

Meeting of the Waterbury Select Board

Thursday April 9th, 2015

Main Street Fire Station-7:00pm

Attendees: H. Grenier, M. Frier, M. Luce, C. Nordle, C. Viens, B. Farr, W. Shepeluk (via telephone), J. Quinn, B. DeLaBreuer, A. Nelson, E. Coffey, C. Clark, A. Tuscany, D. Schneider, J. Brown

The meeting commenced at 7:03 P.M.

7:00pm: Approve Agenda: D. Schneider made a motion to approve the agenda. The motion was seconded by M. Frier and approved unanimously.

7:05pm: Public: There were no public comments.

7:10pm: Discuss and Approve Guaranteed Maximum Price for Municipal Complex: J. Quinn and B. DeLaBreuer reviewed the final GMP estimate sheet. The preconstruction and general conditions have not changed. The winter conditions have changed as construction will be finished in January 2016. There has been increased funding budgeted for temporary heat and for 4 snow events. This money will be returned to the Town if not used. The site work, electrical work, masonry, concrete, demolition, metals, glass, ceiling, furnishings, fire suppression, and HVAC subcontractor bids came in over the estimated budget. The elevator shaft, architectural wood casework, insulation, doors, frames, hardware, windows, floors, painting, taping, and final cleanup subcontractor bids came in under the estimated budget. Only one bid was submitted for the roofing and ADA lift portion of the project and it came in over the estimated budget, therefore the roofing and ADA lift are being rebid this week.

Allowances have been included in the budget to help determine the GMP. If the bid is under the allowance, the remaining funds will be released back to the Town. The GMP subtotal is \$4,670,343, which includes the current allowances. The allowances outlined in the budget are conservative estimates, however ReArch cannot guarantee that the bids will not exceed the allowance. There is a total budget overage of \$190,673 which includes the construction budget, VIA contract and owners costs. In recent weeks the Capital Campaign has experienced success, therefore the Library has agreed to pay \$131,584 of the budget overage at the 4/2/15 meeting. Once all of the remaining subcontractor bids are received, with the exception of the final cleaning which will be addressed in the final months of the project's construction, the GMP will be finalized in the coming weeks.

There were several alternates included in the budget. The alternates that require decisions within the next two weeks are alternates 1, 2, and 12 because they impact the early work on the site. Alternate 1: pave the west parking area. Alternate 2: provide the additional parking area (including 3 additional parking spaces, a retaining wall and a pipe railing). Alternate 12: delete inverters for emergency lighting and simplify lighting controls.

H. Grenier requested that the GMP be reached as soon as possible so that the Library can determine the available budget for furnishings. It was noted that the Vermont Corrections should be used for as much

of the furnishings as possible and that the Library will be working with Andrea of VIA on furnishings and should complete the pricing process by the end of the week of April 13th. B. Farr noted that the VT Corrections representative understands that bidding for the overall Complex and for the Library are separate bidding processes.

The Board discussed the Stipulated Sum contract model. The project contingency is \$132,180. Under the Stipulated Sum contract, one half of the contingency is given to ReArch, and the Town maintains the other half of the contingency. This would bring the lump sum contract price down with a savings of \$132,180. The Stipulated Sum contract allocates a portion of the project risk to ReArch, as the lump sum price would only change if the allowances were lower than the subcontractor bids or if there is a change order. W. Shepeluk noted that it is unlikely that the allowances will not be enough to cover the cost of the bids, and if the bids do exceed the allowances, the Town can choose to employ outlined project deducts. Additionally, a Stipulated Sum contract may allow for add-ons. B. DeLaBreuer noted that as this is a complex project and therefore a 6% contingency is preferable, however a 3% contingency for ReArch with immediate savings for the Town provides more confidence for the Town and puts a limit on the Town's contingency responsibility. If the Select Board chooses a GMP contract, the final project costs will not be known until the end of the warranty period. Additionally, the GMP contract does not allow the Town to include elements that were deducted if there is a budget surplus at the end of the project. The VCDP representatives have stated that the Town can choose either contract as long as the terms and special conditions of the grant funds are clearly outlined. Under the Stipulated Sum contract, the GMP is guaranteed unless there is a change order outside of the project scope of work. Under a Stipulated Sum contract, ReArch will still have to bond for the contract amount, however the bond will be for a lesser value as the contingency amount is reduced.

W. Shepeluk has consulted with the lawyers involved in this project and they did not prefer either contract model. ReArch has experience with both contract models and approximately 75% of their contracts use the Stipulated Sum model.

D. Schneider noted that the Thatcher Brook Primary School construction project allowed for \$500,000 contingency, which was a larger project with potentially more risk than the Municipal Complex Project. The TBPS project used all of the budgeted contingency, however it also had many change orders. He added that the Janes House is a smaller space and that much of this project will be new construction, and he does not believe all of the contingency funds will be used. J. Brown stated that she felt the Town should select the Stipulated Sum contract as this is a complicated project. C. Viens stated that he would not have an issue with selecting a Stipulated Sum contract. M. Frier made a motion to approve alternate 1, reject alternate 2, wait to receive more information regarding alternate 12 from VIA and engineers, and approve the Stipulated Sum contract with ReArch including a Guaranteed Maximum Price of \$4,545,610. C. Viens seconded the motion and it was approved unanimously. W. Shepeluk will issue a motion to proceed on Monday.

8:00pm: Change Orders-VIA and KAS Engineering: There have been two change orders in the last two weeks for VIA and KAS Engineering. The VIA change order is in the amount of \$7,500 for additional work completed by VIA. This change order can be paid for using the budgeted architectural contingency. C.

Viens moved to authorize W. Shepeluk to sign the change order for VIA in the amount of \$7,500. D. Schneider seconded the motion and it was approved unanimously. The KCE Engineering change order is in the amount of \$3,170 for work encompassing soil and concrete testing. This additional payment will bring the total KAS Engineering contract to a total of approximately \$14,081.67 which will cover the cost of all remaining KAS work. J. Brown asked if this cost was included in the pre-approved budget. B. Farr answered yes. J. Brown moved to approve the KCE Engineering change order in the amount of \$3,170. M. Frier seconded the motion and it was approved unanimously.

8:05pm: Consider Bids for Purchase of Bucket Loader: The John Deere quote offered \$34,000 for the current bucket loader and would sell new the new bucket loader for \$130,684 (camera not included). Southworth Milton offered \$32,500 for the used bucket loader and would sell the new equipment for \$140,500 (camera not included). The Volvo bucket loader included a camera in the base price of \$131,092 and would purchase the used bucket loader for \$34,000. A. Tuscany and C. Clark prefer the Volvo because it has better visibility from cab, which will be useful as the bucket loader will mostly be used in the Village. The question as to whether Waterbury could receive a better price for the used bucket loader, and C. Clark stated that she was impressed with Volvo's offer. M. Frier motioned to purchase the Volvo bucket loader and trade in the used bucket loader bringing the overall cost to the Town to \$97,092. The motion was seconded by J. Brown and approved unanimously.

With no further business to conduct, M. Frier motioned to adjourn the meeting. The motion was seconded by J. Brown and approved unanimously. The meeting was adjourned at 8:53 PM.

Reminders:

1. Groundbreaking-10:00am on Monday, April 13th at 28 North Main Street
2. Incident Command System Training-6:00pm on Thursday, April 16 at Main Street Fire Station

Respectfully submitted,

Zoe Gordon, AmeriCorps VISTA

Approved on: Approved on April 20, 2015