

**Advisory Committee Meeting
Zoom Video Conference
Friday, October 21, 2022, 2:00 p.m.**

Those present from Advisory Committee included Shawn Baker, Doug Smith, Madison Riley, Rani Elwy, Gail Sullivan, David Prock, Bill Schauffler, Pete Pedersen, Jeff Levitan, Al Ferrer, Jenn Fallon, Christina Dougherty, Wendy Paul, Jake Erhard

Shawn Baker called the meeting to order at 2:00 p.m. and Madison Riley took roll call.

Citizen Speak

There was no one present for Citizen Speak.

Meghan Jop, Executive Director, Tom Ulfelder, Select Board (SB); Glenn Remick, Project Manager, Permanent Building Committee (PBC); Steve Gagorian, PBC; and, Tom Goemaat, PBC were present.

Update on Article 2 Town Hall Interior Financing

There is no update in the funding scheme for the Town Hall Interior. The Town Hall Interior renovation cost of \$23,679,142 was approved by the PBC as a not to exceed number. The previously presented amount of redeployed funds being used remains unchanged. A large portion of the redeployed funds are from the Middle School building projects. \$13,000,000 in free cash remains unchanged. The inside levy amount is now \$8,260,681. There are additional funds of \$1,572,000, that might be available for redeployment in the future. The Guaranteed Maximum Price (GMP) is \$18,918.664 which PBC voted last night. PBC will continue to negotiate with Consigli to bring costs down.

Questions

- What were the changes and increases in expenses?
 - The previous proposal was based on 95% Construction Documentation (CD) estimate and this is based on actual bids and proposals that have been solicited for this project. This reflects the refining of the numbers. The numbers are realistic based on actual proposals and numbers that have been solicited over the past couple of weeks. PBC is receiving getting commitment letters and these reflect realistic costs of components of the project. PBC feels there is room to negotiate with some of the scope numbers.
- Is it possible for this to grow more?
 - This will not grow anymore.
- What is the level of comfort with the contingency number?
 - This is a responsible contingency with this project. We can bring project in within these numbers.
- Why is the professional service increase the largest increase in the budget?
 - This was discussed a week ago in PBC meeting. PBC received a proposal from the architect that is above what they projected early in the project. PBC will continue discussions with the architects. PBC has not fully accepted the increase but is carrying the increase in the budget as a placeholder. All professional services are packaged together in the architects' proposal.
- What is not included in the "not to exceed"?
 - Underground risk not included. A survey of the building was completed to identify areas of the building with hazardous materials. If there is more, the cost comes out of the

contingency. Areas that are already identified are included in costs. Anything that is an allowance is the owner's risk and responsibility. For example, there is a \$25,000 allowance for firestopping. If firestopping exceeds this amount, the extra costs come out of the contingency. Allowances are included in the contract. Excavated soil is assumed to be clean. If it's not clean and then the owner (town) will need to pay additional money to get rid of it. We have not excavated outside the building. The risk of dirty soil is inside the building. The entire basement floor is being lowered and soil comes out. It's part of the \$2 million owner's contingency. The water table is assumed high because we get water into basement. Risks are about contamination. Anytime there is an allowance there is owner's risk, but it is covered by the contingency. We own paving the job at the fixed price. When we pave in spring of 2024 we will look at liquid asphalt price at that time.

- Is the schedule comfortable or tight?
 - The schedule is reasonable and is not overly aggressive and not overly conservative. The biggest risk is supply chain issues.
- Were the list of qualifications and allowances known?
 - Yes, there are no surprises on there. Follow ups have been done since last night's PBC meeting. Some tests were completed during the exterior renovation. No high ground water was determined. The water in the basement is from clogged drains and runoff from the building.
 - In looking at the history of building there doesn't seem to be indication that coal or oil was used in the building. There are 7 fireplaces in Town Hall. At time of Town Hall's original construction, electrification of heating systems was starting.
- If we use all the free cash, what free cash do we have to cover the overage on other projects or when the budget doesn't cover anticipated costs, like for the Hardy school project?
 - Hardy received a 60% construction document from Shawmut in September. They came back overbudget. PBC completed value engineering to make sure Hardy and Hunnewell have parity. The budget for Hardy was put in a form that was acceptable to the MSBA. At end of day there may be risk at being overbudget and we may have to ask town for money. Hopefully the market comes back to us in the spring, and this won't be necessary.
 - There is also a potential of \$1.5 million redeployed design funds from the schools and \$1.3 million in ARPA funds to be used for infrastructure.
 - Even with the \$13 million in free cash for the Town Hall Interior renovation, the town has reserve range of 8 to 12% but closer to high end. This is expected it to be higher at the end of FY23 due to conservative revenue projections and FEMA reimbursements.
 - Other projects are on the 5-year capital plan and when they are ready for Town Meeting they will proceed. The town continues to seek additional revenue growth. We do not feel there is a shortage of funds. We feel we can bridge the gap.
 - The Select Board voted 5 to 0 in support of the financing package and feels very strongly that application of \$13 million of free cash is appropriate and even with this there is 12.06% in free cash in reserves. The taxpayers need a break. The Hardy school will be built.
- What are the revenue increase plans?
 - This was submitted to Advisory in the initial presentation. Revenue projections are based on 5-year averages. New housing will generate new revenue which is not in the projections. Building permits are not factored into the conservative revenue projects. Valuation increases with the sale of buildings and therefore the tax revenue increases. Much of the commercial generating revenue is not in the projections. Growth factors are not typically factored into municipal revenue projects.

Approved October 24, 2022

- Is the contingency built into the price?
 - Yes, contingency is included in the proposed GMP price. Risk is if the costs are greater than the contingencies. In the future if PBC thinks the money for the Town Hall Interior project will run out then Town Meeting will be asked for more money. Extra money that was asked for the Town Hall exterior was never used.
- There was a continued discussion about the contingencies.
 - A lot of work was done on these contingencies. There is an understanding of the structure of building from work on the outside. PBC can't understand everything, but any number we present is what we feel is an adequate number.
 - Consigli felt the 10% contingency is appropriate.
- What was on the site before 1881?
 - It was residential and farmland. The Morton home was on the site, and it was moved prior to Town Hall being built.
- Has core sampling been done?
 - There have been several holes in basement; test pits for Geotech purposes and Consigli did 3 holes to locate the bottom of foundation wall. Nothing was observed that would lead to anything suspicious. Samples were not sent out for testing.

Rescind vote on Article 2

Madison Riley made, and Jenn Fallon seconded a motion to rescind the original Advisory vote on Article 2.

Roll Call Vote

Jennifer Fallon – yes
Jake Erhard – yes
Jeff Levitan - yes
Doug Smith – yes
Susan Clapham - absent
Al Ferrer - yes
Wendy Paul – yes
Pete Pedersen - yes
Madison Riley –yes
Rani Elwy - yes
Christina Dougherty - yes
Gail Sullivan – yes
David Prock -yes
William Schauffler - yes

Previous vote was rescinded, 13 to 0.

Article 2

Madison Riley made and Rani Elwy seconded a motion for favorable action on **Warrant Article 2**, as proposed by the Select Board and Permanent Building Committee, that the Town vote to raise and appropriate, transfer from available funds, or borrow a sum currently estimated to be \$23,679,142, to be expended under the direction of the Permanent Building Committee, for construction, architectural and engineering services, construction administration and project management, related to the reconstruction of the Town Hall Interior located at 525 Washington Street.

Roll Call Vote

Jennifer Fallon – yes
Jake Erhard – no

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Jeff Levitan - no
Doug Smith – yes
Susan Clapham - absent
Al Ferrer - yes
Wendy Paul – yes
Pete Pedersen - yes
Madison Riley – yes
Rani Elwy - yes
Christina Dougherty - yes
Gail Sullivan – yes
David Prock -yes
William Schauffler - yes

Advisory recommends favorable action on Article 2, 11 to 2.

Adjourn

Jeff Levitan made, and Christina Dougherty seconded a motion to adjourn.

Roll Call Vote

Jennifer Fallon – yes
Jake Erhard – yes
Jeff Levitan - yes
Doug Smith – yes
Susan Clapham - absent
Al Ferrer - yes
Wendy Paul – yes
Pete Pedersen - yes
Madison Riley – yes
Rani Elwy - yes
Christina Dougherty - yes
Gail Sullivan – yes
David Prock - yes
William Schauffler - yes

The meeting was adjourned at 3:01 p.m., 13 to 0.