

MINUTES OF THE BOARD OF REGENTS
FACILITIES COMMITTEE MEETING
GALVESTON COMMUNITY COLLEGE DISTRICT
4015 Avenue Q
Galveston, Texas 77550
Room M-202 – Moody Hall
November 14, 2018
4:30 p.m.

At the Galveston Community College District Board of Regents Facilities Committee Meeting, duly held on Wednesday, November 14, 2018, in Room M-202 of Moody Hall, commencing at 4:30 p.m., the following Facilities Committee members were present: Mr. Michael B. Hughes, Chairperson, Mr. Florentino “Tino” F. Gonzalez, Mr. Raymond Lewis, Jr., Mr. Fred D. Raschke, and Ms. Rebecca Trout Unbehagen. Other Regents present were: Mr. Armin Cantini, Ms. Karen F. Flowers, Mr. Carl E. Kelly, and Mr. Carroll G. Sunseri.

Staff present included Dr. W. Myles Shelton, President, Ms. Carla Biggers, Dr. Van Patterson, and Mr. Timothy Setzer.

- I. **CALL TO ORDER:** Chairperson Hughes opened the meeting at 4:30 p.m. in Room M-202 of Moody Hall and determined a quorum was present.

- II. **CERTIFICATION OF POSTING NOTICE OF FACILITIES COMMITTEE MEETING:** Dr. Shelton confirmed that the notice of the Facilities Committee Meeting had been properly posted on November 9, 2018.

- III. **CONSIDER APPROVAL OF MINUTES FROM OCTOBER 10, 2018 MEETING:** A reading of the minutes for the October 10, 2018 meeting was waived. Mr. Raschke moved to approve the minutes as presented; Ms. Unbehagen seconded. The motion passed unanimously.

- IV. **REVIEW AND DISCUSS PROPOSALS FOR CAPITAL FEASIBILITY STUDY AND CAMPAIGN:** Dr. Shelton began with an update on the quiet capital campaign spearheaded by Mr. Paulie Gaido to raise funds for non-tuition and fee needs. This campaign would focus on facilities. A request for proposals (RFP) for qualified and experienced fundraising consultants to conduct a capital feasibility study and campaign was sent to two vendors and was advertised in the local newspaper. Two proposals were received. Dr. Shelton noted that \$180,000 was budgeted this fiscal year, assuming a monthly consulting fee of \$15,000 monthly. The Facilities Committee reviewed and discussed the proposals submitted by Cargill Associates and Dini Spheris summarized below.

	Cargill Associates 4701 Altamesa Boulevard Fort Worth, Texas 76133	Dini Spheris 2727 Allen Parkway #1650 Houston, Texas 77019
Estimated Time Frame	24 months	24 months
Capital Feasibility Study	\$31,600	\$62,000
Capital Campaign	\$221,880	\$384,000
Total Estimated Fees	\$253,480	\$446,000

IV. REVIEW AND DISCUSS PROPOSALS FOR CAPITAL FEASIBILITY STUDY AND CAMPAIGN: *(Continued)*

Dr. Shelton said the first phase of the proposal is the feasibility study to determine if the College has the capacity as an institution and if there is a donor base to connect with the vision. The second phase would be the actual campaign if the results of the study are positive. He stated that these proposals were submitted in August. Ms. Maria Tripovich, Director of Development and Galveston College Foundation, and her staff have thoroughly reviewed these proposals and interviewed representatives from both firms over several months to offer a recommendation to the Committee. That recommendation is to bring the feasibility study, or capital campaign planning phase, to the Committee for consideration, which is anticipated to be a four-month process. Once the results of the study are received, that would determine how to proceed with the campaign.

Dr. Shelton explained the fees and summarized the services offered. Cargill Associates offered a plan for the campaign while Dini Spheris outlined a plan based on knowledge of the study. After review of the proposals, meetings with the consultants, and reference checks, staff recommended the initial contract be awarded to Dini Spheris for an amount not to exceed \$62,000 to conduct a capital feasibility study. Reasons for this selection include their location, contacts, reputation, and staff assigned to this project. There was discussion regarding the fee difference of the two firms. Ms. Unbehagen said she had a hard time understanding the real differences without reviewing the actual proposals.

V. DETERMINE COMMITTEE RECOMMENDATION TO BOARD OF REGENTS REGARDING PROPOSALS FOR CAPITAL FEASIBILITY STUDY AND CAMPAIGN: After further discussion, Ms. Unbehagen moved to defer the vote until the Regents have time to review the proposals; Mr. Gonzalez seconded. A December Facilities Committee Meeting followed by a Special Board Meeting would be called to consider approval of a proposal. Dates offered were December 5th or 12th at 4:30 p.m. and 5:00 p.m. The motion passed unanimously. The Committee was not interested in presentations by the firms.

VI. CONTINUE DISCUSSION OF PROPOSALS FOR CONSTRUCTION MANAGER AT RISK (CMAR) FOR NEW CONSTRUCTION OF THE GALVESTON COLLEGE ABE & ANNIE SEIBEL STUDENT HOUSING PROJECT: A request for proposals (RFP) for a construction manager at risk was sent to 15 firms and was advertised in the local newspaper. Four responses were received. A CMAR will be hired for the new construction of the Galveston College Abe & Annie Seibel Student Housing Project. The Committee of the Whole met yesterday to review and discuss the proposals and to interview representatives from the two firms recommended by staff. The Board Facilities Committee continued discussion of the proposals to determine a recommendation to the Board of Regents.

VI. CONTINUE DISCUSSION OF PROPOSALS FOR CONSTRUCTION MANAGER AT RISK (CMAR) FOR NEW CONSTRUCTION OF THE GALVESTON COLLEGE ABE & ANNIE SEIBEL STUDENT HOUSING PROJECT:
(Continued)

Ms. Unbehagen opened the discussion by sharing her thoughts and issues regarding the decision made yesterday by the Committee of the Whole. She prefaced her comments by acknowledging her new standing on the Board. The College was fortunate to have two great local contractors who would be equally capable of doing the job, but her concern was to do right by the College and its students. In summary, her issues included the following:

- The proposal packet stated each of the proposals would be scored. If this was done, she wanted to see the score sheets. Score sheets should be completed prior to making a recommendation to the Board.
- Personally, she believes the 25 percent fee proposed by the Sullivan Brothers Builders (SBB) was high. Although the handout provided by staff indicated the 25 percent was inclusive of preconstruction and construction fees, that is not the way the proposal is written.
- Technically, the SBB proposal appears to be noncompliant because they did not address the savings or contingencies in the written proposal. It was mentioned in their comments at the meeting yesterday.

Ms. Unbehagen recommended that all four proposals are scored. Based on the cumulative score, the Committee should recommend to the full Board that Dr. Shelton negotiate with the highest scoring firm to receive their best and final offer and that offer be brought to the full Board to either accept or reject. If it is rejected, the process moves to the firm with the next highest score. She said although it would take more time and the results would likely be the same if a vote were taken now, it is a major expense.

Ms. Unbehagen confirmed she has no personal interest in any of the firms that submitted proposals. It is an important decision for the College that goes beyond the funding and is about setting a direction for the future of the College. She was not suggesting deferring the vote if the scoring had been done or could be done prior to making a recommendation to the Board.

Dr. Shelton responded that the scoring and evaluation of the proposals had been done. He was not a participant in that process. Staff determined Teal Construction Company and Comex Corporation were considered to be more industrial/institutional type builders and were not rated as highly as the other two. He confirmed that staff had an opportunity before the presentations yesterday to clarify the other two proposals. SBB submitted a written document stating the 25 percent includes preconstruction and construction fees. As for the cost savings, SBB would pass back to the owner 100 percent; whereas, DSW Homes would refund 50 percent. The typical standard under CMAR is it all comes back to the owner. Contingencies are negotiated and agreed upon when the guaranteed price contract is executed. The final contract will be presented to the Board for final approval. Dr. Shelton explained the process.

VI. CONTINUE DISCUSSION OF PROPOSALS FOR CONSTRUCTION MANAGER AT RISK (CMAR) FOR NEW CONSTRUCTION OF THE GALVESTON COLLEGE ABE & ANNIE SEIBEL STUDENT HOUSING PROJECT:
(Continued)

Mr. Raschke asked if there was a top one out of the top two scored by staff. Mr. Tim Setzer, Director of Facilities and Securities, left to retrieve the score sheets from the Purchasing Coordinator. Mr. Raschke said he was comfortable with staff's research and either builder. He would prefer not to delay the vote on this item. The architect has a preference but would work with the Board's selection. Several Regents expressed their knowledge of the work performed by SBB and DSW locally.

VII. DETERMINE COMMITTEE RECOMMENDATION TO BOARD OF REGENTS REGARDING PROPOSALS FOR NEW CONSTRUCTION OF THE GALVESTON COLLEGE ABE & ANNIE SEIBEL STUDENT HOUSING PROJECT:

Mr. Raschke moved to recommend to the Board of Regents approval of the proposal from Sullivan Brothers Builders as the CMAR for the student housing project; Mr. Lewis seconded. Mr. Setzer returned and Dr. Shelton said he was misinformed. There was a review and evaluation; there was not a specific score sheet. Mr. Setzer was asked for his knowledge about these contractors. His personal knowledge was limited to the two recommended by staff. After eliminating the two that were evaluated as industrial, staff evaluated the two that were residential. Ms. Flowers thanked staff for the preparation prior to making a recommendation to the committees or the Board. Mr. Setzer commented on the references supplied by one of the bidders as an example of the process. Ms. Flowers asked Dr. Shelton to explain the anticipated project timeline. Dr. Shelton responded and said the plan would be to have the project completed by fall 2020. In response to a question from Mr. Cantini, Dr. Shelton gave reasons for going with a higher proposal were due to the fit and finish of the building, the commitment to work in concert with the College and architect, and to produce a structure that is durable over time. After discussion, the motion passed unanimously.

VIII. ADJOURNMENT: There being no further business to come before the Facilities Committee, the meeting adjourned at 5:19 p.m.

Carla D. Biggers, Clerk

APPROVED AS CORRECT:

Michael B. Hughes, Chairperson