

Board of Municipal Utilities
Work Session Minutes
March 7, 2017
201 Miller Road
Avon Lake, Ohio

The work session was called to order at 6:01 PM.

Present: Mr. Dzwonczyk, Mr. Phillips, Mr. Rickey, and Mrs. Schnabel.

Also present: CUE Danielson, WPC Manager Baytos, CUO Eberle, Mayor Zilka (arrived 6:20 PM), Councilmember Fenderbosch (arrived 6:27 PM), Jon Wysochanski, Jim Salerno, and Kurt Koepf.

Post Construction Evaluation of CMAR

With the support of Jim Salerno and Kurt Koepf (both of MWH Constructors), Rick Eberle presented an overview of the use of the alternate project delivery approach known as Construction Manager At Risk (CMAR) for the Water Filtration Plant's Storage Improvements Project (SIP). Mr. Eberle stated that CMAR has been a big success, partly because all parties were fully vested in assuring it. The contract Avon Lake Regional Water structured with the CMAR provided incentive to help keep total owner costs down. The CMAR was brought on at the 30%-design level and provided input regarding ways to potentially get more value out of the construction. Much of this was incorporated into the design; and a guaranteed maximum price was established at the 60%-design level, which included a 5% contingency. At the end of the project, the owner and the CMAR will equally split the first 1% of contingency, the next 1% goes 25% to the CMAR, and the remaining contingency goes 10% to the CMAR. Therefore, the CMAR has a stake in the game to save the owner money. Throughout the project, the CMAR was able to leverage subcontractors to provide the best prices and maintain or accelerate schedule. As a result, the project is expected to be completed within time and budget constraints. Through Board questioning and discussion, it was stated that an appropriate time to bring the CMAR on is at the 30%-design level because it provides a good balance of the plans being formed enough so that there is an idea of what is intended to be constructed; but the plans would not require too much redesign if changes are considered. This is the main reason why the wastewater plant rehabilitation was not considered for CMAR. It was already at the 90%-design level.

The work session adjourned at 6:32 PM.

Approved March 21, 2017

John G. Dzwonczyk, Chairman

Todd A. Danielson, Clerk