

ITEMS REQUIRING BOCC APPROVAL

(3 Items)

**1. ON-CALL COMMERCIAL REAL ESTATE BROKER SERVICES -- FACILITIES DEPARTMENT
FUNDING -- FACILITIES DEPARTMENT**

(Request sent to 83 vendors)

RFP #18-0072 Contract

	Martens Commercial Group, LLC dba NAI Martens	J.P. Weigand & Sons, Inc.	BizCore Pros, Inc. dba Lange Real Estate
Commission % for Property Acquisitions	Minimum of 3% charged to Seller.	In most instances, there would be a 6% commission paid by the Seller; however, potentially, it could be a 3% minimum to Buyer's broker whether the property is listed or not.	Commission would typically be paid for by the Seller. For "off market" property, the Buyer pays 3% of the total purchase price commission.
Commission % for Property Dispositions	6% on the first \$1 million, plus 4% on the next \$2 million and 2% thereafter. Each will be split equally between Buyer & Seller.	6% split between Buyer and Seller.	6% split between Buyer & Seller. 5% if the vendor procures Buyer.
On-Call Hourly Rate	\$70.00	N/A	N/A
Auctions	1.5% of the proceeds from the auction.	In-House. The marketing fee ranges between \$1,000.00 and \$2,500.00. There is a Buyer's premium at auctions of 10% over and above the purchase price which is paid by the Buyer.	In-House
Annual Fee	N/A	\$50,000.00 with 10% reimbursements of commissions up to \$25,000.00.	\$19,900.00 with reimbursement of commissions greater than or equal to \$19,900.00.
Leases	6% of gross lease volume over the term of the lease. Typically coming from the lessor. If that figure is larger than \$1 million, a lower commission rate would be negotiated.	6% of gross lease volume for the first 5 years, 4% for the second 5 years and 4% for any remaining initial term or option.	6% of total gross rents, split between listing and Buyer agents paid by lessor. 5% if the vendor procures lessee and holds the listing.

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No Bid	Anderson Management Co., Inc.	Marilyn Harris Real Estate	McCurdy Auction & Realty Services
	Midwest Right of Way Services, Inc.	Theurer Auction/Realty	

On the recommendation of Paul Regehr, on behalf of the Facilities Department, Ellen House moved to **accept the proposal from Martens Commercial Group, LLC dba NAI Martens for the rates listed above for one (1) year with four (4) one (1) year options to renew.** Richard Powell seconded the motion. The motion passed unanimously.

An evaluation committee consisting of Tania Cole - Facilities Department, Valerie Kaster - Facilities Project Services, Mark Clark - Appraiser's Office, and Paul Regehr - Purchasing evaluated the proposals based on criteria set forth in the RFP. The committee sent additional questions to the three (3) proposers and the committee was satisfied with the responses.

References were checked and all resulted in positive recommendations. The evaluation committee unanimously selected Martens Commercial Group, LLC dba NAI Martens based on the RFP evaluation criteria and their staff's previous years' of experience with the county.

Questions and Answers

Richard Powell: What would be a typical example as to why we would use a commercial real estate brokerage service in the function of county government? What is their purpose?

Tania Cole: Last year we used NAI Martens for the search firm for the county building. They were very critical and very helpful through the process of finding us available buildings for the square footage size we had for parking. They were able to come back and give us several options. Then we were able to prioritize as to what we thought would be good available properties for us. They began negotiations with the owners or the landlords to be the go-between the county and the owners for the properties. Currently we are using NAI Martens for the WIC Lease. They are currently in a USD 259 building and they needed to find lease space. They had a particular zip code and we approached our on-call real estate broker to find suitable locations within that zip code that would be a lease. We are looking for this many offices, this type of open space, breakrooms, etc. They are able to do a search and give us available properties that fit within that.

Richard Powell: So we use them first and as a resource to assist us with our needs. Are their points in having a contract with one of these types of organizations? Do they also represent us in the actual purchase?

Tania Cole: That is correct. They do. They will be a owner representative for us.

Richard Powell: In the interest of the competitive process, I'm just curious can you explain as far as percentage of the charge for property acquisitions and dispositions. How those play out? I guess it's probably the whole picture but specifically the cost effectiveness of the on-call hourly rate versus the annual fee. Then how these percentages, 3% charge to seller for acquisitions and 6% with a decreasing amount based on the total value of the disposition of a property. How do those play out as far as cost effectiveness across the three bidders?

Tania Cole: I will tell you typically across that we're looking at acquisitions. Dispositions will have the same commission. Where we made our evaluation was in the on-call hourly fee versus the annual fee. Let me start with NAI Martens. If the work they're doing results in a real estate transaction, they will recoup the commission from that. If it does not result in a transaction then they will charge us the hourly fee. The other two, Weigand and Lange Real Estate, have come to us and said you have an annual fee for our services. For Lange it's \$19,900.00, with Weigand that's \$50,000.00 annually. Now, they will reimburse. So with Lange Realty, they will reimburse us the \$19,900.00 if their commissions are above that amount. With Weigand they're \$50,000.00 annually, they will reimburse us 10% of their commissions up to \$25,000.00. The basis of our choice for NAI Martens is basically we don't have to pay an annual fee. What we will have to pay is an hourly fee if it does not result in a real estate transaction.

Russell Leeds: Based on our previous work with Martens, we didn't expend large amounts.

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Tania Cole: Yes, there were years where we didn't expend anything with them or it was a very low fee. Last year was a pretty significant year with the Admin Building. We did use them for that.

Russell Leeds: With the evaluation of the committee, collectively, was Martens the most cost effective?

Tania Cole: Yes.

Richard Powell: Did you say the current agreement that we have is with NAI Martens?

Tania Cole: Yes.

Richard Powell: How long have we had this particular agreement?

Tania Cole: I believe it's five (5) years. We have the same one (1) year, with four (4) one (1) year options to renew.

Richard Powell: Okay, thank you.

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2. SAP MAINTENANCE RENEWAL -- ENTERPRISE RESOURCE PLANNING (ERP)

FUNDING -- ENTERPRISE RESOURCE

(Hardware/Software Maintenance)

#19-2019 SC #8000141743

1/1/19 - 12/31/19	SAP Public Services, Inc.
Enterprise Support SAP Business Objects portfolio	\$52,707.57
SAP Enterprise Support	\$122,416.61
SAP US Payroll Tax Process by Business Solutions Inc. Standard Support	\$8,013.60
SAP Enterprise Support Amendment 2 - Appendix 1	\$188,432.42
SAP Enterprise Support mySAP.com users	\$49,092.12
SAP Enterprise Support Test Data Migration Server Software	\$792.41
SAP Enterprise Support - Additional User	\$39,061.44
Total	\$460,516.17

On the recommendation of Josh Lauber, on behalf of Enterprise Resource Planning, Richard Powell moved to **accept the quote from SAP Public Services, Inc. in the amount of \$460,516.17.** Russell Leeds seconded the motion. The motion passed unanimously.

SAP Enterprise Support pricing is based on the number and types of licenses (standard and professional) currently in use by the county and may fluctuate from year to year.

There was no increase from last year on this support.

Questions and Answers

Richard Powell: I noticed that we only have one bid. Is this telling us that it's a proprietary program?

Joe Thomas: Yes. This is our enterprise system that is supplied by SAP only. We do all maintenance with SAP.

Richard Powell: I know we're looking ahead in the future for some other solutions at the enterprise level. Now those will be things that at some point will be added to this contract. Is that right?

Mike Elpers: They're actually separate contracts. Going forth with those contracts will actually reduce some of the costs that are present on this table. They are replacing some of these systems.

3. ROAD IMPROVEMENT -- PUBLIC WORKS
FUNDING -- PUBLIC WORKS

(Request sent to 46 vendors)

RFB #18-0060 S/C# Pending

Engineer's Estimate: Alt 1 \$644,040.50	Andale Construction, Inc.		Cornejo & Sons, L.L.C.		Vogts-Parga Construction LLC	
Engineer's Estimate: Alt 2 \$696,162.50	Alternate #1	Alternate #2	Alternate #1	Alternate #2	Alternate #1	Alternate #2
Project No. 604-W½ 16; 61st St. North between 151st & 167th Streets West (R346)	\$586,920.30	No Bid	No Bid	\$625,938.44	No Bid	\$636,038.26
Bid Bond	Y			Y		Y
Acknowledge Addendum	Y			Y		Y
No Bid	Nowak Construction	Wildcat Construction Co., Inc.	Dondlinger & Sons Construction Co., Inc.	Nowak Construction Co.	Traffic Control Services	RoadSafe Traffic Systems
	Mies Construction Co.	Pearson Construction, LLC	Flint Hills Materials	Kansas Paving		

On the recommendation of Joe Thomas, on behalf of Public Works, Ellen House moved to **accept the bid for Alternate #1 from Andale Construction, Inc. in the amount of \$586,920.30.** Angela Caudillo seconded the motion. The motion passed unanimously.

This road improvement project includes grading, concrete surfacing, seeding and pavement marking.

A CIP Amendment for this project will be presented at the February 20th Commission meeting, acceptance of this request is contingent upon approval of the CIP Amendment.

Note:

The recommendation was changed from \$589,920.30 to match the table amount of \$586,920.30.

Questions and Answers

Russell Leeds: Just for clarification sake on item 3, in the table it shows \$586,920.30 and down below it says \$589,920.30. Can you just clarify that?

Joe Thomas: (Joe looked through the bid folder to find the bid response.) It looks like they didn't extend out the prices but I think it should be \$586,920.30. Yes. We'll go with the \$586,920.30. The response is in here it's just not extended out.

Russell Leeds: Legal counsel, do you want to weigh in on what the Bid Board should do acting on an uncertain number?

Michael Fessinger: Yes, while I trust everyone's backgrounds, it might be wise to defer this a week just to make sure that we have the correct numbers. Jim is saying that they're going to confirm so that we don't have to defer this for a week. Can you provide us with an email verification on that? We'll take the verbal.

Jim Weber: Purchasing has our email.

Joe Thomas: We'll confirm, change it, and send you an email confirming that for Public Works. Is that okay?

Michael Fessinger: Jim, who did you just talk to over at Public Works just now?

Jim Weber: Julie Williams, who actually takes all the contracts back and runs a full bid tab on them, tracks all the numbers on them, and sends our recommendation to Purchasing. Her email from weeks ago would have had this number in it.

Michael Fessinger: You would say she has personal knowledge on how much this number would be?

Jim Weber: She is the person.

Michael Fessinger: Based on what Mr. Weber is saying, I think we can move forward.

Russell Leeds: So for the record, we believe that \$586,920.30 is the correct number for this bid.

Joe Thomas: I will forward the email that was received. Once I get the copy from Julie, I will forward it to the Bid Board members.

Linda Kizzire: Jim, is this up by the ICM plant up by Colwich?

Jim Weber: That's right. We have to call it Element but it's ICM, the ethanol plant up there. The reason we can't wait on this is it's ready to go. We've lost some time on it because of the CIP amendment but this will be the last meeting of the month.

Russell Leeds: Could you clarify the difference in Alternate #1 and Alternate #2? Why did we have two separate items? They could or could not bid?

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Jim Weber: Basically, we had been using a process with some of our concrete jobs of cement stabilized base, which uses a liquid stabilizing agent cement really compact the concrete. We've had feedback from contractors that think that it is too limiting. With this job, we've looked at a more conventional approach, which is what we call conventional concrete. It has a lay down machine and it goes slower, but it's one way to do it. They use a dry cement to stabilize the base. The project has been designed that either one gets you essentially the same road in terms of its longevity. It's not mixing them. You do one or the other. Some contractors are set up to do only conventional with dry. Some are only set up to do the rolled concrete with the wet slurry. We will take either one. We don't have a preference. We don't care how you do it but we would like to see what the pricing was so we did two alternates. That way we could see how they're actually competing.

Russell Leeds: Alternate #1 is rolled?

Jim Weber: Rolled compacted concrete on a liquid slurry treated base, which we've done quite a bit of, its no problem. In fact, that's what Element has been using inside of their facility. Andale has been up there doing it inside that facility.

Russell Leeds: The quality of the product is generally comparable. You're just offering two options.

Jim Weber: Yes. Rolled compacted will be faster and cleaner but we could've gotten the same essential product out of either one.

Russell Leeds: You offered two alternatives, so a broader spectrum of vendors.

Jim Weber: More contractors bid on the job. If we had only done the rolled compacted version, we would have likely only had Andale as a bidder.

Linda Kizzire: This will be significant for the weight of all this truck traffic going on this road?

Jim Weber: Yes, again this is what Element is using inside of their plant.

Russell Leeds: I would just state again that we reasonably believe the amount is \$586,930.00 to be confirmed through email here shortly. Based on that reasonable belief, I would ask if no further discussion and with legal counsel.

Michael Fessinger: Yes. I would just say that it was actually \$586,920.30.

Russell Leeds: Did I misstate? \$586,920.30 from Andale Construction, Inc.

Michael Fessinger: Correct.