



January 20, 2022

Attention: Tom Gatzunis, Don White, Bill Lovallo, Pat Bruschi, Bob McLaughlin

RE: Belmont Middle and High School COVID Impact

Tom/Don:

During the most recent review of project costs and discussions of why the project is projecting to be over budget, and as again requested by the Town, Skanska has reviewed the history of the project to determine if any of the costs, both current and projected, are COVID related in order for the Town to review to see if they are eligible for potential funding via COVID relief funds. As you know, Skanska has been repeatedly told that both subcontractor delay and material escalation are not reimbursable due to COVID which is why many of the costs are estimated. Based on this review, we have found the following costs are reasonably associated with the impacts throughout the industry due to COVID:

Premium Time. One of the major costs of the project has been the volume of Premium Time required to achieve the on-time school opening. As understood by all, the decision had to be made early on whether to begin Demolition of the existing School and "guarantee" making the High School Opening vs. delay the entire project multiple months incurring large schedule related costs. Based on the analysis performed, presented, reviewed and approved by the Building committee, the decision was made to move forward with the (projected) less expensive option of a compressed schedule. The reconciled final cost of the compressed schedule was approximately double of what was originally estimated. Despite the increase to this cost, it was agreed, based on the analysis performed, that this decision was still sound and the lesser of two impacts was achieved. However, we can confidently say that there were costs incurred due to COVID related impacts to both the schedule, the premium time and in Skanska's ability to manage the compression of the work both historically and looking forward.

We have found 23 subcontractors who were impacted at least once (some were impacted multiple times) by material supply chain issues for which we had to make adjustments to the schedule and compress the work. See attached list. While no COVID claims for schedule delay were approved for various reasons, the costs for compressing these trades and the resulting impacts of the delay to their work into the summer and the last several months of Phase 1 were incurred and also impacted the follow up subcontractors. While this impact is difficult to precisely define, we are fortunate, as we had an estimate of anticipated Premium Time/Compression costs prior to these impacts. Subsequently, we have the total cost expended which we can reasonably infer that anything beyond what we felt was a conservative estimate to complete the project without the COVID impacts, would be a cost related to these COVID impacts.

In addition to the material supply chain impacts, and despite the continued efforts by Skanska to increase the manpower on the project or attempt to staff a second shift over the last few months of the



first phase of the High School project, the subcontracting community and the labor force were unable to support more manpower and no option for a second shift was feasible. In fact, Skanska had to utilize its corporate strength to utilize other labor from other projects in order to try to mitigate some of the critical path elements of the project such as electrical work, tele/data, and ceiling installation. This extraordinary effort to manage the late materials, manage the limited construction personnel available, resequence the schedule, cleaning and protecting areas multiple times, extending the punch list well beyond the substantial completion and finish several areas and systems beyond substantial completion as agreed between Skanska and the Town. We believe the following costs are in addition to the efforts Skanska has budgeted and contracted with the Town of Belmont and should be reimbursed through the COVID Allowance back to Skanska.

In Summary, the current estimated costs associated with COVID impacts are as follows:

Premium Time:

Total Owner Cost for Premium Time less the Originally Projected amount = \$1,157,963

Total Skanska% of Premium Time less Originally Estimated Amount = 55%

BMHS OT Reconciliation Summary				
GMP PCCO Reference	Funded From Owner Contingency	Funded From CM Contingency (Subcontractors)	Funded From CM Contingency (SKALaborers/Carpenters)	Funded by Subcontractors (Approximate)
PCCO 018 (April)	\$ 33,559	\$ 61,750	\$ 12,550	\$ 25,200
PCCO 019 (May)	\$ 116,861	\$ 60,586	\$ 14,253	\$ 27,440
PCCO 020 (June)	\$ 76,945	\$ 59,307	\$ 21,957	\$ 21,840
PCCO 022 (July)	\$ 150,996	\$ 33,731	\$ 32,854	\$ 19,600
PCCO 023 (August)	\$ 210,749	\$ 37,603	\$ 35,273	\$ 18,480
PCCO 025 (Sept.)	\$ 268,899	\$ 29,106	\$ 19,467	2nd Shift Punchlist/WTC
PCCO 028 (October)	\$ 141,688	\$ 34,857	\$ 21,683	2nd Shift Punchlist/WTC
PCCO 029 (November)	\$ 463,079	\$ 36,919	\$ 5,731	2nd Shift Punchlist/WTC
December Projection (Xmas Week)	\$ -	\$ 15,000	Included	2nd Shift Punchlist/WTC
Subtotal	\$ 1,462,776	\$ 368,859	\$ 163,768	\$ 112,560
	69%	17%	8%	5%
Total Reconciled Overtime	\$ 2,107,963			
Total Original Estimated Overtime	\$950,000			
Overtime Estimated to be Associated with COVID Impacts	\$ 1,157,963	55%		

Additional Protection and Cleanup required for Schedule Compression (55% based on Changes/COVID split)

Protection Materials for Out of Sequence \$57,300

Additional Laborers for General Clean or Out of Sequence

(100% as not in original projection) \$343,488



LABORERS/CARPENTERS			4.33	4.33	4.33	4.33	4.33	4.33	4.33	4.33	4.33	4.33	4.33	Projected Cost	Actual Cost	Variance Projected vs Actual
Cost Code	Position	Pay Type	Hourly Cost	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22			
014030.00	Daily Cleaning (Labor: Skanska Laborers)	Regular	\$ 87.27	7.0	7.0	8.0	8.0	8.0	1.0	1.0	1.0	1.0	1.0			
		Overtime	\$ 111.77	1.4	1.4	1.6	1.6	1.6	0.2	0.2	0.2	0.2	0.2			
		Double Time	\$ 136.26		0.7	0.8	0.8	0.8								
		Projected Hours		1,454.9	1,576.1	1,801.3	1,801.3	1,801.3	207.8	207.8	207.8	207.8	207.8			
		Projected Cost		132,908.1	149,428.3	170,775.2	170,775.2	170,775.2	18,986.9	18,986.9	18,986.9	18,986.9	18,986.9	889,596		
		Actual Hours		1,273.5	1,725.0	1,658.0	1,728.0	2,743.0	982.5	624.0	401.0	388.0	379.0			
		Total Billed		117,422.5	158,895.1	156,395.6	173,438.8	289,244.4	92,487.6	60,728.3	37,567.7	35,818.7	34,716.8		1,136,755	
01403010	Labor Foreman	Regular	\$ 92.23	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0			
		Overtime	\$ 119.36	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2			
		Double Time	\$ 146.38	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1			
		Projected Hours		225.2	225.2	225.2	225.2	225.2	225.2	225.2	225.2	225.2	225.2			
		Projected Cost		22,644.2	22,644.2	22,644.2	22,644.2	22,644.2	22,644.2	22,644.2	22,644.2	22,644.2	22,644.2	226,442		
		Actual Hours		276.0	343.0	290.0	292.0	476.0	307.0	292.0	267.0	280.0	187.0			
		Total Billed		29,034.9	35,514.5	30,516.8	31,295.9	52,929.5	32,843.1	31,052.7	28,041.7	29,647.4	19,280.9		320,157	
06100110	Carpenter Foreman - Safety and Maintenance	Regular	\$ 106.28	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0			
		Overtime	\$ 133.53													
		Double Time	\$ 163.79													
		Projected Hours		173.2	173.2	173.2	173.2	173.2	173.2	173.2	173.2	173.2	173.2			
		Projected Cost		18,407.7	18,407.7	18,407.7	18,407.7	18,407.7	18,407.7	18,407.7	18,407.7	18,407.7	18,407.7	184,077		
		Actual Hours		161.0	214.0	163.0	171.0	221.0	175.0	167.0	166.0	165.0	120.0			
		Total Billed		17,356.3	23,125.4	17,405.4	18,473.6	24,060.1	19,007.8	17,939.5	17,806.0	17,672.5	13,843.6		186,690	
														1,300,115	1,643,603	(343,488)

Additional Final Cleaning Effort due to Out of Sequence \$23,650

Additional go back work, damage repair, painting touch up
due to out of sequence and late deliveries:

Drywall \$176,550

Painting \$105,000

Other (MEP, Flooring, etc) Estimated - TBD \$75,000

Additional Supervision During the Compression:

Scott MacKenzie @ 10 Months = \$198,757

Doug Palmer @ 3 Months = \$66,922

Saturday and Sunday Coverage = \$146,880

Additional Supervision Future for completing remaining work from Phase 1 Fall of 2021 and during Summer of 2022:

Randy Albert Fall Work Completion (Auditorium, Black Box, Band Rooms, Etc) = \$85,250

Randy Albert Summer 2022 (Complete remaining open issues/punch list) = \$62,548

Jake Chiudina Fall 2021 Work Completion (second shift) = \$43,640

Jaimme Reynolds additional MEP Oversight = \$101,324

Saturday and Sunday Coverage = \$30,240

