

BOARD OF BIDS AND CONTRACTS MARCH 29, 2018

1. ROAD IMPROVEMENTS -- PUBLIC WORKS

FUNDING -- R342 COLDMIX REPL-16+

(Request sent to 46 vendors)

RFB #18-0014 S/C #8000125039

2018 Cold Mix & Gravel Road Replacement Program (R342)	Cornejo & Sons, LLC	Andale Construction, Inc.	Bob Bergkamp Construction Co., Inc.	Flint Hills Materials, LLC	Coughlin Company I, Inc.
Engineer's Estimate Alternate #1: \$1,336,612.00					
1. Base Bid	\$514,767.00	\$644,695.18	\$607,549.40	\$452,447.70	No Bid
1A. Alternate #1 (Hot Mix)	\$310,736.25	\$295,293.60	\$287,007.30	\$287,007.30	No Bid
Total	\$825,503.25	\$939,988.78	\$894,556.70	\$739,455.00	No Bid
Bid Bond	Yes	Yes	Yes	Yes	Yes
Acknowledge Addendum	Yes	Yes	Yes	Yes	Yes
Engineer's Estimate Alternate #2: \$1,308,275.55					
2. Base Bid	\$514,767.00	No Bid	No Bid	No Bid	\$494,499.00
2A. Alternate #2 (Cold Mix)	\$370,513.00	No Bid	No Bid	No Bid	\$401,651.30
Total	\$885,280.00	No Bid	No Bid	No Bid	\$896,150.30
Bid Bond	Yes	Yes	Yes	Yes	Yes
Acknowledge Addendum	Yes	Yes	Yes	Yes	Yes
No Bid	Unruh Excavating	Pearson Construction, LLC	Nowak Construction Co., Inc.	Wildcat Construction Co., Inc.	

On the recommendation of Kristen McGovern, behalf of Public Works, Linda Kizzire moved to **accept the low bid from Flint Hills Materials, LLC for the Base Bid and Alternate #1 (Hot Mix) in the amount of \$739,455.00.** Jennifer Dombaugh seconded the motion. The motion passed unanimously.

The Base Bid of this project is for the road base. The Alternate #1 (Hot Mix) is a 2" hot mix overlay on the road base. This county improvement project includes approximately 5 miles of selected county roads and includes modified subgrade and pavement surface construction.

Questions and Answers

Talaya Schwartz: I'm going to go ahead and ask the question even though I think you probably know the answer. Can you just tell us why or what you believe to be the reason for this bid being so much lower than the engineer's estimate?

Jim Weber: Very strong competition.

Linda Kizzire: Jim does the hot mix seem to last longer than the cold is why we're going with Alternate #1 (Hot Mix).

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Jim Weber: This bid was designed to try to bring cold and hot onto a level playing field so if you doing Alternate #2 (Cold Mix) or cold recycle you need to do three inches. The Alternate #1 (Hot Mix) is better so in that case you can do two inches, that's why they are two alternate.

Linda Kizzire: In the five miles is it like 1 mile comission district?

Jim Weber: Yes, this is that project. We take a township road and do a mile.
In this case hot mix on cement base.

Tom Stolz: Do we do this every year Jim?

Jim Weber: Every other year.

Tom Stolz: Every other? And how does this compare to the last? Is it cheaper?

Jim Weber: This has been going through an evolution so previously two years ago this would have been only bid with a slurry cement base and we would put double chip seal on that and do it. So this is a newer version where we're getting out of the chip seal business we're getting out of the cold mix business. This is the place we pulled in literally every option you could possibly do to try to get them on a local level playing field and let them bid against each other, we have five bids for this. Two years ago, we had one bid, one for the cement pre base that we will put the other stuff on. This and the base bid here you have the option to do either dry or liquid cement treated base. So the option here is whether you going to bring cold mix recycled or hot mix to it. That's what we got a pretty good deal on, we got a really good deal.

Talaya Schwartz: Have we used this vendor before Flint Hills?

Jim Weber: Flint Hills, yes. Not for exactly this work but they did some work two years ago for us for the parking lot at the extension.

Talaya Schwartz: And we were satisfied with the work?

Jim Weber: Yes.

Tom Stolz: I am just clarifying the evolutionary, so the evolution we're moving toward is Alternate #1 (Hot Mix) which is as good or better than the Alternate #2 (Cold Mix) one. That we've historically done, is that accurate?

Jim Weber: Well, we've always known that hot mix is better, but cold mix is something we can do in house. You probably recall some conversation from two years ago about replacing a cold mix plant, which we did not do, and so this brings in commercially produced cold mix material in competition with commercially produce hot mixed material and then we got the alternate to take into account the fact that the hot mix we just don't need as much of it. It's a more expensive product but we don't need as much of it.

2. **ACTUARIAL and BROKER REVIEW SERVICES for HEALTH CARE PLAN -- HUMAN RESOURCES**

FUNDING -- HUMAN RESOURCES

(Request sent to five vendors)

RFP #18-1002 Contract

	IMA, Inc.	Segal Consulting	USI Insurance Services
Actuarial and broker review service fees	\$40,000.00*	\$50,000.00	\$45,000.00*
Acknowledge addendum	Y	Y	Y
	Gallagher Benefit Services	Lewis & Ellis, Inc.	Lockton Dunning Benefits
Actuarial and broker review service fees	\$30,000.00*	\$21,000.00 - \$40,000.00 plus \$1,700.00 per person per site visit*	\$45,000.00*
Acknowledge addendum	Y	Y	N

On the recommendation of Joe Thomas, on behalf of Human Resources, Talaya Schwartz moved to **accept the best proposal from IMA, Inc. for service fees in the amount of \$40,000.00 for one (1) year with a one (1) year option to renew.** Jennifer Dombaugh seconded the motion. The motion passed unanimously.

An evaluation committee comprised of Connie McAfee, Eileen McNichol, Becky Page and Heather Poorman - Human Resources, Lindsay Poe Rousseau - Finance, Tim Kaufman - Public Services and Joe Thomas - Purchasing reviewed and scored the responses based on criteria set forth in the RFP. All proposers with the exception of Segal Consulting were shortlisted for further review and requested to send best and final offers for final evaluation.

Sedgwick County is seeking proposals from qualified Brokerage and/or Actuarial firms to serve as a consultant to review recommended Health Plan design changes and proposed costs for 2020. The selected firm will assist in determining competitive insurance coverage, provide analysis of proposed designs and costs, recommend changes and assist with the County's RFP for a Health Insurance provider for 2020.

IMA, Inc. received the highest score and is being recommended for award. IMA, Inc. provided a well-rounded process and strategy, including identifying the Direct Primary Care model, which we have included in our modeling. IMA, Inc. also scored high in the ability of their key personnel who will be assigned to the county for this project.

*Best and final offers

Questions and Answers

Linda Kizzire: My first question would be, there's a \$10,000.00 price difference between IMA and Gallagher Benefit Services, and if we ask for best and final I'm just curious as to why we're going with the higher bid?

Eileen McNichol: I'm Eileen McNichol, Chief Human Resources Officer and there's a matrix that we use that is standard that Joe Thomas provided for us. There is a calculation that is including the price and they're giving weighted values on that, so Gallagher had the lowest price so they had to highest score for that component of the matrix.

Joe Thomas: And to provide you with more detail, there were five criteria and the one that dealt with cost was 20 points out of 100.

Tom Stolz: What was the other four?

Joe Thomas: The other four were: a. firms experience with public sector entities and that was 15 points, b. demonstrated ability to key personnel 20 points, c. demonstration of understanding scope of services 20 points, d. process and strategy for providing required services 25 points, and then e. cost competitiveness was for 20 points.

Tom Stolz: And is that a hundred point scale?

Joe Thomas: Yes sir.

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Tom Stolz: And give us IMA versus Gallagher.

Joe Thomas: Under the best and final IMA had an overall score of 91.5 and Gallagher was real close at 90.5.

Talaya Schwartz: Can you tell us why Segal Consulting was not shortlisted?

Eileen McNichol: They just rated lower than the rest of them.

Tom Stolz: Did we do the matrix on three companies?

Joe Thomas: We did the matrix on all of the evaluated proposers.

Tom Stolz: Give us the other matrix.

Joe Thomas: Segal Consulting, which we did not include was below 80, they were 79.17.

Talaya Schwartz: Was that mainly due to cost?

Joe Thomas: Looks like their low score might have been in the area of the firm's experience. I am just looking at six different evaluators, just to give you an overall. The biggest disparity was the score for the process of strategy which they scored low on.

Talaya Schwartz: Thank you.

Joe Thomas: And then of course with their amount which was \$50,000 they gave them the lowest points for the cost competitiveness. For IMA 91.5, Segal Consulting 79.17, USI 84, Gallagher 90.5, Lewis & Ellis 85.3, and Lockton Dunning 85.17.

Tom Stolz: So there's a natural break here. You have Segal Consulting which is low, then you have three that are very close, then you have two that rise to the top and are very close?

Joe Thomas: Correct.

Tom Stolz: Where is the one point of differential that IMA exceeded Gallagher? Where is the one point of difference, can you tell by the matrix?

Joe Thomas: Basically since it was an average, I am going to give you an example.

Just look at the cost competitiveness and to show you this has been rated exactly mathematically.

Gallagher received 20 points the full maximum amount of points because they were the lowest cost. IMA had 15 points for their cost. So it was a 5 point differential for cost points. However the overall average was based on the 30 scores, 6 evaluators times 5 criteria.

Tom Stolz: Is it fair to say that IMA, on the other component other than cost, scored better than Gallagher? Universally is it fair to say that?

Joe Thomas: I would say they scored better consistently. Wouldn't you say that Eileen?

Eileen McNichol: Yes.

Tom Stolz: And just give me some history on both of these companies? IMA has done business with Sedgwick County in the past, we have experience with them. Has Gallagher done business with the Sedgwick County?

Eileen McNichol: I think they have, but I don't know for sure. I would have to research that and get back with you on it.

Tom Stolz: So, to summarize it seems that...and I'm trying to get back to Linda's question, there's a \$10,000.00 difference here. Qualitatively, the selection group was impressed more with IMA than Gallagher?

Joe Thomas: Correct.

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Eileen McNichol: With the proposal.

Tom Stolz: With the proposal. Quantitatively, it favors Gallagher because it is cheaper.

Joe Thomas: But because that was just one, even though cost was competitive it was just one of the five. It was close but...because the five point advantage made Gallagher an advantage on that particular area but since it was one of the five point overall that is why it brought them down. Since IMA, like you mentioned, qualitatively was better.

Talaya Schwartz: Is IMA located here in Wichita?

Eileen McNichol: Yes.