

**Wellesley Advisory Committee
Juliani Room, Town Hall
March 21, 2018, 7:00 PM**

Those present from the Advisory Committee included Jane Andrews, Todd Cook, Rose Mary Donahue, Tom Fitzgibbons, Mary Gard, Mike Hluchyj, Mark Kaplan, Paul Merry, Betsy Roberti, Tom Skelly and Andrea Ward.

Mike Hluchyj called the meeting to order at 7:00 p.m.

7:00 p.m. Citizen Speak

There was no one present for Citizen Speak.

7:00 p.m. Board of Library Trustees/PBC re: Main Library Interior Renovation Design Costs (ATM Warrant Article 19)

Marla Robinson, Chair, and Ann-Mara Lanza, Secretary, Board of Library Trustees; Jamie Jurgensen, Library Director; Matt King, Chair, Permanent Building Committee (PBC); and Steve Gagosian, Design and Construction Manager, Facilities Management Department (FMD), were present.

Mr. King presented for the PBC.

Project Timeline

- When Trustees first came to PBC, original proposal was for more of a typical construction process; finish each space before move onto the next; similar to process with schools
- PBC recommendation was instead to think of this project as a “summer slammer”; give contractors full access to the facility
 - Trustees took recommendation to heart and worked with architect and FMD
- Request for design funds will be made at this ATM; would return with bids in hand at next ATM to request construction funds
- Construction schedule presented tonight (tentative; may change) targets Fall 2019 for construction
 - Timing dictated by need to order all materials (Furniture, Fixtures & Equipment (FF&E)) after ATM approval of funds

There was a question seeking clarification that the project is more of a “fall slammer” than a “summer slammer”: Yes.

PBC Project Budget

Total Budget \$395,675 for design phase; components include:

- Architects and engineers \$108,550 – developed in conjunction with architect who produced feasibility study
- Destructive testing \$5,000
- Presentations (3) \$9,000: additional presentations outside PBC, e.g., community outreach, fundraising efforts
- Cost estimates (3)/logistical studies \$30,000: very large component with regard to furnishings and equipment; want to check in three times, similar to a large construction project; want to make sure stay on budget and track this hard

- Reimbursables \$10,000: for architects and their teams; additional sketches and documents not part of base contract; PBC reviews invoices as presented
- FF&E Planning (includes book sorter) \$68,450: would hire a consultant for this; assist with furniture layout, fabric on seats, integrate furnishings and equipment into computer-aided design bid documents; some of this in past has been rolled into architect's number; trying to separate items out of overall number to expose them
- All of the above sum to total architecture & engineering figure of \$231,000

There was a question as to where that \$68,450 number for FF&E Planning comes from: Architect and consultant will spend time with users and take them to vendors to try out equipment, etc.; used a consultant for the senior center. There was a follow up question as to whether this would be a team of people: Yes, two people. There were further questions as to the hourly rate: Break down all FTEs on a weekly and/or task basis; that's how PBC constructs numbers with architect; look at critical events and start building from bottom up; hourly rates range from clerical staff at \$70/hour all the way up to senior partners at slightly over \$200/hour. There was a question how many total hours there would be given the \$68,450 total costs.

- Owner's Project Manager (OPM) cost estimated at \$90,000 based on recent experience with monthly run rates (which have ranged from \$6,000-\$15,000/month); cost shown here is based on nine months at \$10,000 per month; hope to get actual cost down to \$7,000-\$8,000/month

There was a question whether FMD could staff the OPM internally: At this time, no, but always looking towards that, especially with this type of project.

- Acoustical consultant \$10,000: typically carry this line item for auditorium, library, music spaces, etc.; consultant looks at existing and projected spaces

There was a question whether, if you disrupt some of existing space, that means acoustics of entire Library would have to be reconsidered: They would look at adjacent spaces – e.g., in children's room, where project will dig in a bit, will check that existing wall finishes and construction of wall are similar in design and layout, but primary mission is with newer spaces that are being created. There was a follow up question as to how the acoustical consultant is billed: Typically hourly, but in this case PBC will present schematics in early phases of construction and consultant will develop a fee; \$10,000 figure has been estimated based on conversations with architect.

- Fire prevention review \$1,500: required to carry this because will be reworking sprinklers in the space; there is a firm that assists Wellesley Fire Department in reviewing final drawings and doing inspection
- Other expenses/allowances include
 - Printing \$1,000
 - Legal \$2,000
 - PBC Expense \$1,000
 - Bid Docs Online \$5,000: allows bidders to access electronically rather than hard copies at Town Hall; significant cost savings (could be as much as \$30,000 if paper documents)
 - Submittal Exchange \$4,000: hosting site for all documents
- Contingency (15% of Architectural Costs and OPM) \$50,175

There was a question as to how much of the FF&E Planning includes re-doing the space to put the book sorter in: Budget contemplates that that space will be reworked within this project.

There was a question as to how the acoustical consultant works: PBC requests services from the architect, e.g., with the new High School auditorium; contractually, could hire acoustical consultant directly, but would have to go through Request for Qualifications (RFQ) process and take lowest responsible bidder; PBC has ability to direct architect or OPM to hire consultant on Town's behalf and pay small backup; architect would suggest individuals and PBC would check resumes/references/etc.

There was a question as to what particular parts of the Library have acoustic dimensions that require this analysis: Looking at sound transmission; project is going to create a café space that will have certain level of activity that is not typical of Library; looking at sound transmission through walls, ductwork, etc.; looking at diffusers.

There was a question as to the escalation in the cost of the design funds – when originally presented this fall, the estimate was \$245,000, but now is \$395,000 – and why there isn't concern that the cost of construction may ultimately jump 60%, as well: PBC tries to warn proposing boards, once a project comes across PBC's threshold, cost will go up; contingencies are added (went with 15% here, higher than architect originally looked at) and all the other line items are built in; PBC looks at OPM (no one contemplated having one, and that's \$90,000 right there) and does deeper dive with architect on FF&E (that ended up with an additional \$18,000) and acquainted architect with fact that this is a very involved town; submittal exchange went up by \$1,000 due to market conditions. There was a follow up question as to where the \$245,000 original figure came from: Imagine that was initial estimate coming out of feasibility study – this is first time PBC is appearing in front of Advisory.

- Estimated construction costs – included in handout – are there only to give some order of magnitude; PBC is not here to present construction costs at this time; still a lot of ground to cover
- Estimated construction costs range from \$3.6 million (13-week project) to \$4.0 million (25 weeks) to \$4.1 million (38 weeks)

There was a question seeking to confirm that the construction numbers are susceptible to increasing by same percentage over estimates that the design funds did: Yes, as with every other project that PBC brings forward.

There was a question as to whether there is a typical shelf life for this kind of design: Yes, on a conceptual level; new editions of building code always cause problems (as with Bates School project, after it was tabled for a while); also, same architect may not be available, and new architect would have to redo the drawings. There was a follow up question as to the escalator factor if construction funding were delayed: About 5.5-6.5% per year.

There was a question whether PBC looks at the design estimates that came out of the feasibility study in developing its own design costs: Very first step for PBC is to request brief presentation along with all the documentation that was assembled during feasibility; previous experiences lead us to start asking questions; fresh set of eyes on project; great team effort, and Library's willingness to shut down for a period of time, from a duration standpoint, makes the project a slam dunk.

There was a question as to “whose” numbers the construction cost estimates are and where they come from: Hard construction costs are based on feasibility study; generally doesn't change that much unless find out something like a wall that is to be taken down is load-bearing, etc.; PBC has a pretty good handle on things like cost/square foot; absent a major change in scope and direction (unlikely where majority of project, as here, is FF&E), fee numbers will rarely move, and if so, it's a minor adjustment; moving further into spreadsheet, those are PBC's contributions based on its experience; generally on a construction range like this wouldn't expect it to vary very much.

There was a question whether, in the case of the Library, we have a better understanding of the building and what things will cost given its fairly recent construction, compared to other projects: Yes, that's why PBC willing to put these numbers forward; don't have a complete lack of knowledge, as with the Middle School; reasonable degree of faith.

There was a question whether PBC has bandwidth to do all the projects coming before it, even with addition of staff: Always a great question; this is the slowest PBC has been in a while; looking at this project and other ones going on, this isn't a tremendous burden; once HHU projects finally make it to PBC, then bandwidth will become an issue.

There was a question whether there has been any vetting of the initial design plans at all: Typically, PBC doesn't do a lot of that coming out of feasibility; schematics are where this comes up.

There was a comment/question as to the process here: This was an FMD-managed study.

There was a question for further clarification as to the Clerk of the Works vs. OPM: During construction, OPM is director of all communications within project—between general contractor and subcontractors, with Town, architect, PBC, etc.; OPM is signal caller for all that; manages all documents; all information passes through OPM's hands; whereas the Clerk of the Works is the eyes and ears to everyday activities; on site from when gate opens to when locked at end of day; documents/photographs/logs all the persons on site, material deliveries, equipment, weather, etc.; Clerk constructs real, tangible history of the project on a daily basis; don't want to pay architect at \$170/hour to watch that. There was a follow up question as to who the OPM and Clerk of the Works were in 2003 when Library originally built: Library was one of last projects where Town didn't have an OPM; Clerk of the Works on those jobs was a temporary, direct hire; architectural firm that did original design split and parted ways.

There was a request for clarification on the contingencies: Typically for new construction, contingency would be 5-7.5%; for renovation, would go as high as 18-22%; Fiske and Schofield renovations were probably 17-18% contingencies; with interior renovation, tend to look at what we are installing for systems.

There was a question whether the existence of current Library designs would tend to reduce risks: Yes, but not perfect; case in point is the Police Station; things happen.

There was a question about FF&E Planning during construction: When material gets delivered to the site there is some coordination/inspection/assembly/etc.; that's why it occurs during construction.

There was a question confirming that the original design estimates of \$245,000 did not include an OPM, because it was contemplated that FMD would do that: Yes, there is \$90,000 included here to hire an outside person to be OPM.

There was a request to walk the Committee through the three different scenarios on timing: "Long Phase" (38 weeks) is what was originally contemplated; least intrusive and would be working in discrete places; still pretty painful process, as staff will experience; "Quick Phase" (25 weeks) involves closing concurrent spaces and freeing up more of building; some concerns about that with sprinkler work; sometimes you have to drain the sprinkler system in order to do certain work, but then you can't have occupancy; neither 38-week nor 25-week job is very desirable to general contractors, especially where most of it is FF&E; third option is "Summer Slam" (13 weeks).

There was a follow up question as to how the 25-week process would work—e.g., one floor at a time: Not exactly; trying to grab more space at once without putting Library out of business.

There was a question whether, during the 13-week “Slammer” project, which is approximately one quarter of the fiscal year—and if a quarter of personal services at the Library is about \$500,000—the employees would be paid during this period: Defer to Trustees/Director. Ms. Jurgensen subsequently explained that although there will be some savings, will continue to use most staff during the construction process; branches would increase hours, along with possibility of using Wakelin room as short-term Library space; work force will be redeployed and used elsewhere; books and deliveries will still be coming in; may have satellite locations and mobile sites; however, won’t use pages and on-call employees during that period.

There was a comment that these estimates show where economies can be achieved; example of great work FMD/PBC are doing to look at these projects and the various timing scenarios that could occur: PBC wants to clarify that it is presenting 3-4 month version as preferred one; that is full focus entering design phase; do not believe that a 38-week process is desirable in today’s economy.

There was a question seeking confirmation, based on other presentations, that the renovation project would eliminate \$800,000 from the Town’s five-year capital plan: Closer to \$500,000, in relation to lighting, painting, carpet replacement, with a five-year lookout. Ms. Lanza explained that about \$405,000 was from the Library’s capital budget (including \$350,000 for the materials handler) and remainder was from FMD’s capital budget.

There was a question whether, if the Trustees were to decide that summer was a better time period in which to do the project than fall, and assuming there is not enough time (as stated by PBC) after 2019 ATM to get project up and running for Summer 2019, the bids would become stale for construction in Summer 2020: PBC agrees that summer would be a great time, but has 60 days to award bid, so would have to try and attract/convince general contractors and manufacturers that Town has a great job that it will award in June 2019 but work can’t start until June 2020; makes job less attractive and carrying costs will increase; still trying to work this out.

Ms. Robinson and Ms. Lanza presented on behalf of the Library Trustees.

Trustees want to thank PBC for its work; wonderful collaborative effort between FMD and PBC and Library.

Clarify word “cosmetic” as applied to this project; when PBC uses this word it means there isn’t a lot of construction; for Library, however, it is gaining use of space.

Main points about the project:

- Relevant and sustainable design that is responsive to citizen needs
- Project came about in the way the Town wants us to look at things; if you’re pulling out carpets and stacks, shouldn’t you think about future use of space; that’s when FMD suggested doing a feasibility study, as Schools do; Trustees have been carrying costs in capital plan for moving stacks (FMD for carpeting and several other things); that’s where process began
- This is an opportunistic project; it’s like the purchase of additional property for Town or playing fields; although number changed in terms of design costs, it’s still number represented to you earlier
- Trustees are committed to fundraising, just as softball supporters have; but can’t fundraise without commitment from the Town; Trustees have an excellent record of fundraising
- \$350,000 is on the capital plan for this year; not on the plan for next year; now is the time – if Trustees came back next year, not sure what would change; don’t know when the next time would be; Library is not in the plan for next year

There was a question seeking comment on procedural and capital planning issues, including Town Bylaw 6.16, which were discussed at recent BOS meeting: Bylaw refers to projects that are proposed or anticipated; until FMD came to Trustees and suggested taking bigger look at Library, Trustees didn't anticipate this project; it's opportunistic; there are projects all the time that step out of this; no one's intention to go around the process.

There was a follow-up question as to how to square this opportunity with the effort that is being made to have a limit on debt service, to create a capital plan, and to have some means of control over process, since lots of other boards have opportunities, too: There are things that Town needs to do that will put it in a better position for the future; talk about a plan that incorporates potential opportunities; budget something every year for the unknown and let Town and Town Meeting evaluate those projects.

There was a question where the \$3 million to \$4 million in construction costs will come from: A portion will come from private fundraising. There was a follow up comment/question that proponents often come forward with an amount they are going to raise so that Town knows what its contribution will be: When Trustees come back asking for construction funds, will be able to tell you exactly what we can guarantee. There was a further follow up question asking whether there was any ballpark estimate of private funding: Foundation has made clear that it is very committed; no building in Town has received a larger private percentage contribution than the Library.

There was a question as to the Foundation's available funds: There are different dedicated funds, but Library receives over \$200,000 a year in contributions (half spent on materials and half on programs/activities); total of \$5 million in Foundation, including Centennial Fund, which is for materials only; can't use Centennial Fund to renovate a building.

Ms. Lanza noted that the Trustees were able to accomplish a great deal in fundraising before there even was a Foundation; raised \$350,000 for the branch libraries; this project is for the Main Library, which people love; wonderful dedicated donors and fabulous Foundation.

There was a comment/question that some people on this Committee would be more comfortable supporting the project if there were some idea of actual amount of private contributions, e.g., \$100,000 vs. \$800,000: Guarantee that it will be way over \$100,000.

There was a question as to how much was raised for building the Main Library and what the overall project cost was: Raised about \$5 million in private funds; total cost was just under \$14 million; Town paid between \$6 and \$7 million; Town received state grant of over \$3 million; private funds were raised as building improvements. There was a follow up question that if the past is any indicator, then about one-third might be raised through private funds: Yes.

There was a comment that in one's own budget, one tries to separate out necessity from luxury, and that, in the context of so many other projects in Town, the Library is beautiful and functional and terrific; had opportunity to see the HHU schools this week as part of the School Building Committee, and the contrast is extreme, in terms of the incredible necessities involved in that project: There are lots of non-luxury things involved in the Library renovation.

There was a question as to how the Town's share would be funded: Mr. Hluchyj stated his belief that it would be inside-the-levy debt.

There was a comment that, concerning the reference to the softball field improvements, those funds are coming from the Community Preservation Committee, not free cash or inside-the-levy debt—not a great comparison for this project, as it's not part of capital planning for the Town at this point.

There was a comment that, although present request is just for design funds, the design itself might get stale (e.g., might decide in future to get rid of more stacks than currently envisioned); once you kick off design, you kick off the construction, and that's where the angst is on the Committee; with new debt policy, we have to try to fit in that \$4 million in construction funding; maybe next phase of capital planning, which has not really existed in this Town to date, should find a way for projects that aren't a complete necessity to go forward; never any discussion among this group that the renovation isn't a good idea; Trustees have done a great job presenting it; this is really just about the financing.

Ms. Lanza noted that this project is for the residents of Wellesley; Trustees don't get anything out of it; Trustees have not been given a clear path as to what to do if project doesn't move forward this year; tried to have those discussions and were shut down; Trustees are very flexible but haven't been given any options.

There was a comment that Town can't provide a commitment until it figures out how to prioritize projects, how to make trade-offs between things that are absolutely necessary and things that are very desirable; have to figure that out, then there would be a better sense of where this project goes.

There was a comment/concern about the risk of allocating almost \$400,000 on design funds this year if the Town ultimately doesn't have the appetite for spending the construction funds; not sure about the shelf life of the concept; Town has been at forefront of libraries for 14 years and doesn't need this to compete with other communities; it's a bit of an extravagance with what's going on now, with schools that are 70/80/90 years old; this is \$3-4 million in construction costs; have a hard time with the "let's spend it now" idea.

Mr. King cautioned that when one talks about bandwidth/appetite/workload/burdens, one enters into the possibility of death by 1,000 cuts; this project is about renewing finishes and carpets and reworking spaces; projects like this are done through cash capital year after year; if there's a concern with bandwidth, several items included in this project are already forecast to move forward; will need to address those spaces as they age out—will have to replace carpets, fix doors, repaint walls, etc.

There was a comment that it's hard to look away from the "urgent"; in addition to the needs of the schools, there is a need to provide services across Town; look at things that haven't been talked about tonight, such as Town Hall envelope project, with urgent maintenance/repairs because systems are failing, and interior follow-up to Town Hall, with handicap issues/upgrades that are required to be addressed; staff working in spaces that are sub-par; Town offices not configured in way that provides good services to residents, such as services around land use; establishing priorities was a focus of Unified Plan; how do we fund all this; as great an opportunity as something might be, if we don't have the money, we can't fund it; Town Hall received variances for handicap work that is going to have to be done, known costs/work that have been contemplated since the turn of the millennium.

The Library Director noted that, while Wellesley has amazing programs and an amazing Library, Wellesley is not at the forefront of what libraries are doing; AMHs were being installed nine years ago and cafes six years ago; these items are not luxuries; libraries need to keep evolving and changing, to keep up with what residents are doing in such an advanced community; slow death if don't keep meeting needs.

8:48 p.m. Discussion and Voting on ATM Warrant Articles

Article 19 (Main Library Interior Renovation Design Funds)

Andrea Ward made and Tom Skelly seconded a motion for favorable action on Warrant Article 19, as proposed by the Board of Library Trustees, to see if the Town will vote to appropriate \$395,675 to be expended under the direction of the Facilities Management Department and/or Permanent Building Committee for architectural and engineering plans, specifications and other services in connection with the reconstruction, remodeling, rehabilitation and/or renovation of the Wellesley Free Library, including the payment of all costs incidental and related thereto, and that to meet this appropriation, the Town Treasurer with the approval of the Board of Selectmen, is authorized to borrow said amount under Chapter 44, Section 7(1) of the Massachusetts General Laws, or any other enabling authority.

- Additional Discussion: An Advisory member expressed the view that the Library could be improved; worried about putting this on the back burner for too long; should let the Town decide; hates to make prioritization ourselves. Another Advisory member commented that this is the tip of the iceberg; likely to be increasing costs; expects there could be further escalations coming along.
- *The motion failed to pass (3 in favor and 7 opposed).*

8:55 p.m. Minutes Approval/Liaison Reports

Andrea Ward made and Rose Mary Donahue seconded a motion to approve the minutes for January 31, February 7 and February 14. The motion passed unanimously (with Mary Gard abstaining).

Town Hall Exterior (Rose Mary)

Deadline pushed to Friday, 3/23; PBC will present to Advisory at one of our pre-ATM meetings

School Committee (Jane)

- Long discussion at recent meeting about school security; request for additional FTEs by members of audience; want to bring on another Resource Officer, as there is currently only one Resource Officer for all the schools
- SBC members had an extraordinary opportunity to visit the three HHU schools in action; condition of schools is really striking; School Committee planning to conduct tours in advance of STM #2

There was a process question by an Advisory member; specifically, why Library project was presented before PBC completed its own process with respect to the project. Some discussion followed about FMD's role in initiating the project, and the current lack of bandwidth within FMD to staff the OPM role for either the design phase (\$90,000) or construction phase (\$96,000 for 13-week duration) of the project.

There was discussion among the Advisory members about the components of the BOS debt policy (includes cash capital and inside-the-levy debt; does not include outside-the-levy (or excluded) debt), and the likely borrowing mechanism for several different projects (e.g., Library project would be inside-the-levy debt, as would Worcester Street land acquisitions).

There was further discussion relative to capital planning policies and what some Advisory members learned from attending a statewide meeting of Town Finance Committees last fall:

- Relative to debt policy and capital planning, Wellesley was way ahead on obligations for OPEB and pension, but way behind others (Arlington had 5% policy for debt planning)

- Capital planning committees in these towns go through every single request; those committees have criteria that prioritize requests and put them on the timeline; if you look at system, it's things like safety first, leaky roof second, and renovations tend to be shifted down—those get done eventually but further out in time; an emergency might come up that shifts a renovation back
- Some towns had scorecards – check off boxes for a project and add them up and find place in line
- Very strong financial controls in some towns; looks like Wellesley is heading in this direction; takes competition among different departments off the table; Town-wide perspective, not just intradepartmental
- One of the towns, larger than Wellesley, had built schools without ever having a debt exclusion

9:25 p.m. Adjourn

Jane Andrews made and Tom Skelly seconded a motion to adjourn. The motion passed unanimously.

Items Reviewed During Meeting

- Project Timeline and Budget, Permanent Building Committee Handout to Advisory Committee, March 21, 2018
- “Library Renovation: Why is NOW the right time?” Library Handout to Advisory Committee, March 21, 2018