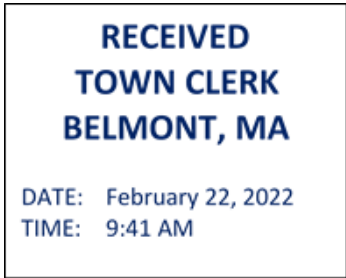


BELMONT MIDDLE and HIGH SCHOOL BUILDING COMMITTEE

**Final Meeting Minutes
Thursday, February 3, 2022
Virtual Zoom Meeting
7:00 PM**



Meeting #135

Committee Members Virtually Attending:

Chair Lovallo; Members, Emma Thurston, Bob McLaughlin, John Phelan, Mike McAllister (left at 8:25 p.m.), Joel Mooney, Ellen Schreiber, Patrice Garvin, Kate Bowen, Tom Caputo, Chris Messer (arrived late), David Blazon, Pat Brusch, Jamie Shea, Diane Miller

From CHA: Don White, Tony DelGreco, Tom Gatzunis, Sandra Saccone

From Perkins+Will: Vital Albuquerque, Brian Spangler

From Skanska: Jim Craft, Mike Morrison

From Warner Larson: Ti Johnson

Members Absent: Joe DeStefano

I. Call to Order

The meeting was called to order at 7:00 P.M. by Chair Lovallo. He thanked Julie and the Belmont Media Center for their technical support. He explained the remote meeting protocol, e.g., state your name before speaking, mute computers, etc. Meeting materials will be posted on the BMHSBC website, shortly after the meeting. He also advised residents that they can click into the meeting during resident comment time by pressing #9 or by “raising” their hands.

Chair Lovallo took attendance via roll call and reviewed the agenda. He stated that the design team has been looking at every possible detail for Phase 2 given that the value of the project is exceeding the total project budget (\$295M).

II. Next Building Committee Meetings

Friday	Feb. 4, 2022	at 8:00 AM	Virtual	[136]
Wed.	Feb. 16, 2022	at 8:00 AM	Virtual	[137]

III. West of Harris Field Pricing Update

Chair Lovallo noted that design drawings - concerning the three new fields in the west of Harris field area – were created (without parking lots). The ice rink is not part of the High/Middle School project, but will likely impact the parking and field areas. He noted that there was a concern that the three fields were overlapping too much. Those design drawings, which mitigated the overlapping field issue, have now been priced.

Mr. White presented project cost summary data for the field areas west of Harris Field. He explained several line items, e.g., direct costs, contingencies, insurance/bonds, and construction management. Chair Lovallo noted that the direct cost budget number has almost doubled from the estimate received back in 2018, i.e., from \$2.3 million to \$5.3 million. Mr. White explained that escalation (over the almost four years) and the Covid impact increased some of the budget numbers. Mr. Gatzunis explained that a number was put in place back in 2018 at a Design Development level and the design was put on hold, pending decisions on the Ice Rink solution, thus the budget was never updated.

Mr. Albuquerque spoke to some of the design changes that did occur and that impacted the overall costs. Mr. Gatzunis added that the electrical power transformer issue and location (under the White Field House) also impacted the cost.

Chair Lovallo explained that the White Field House is a transformer site that provides power to the rink, the softball field, and some houses and businesses in the area. It is unclear who would cover the cost of moving the transformer. The issue of price escalation was explored. Skanska had a three percent escalation built in, but costs are up about 26-27 percent over the past three years. Chair Lovallo noted that most prices were locked in for the project, but changes to the project are not locked in. The area west of Harris Field is new work because it wasn't bought in 2020 and therefore all costs are subject to current market conditions.

The impetus for the field designs and the high price of the surrounding fencing was discussed. Various possibilities were explored in terms of reducing the overall costs. The field area project has been scaled back via a Value Engineering process which reduced the direct cost number.

Chair Lovallo stated that he would like to pause this conversation at this point and move on to the next agenda item.

IV. Covid Cost Update

Chair Lovallo noted that this project has been impacted by costs related to Covid. He explained that there are trade contractors and then there is Skanska, which does not perform the work but manages the trade contractors. The overtime impact (resulting from Covid) comes in at over \$1 million. Mr. Craft briefly explained the overtime reconciliation summary. The other items concern materials, work out of sequence due to late deliveries, and the need for additional supervision. He added that significant material escalations have impacted the subcontractors and they are trying to recoup their losses. He noted the total Covid cost impact is around \$4.4M. Mr. McLaughlin offered that this is about 1.5 percent of a \$295M budget; Chair Lovallo said it's actually a little more, because the number the town is spending is \$245M for construction costs. Mr. Mooney asked if the state (MSBA) has been engaged in this issue and has offered any remedy given that Belmont is not the only community dealing with Covid costs. Mr. Gatzunis stated that the MSBA is not providing relief (as a result of Covid) at this time. He added that, yes, other communities are dealing with increased costs due to Covid, but that this is among the bigger projects across the state, and so the impact is more significant.

Chair Lovallo stated that the Covid cost impact conversation will resume at a later time.

V. Update on Project Cost Projections

Chair Lovallo noted that this document (*Project Cost Projections*) is a culmination of weeks of work. Mr. White reviewed the document which covers budget allowances and contingencies with original, FINAL

current, and projected values. The total GMP is \$17M over what was expected. Mr. White reviewed the Owner's Contingency and the Owner's Construction Contingency. Chair Lovallo explained the Owner's Minimum Contingency Refresh number (\$6,734,223). Mr. White continued to review the Owners Allowance and Skanska CM Contingency. Chair Lovallo acknowledged that the negative numbers on the document were not the correct ones; adjustments were made. Mr. White explained the Soft Cost Contingency as well as three reimbursement areas: Insurance Funding, Covid Cares Act and Covid (ARPA).

Chair Lovallo discussed some of the programmatic changes that start to add up. Ms. Bruschi added that it is typical that certain adjustments need to happen once the building is in use. The Owner's Minimum Contingency Refresh number was explored. Chair Lovallo explained how the \$6.7M (overage number) was discussed and pulled together.

VI. Discussion on Setting Project Contingency Value

Committee members asked clarifying questions about both the Owner's Minimum Contingency Refresh number and the Soft Cost, Allowance and Contingency total. Chair Lovallo offered to put a number in the projected value column. He suggested a number in the range of \$500,000 – to \$1M. This will increase the Owner's Minimum Contingency Refresh number.

VII. Approval of Project Contingency Value

Chair Lovallo skipped this agenda item.

VIII. Review of Project Contingency Refresh List

Chair Lovallo noted that this agenda item deals with potential solutions (i.e., adjustments) to the overage. Mr. White added that everything that is listed on this document is here to be reviewed and evaluated; no decisions have yet been made.

Chair Lovallo explained that some items can be revisited (wall tile, for example), while others if cut (a sky light, for example), are probably gone. He noted that some items are in the exterior, while others are interior, and some deal with systems and equipment. The current refresh list total (of reductions) is just over \$10M. Committee members offered comments on the list. Ms. Shea noted that Zero Net Energy was a commitment the Committee made to residents. Ms. Bowen mentioned the escalating costs west of Harris Field. She wondered if other funding (e.g., CPA, grants) could be identified for that area. She also expressed her support of PV/Zero Net Energy.

Mr. McLaughlin noted that some of these items can always be done later, after the project. Superintendent Phelan said that it's hard to operationalize the reductions. He would prefer not to cut items that impact educational programs. Chair Lovallo agreed that this is a teaching and learning space and the MSBA will require the Committee to preserve programs that impact education. Mr. Caputo agreed that the smaller changes could impact programs; the natural focus area is the larger cost list identified as G in the exhibits. Mr. Messer asked if the athletic programming would be impacted if the west of Harris Field project does not go forward. Superintendent Phelan responded that sub-varsity baseball would be impacted.

Chair Lovallo noted that he received many emails in support of PV; there is tremendous support to maintain PV.

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IX. Comments from Belmont Residents

Mr. Robert McGaw spoke in support of PV and Zero Net Energy. Skanska is making a lot of money on this project. He asked about the Skanska contract. Chair Lovallo responded that the costs are scrutinized, and that Skanska's contract (which has parameters) was reviewed by Town Counsel.

Mr. Iler asked why the town would need to pay extra for materials as a result of Covid. He asked if Skanska could absorb some of this. Chair Lovallo explained that Skanska is not providing the material and labor – rather, they are managing dozens of subcontractors. He explained some of the incurred costs via the sub-contractors. He noted how the costs are managed with the oversight of CHA.

Mr. Paul Roberts suggested that PV should be taken off the elimination list. He asked if Clay Pit Pond could be filled in and used for field use.

Mr. Claus Becker also spoke in support of PV.

Ms. Anne Paulson also spoke in support of PV as it is a global issue and supports the climate goals of the town. Harris Field ought to be postponed until the rink is decided.

Mr. Kagan noted that the PV can't be done later because of climate impacts. The maximum number of solar panels should be installed now.

Mr. Bill Anderson asked about the negative \$10M. He asked about the total number of emails Chair Lovallo received in support of PV. Thirty households may not be a majority. He said deferring west of Harris Field seems reasonable.

Mr. Phil Thayer spoke about the petition that was circulated (written by Mr. Iler). He cited some points from the petition.

Mr. Wrubel also spoke in support of PV for future generations. He said it would be an incredible act of good will for the contractors (e.g., Skanska, Perkins and Will) to donate to the overage.

Ms. Lisa Pargoli said the data is confusing and the information is not accurate. The numbers are trending in a bad direction, which burdens tax payers in an unreasonable way.

Mr. Kopperl spoke to PV's efficiency. Chair Lovallo thanked him for his input.

Ms. Kitch, a BHS student, said she is concerned about the building reaching its energy goals.

Mr. King said the solar panels will pay for themselves and will produce income in the future.

Mr. Anderson clarified that he is not against solar panels; he is just asking how they will be funded with no further tax increase to residents. He advised that we should not pay for them when the prices are high.

Chair Lovallo noted that this conversation will resume tomorrow morning at 8:00 a.m.

X. New Business/Other

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None.

XVI. Related Meeting Documents

1. CHA: Construction Costs Summary
2. Skanska's Covid Impact Report
3. Skanska's Design Development Pricing: West of Harris Field
4. Contingency Refresh Report

XVII. Adjournment

The Chair ended the meeting at 9:25 PM., following a motion made by Mr. McLaughlin.

Respectfully submitted by:

Lisa Gibalerio

Approved: CRM
Chris Messer, Secretary

02/20/2022
Date