



MINUTES

Special Town Council Meeting

3:15 PM - Wednesday, September 18, 2019
Council Chambers

The Special Town Council of the Town of Beech Mountain was called to order on Wednesday, September 18, 2019, at 3:15 PM, in the Council Chambers, with the following members present:

COUNCIL PRESENT: Mayor Renee Castiglione
Vice-Mayor Barry Kaufman
Councilman Carl Marquardt
Councilman Weidner Abernethy
Councilman Wendel Sauer

COUNCIL EXCUSED:

STAFF PRESENT: Town Manager Tim Holloman
Attorney Stacy Eggers, IV
Town Clerk Tamara Mercer
Public Utilities Superintendent Daniel Davis
Town Planner Preston Yates
Director of Special Projects Riley Hatch
Director of Infrastructure Robert Heaton
Public Works Superintendent Matthew Clawson

1. CALL TO ORDER

2. PUBLIC COMMENT

2.1. Ms. Bell Brunett of the Pinnacle Inn said she is an owner of property at the Pinnacle Inn. Ms. Brunett was concerned with loss of a view and noise. She wanted to know the maximum height of the building and the impacts from building 2. She has a view of the mountain. She said some trees have been installed so far but was still concerned with noise from the complex and asked if cement walls could be installed for a noise deterrent. She inquired into the hours of operation and did not want extended hours. Ms. Burnett is concerned with the property values. If her property values decrease and if she will have larger tax and utility bills.

2.2. Mr. Bill Newell, an owner of a unit at building 3, in Pinnacle Inn said he was concerned with junk, the slag pile, garbage and trucks at the new Public Works facility. He asked if that storage would be kept internal, to which Mr. Holloman addressed Mr. Newell's concern, and said that is one of the reasons

for the new facility, as the chat pile and slag pile will be housed internally, and the public won't see the piles.

Mr. Newell said he agreed with Ms. Burnett and is concerned with the small cedar saplings planted for tree landscaping. He requested larger evergreens be planted in order to buffer the noise. He reiterated he wanted a border for the slag piles.

3. NEW PUBLIC WORKS FACILITIES

3.1. New Public Works Facilities Bids

Mr. Benjie Thomas, Engineer with West Consultants, PLLC, the engineering firm that designed the project and layout of the new facilities, produced the renderings of the new Public Works buildings and site plan. He said the drawings are representative of the main building, which would be 12,000 square feet for housing the large six bays, with equipment lifts, workshops and offices for personnel. The salt storage building consists of 2,000 square feet and the new convenience center, which includes the garbage dump and material recycling center. There will be a shelter, garbage compactors and containers, as well as car ports and an equipment/ vehicle wash, as well as other amenities.

Mr. Thomas said the road paving extends to the water tanks and the road will have a one-way traffic pattern circulation. An unknown factor will be the excavation as the rock must be drilled. The Town hired a firm to take samples of the rock in order to estimate the excavation costs. The costs are based on the bid estimate per unit price and if there is less rock to drill, the town saves money. But this excavation and rock removal is a cost per cubic yard basis, so the estimate is based on the sample measured.

The construction is estimated to take 480 days to completion of the complex, this is all an approximation due to unknown factors such as weather conditions and rock drilling. Mr. Thomas explained the expected time-line for the schedule, which if Council approves the bid and moves forward, the project will begin in October and finish in February of 2021. He noted that the plans include the vegetative buffer around the perimeter and included the property lines at the Pinnacle Inn in accordance to the zoning ordinance, which will include a mixture of Evergreen trees between 5'-8' heights.

Mr. Thomas explained the bid process wherein advertisements were distributed widely and regionally throughout the counties and states. Seven general contractors attended the mandatory pre-bid meeting and four formal bids were submitted out of the seven companies. Mr. Thomas noted that Council received those bids in the summary packet. The bids ranged from \$4,572,000.00, the lowest from MBI Builders, LLC of North Wilkesboro to the highest of bid of \$6,890,405.00. The consultant reviewed all bids for compliance and meeting the required criteria, as well as researched the references. Mr. Thomas said that while they have not worked directly with MBI Builders, the company is known to them through working with other architects and owners, and the company has received all positive reviews and the

referrals all state that they would work with MBI Builders again.

The four and half-million-dollar budget includes the cost of construction and grading, the excavation is estimated. In addition, there will be the bill from West Consultant firm as well as fees from the soil and concrete testing, and legal and permitting fees. There is an additional \$20,000 for furnishings as well as unforeseen contingency costs such as the extra rock which may be encountered and other unforeseen issues such as weather conditions. West Consultants estimates the total cost of the budget to be at 5.2-million and the firm recommends awarding the contract to the bidder, MBI Builders in the amount of \$4,572,000 in order to proceed.

Councilman Abernethy said there is a large price discrepancy between the highest and lowest bids and Mr. Thomas said it is not unusual to have the discrepancy as the highest bidders who submitted are large companies and Beech Mountain is in a remote area, which increases the costs. Mr. Thomas said he sent invitations to Moss Marlow. The contractor has not filed bankruptcy and the project will be under the bid bonds for assurance to the Town of completion. Mr. Thomas said there is a 5% penalty to MBI if they were not to complete the job on-time. There is a payment bond and a performance bond at 100% of the contract value, which means there is insurance and a bonding company which backs up the project, if the contractor were to walk away or go bankrupt. The Town receives 5% of the contract bid.

In response to Councilman Abernethy's question regarding the vehicle wash system, Mr. Thomas said while the company is from Spain, the parts are manufactured in Bristol, TN. Councilman Abernethy said he wished to visit one of the sites the prospective bidder built. Mr. Holloman said the cost of the bid is 4.5-million, which is what Council may consider awarding.

Councilman Marquardt noted that originally the project was seeking LEED certification, (Leadership in Energy and Environmental Design), and he inquired if there was still an eye to performance and environmentally friendly requirements we could meet, even though we don't have the budget for the full program; to which Mr. Thomas stated that although the project will not meet LEED standards, it will be well insulated, with energy efficient heat and air, high efficiency fixtures, treated storm-water runoff and solar panels for water heating.

Councilman Sauer inquired about the references and asked if they were smaller or larger projects. Mr. Thomas said two references were commercial buildings, one was for a State park shelter and was a custom design, and one was a culinary center for Wilkesboro Community College. That large scale project included a pre-engineered metal building and amenity facility. He added that the fenestration materials for the new Public Works facilities have long term durability, but the aesthetically appealing wood accents on the building require maintenance, such as sealing and painting.

There was further discussion regarding the extra costs for rock excavation and soil testing, the fixed costs were reviewed and local contractors and suppliers who are regional was discussed. Mr. Hatch explained how we

chose the vehicle/ equipment wash system and the maintenance for the equipment. Attorney Eggers noted that the bid award is for the contract, the general contractor uses their discretion as to who to hire as their sub-contractors as long as they meet licensure requirements. The contractor assesses the team's ability and they may change their sub-contractors. It is at the staff level to monitor costs and deadlines.

Mr. Holloman added he would get the Pinnacle Inn residents copies of the project plans and renderings. In response to Mr. Newell's inquiry, Mr. Holloman explained the garage door elevations and the roof height, as viewed from the Pinnacle Inn, one will see approximately 10' of the salt building.

- 3.2.** Mr. Drew Hagan and Mr. Jayme Macmore from MBI Builders, LLC were present to answer questions. Mr. Hagan reviewed the history of MBI Builders and the latest significant projects which were presented as examples to Council. Mr. Hagan presented photos of the Culinary Lab at Wilkesboro Community College facility which they constructed on the campus along with other projects on the campus.

He said MBI Builders was established 10-years ago. There are both commercial and residential divisions and they have constructed higher education facilities, churches, retail, and lumber yards. He presented more photos of comparable projects the size and scale to the Town's new Public Works project. The pre-engineered project contained a metal 58,000 square foot building compete with storm water retention ponds. Mr. Macmore explained the components of building the facility and more photos and projects by MBI were reviewed.

Councilman Abernethy reiterated he wants to perform a site visit to North Wilkesboro in order to look at the facilities before awarding the bid, to which Councilman Marquardt said Staff and specifically Special Projects Director, Mr. Hatch has been working on the project for multiple years, and he disagreed with further delay of the project. He believed the well-researched project was within the parameters of the bid package and it is time to provide for the next 20 years of growth.

Mayor Castiglione added that the recent 6-million-dollar project for the Town's water treatment plant was large in scale and West Consultants and the engineers proved trust-worthy. Based on past positive experience, they can move forward. She added the site visit is a good idea, but timing is off. Mr. Holloman noted that the project is not extraordinary in scope as we are building rectangular buildings and we have checked references. The design is not for a specialty angular type building.

Mr. Thomas reviewed the referencing checking process at West Consultants and said while he has not personally worked with MBI, he was impressed with the very positive responses throughout the industry from the end users to the design professionals. There is of course some risk, and therefore the bonding mitigates that risk. The general contractor has a huge role in expediting the project and there was further discussion about the performance bond, the payment bond, the surety agreement and the project

deadlines.

Motion

Carl Marquardt made a motion to accept the lowest, responsive and responsible bid from MBI Builders to construct the new Public Works Facilities subject to the Attorney's Office review and Barry Kaufman seconded the motion. CARRIED. 4-1 (opposed: Weidner Abernethy).

4. ADJOURNMENT

4.1. There being no further business, Mayor Castiglione requested a motion for adjournment at 4:25 p.m.

Motion

Wendel Sauer made a motion to adjourn and Carl Marquardt seconded the motion. CARRIED. unanimously.

Town Clerk

Mayor, Town of Beech Mountain