

Police-Fire Facility Committee
Thursday, June 20, 2013, 4:00pm
Hanna Cosman Meeting Room

In attendance: John Allen, Selectboard, Phillip Chapman, Kathy Dowd, David Emery, Sr., Tony Farnum, Robin Sweetapple, Prudence MacKinney, Steve Phillips

Absent: Eli Gould

Staff Present: Barb Sondag, Chief Bucossi, Chief Wrinn, Patrick Moreland, Peter Lynch, Michael Fitzgerald, Steve Horton, Project Manager

Others Present: David Schoales

- A. Sweetapple called the meeting to order and confirmed that the meeting had been warned.
- B. Dowd moved to approve the minutes of 5/23/13 as amended, second by Philips. Dowd proposed one change to minutes: to clarify that the building being bought by the Town was the Custom Laundry building. Motion carried.

Philips moved to approve the minutes of 5/30/13, second by Chapman. Motion carried.

- C. Selectboard Meeting updates – Sweetapple asked Horton to update the Committee on their report to the Selectboard. Horton stated that the Committee’s recommendation to enter into contract negotiations with Northeast Collaborative Architects. The recommendation was approved unanimously by the Selectboard. Horton then updated the Board on the contract negotiations. There are only a few proposed changes by Horton at this point. The contract is with the Town Attorney for review and it is hoped that the contract will be completed within the next week.
Letters were sent to the other bidders notifying them of the decision.
- D. Project Organization: Project Manager --- Construction Management vs General Contractor :
Sweetapple introduced the topic and turned the floor over to Horton for explanation of the two construction delivery systems.
Horton began by discussing the similarities of the two processes. Horton prepared a chart that reflects that the Owner has a Project Manager. Sweetapple discussed the difference between the Construction Manager and the Project Manager – Construction Manager is focused on construction and the Project Manager oversees the whole process – he/she is the link between the Owner and other contractors.
The Architect will work with a variety of engineers no matter what the construction delivery system. Imagine a three legged stool – Owner, Architect (designer), and Builder (either construction Management or general contractor). The Builder will have on staff a project manager, a superintendent, and an estimator. The superintendent is in charge of the daily operations on each site (for our project we anticipate we will have three superintendents – one for each site).

The differences are that a construction manager is decided on very early in the process. RFPs go out early and the proposals will contain fees (percentage or lump sum – normally about 2-3%),

and a history of prior projects. The Construction Manager (CM) contract is negotiated after being chosen – similar to the Architect process – and the CM becomes a part of the owner, Architect team.

The costs will be very detailed and transparent. Once hired, the Construction Manager will immediately begin to look at the project and look for issues or suggestions. The CM will also begin to develop an estimate on construction costs. The CM will provide an estimate early in the process, again at 50% of design, and at 90+%. The importance of the estimate at 50% is to early identify any costs concerns. Changes to design after the 50% design completion are more costly. The Owner needs to be strong and understand what they want and make decisions at this 50% time. At the last bid the CM will give a GMP – guaranteed maximum price. The GMP holds the CM to delivering the finished project as designed. The CM is at risk for over-runs. If the estimate is less than the GMP then the municipality gets the savings back.

Also at this time the CM will let bids for sub-contractors. About 85% of the construction will be bid out to sub-contractors (this is true of CM and General Contractors). The CM will be responsible for the hiring and paying and supervision of the sub-contractors.

With the General Contractor (GC), or bid process, the applicants are pre-qualified by the Owner. Typically the project is awarded to the lowest bidder. The GC will provide a bid broken down by scope of work - it will not be a detailed line-item bid. The GC will give the detailed drawings and scope prepared by the Architects to their estimators for review of the design work and put a price on the document. If there is something missing from the documents, that missing item can become a change order later in the process.

Dowd asked when the committee would need to make a decision with respect to the delivery method. Mr. Horton suggested that a decision be made within the next two weeks. Mr. Emory offered his preference for CM, but asked about what impact that might have on the need to continue with a professional project manager. A project manager and a CM are purposefully separate, and a CM does not eliminate the value of a professional project manager that can represent the owner's interests in dealings with either the architects or the builders, CM or GC. Several committee members indicated their interest in continuing with a project manager, even after contract documents have been finalized. Several on the committee complimented Horton for the quality of his work. Ms. Dowd asked if there are funds in the budget to continue with the position, and Horton replied in the affirmative.

Dowd moved to recommend that the project utilize the services of a Construction Manager, second by Phillips.

Discussion of Motion:

Chapman asked why the committee would not recommend a traditional bid process. Chapman asked if a CM process would lead to the need for additional oversight by the committee. If, for example, the CM, which is more transparent than a GC, shows the committee a list of electricians, would the committee need to make the choice? Is the committee qualified to make the choice? Horton offered that the committee can be as involved as they wish, but he is confident that the CM would be making recommendations to the committee for their approval, and that the CM model would overall be a more transparent process. Sweetapple confirmed that the CM process is clear and open. Dowd agreed that CM would be clearer and open for future public scrutiny. Phillips asked when the committee needs to make the decision.

Sweetapple suggested that the committee make the decision at this meeting. The value of having a CM is now, Horton explained, right as the architect is hired. It is suggested that CM would allow the committee to make a statement to the builder that local subs should be preferred, whereas the GC hires their subs based on cost.

Dowd asked Farnum for his opinion, and Farnum confirmed his preference for a CM. McKinney made it clear that the guaranteed maximum price can grow, if the owner chooses to alter the scope of the project. Horton confirms that the chosen architect has expressed a preference for CM. Emery expressed his anticipation for interviewing builders.

Motion carried unanimously.

- E. Project Update by Project Manager –Horton confirmed that negotiations with the architect were underway, and a contract is undergoing legal review.
- F. Other Business- In addition to the regular agenda items, next week the committee would like to consider the continued use of a use of a professional project manager. Sweetapple suggested, and the committee confirmed that Horton would be asked to step away while the matter is discussed.
- G. Motion by Dowd to adjourn the meeting at 5:30, second by Chapman. Motion carried