

Building Committee Meeting
December 8, 2021
6:00 - 7:00pm

Attendees: Stacy Maghakian, Chip McGee, Darlene Greenwood, Debbie Ryan, John Gould, Pattie Lamontagne, Jen Grover, Troy Bressette, Abigail King, Kristin Corey, Deb Mahoney, David Wholey, Brian Sands

Not in Attendance: Billy Beauchesne, Morgan Benson, Dave Mermelstein

- Chip began the meeting stating how the last meeting was difficult, talking about the delay and budget challenges. The bad news is that it's a very challenging time to do a construction project. The good news is that we have made serious progress but we are not out of the woods yet.
- Chip said he will be sharing the progress and looking at the appropriate next steps as a building committee,
- Chip stated that he shared the same information but with additional details with the School Board. Trident plus BPNS plus Harriman essentially said we have a problem and that we need to start dealing with it so it doesn't get worse.
- Chip mentioned that one action was the formation of a sub-committee of this group, the Budget and Timeline Sub-Committee, which consists of Troy, Debbie R, John G, Chip, and Dave M. This group was formed to have tough conversations about where we are off timeline and how to get back on as well as review strategies and ideas on how to work back to budget. We will need to look more specifically in January once bids come back on mechanical, electrical, and plumbing where there will be ways to get the project back on track budget-wise
- Chip brought up the agenda and stated that he wanted to walk through the cost comparison, which is new to be shared since the Board hasn't seen it yet.

Budget

- Chip stated that he is pushing the project management team hard to share this budget information with the committee and is making them uncomfortable in a good way. He pushed so hard that they didn't spell check :)
- Chip said that this is not to be shared outside the Building Committee. Dave M had stated that we are about \$5M (\$4.7M actually) over budget and this digs into where it came from
- Chip shared that in Oct. 2020 they completed a cost study to give us an initial guaranteed max price, which was put on the warrant. In Sept. during design development the specifications changed the original cost study estimates. General Conditions was \$1.1M. Then during design development when they had to stay staged on-site they increased their estimated cost to 1.2M - an 11.45% increase. That is red because it's bad news because they are going to take 4 extra months.
- Chip stated that this gets at where the problems are and then he'll share where the solution is going to come from.

- Chip went through the increases on the Cost Study vs. Design Development Estimate.
- Chip stated that the bad news is that the first three are largely sunk as we have completed the sitework design and concrete is being poured now - these are costs that are hard to avoid. The increase came from alteration of the terrain approval process at the state level that required us to add additional drainage by the state and the use of substance and concrete. We cannot have an impact in this area.
 - The masonry increased as a result of the cost of materials.
 - Metals is the savings with the switch made to structural steel.
 - Thermal and moisture protection significantly increased in materials. We are working for them to take some of that out.
 - Doors and windows increased materials costs.
 - Finishes - a lot was design specs beyond what we anticipated.
 - Specialty contractors - anticipating saving
 - Equipment purchasing in the kitchen will be an increase
 - Furniture is a cost savings
 - Conveying systems - elevators - are a savings
 - Mechanical is almost at budget but electrical is a significant increase due to cost increase as well as demolition
 - Contingencies - we are trying to convince them not to use these unless absolutely necessary
- Chip posed the question - How did we get to \$4.7M and what is the work we've done to reduce this?
- Chip stated that in the design development stage we went through proposed saving options presented by BPNS and made adjustments based on suggestions from the Committees.
- Chip shared that by eliminating the 2 items we rejected, that's \$3.8M of off-sets and cost savings. So that is $4.7 - 3.8 = 900K$ that we are still off. There are a lot of moving parts but I want you to have the overall concept.
- Chip said that they have looked at the design as put forward by the architect and found that the architect put forward more expensive details that weren't originally included.
- Chip stated that utilizing brick is a change in the aesthetics of the building but would be a \$500K anticipated reduction in cost
- Chip asked if Brian, Deb M, and Stacy, who are all on the Project Management Team, had anything to clarify?
 - Deb - no
 - Stacy - no
 - Brian - the list is the list
- Chip addressed John, Debbie R, and Troy - you have seen this list - anything you want to add or talk about more?
- Troy asked if there is anything in the list of potential savings that is already reflected in the document?
- Chip responded No. In a perfect world there would be a third column. They were out of order from how you received them

- John G stated that he thinks there is explaining to do on line 7. How are they 77% off from their estimate? That is not inflation - that's someone screwed up. I know some of the cost savings are going to bring that number down but in my professional opinion that is ridiculous. Have they provided insight as to why? I would like to get answers. Other lines are understandable. Electrical is the same thing. The cost of copper and labor has not gone up that much. What are they doing? That is not a cost of doing business increase. Someone in the development for the budget missed something significantly.
- Chip responded that this is helpful to him because it gives him something to go back with next Tuesday.
- Troy added - to leverage from moisture/thermal protection and electrical categories, why weren't drainage and concreted predictable? Our professionals needed to have a handle on the scope of the project to estimate those 2 categories.
- Chip replied that he cannot defend the work because I am equally frustrated. Concrete strength that the engineer required for Harramin is 4500 psi required by the engineer where 300 was what the general contractor used as an estimate which caused for more cement than we would have used with the early estimate. They fought back and forth on that.
- Brian added that there were a lot of questions around the strength of the concrete proposed. Our GC and OPM were opposed to 4500 psi compared to similar projects. This resulted in us being told we are going to be required to use 4500 psi.
- John G said that he'd like to see shared accountability for that. Here we are forced to have these discussions. How many costly errors like this can we endure?
- Darlene asked - aren't there guidelines?
- John G replied yes but your engineering firms are never going to sign off on a document.
- Darlene asked - so there is a minimum and they are saying something more is required?
- Chip responded that it's a load issue. The debate is that this is not a 10 story building, it's 2 stories. Trident and BPNS tried to argue. The only option was for us to sign off on an exception stating we would take the risk. That was not recommended. I would not recommend switching teams but I do have the entire building for \$31,980. If we get that given the context there will be shared pain all around. They will need to eat their capacity to make money to make this happen.
- John added that he agrees with BPNS but an engineer is not going to sign off and we are not going to gain anything. Where else have they made the assumptive calculations in their design/pre-build costs?
- Dave Wholey asked - Haramin was involved in the original cost estimate, correct? Then how did they go with the 300 vs 4500 - they should have known that. Didn't they all work together before?
- Chip said that Trident and BPNS worked on PHS together - not the architect.
- Chip asked Brian - what was the change to the moisture or thermal barrier that was signed off?
- Brian replied that they were requiring a certain amount of insulation below the slab of all of the additions that would be added to PMS and we recently got a change order to where the slab only need to be insulated 4 feet from the edge of the foundation as thermal protection rather than the entire footprint = 4 feet from inside the exterior walls.

- Chip said that's where I think we work the problem at this point - continually asking for places where the engineer has over-designed - we don't include them. Vendors looking at bidding on brick/cement block said that using a different source could save \$100K from the estimate simply on cost of brick material. In the next 2 weeks we're going to get back most of the subcontractor bids and then we are going to be able to start working the problem more extensively. Then we can see actual costs and not just design estimates. We have asked all contractors to propose value engineering with substitutions that will lower the cost but not the value. Jan 18 is our next scheduled meeting for a review and I am hopeful that we will be closer on track.
- Dave G stated that then we can start closing out some of these categories with actual bid prices. We still have a \$900k shortage but this still means other significant things.
- Chip said that per John, you have seen 2 columns - cost estimate for warrant and the design/development column. It would be helpful to have a bids column and then an actuals column. I can ask when I go back to the project management team.
- John G stated that a \$1M short will require us to make difficult decisions if we are not on top of where these bids are coming from.
- Chip stated that he was happy to see concrete being poured for the foundations. This anchors us to making sure these things are going to happen.

Rendering with Altered Exterior

- Chip shared the renderings. We have suggested a set of changes and want you to see what the changes will look like.
- Troy stated that he can't believe it took them this long to produce these renderings when they look so similar to what we had previously.
- Chip said that one of the places changed is the surfacing on the elevator tower and administrative and nurse area. Look closely - changing from off-white paneling to off-white brick is hard to see. I agree with Troy - it is substantially the same. From my point of view this is not a different building from what we were sold. These pieces helped me have a better understanding that these have not had significant impacts on the design.
- Debbie R asked if we are married to white brick?
- Chip replied that it's off white but they didn't want it to look too different. They specified white just because they thought we'd want it.
- Deb R said that, unless she is suffering from amnesia, she doesn't remember it being this white
- Troy replied that it was. He was toggling between the old and new pictures and it is virtually the same except for the window size at the gym.
- Stacy added that windows were removed from the elevator shaft, skylight, etc. The PHS has a tan brick - should we look to match PHS or be unique?
- Brian shared that being locked in to well-fed irrigation, there were concerns of overspray from these causing iron formations on white brick and becoming unsightly pretty quickly. One thing Haramin and the designers mentioned was that white brick was used to delineate the differences between the older parts and the new additions.

- Chip stated that he is not wed to white at all. Sprinklers die everything that is white orange because of the iron. He is not a color person and he doesn't know what to do.
- Darlene asked what's wrong with school house red brick?
- Chip asked - is red and brown a bad combo?
- Deb M stated that the architects said red brick would not match the brown. Maybe grey?
- Troy asked - are we not refacing the existing portions of the building?
- Chip replied - No. The windows are being updated but not the brick.
- John G asked what is the cost difference with the brick? Was the connector supposed to have floor to ceiling glass?
- Troy replied - yes, past renderings show it all glass.
- Debbie R stated that she does not like the funky stripes at the base of the building.
- Chip - white - no, stripes - no Come up with something that matches
- Pattie L added that she doesn't mind white but wants the logo or paw print or something.
- Chip said that based on the feedback, we don't like white and want other options. He also wanted to confirm that people also don't see a significant change. He doesn't want it to look like we are trying to pull a fast one.
- John G responded that no - it looks pretty much the same.
- Troy added - I don't know if we want this out there. How many different renderings are we going to put forward? Should we wait?
- Chip responded that we just want to let the School Board know it's not a substantial change.

Next Steps

Chip summarized:

- We want to know greater detail about the two areas with the greatest change back on the budget - why were they so far off?
- Looking forward to the bid information, we need to see what is reported out to get back on track budget-wise or determine where we are unable to.
- Fix the white brick and come up with an alternative color.

Chip stated that the Budget group will get together in January and look at areas to get back on track to prepare for our next meeting on January 26.

Troy stated that we should add an explanation on the drainage front - why was that a miss?

Troy asked Abigail for her thoughts. She said she personally likes the white and the stripes but maybe we could add more of our school colors somehow.

Other Questions and Comments

Thank you and Happy Holidays to all!

Meeting adjourned at 6:58pm