2001 Road Improvement program;
- Engineering design, inspection, and paving service for 29 centerline miles of road;
- Engineering design for 3 major projects;
- Design, inspection, and construction of 1 bridge replacement;
- Right-of-way acquisition;
- Construction and inspection of 6 road improvement projects;
- Drainage assessment and corrective design and implementation;
- Assessment, engineering design, and improvement of minor safety hazards along roadways;
- Assessment, engineering design, and improvement of roadways to accommodate growth and potential growth;
- Inspection and quality assurance of paving and construction;

- Attention and sensitivity to citizen convenience, community awareness and the community's access to information;
- Coordination with utilities;
- Contain costs and manage the established budget;
- Design and construction of pedestrian safety projects

Responses to the RFP will be evaluated pursuant to, but not limited to, the following criteria:

- Responsiveness to memorandum and demonstrated understanding of the project;
- Previous experience with Greenville County or projects of similar size and scope;
- Approach to organizing and managing the project coupled with demonstrated ability to achieve approval from County engineer;
- Analysis and preliminary approach;
- Record of completing projects within the proposed time schedule and within budget;
- Experience, financial resources, organization, technical competence, management capabilities to carry out the proposed project;
- Analysis of the scope and sufficiency of the corporate warranty

Independent Monitor Review of the Selection Process

Ordinance 3346 also requires that the Chairman of County Council select an independent monitor from an agency of government who does not directly or indirectly report to the County Administrator to observe the selection process to determine whether the process was fair, open and competitive. The monitor is required to submit a written report to the Chairman with his/her findings.

County Council Role

Following the meeting of the Committee of the Whole, should County Council not reject the selection of the method recommended by the County Administrator, the construction contracting administration shall be secured in the manner set forth in Section 5-501(a). Should County Council not be in favor of the construction management services, design/build services, turnkey management process for this particular project, County Council must vote to reject it.

Schedule of Project

September 17, 2000

Staff (Purchasing Division) will advertise the County Administrator's determination to utilize the competitive sealed proposal approach for the 2000-2001 Road Improvement Program in the Greenville News, South Carolina Business Opportunity, Dodge Report, Bid Net, the Greenville County Website and cable channel

September 18 - October 2

The County Administrator's Determination will be available; and interested parties shall submit written comments to the Committee of the Whole which set forth the position of the party with respect to the determination as to which construction contracting method to use

Please refer all questions in writing to:

Greenville County Council's Committee of the Whole
C/o Department of Finance and Administrative Services
Purchasing Manager
Purchasing Division
301 University Ridge, Suite 3900
Greenville, South Carolina 29601-3665

October 3, 2000 Formally submit County Administrator's determination to County Council (Memorandum 2000-236) for consideration during the October 3, 2000 Committee of the Whole meeting

Those submitting written comments may orally address the Committee of the Whole at the next meeting of the Committee

October 4, 2000 Should County Council not reject the selection method, the County Administrator will direct staff to solicit competitive sealed proposals for the road program. Chairman of County Council will select an independent monitor from an agency of Government who does not report directly or indirectly to the County Administrator to observe the source selection process to determine whether the process was fair, open and competitive at the time of source selection

October 9, 2000 Staff will advertise the RFP in the legal notices section of the Greenville News, South Carolina Business Opportunity, Dodge Report, Greenville County Website and cable station, and other publications. Previous respondents will be notified that a new RFP is available, and copies of the RFP will be available, through the Purchasing Division, to any other interested parties

October 17, 2000 County Engineer, Purchasing Manager, and County Administrator conduct the Pre-proposal conference

October 23, 2000 Questions shall be submitted in writing relating to the Request for Proposals and project to:

County of Greenville
Department of Finance and Administrative Services
Purchasing Office - Attn: Purchasing Manager
301 University Ridge, Suite 3900
Greenville, South Carolina 29601-3665

November 8, 2000 Vendor responses to RFP due

November 9-14, 2000 Staff reviews responses submitted

November 20, 2000-
December 1, 2000 Award contract, negotiations, Notice to Proceed, and execute contract

December 4, 2000 FY 2000-2001 Road Improvement Program starts

On Thursday, June 22, 2000, a Summary Sheet, Proposed Budget Elements, FY2000-2001 Road Improvement Program were distributed to County Council by the Public Services and Facilities Department detailing the program as well. Please let me know whether you have any questions or need additional information.

Thank you.



County of Greenville

"... At Your Service"

Rick Brookey
Facilities Project Manager
Public Services & Facilities
Phone: (864) 467-7467

March 4, 1999

To: Fran Stoddard

Subj: L E C Forensic Lab renovation to meet OSHA regulations

Due to the nature of this project (no detailed defined scope of work), it is the opinion of Public Services that this project will best be served using the turn key / design build methodology. Also, due to the budget (already establish & approved) and having both, contractor and architect as a team, this approach will give the project the best opportunity to get the most value for the needed renovation for our budget. Having a team consisting of contractor, architect and user groups, will be the most feasible way to get a defined scope of work and succeed in accomplishing the user's needs within the budget and time frame for this project.