



# CASS COUNTY BOARD OF COMMISSIONERS

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## SPECIAL MEETING OF THE CASS COUNTY BOARD OF COMMISSIONERS

October 07, 2022

11:00 AM

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**CALL TO ORDER** - *Chair Dyes*

**INVOCATION** – *Commissioner Jones*

**PLEDGE OF ALLEGIANCE** – *Commissioner Marchetti*

**ROLL CALL** - *Clerk/Register Monica McMichael*

**INTRODUCTION OF VISITORS** – *Chair Dyes*

**PUBLIC COMMENT** (limit 3 minutes/person)

**APPROVAL OF THE AGENDA** – *Commissioner File*

### **PRESENTATIONS**

1. Historic Courthouse Design & Development – Intersect Studio/PlazaCorp

### **NEW BUSINESS**

1. **R-196-22** – Resolution to Engaging Intersect Studio for Phase 3 Construction Document and Administration for Historic Courthouse Building – *Commissioner*
2. **R-197-22** – Resolution to Approve Owner's Representative Agreement with Plazacorp Realty Advisors, Inc. – *Commissioner*
3. **R-198-22** – Resolution to Obligate Funding for Historic Courthouse Building Project - *Commissioner*

### **BOARD MEMBER COMMENTS/ANNOUNCEMENTS**

### **ADJOURNMENT**



## CASS COUNTY BOARD OF COMMISSIONERS

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**TO: Board of Commissioners**

**FROM: Matthew Newton, County Administrator**

**DATE: October 7, 2022**

**RE: Approval of Phase 3 Construction Document and Administration Services for the Historic Courthouse**

**REQUEST:**

Adopt a resolution to authorize engagement of Intersect Studio to complete Phase 3 Construction Document and Construction Administration Services

**BACKGROUND:**

The Historic Courthouse design services have been centered around a three-phase approach. The first phase, Programming, began on April 1, 2021 and concluded on December 16<sup>th</sup>, 2021. During Phase 1, initial fit testing and preliminary studies and designs were completed and presented to the Board of Commissioners. On February 3, 2022, Phase 2 Design and Development Services began. This phase focused very heavily on refining the overall design, branding, furniture, MEP engineering, structural engineering, and survey and civil engineering to determine an updated, detailed project budget and identification of the final deliverables required for construction documents.

Phase 3 Construction Document and Administration Services represents the final step in this process. The results of Phase 3 will be final construction prints, diagrams, and floorplans to be used for construction, identification of finish materials, interior and exterior features, site plan layout, mechanical, electrical, plumbing and construction engineering, coordination on technology implementation, final branding design, plan review, and support for the County and construction teams. Upon the final deliverables from Phase 3, construction will be able to commence.

**REVIEWS:**

Prior to submitting this request, this agenda item was reviewed by all impacted departments noted below: (Administration, Maintenance, HR, and IT)

**Administration**

**FINANCIAL ANALYSIS:**

The Phase 3 Construction Document and Construction Administration Proposal carries a cost of \$181,550.00 plus reimbursable fees and expenses. This cost was anticipated in the FY 23 Budget utilizing Coronavirus State and Local Fiscal Recovery Fund (ARPA) funding.

**RECOMMENDATION:**

Approve R-196-22 as presented.

# CASS COUNTY BOARD OF COMMISSIONERS

R-196-22

**A RESOLUTION ENGAGING INTERSECT STUDIO FOR THE COMPLETION OF PHASE 3 CONSTRUCTION DOCUMENT AND CONSTRUCTION ADMINISTRATION SERVICES FOR THE HISTORIC COURTHOUSE BUILDING**

**WHEREAS**, the Cass County Board of Commissioners approved the engagement of Intersect Studio to complete Phase 2 Design and Development Services for the Historic Courthouse on February 3, 2022; and

**WHEREAS**, the Phase 2 Programming was successfully completed and presented to the Board of Commissioners on October 7, 2022; and

**WHEREAS**, the Capital Projects Committee recommends proceeding with Intersect Studio for Phase 3 Construction Document and Construction Administration Services; and

**WHEREAS**, this project was anticipated and provided for in the FY 23 Budget.

**NOW, THEREFORE, BE IT RESOLVED** by the Cass County Board of Commissioners to authorize the engagement of Intersect Studio to complete Phase 3 Construction Document and Construction Administration Services at a fee not to exceed \$181,550.00 plus reimbursable fees and expenses. Scope of services will include final floor plans, finish materials, plans and details, interior and exterior features, door and window schedule, site plan layout, mechanical, electrical, plumbing, and construction engineering, coordination with technology designer, furniture and window treatments selection for coordination with MiDeal, branding design, plan review, support for County and construction team, site visits as necessary, reviewing change orders, and providing punch list support.

**ADOPTED THIS 7<sup>th</sup> DAY OF OCTOBER 2022**

**ATTEST:**

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Monica McMichael, Clerk/Register  
COUNTY OF CASS

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Dwight Dyes, Chair  
CASS COUNTY BOARD OF COMMISSIONERS

September 29, 2022

The Historic Courthouse Project Committee  
County Administration Office  
Cass County  
120 North Broadway, Suite 200  
Cassopolis, MI 49031

Ref: Cass County Administration Offices - Construction Document and Construction Administration Phase  
Services - Engagement Letter

Dear Committee,

We are pleased to present the following Letter of Engagement to provide Construction Documents and support during construction of the new County Administration Team offices in the Historic Courthouse Building located at 120 North Broadway Street, Cassopolis MI. This proposal covers the meetings and documents as identified in the following scope of services. We have completed the Design Development Phase and are now ready to finalize documents for construction coordination. The result of this Construction Document (CD) Phase includes documents which will allow Elite Companies to coordinate final bidding and then construction.

The CD phase of services will include collaboration with Plaza Corp and Elite Companies to support & finalize the bidding of the DD set of documents. We will coordinate with Elite's sub-contractors to detail systems and components in an effort to minimize cost. Final systems direction will be documented with enough detail for construction coordination by the sub-contractors selected by Elite for this project.

Included is final specification of finishes and materials, final layout of spaces, details for stairs, new openings and other interior features, millwork details, and documenting the selected direction for all of the engineered systems of mechanical, electrical, plumbing, structural and civil site. Final furniture selections will be coordinated with the State of Michigan *MiDeal* furniture program via a Haworth dealer. The Haworth dealer will also provide ancillary furniture pieces not available via *MiDeal*. Intersect will handle the design, fabrication and installation of the interior branding and non-code signage within the established branding budget. The design team will advance the DD plans dated August 08, 2022.

Intersect Studio will be on point to coordinate with the Consultants identified in this letter and your technology consultant Conference Tech (CTI). The following firms will continue to be involved.

**Bialosky Cleveland:** Mechanical, Electrical, Plumbing Engineering  
**Shive Hattery:** Structural Engineering  
**Hurley & Stewart:** Civil Engineering

We propose the following scope of services:

### Documents for Construction

- Final review meetings with the Committee and Capital Project Committee as needed.
- Commissioners informal review with Virtual Reality model review
- Final floor plans of all architectural elements including millwork
- Interior elevations of key areas
- Finish materials, schedules, Plans and Details; Floors, walls, ceilings
- Details of interior and exterior features and elements
- Door and window schedule
- Site plan layouts, grading, utilities
- Mechanical, electrical, plumbing and structural engineering; plans, details and product/system designations
- Coordination with client's technology designer
- Furniture and window treatments selection for coordination with *MiDeal*
- Branding design for interior features and signage

### Construction Administration

- Submit for plan review to the Village of Cassopolis
- Provide support to you and the construction team as needed; shop drawing review, product coordination, answering questions, providing sketches for unique conditions, etc.
- Attend Pre-construction meeting with contractor
- Visit the site as needed to monitor construction/solve issues.
- Review and recommend applications for payment from the contractor
- Review change orders if changes to the contract are needed
- Provide punch list support

### Fees

|                                                                       |                                 |
|-----------------------------------------------------------------------|---------------------------------|
| We propose the following lump sum fixed fee for the CD Phase:         | \$97,300 (fixed fee)            |
| We propose the following not-to-exceed fee estimate for the CA Phase: | <u>\$84,250 (billed hourly)</u> |
| Total not-to-exceed fee plus reimbursable expenses:                   | <b>\$181,550</b>                |

Intersect will invoice the consultant fees and expenses for the above scope of M,E,P,S,C services as reimbursable expenses. The above fixed fee will be invoiced monthly based on percent completion. The hourly fee will be billed monthly based on time spent for the month. The Intersect Studio Terms and Conditions, with County requested changes dated May 10, 2021, apply to these Services. Below is an approximate Project Timeline associated with this scope of services. Specific meetings and dates will be coordinated with the Committee. All meetings required to achieve the above scope of services are included.

### Approximate Project Timeline

October - November 2022 Documents for Construction Coordination and permitting

We look forward to achieving the Committee's number one goal of making this project happen. If you have any questions or need clarifications, let's chat. If this Engagement Letter meets your expectations, please send a signed copy of this agreement to initiate a contract for services under the Intersect Terms and Conditions and we'll get going.

Yours truly,  
Intersect Studio, LLC



**Bill LaDitka**, AIA, LEED AP  
Principal - Architect - Placemaker  
bill@intersect-studio.com  
(269) 944-9279

Approved By:

\_\_\_\_\_

Name

\_\_\_\_\_

Signature

\_\_\_\_\_

Date

1. Agreement. Intersect Studio, LLC (hereinafter "Consultant") shall provide to the Client the scope of services described in Consultant's Proposal attached hereto. These Standard Terms and Conditions are incorporated into Consultant's Proposal, and together may be referred to as the "Agreement" and shall reflect the professional services (or "Project") for which Consultant is responsible. This Agreement shall be the full extent of the Consultant's obligations. The Consultant shall not be responsible for any obligations or costs except as contained in the Agreement.
2. Authorization. A signature on the Proposal by Client shall give the Consultant the right to proceed with the Project.
3. Standard of Care. The Consultant's Standard of Care for the purposes of this Agreement shall be that consistent with the level of care and skill ordinarily exercised by members of its profession currently practicing under similar conditions in similar locations.
4. Time is of the Essence. It is expressly understood and agreed by the parties hereto that time shall be deemed of the essence and all stipulations and agreements herein contained shall apply to and bind the heirs, executors, administrators, successors, administrators, and assigns of the parties hereto.
5. Terms of Payment/Late Payment Actions/Fees. Payment is due upon presentation of invoice and shall be deemed past due fifteen (15) days from invoice date. Client agrees to pay a finance charge 18% per annum, or the maximum rate allowed by law, whichever is less, on past due charges until paid in full.
6. Scope of Services/Additional Services/Changes. If the scope of services required to complete the Project changes beyond that which is outlined in the Agreement subsequent to the Notice to Proceed by the Client, either by a written request of the Client by the County Administrator or by a material change in information available to the Consultant, the Consultant will proceed with the services required in order to expedite the full intent of the Project as Additional Services. The Consultant shall, in a timely manner, notify the Client of any material expanded scope of services in writing, including the need to perform the Additional Services, an estimate of the cost of Additional Services and any changes in the overall project schedule and budget. Furthermore, if the services covered by this Agreement have not been completed within twelve (12) months of the date of this Agreement (unless otherwise mutually agreed to between the parties), through no fault of Consultant, then the Consultant's time to complete the Project shall be reasonably extended, and Consultant's additional time shall be compensated as "Additional Services." All Additional Services shall be billed separately and the scope of the services and compensation shall be mutually agreed to in writing between the parties, but in any case, not less than Consultant's Hourly Rate at the time of extension, and all of Consultant's Reimbursable Expenses shall also be paid by Client to Consultant, in the amounts set forth below.
7. Site Conditions. Consultant is not responsible for latent deficiencies or reasonably hidden or concealed conditions not discovered by Consultant within the scope of its services. If Consultant has reason to believe that such a condition may exist, it will advise Client as to the nature of the suspected condition and its significance. Client will be responsible for all risks associated with this condition and for undertaking, at its sole cost and expense, additional investigation and corrective work, if required.
8. Betterment. If a required item or component of the Project is omitted from Consultant's construction documents, the Client shall pay the cost required to add such item or component to the extent that such item or component should have been included in the original construction documents. Consultant shall not be responsible or liable for any cost or expense that provides betterment or upgrades or enhances the value of the Project.
9. Opinions of Cost. Consultant's opinions or estimates of probable cost of the Project are prepared on the basis of Consultant's experience and qualifications and represent Consultant's judgment as a professional generally familiar with the industry. However, since Consultant has no control over the cost of labor, materials, equipment, or services furnished by others, other contractor's methods of determining prices, or over-competitive bidding or market conditions, Consultant cannot and does not guarantee that proposals, bids, or actual construction costs will not vary from the Client's budget or from Consultant's opinions or estimates of the cost of the Project, and in no event shall the Consultant be bound by any opinions or estimates.
10. Code Interpretations. The Client acknowledges that the requirements of the Americans with Disabilities Act, as amended ("ADA"), as well as all other federal, state and local laws, codes, or ordinances (collectively, the "Codes"), will be subject to various and possibly contradictory interpretations. Consultant will use reasonable professional efforts to interpret applicable Codes as they may apply to Consultant's services. Consultant cannot and does not promise, warrant, or guarantee that its services will comply with all Codes as they apply currently or in the future and unless the Consultant is negligent, the Client shall pay for any additional costs or expenses which are necessary to keep the Project in compliance with all Codes. Any changes to the Project necessary to comply with all Codes shall be billed as Additional Services.
11. Use of Drawings, Specifications, and Other Documents. The drawings, specifications and other documents prepared by Consultant for this project are instruments of Consultant's services for use solely with respect to this Project and, unless otherwise provided, Consultant shall be deemed the author of these documents and shall retain all common law, statutory, and other reserved rights, including the copyright. Consultant grants Client a non-exclusive license to use the documents which are created within the scope of work to complete the project.
12. Retaining Records. Consultant will retain pertinent records relating to the services performed for a period of five years following the completion of the Project during which period the records will be made available to Client at reasonable times.
13. Insurance Coverage. Consultant shall maintain and furnish copies to Client the following types of insurance: (a) Professional Liability for an amount not less than \$1 million per occurrence; (b) Commercial General Liability for an amount not less than \$1 million per occurrence; (c) Workers' Compensation; Employers' Liability; (e) Hired and non-owned automobiles. Client shall be responsible for providing and maintaining its own liability and property insurance, including an all-risk policy covering all damages or casualty which occurred to the Project or at the Project Site in an amount not less than the then full replacement cost of the Project. The Client's Commercial General Liability insurance policy shall be written for an amount of not less than \$1 million, single-limit coverage. Any General Liability insurance for residential projects shall be single limit coverage of at least \$500,000.00 The Client's liability and property insurance policy shall not be cancelled or modified without Consultant having received not less than thirty (30) days prior written notice.
14. Limitations/Exclusions Client agrees that Consultant's total, aggregate liability to Client and any third parties arising from Consultant's professional acts, errors or omissions, shall not exceed the amount of Consultant's available insurance. In the event Consultant

does not have insurance, Consultant's liability shall not exceed Consultant's total fee received for the Project.

15. **Indemnity.** Except for the limitations set forth herein, Consultant agrees to indemnify and hold the Client harmless from all damage, liability or cost (including reasonable attorney fees and costs of defense) to the extent caused by Consultant's negligent acts, errors, or omissions in the performance of professional services under this Agreement and those of its subconsultants, including but not limited to Nuway Construction, or anyone for whom the Consultant is legally liable. The Client agrees to indemnify and hold Consultant harmless from all damage, liability or cost (including reasonable attorney fees and costs of defense) to the extent caused by the Client's negligent acts, errors or omissions and by those for whom the Client is legally liable, but which shall include the compliance of the Project with all federal, state, and local laws, statutes, rules and regulations (including all zoning ordinances), unless the violation is related to the design of the Project for which the Consultant assumed liability, and any such damage, liability, or cost caused by the release of hazardous or toxic substances or materials at or under the Project property and the placement of all improvements at the project.
16. **Consultant Representations.** Consultant represents that (a) the architects assigned to the project are licensed to practice architecture in the State of Michigan, (b) it has the requisite skill and expertise and holds any required licenses to perform the services in the scope of work, (c) will act in the Client's best interests in performing its services, (d) will cooperate and consult with Client while performing the scope of work, (e) disclose to Client any conflicts of interest, and (f) will provide Client with all the usual and customary services within the scope of work.
17. **Jurisdiction.** This Agreement shall be governed in all respects by the laws of the State of Michigan.
18. **Arbitration.** Any dispute arising out of or relating to this Agreement shall be subject to binding arbitration to be held in the county in which the project is located, and administered by the American Arbitration Association, in accordance with its Construction Industry Arbitration Rules. Judgment upon the award rendered may be entered in the Circuit Court for the county in which the project is located or any court having jurisdiction thereof. The prevailing party in any arbitration shall be entitled to recovery of attorney's fees, costs and expenses in addition to any other relief to which such party may be entitled, including such attorney's fees, costs and expenses incurred to enforce any such arbitration award. Any claim for arbitration shall be made within one (1) year after the events giving rise to the dispute occurred.
19. **Termination.** This Agreement may be terminated for convenience by either party by ten (10) days prior written notice to the other party and in such event, the Consultant shall be paid only for services under this Agreement that Consultant has completed to the date of termination on a prorated, equitable basis, as reasonably determined by Consultant and which shall include Consultant's prorated profits general conditions, and overhead. Notwithstanding the foregoing, in the event Consultant terminates this Agreement without cause, Consultant forfeits the right to receive any further payment until a replacement design professional or firm completes the Consultant's scope of work. All obligations arising prior to termination of this Agreement

shall survive the completion of the services and termination of this Agreement.

20. **Assignment.** Consultant may not assign this Agreement.
21. **Waiver.** The failure of either party to complain of any act or omission on the part of the other party, no matter how long the same may continue, shall not be deemed to be a waiver by such party of any of its rights hereunder. No waiver by any party at any time, expressed or implied, of any breach of any provision of this Agreement shall be deemed a waiver of a breach of any other provision of this Agreement or a consent to any subsequent breach of the same or any other provision. If any action by any party shall require the consent or approval of another party, such consent or approval of such action on anyone occasion shall not be deemed a consent to or approval of said action on any subsequent occasion.
22. **Hourly Rates**

|                           |            |
|---------------------------|------------|
| Senior Principal          | \$230/hour |
| Principal                 | \$210/hour |
| Professional/Designer VII | \$175/hour |
| Professional/Designer VI  | \$140/hour |
| Professional/Designer V   | \$125/hour |
| Professional/Designer IV  | \$105/hour |
| Professional/Designer III | \$90/hour  |
| Professional/Designer II  | \$80/hour  |
| Professional/Designer I   | \$70/hour  |
| Administrative / Intern   | \$65/hour  |
23. **Reimbursable Expenses.** Compensation to the Consultant for reimbursable expenses incurred on the Project shall be computed as a multiple of 1.1 times the Consultant's direct expense for the following: outside consultants, suppliers, subcontractors, Travel, Lodging, Meals, Postage, UPS, FedEx, messenger, outside reproduction, and document scanning. Compensation for mileage expenses shall be computed as a multiple of 1.1 times the federal Rate. In-house prints/copies/lots shall be charged as follows:

| Page Size | Black&White | Color   |
|-----------|-------------|---------|
| 8.5x11    | \$0.25      | \$1.00  |
| 11x17     | \$0.40      | \$1.50  |
| 24x36     | \$6.00      | \$36.00 |
| 30x42     | \$8.75      | \$52.00 |



## CASS COUNTY BOARD OF COMMISSIONERS

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**TO: Board of Commissioners**

**FROM: Matthew Newton, County Administrator**

**DATE: October 7, 2022**

**RE: Owner's Representative Agreement**

**REQUEST:**

Adopt resolution to approve Owner's Representative Agreement with Plazacorp Realty Advisor, Inc.

**BACKGROUND:**

R-34-22 was adopted in February 2022 and authorized the County Administrator and the Capital Projects Committee to negotiate with PlazaCorp on a Development Services Agreement. In the months that followed, negotiations were held between representatives from the County and Plazacorp to identify the specific services necessary for the completion of the project and to determine a cost structure.

It was determined that moving forward with Plazacorp serving as the Owner's Representative provided the County with much needed expertise in managing a project of this scope and ensuring successful completion of the Historic Courthouse. The agreement comprises a number of key services that will be offered by Plazacorp to the County. These include: advising, assisting, and representing the County, as directed, with the accomplishment of demolition, design, development, construction, and budgeting of the project; advise and assist with administration of contracts with design professionals, advise and assist in identifying potential contractors, evaluating proposals, selecting contractors, and, as directed by the County, negotiating contracts with contractors with respect to construction, construction functions, cost estimating, preliminary budgets, and schedules for the project; advise and assist in the development and implementation of procedures for review, processing, and payment of progress and final pay requests; evaluating design professional plans and evaluate recommended materials, systems, equipment, budgets, schedules, and coordination; development of budget and implementing system to keep projects on budget; scheduling; coordination of contracts and documents; site inspections; status reporting; organizing construction meetings and monitor construction process and progress; contractor meetings; cost control; records; and final completion punch lists.

**REVIEWS:**

Prior to submitting this request, this agenda item was reviewed by all impacted departments noted below: (Administration, Maintenance, HR, and IT)

**Administration**

**FINANCIAL ANALYSIS:**

The fees under the agreement would be comprised of an Owner Representative Fee of 7% and Developer Fee of 3%, not to exceed \$500,000 and \$225,000 respectively. These fees are already included within the total project costs.

**RECOMMENDATION:**

Approve R-197-22 as presented.

# CASS COUNTY BOARD OF COMMISSIONERS

**R-197-22**

**A RESOLUTION TO APPROVE OWNER'S REPRESENTATIVE AGREEMENT WITH PLAZACORP REALTY ADVISORS, INC.**

**WHEREAS**, R-34-22 authorized the County Administrator and the Capital Projects Committee to negotiate with Plazacorp on a Development Services Agreement; and

**WHEREAS**, negotiations were facilitated to determine the required development services to be requested and create a framework for a formal agreement; and

**WHEREAS**, it was determined that proceeding with Plazacorp as an Owner Representative for the Historic Courthouse Project would provide essential benefits to the County in completing the project including representing the County in key project meetings, providing developer insight into construction methods and design with a focus on cost, quality, and schedule performance, monitoring project schedule, reviewing quality assurance and control, site inspections, providing status reports, managing and submitting payment requests and sworn statements, facilitating Certificate of Occupancy, and providing documentation of process, issues, and applicable costs; and

**WHEREAS**, the Capital Projects Committee recommends approving the Owner's Representative Agreement with PlazaCorp Realty Advisors, Inc.

**NOW, THEREFORE, BE IT RESOLVED** by the Cass County Board of Commissioners to approve the Owner's Representative Agreement with PlazaCorp Realty Advisors, LLC at a cost not to exceed \$725,000.00.

**ADOPTED THIS 7<sup>th</sup> DAY OF OCTOBER 2022**

**ATTEST:**

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Monica McMichael, Clerk/Register  
COUNTY OF CASS

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Dwight Dyes, Chair  
CASS COUNTY BOARD OF COMMISSIONERS

## OWNER'S REPRESENTATIVE AGREEMENT

THIS OWNER'S REPRESENTATIVE AGREEMENT ("**Agreement**"), is effective as of the \_\_\_\_ day of \_\_\_\_\_ 2022 (the "Effective Date") by and between **Cass County, Michigan**, a Michigan Municipal Corporation, whose address is 120 North Broadway, Suite 200, Cassopolis, Michigan 49031 ("**Owner**") and **Plzacorp Realty Advisors, Inc.**, a Michigan corporation, whose address is 200 W. Michigan Avenue, Suite 201, Kalamazoo, Michigan 49007 ("**Consultant**").

This Agreement is based on the following premises:

A. Owner is the owner of 120 North Broadway, Suite 200, Cassopolis, Michigan 49031 as more particularly described on attached **Exhibit A** (the "**Property**"). Owner intends to inspect, design, remodel, rehabilitate and construct on the Property the project as specifically described in this Agreement (the "**Project**").

B. Owner intends, from time to time, to enter into contracts with architects, engineers, designers and other design professionals (collectively "Design Professionals" and individually a "**Design Professional**") and also with a construction manager and, either directly or through the construction manager, construction trade contractors and other service suppliers (collectively "**Contractors**" and individually a "**Contractor**") for the purpose of undertaking and completing the Project. Owner has engaged with Intersect Studio, LLC (designers and architects) prior to Consultant engagement.

C. Owner seeks to retain an owner's representative to provide comprehensive services in the organization, coordination, management and administration required for all aspects of the development of the Project during pre-construction, design, bidding, construction, and closeout.

D. Owner desires to engage the services of Consultant, who has expertise and experience involving areas relevant to the Project, in the capacity of an owner's representative to represent and collaborate with the Owner in connection with the Project, including, but not limited to, dealing with the Design Professionals and Contractors as identified in this Agreement.

E. Consultant, as a part of its business, provides expertise, analysis, advice and representation to and on behalf of owners in connection with the development and construction of projects such as the Project and desires to provide these services to the Owner with regard to the Project.

F. Owner and Consultant desire to contract with respect to the Project on the terms and conditions set forth below.

NOW, THEREFORE, for and in consideration of the mutual agreements hereinafter set forth, and other good and valuable consideration, the receipt and adequacy of which is acknowledged, it is agreed by and between Owner and Consultant as follows:

1. **Scope of Consultant Services.** Consultant shall act as the Owner's representative and advisor with respect to the Project and shall perform the general duties set forth herein for and on behalf of the Owner. The scope of services for the Project may be supplemented and refined,

and applicable schedule requirements established, in separate addenda to this Agreement (a “Project Addendum”). The terms and conditions of this Agreement shall apply to each Project Addendum, except to the extent expressly modified by the Project Addendum.

1.1 General. Consultant shall advise, assist and represent Owner, as directed by Owner, with the accomplishment of the demolition, design, development, construction, and budgeting of the Project, and shall provide its best advice and professional judgment with respect to such matters in an expeditious and economical manner at the highest standards of Consultant’s profession or business to further Owner’s interests. Consultant shall also identify potential Owner required decisions, alternatives and approvals; facilitate conversations of such decisions and approvals with Owner; document discussions of decisions and approvals; and with or behalf of Owner, communicate such decisions and approvals to the Design Professionals and Contractors. Consultant shall make site visits in accordance with the terms of this Agreement as well as any schedules approved by Owner. To the greatest extent possible, Consultant will not duplicate the services provided by Owner staff, Design Professionals, Contractors or other consultants. The Project goal for Consultant is to deliver on time, and within budget, facilities that meet the needs of Owner, which are efficient to operate and maintain, include sustainable features to the extent feasible, are aesthetically pleasing, and add value to the Owner.

1.2 Design Professionals. Consultant shall advise and assist Owner in the administration of contracts with the Design Professionals with respect to the design, design functions, cost estimating, preliminary budgets and schedules for the Project, their implementation, and the performance by the Design Professionals. Owner has engaged with Intersect Studio, LLC (designers and architects) prior to Consultant engagement.

1.3 Contractors. Consultant shall advise and assist Owner in identifying potential Contractors, evaluating proposals from Contractors, selecting Contractors and, as directed by Owner, in negotiating contracts with the Contractors with respect to the construction, construction functions, cost estimating, preliminary budgets and schedules for the Project, their implementation, and the performance by the Contractors and their coordination with regard to the construction of the Project. Specific attention will be paid to long lead items to ensure timely delivery as per the schedule. Due to the desire to “fast track” the Project and based on the experience, Contractor, Owner and Consultant have previously agreed to engage Elite Construction (“Elite”) as the “General Contractor”. Elite has and will continue to solicit multiple competitive bids per service line.

1.4 Payments. Consultant shall advise and assist Owner in the development and implementation of procedures for review, processing and payment of progress and final pay requests from the Design Professionals and the Contractors. Consultant shall review and advise Owner on the appropriateness of the pay requests from the Design Professionals and the Contractors, request any required supporting documentation and either approve the same or disapprove such applications by returning them to the Design Professionals and Contractors with an explanation of the reasons therefor. Notwithstanding the aforementioned, Owner is already engaged with a Design Professional and currently handling payment processes themselves.

1.5 Project Development Phase. Unless otherwise directed by Owner, Consultant shall participate with Owner and attend meetings with the Design Professionals during

concept and design phase, evaluate and review their recommendations including materials, systems, equipment, budgets, schedules, Contractor coordination; assist Owner in relation to direction of the Design Professionals; and act as Owner's Representative in this regard to provide Owner direction to the Design Professionals regarding cost cutting, value engineering or other matters.

1.5.1 *Budget and Cost.* Consultant shall work with the Design Professionals and the Owner to develop a preliminary budget for the Project. Consultant shall implement a system to track estimated Project costs on an ongoing basis and advise Owner as to variances from established budgets and as to such other matters as the Project proceeds which Consultant believes may impact the budget.

1.5.2 *Scheduling.* Consultant shall analyze, review, monitor and advise Owner as to variances of any significant nature from established schedule and as to such other matters as the Project proceeds which Consultant believes may impact the schedule.

1.5.3 *Contract Coordination.* Consultant shall analyze, review, and advise Owner as to Design Professionals' drawings and specifications, alternative opportunities/solutions, coordination with construction contracts and documents, and impact upon construction feasibility, cost and schedules.

1.5.4 *Coordination of Contract Documents.* Consultant shall review the Design Professionals' drawings and specifications as they are prepared, recommending alternative solutions whenever design details affect construction feasibility or schedules or otherwise as appropriate.

1.5.5 *Site Inspections.* Consultant shall conduct site visits and inspections as Consultant reasonably deems appropriate and in accordance with a schedule approved by Owner to accomplish the purpose of Consultant's duties and shall provide written reports relating to such visits if Consultant discovers variances from the budget or schedule, quality issues or other such matters or significance to the Project, Consultant shall promptly advise Owner in writing together with Consultant's recommendations with respect thereto.

1.5.6 *Reports.* Consultant shall furnish to Owner reports at least monthly, and more frequently as otherwise agreed between the parties and containing:

- (a) the status of the Project;
- (b) a comparison of the Project budget to costs incurred through the date of the report;
- (c) a comparison of the Project schedule to the work actually completed through the date of the report;
- (d) any revision to the Project schedule or Project budget made during the period covered by the report;

- (e) a summary of change orders made during the period covered by the report;
- (f) a list of all pending change orders and all outstanding issues requiring action or approval by Owner;
- (g) the status of any governmental requirements and activities required to facilitate approval of the Project;
- (h) a forecast of the tasks to be accomplished in the next coming weeks; and
- (i) any other reports concerning the Project as Owner may reasonably request.

1.5.7 Consultant shall be available for questions and follow up by telephone or site meetings with Owner.

1.6 Construction Phase. Consultant will assist in organizing, and will attend with or on behalf of the Owner, meetings with the Contractors and Design Professionals during the construction of the Project, assist and advise the Owner in relation to construction process and progress, and act as the Owner's Representative in this regard.

1.6.1 *Preparation for Construction*. For any services not previously engaged between Design Professional and Owner, Consultant shall work in coordination with the Design Professionals to assist in obtaining support services bids, review and evaluate such bids and make recommendations to Owner with respect to the award of contracts for support services such as survey, environmental and geotechnical; analyze, coordinate and monitor the support services work and its adequacy; review completed work and recommend appropriate action in response to reports and conclusions of support services.

1.6.2 *Permitting*. Consultant shall assist in obtaining and shall review all building permits and special permits, excluding any permits to be obtained directly by the Contractors.

1.6.3 *Construction Monitoring*. Consultant shall advise, assist and represent Owner, as directed by Owner, with regard to the work of the Contractors, project budget, schedule monitoring, record documentation, completion milestones, correction of non-conformities with contract requirements, samples, shop drawings, RFI's, substitutions and other submissions, change orders, and payment approval requests to Contractors. Consultant shall oversee or coordinate with Contractor, all regulatory agency inspections and report to Owner with respect thereto.

1.6.4 *Contractor Meetings*. Consultant shall attend Contractor meetings, as Owner's Representatives, review such matters as progress, scheduling, problems, procedures and alternatives. Consultant shall prepare a summary report of these meetings and distribute copies of the report to the Contractors, Design Professionals, and Owner. Consultant shall focus upon monitoring the schedule, cost and quality as construction progresses, identify potential substantive

variances and develop possible adjustments to correct these variances. Consultant shall promptly notify Owner in writing of these matters.

1.6.5 Cost Control. Consultant shall advise and assist Owner concerning the Design Professionals and the Construction trades systems for Project cost control and develop cost reports and forecasts as needed; identify variances between budget cost and actual cost; maintain cost accounting records; and develop courses of action when/if cost issues become problematic. If budget variances are found Consultant shall provide notification to Owner.

1.7 Records. Consultant shall design and advise Owner concerning a records retention system for retaining copies of all documents of significance pertaining to the Project including contracts, drawings, samples, materials, purchases, maintenance and operation manuals and instructions, current sets of “as built” drawings and Project specifications. At the completion of the Project all such records shall be delivered to Owner.

1.8 Substantial Completion and Final Completion. Consultant shall advise Owner and assist Owner with respect to substantial completion and final completion of the Project and in the preparation and coordination of the completion of punch lists, all in accordance with the terms and conditions of the applicable Design Professional and Contractor contracts. Consultant shall obtain for Owner all required guarantees, affidavits, waivers, maintenance and operation manuals, drawings, keys, record of all difficulties detected and coordination of corrective action.

2. **Owner’s Responsibilities.** Owner shall have the following responsibilities with respect to the Project.

2.1 Information and Approvals. Owner shall promptly provide Consultant with all information, directions and responses to requests for approvals as reasonably requested by Consultant.

2.2 Consultation. Owner shall reasonably be available to Consultant for such consultation, including meetings, as Consultant may request relating to and focused upon issues pertaining to the Project and Consultant’s duties. If Owner observes or otherwise becomes actually aware of any fault or defect in the Project, or nonconformance with the contract documents, prompt notice thereof shall be given by Owner to Consultant. Owner shall identify a single point of contact and decision maker for Consultant to communicate with throughout the Project.

2.3 Special Services. Owner shall furnish such legal, accounting, expediting, licensed professional services, and counseling services as may be necessary for the Project and/or reasonably requested by Consultant relating to the Project.

3. **Compensation.** For the services of Consultant, as set forth in this Agreement, the Owner shall pay Consultant fees and expense reimbursement as follows: (i) Owner’s Representation fee of seven percent (7%) and Developer Fee of three percent (3%) of overall construction costs. Owner Representation Fee and Developer Fee shall not exceed \$500,000 and \$225,000, respectively; and (ii) all properly incurred, Owner approved, and documented third party expenses related to the performance of this Agreement including by way of example printing, duplicating, photography, messages, postage, overnight express delivery, telephone, fax, cellular phone, internet, travel, and mileage at the rate permitted by the Internal Revenue Service;

Consultant shall have no obligation to incur third party or other expenses in excess of such reimbursable amount. Consultant shall invoice on the 1st of each month and be paid by the Owner by the 21st of the same month (net 20). The timing of Consultant fee billings to Owner shall be equivalent to the pro-ration of Project completion, with any direct or other expense reimbursements being invoiced monthly as incurred. Notwithstanding anything to the contrary in this Agreement, Owner may withhold payment to Consultant hereunder if and for so long as Owner finds any of Consultant's services to be defective, untimely, unsatisfactory, or Consultant otherwise fails to perform any of its obligations or otherwise is in default; provided, however, that any such holdback shall be limited to an amount sufficient in Owner's reasonable opinion to cure any such default or failure of performance by Consultant.

#### **4. Insurance.**

4.1 Consultant Required Insurance. Consultant shall comply with the insurance requirements set forth on ***Exhibit B*** attached hereto and made a part hereof. The provisions of this Section 4 shall survive the expiration of any termination of this Agreement.

4.2 Architect, Construction Manager, Contractors, Design Professionals Required Insurance. All persons and entities performing services or work on Project are subject to specific insurance requirements. Consultant shall assist the Owner to administer such requirements for the Project and require that all persons and entities have the proper insurance in effect in compliance with the requirements prior to performing services or work.

#### **5. Indemnification.**

5.1 The agreements with the Contractors shall require the Contractors to agree to indemnify Owner and Consultant and hold them harmless from any and all liability, damages, claims, losses and expenses, including attorney's fees, for bodily injury and property damage that may result from the negligence of the Contractors or their subcontractors, employees or agents, unless otherwise agreed to in writing by Consultant and Owner.

5.2 To the fullest extent permitted by law, the Consultant shall indemnify and hold the Owner, the Owner's officers, directors, members, consultants, agents and employees harmless from all claims for bodily injury and property damage that may arise from the Consultant's services, but only to the extent of the negligent acts or omissions of the Consultant.

5.3 To the fullest extent permitted by law, the Owner shall indemnify and hold the Consultant, the Consultant's officers, directors, members, consultants, agents and employees harmless from all claims for bodily injury and property damage that may arise from the Owner's services, but only to the extent of the negligent acts or omissions of the Owner.

6. **Term and Termination.** The term of this Agreement shall commence on the Effective Date of this Agreement and shall continue until the Project construction is complete and all services described herein are complete or until the Agreement is terminated as set forth in Sections 6.1 or 6.2 hereof. Consultant shall have a continuing obligation, after the term, to comply with any provision of this Agreement intended for Owner's protection or benefit, or that that by

its sense and context, is intended to survive the completion, expiration or termination of this Agreement.

6.1 For Cause Termination. This Agreement may be terminated by the Owner for cause upon the failure of the Consultant to timely and substantively fulfill its obligations hereunder. In order to terminate for cause, Owner must first provide Consultant with written notice describing in detail the failure to perform giving rise to the for cause termination action, which notice shall provide a ten (10) day period to correct/cure such failure. In the event Consultant fails to so cure within the ten (10) day period, Owner may thereupon terminate this Agreement for cause. In the event the Consultant cures the failure within the ten (10) day period, the Agreement shall continue.

6.2 Not for Cause Termination. Owner may terminate this Agreement for any reason or no reason on not less than thirty (30) days written notice. In the event of a termination for Owner's convenience, Consultant shall be entitled to payment, calculated on a pro rata or other equitable basis, determined by Owner in its reasonable discretion, for services satisfactorily performed prior to termination, together with reimbursable expenses then due. In no event shall Consultant be paid for work performed or costs incurred after receipt of notice of termination, or for costs incurred which could have been avoided. Owner shall not pay Consultant for loss of anticipated profits or revenue or other economic loss arising out of or resulting from such termination. Upon receipt of notice of termination, unless the notice directs otherwise, Consultant shall do the following: discontinue all work, placing orders, or entering into contracts for supplies, assistance, facilities, and materials; and shall promptly cancel all existing orders and contracts that are chargeable to this Agreement. As a condition of receiving payment, Consultant shall deliver to the Owner all records pertaining to the Project in the Consultant's possession. The Agreement shall thereupon terminate and neither party shall thereafter have obligation under this Agreement to the other.

6.3 Not for Cause Termination/Consultant. The Consultant may terminate this Agreement not for cause not less than thirty (30) days written notice. In this case, the the Consultant shall be entitled to payment, calculated on a pro rata or other equitable basis, determined by Owner in its reasonable discretion, for services satisfactorily performed prior to termination, together with reimbursable expenses then due. In no event shall Consultant be paid for work performed or costs incurred after receipt of notice of termination, or for costs incurred which could have been avoided. Owner shall not pay Consultant for loss of anticipated profits or revenue or other economic loss arising out of or resulting from such termination. As a condition of receiving payment, Consultant shall deliver to the Owner all records pertaining to the Project in the Consultant's possession. The Agreement shall there upon terminate and neither party shall thereafter have obligation under this Agreement to the other.

## **7. Conflicts; Duty of Loyalty.**

7.1 Conflicts. Consultant represents and warrants to Owner that it has no, and will not acquire any, direct or indirect interest in the Project, Design Professionals, Contractors, or any subcontractor, laborer or materialman, and will not otherwise allow any conflict of interest to exist between its position as Owner's independent representative with respect to the Project and any other financial interest, legal relationship or duty of Consultant. Notwithstanding the

aforementioned, Owner and Consultant acknowledge that during the initial design and demolition phase, Consultant was compensated under the Design Professional agreement and within the General Contractor scope of work (an “**Initial Fee**”). This Initial Fee of \$17,000 shall be credited to the Owner on the final billing of the Project.

7.2 Duty of Loyalty. Consultant acknowledges that it will be performing sensitive and important services for Owner and that Owner would not engage Consultant if there were any circumstances, including representation of other clients, which would create any conflict of interest or the potential for any conflict of interest between Owner and Consultant (“**Conflicts**”). Consultant represents that it has no such Conflicts and that it will not provide services to, or otherwise act on behalf of, itself or any other client in connection with any matter which would create a Conflict or otherwise be detrimental to Owner’s interests.

## 8. **Miscellaneous.**

8.1 Independent Contractor. Consultant is an independent contractor for all purposes under this Agreement and is being engaged by Owner as an advisor and contractor. No joint venture or other business relationship is created by this Agreement and Owner is not liable or responsible for any taxes, fees, or duties imposed upon Consultant as the result of payments hereunder.

8.2 Notice. Any notice required by this Agreement shall be in writing and either delivered by e-mail (with delivery confirmation), personally or by certified mail, postage prepaid, return receipt requested, or by an overnight commercial carrier and delivered or mailed to the parties at their addresses as first set forth above or to the e-mail addresses of the signatories below and/or as provided by the parties (as may be changed from time to time in writing). Notice shall be deemed to have been given on the earlier of (a) the date when received, or (b) two (2) days after deposit in the United States mail in accordance with this section.

8.3 Execution. This Agreement may be executed in counterparts.

8.4 Entire Agreement. This Agreement constitutes the entire Agreement between the parties with regard to the subject matter therein and all prior negotiations, representations, promises and/or agreements whether oral or written are superseded and replaced by this Agreement.

8.5 Dispute Resolution. This Agreement is governed by Michigan law and the resolution of all disputes under this Agreement shall be determined in the state courts located in Kalamazoo County, Michigan.

8.6 Interpretation. Both parties have had the benefit of counsel and the terms of this Agreement shall be interpreted as if both parties drafted them.

8.7 Assignment/Modification. Neither party may assign or modify this Agreement or rights and obligations thereunder without the prior written consent of the other.

8.8 Binding Agreement. This Agreement is binding upon the parties hereto and their successors and permitted assigns.

In Witness Whereof the parties have executed this Agreement as of the date set forth above.

**Owner:**

**Cass County, Michigan**

Date: \_\_\_\_\_, 2022

By \_\_\_\_\_

Its \_\_\_\_\_

**Consultant:**

**Plazacorp Realty Advisors, Inc.**

Date: \_\_\_\_\_, 2022

By \_\_\_\_\_

Its \_\_\_\_\_

**EXHIBIT A**  
**Property Description**

## **EXHIBIT B**

### **CONSULTANT'S INSURANCE REQUIREMENTS**

1. Throughout all phases of the Project, the Consultant shall keep in force, at its sole cost and expense, the following insurance coverages with an insurance company licensed to operate in the State of Michigan, with all Consultant insurance carriers having an AM Best rating of an "A" or better:

1.1 Comprehensive General Liability coverage including coverage for (i) premises operation; (ii) contractual insurance; and (iii) personal injury (including employees employed by the Consultant being named as additional insureds) with coverage of One Million Dollars (\$1,000,000) each occurrence and Two Million Dollars (\$2,000,000) annual aggregate for bodily injury, property damage and personal injury;

1.2 Evidence of Automobile Liability coverage, comprehensive form, with combined single limit coverage of One Million Dollars (\$1,000,000) for bodily injury and property damage.

1.3 Evidence of statutory Workers Compensation coverage or provide an exemption form. The General Liability policy shall list the Owner (including its officers and employees) as Additional Insureds. Coverage shall be afforded to the Additional Insured whether or not a claim is in litigation. Each policy shall provide that it may not be cancelled or substantially modified without thirty (30) days prior written notice to the Owner. The Consultant shall deliver to the Owner copies of all insurance policies required under this Agreement within ten (10) days from the date of the Agreement.

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## CASS COUNTY BOARD OF COMMISSIONERS

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**TO: Board of Commissioners**

**FROM: Matthew Newton, County Administrator**

**DATE: October 7, 2022**

**RE: Obligate Funding for Historic Courthouse Renovation**

**REQUEST:**

Adopt a resolution to obligate funding for Historic Courthouse Renovation

**BACKGROUND:**

With the completion of Phase 2 Design and Development and interior demolition, we have been able to refine the overall budget for the project and provide an updated, detailed final cost proposal. The total project budget includes all anticipated expenditures including the Phase 3 work to be completed by Intersect Studio, the Owner's Representative Agreement with Plazacorp, and all costs associated with the construction and renovation.

There are a few key things to be noted here. The Total Project Budget represents the maximum total costs that could be anticipated for the project. This includes \$535,418.00 in contingency and also the demolition that is slated to be completed in the next 2 weeks. As such, for the purposes of the obligation of funding, the demolition costs were subtracted from the Total Project Budget, resulting in a final maximum project cost of \$9,626,276.00. Another key factor to note here is that we anticipate further refinement of the project budget as work commences. For example, the AV/Audio System and Security/Surveillance systems proposed will likely be further refined with an emphasis on cost reduction. There are also scope alternatives that could be explored that could result in an additional \$372,320.00 in cost savings. And, other aspects of the project could also see revision and refinement such as the extent and scope of anticipated sitework. In summary, the focus here was on presenting a maximum project cost to ensure costs were not understated in any way. However, we do anticipate that additional cost savings measures will be implemented.

Additionally, the project will result in expenditures that will span across both FY 23 and FY 24. This provides opportunities for allocating said expenditures across 2 budget cycles providing for increased flexibility. As a result, ½ of the Owner Representative Agreement fees from PlazaCorp have already been agreed to be delayed to FY 24. This provides other opportunities for funding allocation changes as may be deemed necessary or desirable. For example, we anticipate that Marijuana Tax Revenue will likely increase in both FY 23 and FY 24 based on state-wide sales data and the addition of new facilities in the county. An increase was not budgeted in either FY 23 or FY 24. If said increase is realized, those funds could be pushed to increase funding to the Public Improvement Fund. There are also other opportunities that, while not completed at this time, are anticipated to play a central role in the future. Primarily, this would include the sale of the annex building after being vacated. Of importance here, if said revenues are realized but occur after the completion of this project, said funding would be planned to be utilized to facilitate other necessary county improvements.

One key aspect of the resolution presented for the obligation for funding revolves around the use of the Coronavirus State and Local Fiscal Recovery Fund ("CSLFRF") through the American Recovery Rescue Plan Act (ARPA). Currently, \$5 million of the funds available was already designated for the Historic Courthouse Renovation Project. Roughly, \$1.7 million remains unallocated. Funds were reserved but not obligated for 2 other projects. \$297,000 was designated for use for Sheriff Office Improvements and \$1.5 million was designated for jail improvements. To facilitate the Historic Courthouse, the Capital Projects Committee would recommend that the full, remaining balance of CSLFRF (ARPA)



## CASS COUNTY BOARD OF COMMISSIONERS

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funding be redesignated and obligated towards the Historic Courthouse Project. When combined with funding from the Public Improvement Fund, this should allow the County to complete this project without the need for utilizing any external financing or use of fund balance from the General Fund.

We'd also note that the Capital Projects Committee fully recognizes the importance of the aforementioned projects. The decision to redesignate funds does not preclude those projects from continuing when final designs and plans are prepared and ready. As noted earlier, if excess revenue is realized through the possible sale of the annex or through increases in other areas of the budget, the plan would be to utilize those exceed proceeds to increase funding to the Public Improvement Fund to be utilized on the Jail and Sheriff Office Projects. Additionally, if necessary, the Capital Projects Committee noted that financing options could be explored to facilitate those projects as well. The key matter here is the most effective use of existing CSLFRF funds. Since the Courthouse Project is ready to proceed at this time, while the other projects are in the early programming phases, it is logical to leverage the CSLFRF funding towards the Courthouse to ensure further cost escalations are avoided. Additionally, the importance of the other projects is fully understood and future year budgets and planning will be utilized to ensure that those projects are able to proceed.

We have now reached the final stage of a Courthouse Project that has been almost 20 years in the making. If funding is obligated, construction will begin within the next 1 to 3 months with an anticipated completion of late fall 2023 or early 2024. With the time, energy, and resources that have gone into the planning and execution of the project thus far as well as the massive benefits we anticipate the project to provide to both county operations and the community, we feel that proceeding with the obligation of funding will have a tremendous impact on the future of the County and will provide for an incredible shift in operational efficiencies for years to come.

### **REVIEWS:**

Prior to submitting this request, this agenda item was reviewed by all impacted departments noted below: (Administration, Maintenance, HR, and IT)

### **Administration**

### **FINANCIAL ANALYSIS:**

The project, as presented, would require the use of all remaining CSLFRF (ARPA) funding as well as \$1.5 million from the Public Improvement Fund over FY 23 and FY 24. No use of fund balance is contemplated. Additionally, we want to emphasize that the total project budget presented represents the maximum costs anticipated. We do commit and expect to realize cost-savings on the overall project. And any cost-savings that are realized would be retained in the Public Improvement Fund for the purpose of providing one source of funding for the Jail and Sheriff Office Improvement Projects previously discussed.

### **RECOMMENDATION:**

Approve R-198-22 as presented.

# CASS COUNTY BOARD OF COMMISSIONERS

## R-198-22

### A RESOLUTION TO OBLIGATE FUNDING FOR HISTORIC COURTHOUSE RENOVATION

**WHEREAS**, Cass County endeavors to complete the renovation of the Historical Courthouse to enhance and improve operations and provide an increased level of service to the County; and

**WHEREAS**, R-43-22 designated \$5 million of the County's allocated \$10,059,018.00 in funding under the Coronavirus State and Local Fiscal Recovery Fund ("CSLFRF") Program of the American Rescue Plan Act ("ARPA") toward the Historic Courthouse Renovation Project; and

**WHEREAS**, the completion of Phase 2 Design and Development services resulted in the creation of a final, detailed project budget; and

**WHEREAS**, the total project budget is \$9,626,276.00, including \$535,418.00 in contingency and less the already completed interior demolition work; and

**WHEREAS**, the project completion timeline will result in project expenditures being spread across FY 23 and FY 24; and

**WHEREAS**, the commitment of funds to the Historical Courthouse Project prior to October 31, 2022 will guarantee pricing and prevent further cost escalation; and

**WHEREAS**, the County currently has \$8,118,819.04 remaining in total CSLFRF funding; and

**WHEREAS**, said funding previously designated for use on other County projects shall be redesignated and obligated for use on the Historical Courthouse Project.

**NOW, THEREFORE, BE IT RESOLVED** by the Cass County Board of Commissioners to obligate funding for the Historic Courthouse Renovation Project as follows:

1. \$8,118,819.04 million in funding from the Coronavirus State and Local Fiscal Recovery Fund (ARPA)
2. \$1,507,456.96 million in funding from the Public Improvement Fund

**BE IT FURTHER RESOLVED** that the designation of funding does not preclude the County from seeking alternative funding sources or grants as may be applicable to further reduce overall costs; and

**BE IT FURTHER RESOLVED** that the County shall seek all cost-saving opportunities on the project, where applicable, which will not have any adverse impact on future operation, function, or maintenance of the Historical Courthouse.

**ADOPTED THIS 7th DAY OF OCTOBER 2022**

**ATTEST:**

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Monica McMichael, Clerk/Register  
COUNTY OF CASS

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Dwight Dyes, Chair  
CASS COUNTY BOARD OF COMMISSIONERS



October 5, 2022

County of Cass  
Attn: County Commissioners  
120 N Broadway  
Cassopolis, MI 49031

Dear Commissioners:

We have prepared the following summary and recommendation for construction services for the renovation of the County Administration Building located at 120 N Broadway. This recommendation is based on a thorough review of the trade contractor bids received by the General Contractor (Elite Companies), multiple meetings with the design team as well as project stakeholders, and reflects extensive efforts to obtain the best value market pricing at this time.

Based on our understanding of the project and goals of the County, **we recommend that the County enter into a construction contract with Elite Companies, LLC for a lump sum contract value of \$6,859,146.00 (six Million, eight hundred and fifty-nine thousand, one hundred and forty-six dollars).** Note that this does not include the current demolition contract of \$440,570 that will be final billed in October 2022. This contract value is based on the following scope of work INCLUDED with this contract:

- Includes items of work noted within Intersect Studio plans dated 8/18/2022, including Addenda #1 (8/24) for door/window schedules and #2 (dated 8/26/22) for sound masking clarifications
- Includes a Construction Contingency of 7% (\$435,659)
- Includes Acceptance of Value Engineering (VE) Deducts included in attached, which modify the above-mentioned plans to reduce overall costs. Note that failure to accept these value engineering adjustments would increase the above contract value to approximately \$8.2 million

Should the County require greater cost savings from the construction contract value above, the General Contractor has proposed an ALTERNATE Deduct cost to eliminate the parking lot expansion East of the existing building. This could provide additional savings of \$429,000 (reduce the proposed contract value to \$6,430,146.00) should the additional parking spaces and improved traffic flow be deemed unnecessary.

Please note that the above construction contract EXCLUDES several large areas of work that will be contracted directly with the County and not included in the contract with the General Contractor. These areas of work are still being finalized at this time, with an estimated total of \$3.1 million (bring overall project cost to

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[www.plazacorp.net](http://www.plazacorp.net)



approximately \$10 million, including an overall contingency of \$500,000). These areas of work include the following:

- Demolition (currently under separate contract with Elite Companies for \$440,570, with completion expected October 2022)
- IT (including server relocation)
- Audio-Visual (A/V) system (including sound-masking)
- Window Treatments
- Signage
- Furniture, Fixtures & Equipment (FF&E)
- Design fees (Intersect Studio)
- Development & Owner's Representative fees (Plazacorp Realty Advisors)

Pending approval of the above construction contract value at your October 7<sup>th</sup> meeting, we will assist the County in working through a formal contract with Elite Companies as well as continue to define the value engineering deducts noted within this project.

We look forward to further discussion with the Commissioners at your upcoming meeting and are more than happy to respond to any questions you may have at this time.

Respectfully submitted,

PLAZACORP REALTY ADVISORS

John Walsh, P.E.

Vice President of Facilities & Construction

Cc: Andy Wenzel (Plazacorp)  
Matt Bastos (Plazacorp)  
Bill LaDitka (Intersect Studio)  
Jim Felch (Elite Companies)

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## Cass County - Administrative Workplace

### Total Project Budget Comparison

September 29, 2022

| Construction Costs                               |       | Cass County Historic Courthouse Building Renovation |                         |                     |                                                                                   |
|--------------------------------------------------|-------|-----------------------------------------------------|-------------------------|---------------------|-----------------------------------------------------------------------------------|
|                                                  |       | AVB - SD<br>Fall 2021                               | Elite - DD<br>Fall 2022 | Difference          | Notes                                                                             |
| Building Renovation                              |       | \$ 4,224,553                                        | \$ 5,253,255            | \$ 1,028,702        |                                                                                   |
| GC Site Work                                     |       | \$ 281,392                                          | Included above          | \$ (281,392)        |                                                                                   |
| County Road Comm Site Work                       |       | \$ 160,000                                          | Included above          | \$ (160,000)        | TBD Portion of the site development to be performed by the County Road Commission |
| Demolition (underway)                            |       | Included above                                      | \$ 449,381              | \$ 449,381          |                                                                                   |
| <b>Subtotal Construction Costs</b>               |       | <b>\$ 4,665,945</b>                                 | <b>\$ 5,702,636</b>     | <b>\$ 1,036,691</b> |                                                                                   |
| CM Fee                                           |       | \$ 202,312                                          | \$ 199,781              | \$ (2,531)          |                                                                                   |
| Cost Escalation                                  | 4%    | \$ 177,228                                          | \$ 970,451              | \$ (177,228)        | 13% additional escalation since Fall 2021                                         |
| Contingency                                      |       | \$ 632,224                                          | \$ 435,659              | \$ (196,565)        |                                                                                   |
| <b>Total Construction Costs</b>                  |       | <b>\$ 5,677,709</b>                                 | <b>\$ 7,308,527</b>     | <b>\$ 1,630,818</b> |                                                                                   |
| Owner's Rep / Developer Fee                      |       |                                                     | \$ 730,853              |                     | 10% of total construction costs                                                   |
|                                                  |       |                                                     |                         |                     |                                                                                   |
| <b>Owner Direct Costs</b>                        |       |                                                     |                         |                     |                                                                                   |
| <b>Soft Costs</b>                                |       |                                                     |                         |                     |                                                                                   |
| Furniture & Access. Allowance                    |       | \$ 428,000                                          | \$ 470,000              | \$ 42,000           | Cost Escalation                                                                   |
| Window Treatments Allowance                      |       | \$ 33,000                                           | Inc. in Const. Cost     | \$ (33,000)         |                                                                                   |
| Network Cabling/Data/WIFI                        |       | \$ 0                                                | \$ 0                    | \$ 0                | In Renovation number above                                                        |
| AV, Audio System / Sound Masking                 |       | \$ 250,500                                          | \$ 450,000              | \$ 199,500          |                                                                                   |
| Security / Surveillance                          |       | \$ 90,000                                           | \$ 275,000              | \$ 185,000          | Access control in Renovation number above                                         |
| Server Relocation Allowance                      |       |                                                     | \$ 100,000              | \$ 100,000          |                                                                                   |
| Branding & Signage Allowance                     |       | \$ 95,000                                           | \$ 95,000               | \$ 0                |                                                                                   |
| Design & Engineering Fee (completed)             |       | \$ 408,000                                          | \$ 281,518              | \$ (126,482)        | DD Phase: Survey, Design, Architecture, Structural/ MEP/ Civil                    |
| Design & Engineering Fee (CD/CA) to be completed |       |                                                     | \$ 265,000              | \$ 265,000          | CD & CA                                                                           |
| <b>Subtotal Owner Direct Costs</b>               |       | <b>\$ 1,304,500</b>                                 | <b>\$ 1,936,518</b>     | <b>\$ 632,018</b>   |                                                                                   |
|                                                  |       |                                                     |                         |                     |                                                                                   |
| <b>Total Project Subtotal</b>                    |       | <b>\$ 6,982,209</b>                                 | <b>\$ 9,975,898</b>     | <b>\$ 2,262,836</b> |                                                                                   |
| Owner Contingency                                | 1%    | \$ 69,822                                           | \$ 99,759               |                     |                                                                                   |
| <b>Total Project Budget</b>                      |       | <b>\$ 7,052,031</b>                                 | <b>\$10,075,657</b>     | <b>\$ 3,023,626</b> |                                                                                   |
|                                                  | 25304 | \$ 279                                              | \$ 398                  | \$ 119              | Total Cost per square foot                                                        |
|                                                  |       |                                                     |                         |                     |                                                                                   |

## Cass County - Administrative Workplace Total Project Budget Comparison

Sept 28, 2022

| Cass County Historic Courthouse<br>Building Renovation |                     |
|--------------------------------------------------------|---------------------|
|                                                        |                     |
| <b>Scope Adds</b>                                      |                     |
| Plumbing / HVAC - new service & gear                   | \$ 286,174          |
| Electrical - new service & gear                        | \$ 60,000           |
| Fire Suppression - new system & gear                   | \$ 47,660           |
| Roof work - shingle & aluminum                         | \$ 105,000          |
| Removal of Existing Fire Stair & Infill Slab           | \$ 142,500          |
| Foundation Waterproofing Scope Increase                | \$ 100,000          |
| Curtain Wall Replacement @ Connector                   | \$ 67,000           |
| Asbestos Abatement                                     | \$ 37,560           |
| Attic Demo                                             | \$ 43,700           |
| Attic Insulation                                       | \$ 4,500            |
| Full Building Generator & Infrastructure               | \$ 247,320          |
| Motorized Window Shades @ Service Desks                | \$ 25,000           |
| Relocation of Server Room (GC scope)                   | \$ 8,750            |
|                                                        |                     |
| <b>Total Scope Adds</b>                                | <b>\$ 1,175,164</b> |

## Cass County - Administrative Workplace Total Project Budget Comparison

Sept 28, 2022

| Cass County Historic Courthouse Building Renovation   |                       |
|-------------------------------------------------------|-----------------------|
| Accepted VE Deductions                                |                       |
| Plumbing / HVAC - design assist systems/ scope        | \$ (343,826)          |
| Electrical - design assist systems/scope              | \$ (425,000)          |
| Eliminate all scope at 1st floor annex                | \$ (21,000)           |
| Simplify Generator Enclosure to Wood Fencing          | \$ (50,000)           |
| Replace Brass Stair Handrails w/ Alum                 | \$ (27,500)           |
| Replace Glass handrail w/ metal                       | \$ (3,000)            |
| Replace wood newels w/ metal                          | \$ (6,000)            |
| Replace Ext Steel Handrails w Aluminum                | \$ (10,000)           |
| Alt Framing at Fireproofing                           | \$ (65,000)           |
| Alternate flooring & specs & tile reduction           | \$ (37,000)           |
| Existing South Entry SF system to remain              | \$ (8,000)            |
| Alternate lighting fixture specs & qty                | \$ (75,000)           |
| Leave connector ceilings to remain & repair as needed | \$ (12,000)           |
| No new roof hatch at Tower, repair only               | \$ (3,000)            |
| Reduce interior glazing / sidelites                   | \$ (10,000)           |
| Simplify / Reduce Millwork, alt for open shelves      | \$ (7,000)            |
| Replace Stair Wall Panel System w/ Paint & Some Trims | \$ (37,500)           |
| Alt wood species & reduce stain-grade trims           | \$ (10,000)           |
| Existing Dumpster Pad & Fence to remain, repair       | \$ (35,500)           |
| Remove Millwork Bench                                 | \$ (3,000)            |
| Remove Alternate Solid surface sills                  | \$ (21,100)           |
| Remove Termite & Pest Control service                 | \$ (7,335)            |
|                                                       |                       |
| <b>Total Accepted Deductions</b>                      | <b>\$ (1,217,761)</b> |
|                                                       |                       |
| Proposed VE Deduction Alternates                      |                       |
|                                                       |                       |
| Curtain Wall Replacement @ Connector                  | \$ (67,000)           |
| Full Building Generator & Infrastructure              | \$ (207,665)          |
| Generator-Related Site Work                           | \$ (37,655)           |
| Limestone Cleaning & Tuckpointing                     | \$ (45,000)           |
| Manual vs Electric Shades @ Service Windows           | \$ (15,000)           |
|                                                       |                       |
| <b>Total Proposed Alternates</b>                      | <b>\$ (372,320)</b>   |
|                                                       |                       |
| <b>Total Proposed Deductions</b>                      | <b>\$ (1,590,081)</b> |

Sept 28, 2022

| Cass County Historic Courthouse<br>Building Renovation |                     |
|--------------------------------------------------------|---------------------|
|                                                        |                     |
| <b>Proposed Scope Alternates</b>                       |                     |
|                                                        |                     |
| Curtain Wall Replacement @ Connector                   | \$ (67,000)         |
| Full Building Generator & Infrastructure               | \$ (207,665)        |
| Generator-Related Site Work                            | \$ (37,655)         |
| Limestone Cleaning & Tuckpointing                      | \$ (45,000)         |
| Manual vs Electric Shades @ Service Windows            | \$ (15,000)         |
|                                                        |                     |
|                                                        |                     |
| <b>Total Costs of Scope Alternates</b>                 | <b>\$ (372,320)</b> |
|                                                        |                     |
|                                                        |                     |

Projected (Estimated - Non-Contractual) Cash Flow - Rolling 12 Month Forecast

| Cash Flow Breakdown                    | Base Value      | Oct-22        | Nov-22       | Dec-22       | Jan-23       | Feb-23        | Mar-23        | Apr-23        | May-23        | Jun-23        | Jul-23        | Aug-23        | Sep-23        | Oct-23        | Nov-23        | Dec-23        | Jan-24        | Feb-24        | TOTAL           |
|----------------------------------------|-----------------|---------------|--------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|-----------------|
| ELITE Companies                        | \$ 538,759.06   | \$ -          | \$ 21,550.36 | \$ 2,693.80  | \$ 5,387.59  | \$ 26,937.95  | \$ 37,713.13  | \$ 48,488.32  | \$ 64,651.09  | \$ 39,329.41  | \$ 70,038.68  | \$ 64,651.09  | \$ 37,713.13  | \$ 53,875.91  | \$ 37,713.13  | \$ 16,162.77  | \$ 1,077.52   | \$ 10,775.18  | \$ 538,759.06   |
| General Conditions/Site Specific       | \$ 183,099.18   | \$ -          | \$ 366.20    | \$ 915.50    | \$ 1,830.99  | \$ 9,154.96   | \$ 12,816.94  | \$ 16,478.93  | \$ 21,971.90  | \$ 13,366.24  | \$ 23,802.89  | \$ 21,971.90  | \$ 12,816.94  | \$ 18,309.92  | \$ 12,816.94  | \$ 5,492.98   | \$ 7,323.97   | \$ 3,661.98   | \$ 183,099.18   |
| Trade Contractors                      | \$ 5,484,378.15 | \$ -          | \$ 10,968.76 | \$ 27,421.89 | \$ 54,843.78 | \$ 274,218.91 | \$ 383,906.47 | \$ 493,594.03 | \$ 658,125.38 | \$ 400,359.60 | \$ 712,969.16 | \$ 658,125.38 | \$ 383,906.47 | \$ 548,437.82 | \$ 383,906.47 | \$ 164,531.34 | \$ 219,375.13 | \$ 109,687.56 | \$ 5,484,378.15 |
| GC/Trade Allowances Assumed Full Spend | \$ 237,733.00   | \$ -          | \$ 20,000.00 |              |              | \$ 34,250.00  |               |               |               |               |               | \$ 77,500.00  | \$ 45,000.00  | \$ 35,500.00  | \$ 25,483.00  |               |               |               | \$ 237,733.00   |
| Assumed/Estimated Owner Driven Spend   | \$ 435,659.00   | \$ -          | \$ 871.32    | \$ 2,178.30  | \$ 4,356.59  | \$ 21,782.95  | \$ 30,496.13  | \$ 39,209.31  | \$ 52,279.08  | \$ 31,803.11  | \$ 56,635.67  | \$ 52,279.08  | \$ 30,496.13  | \$ 43,565.90  | \$ 30,496.13  | \$ 13,069.77  | \$ 17,426.36  | \$ 8,713.18   | \$ 435,659.00   |
| Demolition (final billed Sept 2022)    | \$ 428,899.00   | \$ 428,899.00 | \$ -         | \$ -         | \$ -         | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ 428,899.00   |
|                                        |                 |               |              |              |              |               |               |               |               |               |               |               |               |               |               |               |               |               | \$ -            |
| Totals:                                | \$ 7,308,527.39 | \$ 428,899.00 | \$ 53,756.63 | \$ 33,209.48 | \$ 66,418.95 | \$ 366,344.77 | \$ 464,932.68 | \$ 597,770.58 | \$ 797,027.45 | \$ 484,858.36 | \$ 863,446.40 | \$ 874,527.45 | \$ 509,932.68 | \$ 699,689.54 | \$ 490,415.68 | \$ 199,256.86 | \$ 245,202.97 | \$ 132,837.91 | \$ 7,308,527.39 |