

**TOWN OF CROMWELL - TOWN COUNCIL
TOWN HALL COUNCIL CHAMBERS
41 WEST STREET, CROMWELL, CT 06416
AMENDED SPECIAL MEETING MINUTES**

Wednesday, February 8, 2023 - 5:30 p.m.

Present: Mayor S. Fortenbach, Deputy Mayor J. Henehan, Councilman Demetriades (arrived at 5:37 p.m.), Councilwoman J. Donohue, Councilwoman P. Luna, Councilman J. Polke, Councilman A. Waters

Also present: Town Manager Salvatore, Finance Director Sharon DeVoe, Rosanna Glynn CMS Building Committee Chairperson, Joe Culotta of Perkins Eastman, Bond Council Attorney Andreana of Pullman and Comley, John Healy of Mesirow Financial, and John Butkus of Arcadis

A. CALL TO ORDER

Mayor Fortenbach called the meeting to order at 5:32 p.m.

B. NEW BUSINESS

1. Discussion and possible action regarding the Cromwell Middle School project and the new proposed cost estimates.

Rosanna Glynn gave a presentation to the Town Council regarding the Cromwell Middle School. See attached for the presentation slides.

The Town Council was given an opportunity to ask questions about the presentation and the new proposed cost estimates.

Town Manager Salvatore and Finance Director Sharon DeVoe explained that they had a discussion with Doug Rogers and Michelle Dixon from the State this evening. They were told that they CMS Building Committee will need to get a design that reflects the 58.6 million dollar budget they submitted to the State and to the voters at Referendum for approval.

Mayor Fortenbach expressed that he is in support of this project but we need to find more ways to save money and we need to be operating under the approved 58.6 million dollars for the project.

Discussion continued regarding the importance of getting closer to the dollar amount that was approved for the project and adhering to the original scope of the project when it was presented.

John Healy from Mesirow Financial explained that as of a week and a half ago we were on a glide path. However, now that the project has an estimated cost that is much higher than what was originally approved and planned for, it will significantly impact the Town's bonding. He explained that the Town currently has 20 million dollars of debt and if this project remains at this cost, it would essentially double the amount of debt the Town has. Finance Director DeVoe explained to the Council how this debt would affect the Town's Mill Rate and the time frame and ability to bond for future projects.

Ms. Glynn expressed concern that the Town Manager had a phone conversation with the State this evening and she did not know about it or was not included. The Town Manager also expressed concerns as far as the CMS Building Committee having discussions with the State without his involvement.

Councilman Demetriades expressed that the Town and the CMS Building Committee need to be working together for this to work smoothly. If the Building Committee has a meeting with the State, the Town Manager or his designee needs to be apart of it and vice versa. Everyone needs to be hearing everything at the same time so that there is no confusion. The Town has the same goal and we need to be on the same page. The Town Council and Ms. Glynn agreed.

Jack Butkus of Arcadis was in attendance and explained to the Council that the "Scope" of the project is the Education Specifications. He explained to the Council that they have adhered to the Education Specifications throughout this process and have not strayed. He informed the Town Council that there was some miscommunication and mixed messages in the beginning regarding the square feet which affected some of the cost increase. Mr. Butkus added that he is currently working on 5 similar projects and all projects came in over their estimate, however, Cromwell's project came in the highest over the initial estimate. He also explained that they are working on finding ways to cut costs and referred to the waterfall chart in the presentation that shows the areas where they were able to cut costs already. He explained there is more work to be done to decrease the costs and that more accurate numbers will be available in April.

The Council expressed their concerns and had questions regarding the miscommunication and mixed messages pertaining to the square footage. Councilwoman Donohue explained that if we have to go back to the voters again, we need to be sure about the cost and design. She said if we go back to referendum then this has to be very clear and all the facts need to be presented to the voters. She stated that the angst from the residents is not because people are opposed, but

because they are extremely concerned with the cost difference. We need to have the trust in the project and what we are doing.

Ms. Glynn stated that the Building Committee was equally frustrated with some of the findings after the original cost estimate. She explained that there has been a significant amount of learning the Building Committee has gone through since then, they know the right questions to ask, they know the right things to look at now and they have a very knowledgeable project manager.

Councilman Henahan asked how comfortable Mr. Butkus felt that there would be a way to get close to the initial number and plan. He expressed that there needs to be focus on the wants versus the needs and some wants need to be taken out.

Finance Director DeVoe explained we are presently at risk for about \$520,000 but more invoices were processed this week. Mr. Butkus informed the Council that we will be at approximately \$350,000 in addition to the \$520,000 as of April. The total amount will be approximately 1.25 million dollars for maximum at risk to get all the bids in, beyond what we have spent today.

MOTION made by J. Demetriades and **SECONDED** by A. Waters for the Town Council to defer any further action and allow the Building Committee and its team to continue the work through the completion of the development in the stated time frame of April 2023 with a focus on value management and cost savings.

Discussion: Councilman Demetriades requested that if the Building Committee is having conversations with the State, the Town Manager or his designee needs to be part of that conversation so that the information gets back to him so he can inform the Council and vice versa. We need this to be a collaborative effort.

All in favor.

C. ADJOURN

MOTION made by J. Donohue and **SECONDED** by P. Luna to adjourn.

All in favor.

The meeting adjourned at 7:05 p.m.

Respectfully submitted,



Amanda Calve
Secretary

Building Committee

CROMWELL MIDDLE SCHOOL

Town Council Special Meeting
February 8, 2023



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AGENDA

1 Project Overview to Date

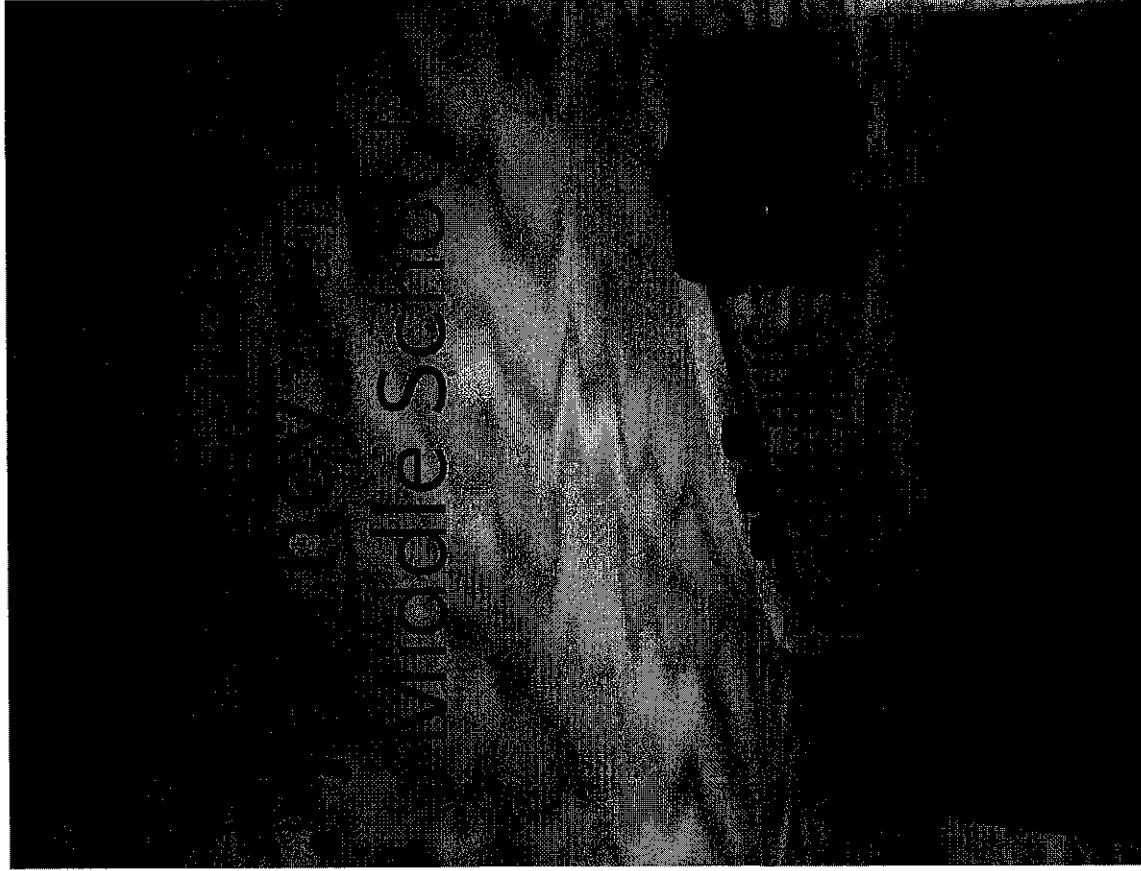
Reconciliation of cost estimates over time

2 Cost Mitigation Opportunities

Value Engineering & Ed Spec reconciliation

3 Next Steps

Options for consideration



ESTIMATE PROCESS

Process Overview for Design Cost Estimates

Develop Design

Input: Start with building design after each project phase (Concept, Schematic, Design Development, Construction Document)

Obtain Cost Estimates

Generate at least 2 independent cost estimates.
Create initial estimate based on industry knowledge, experience, and then-current costs

Reconcile & Finalize Cost Estimate

Compare cost projections across each estimator.
Understand differences.
Align on assumptions and reconcile to a single cost estimate. (Includes escalation factors)

Finalize Cost Estimate

Review estimate with CMS Building Committee.
Determine if further actions are required.

Feb 2023

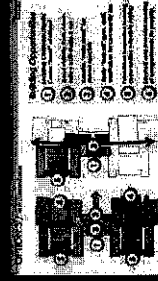
Schematic Design Estimate
Middle School & Central Office



\$77.6M
Before VM Options

Apr 2022

Concept Design Estimate
Middle School & Central Office



\$58.6M

Concept Design & Long-term Value Analysis Estimate, March 30, 2022

Build New cost

Referendum Estimate

BUILD NEW

Key decision factors³

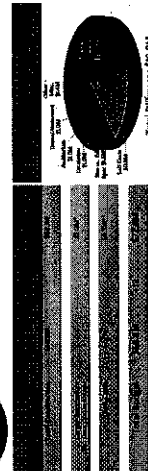
- 1 Safety
- 2 Corrosion
- 3 Cost Differential
- 4 Student Impact During Construction

COST ESTIMATE

**Cromwell Middle School &
Central Office**

Construction Hard Costs	\$50,960,348
Owner Soft Costs (15%)	\$7,644,052
	\$58,604,400
State Reimbursement (20.64%, less in-lieu of \$2,000,000)	(\$20,113,200)
Estimated Total Cost to Cornwall	\$38,491,200

Comparison Between CD and SD Estimates



Name: Benjamin Lehmann 30.05.2021 ☐ in MDZ am Westend 24493
100% mitbringen im 2. Stock unter 100°C immer 2/1/2/3

WHY BUILD NEW?

- 1 Lowest total project cost / highest value
- 2 Highest proportion of construction cost stays with the building
- 3 Lowest net cost over 10 years
- 4 Lowest impact to student population
- 5 Maximizes safety

PROBABLE COST SUMMARY /



Tecton

Middle School + Central Office

Opinion of Probable Cost - Summary of Options				
Line Item Category	Option 1	Option 2	Option 3	
Site Improvements	\$245,000	\$245,000	\$245,000	
Building Improvements	46,847,452	46,058,186	44,053,906	
Subtotal Construction Costs	\$2,092,452	\$1,363,186	\$929,906	
Soft Costs	10,150,029	10,004,121	9,613,287	
Other Costs (variances only)	103,824	537,946	0	
Estimated ~ Total Project Costs	63,288,720	\$61,666,647	\$58,912,193	
State Reimbursement	-27,358,750	-26,878,598	-20,905,660	
Estimated Cost to Cromwell	\$35,929,969*	\$34,788,049*	\$38,006,532*	
Variance				

* Costs shown are rough order of magnitude (ROM), and produced prior to the investment of the pre-bid cost estimator.

Value Analysis

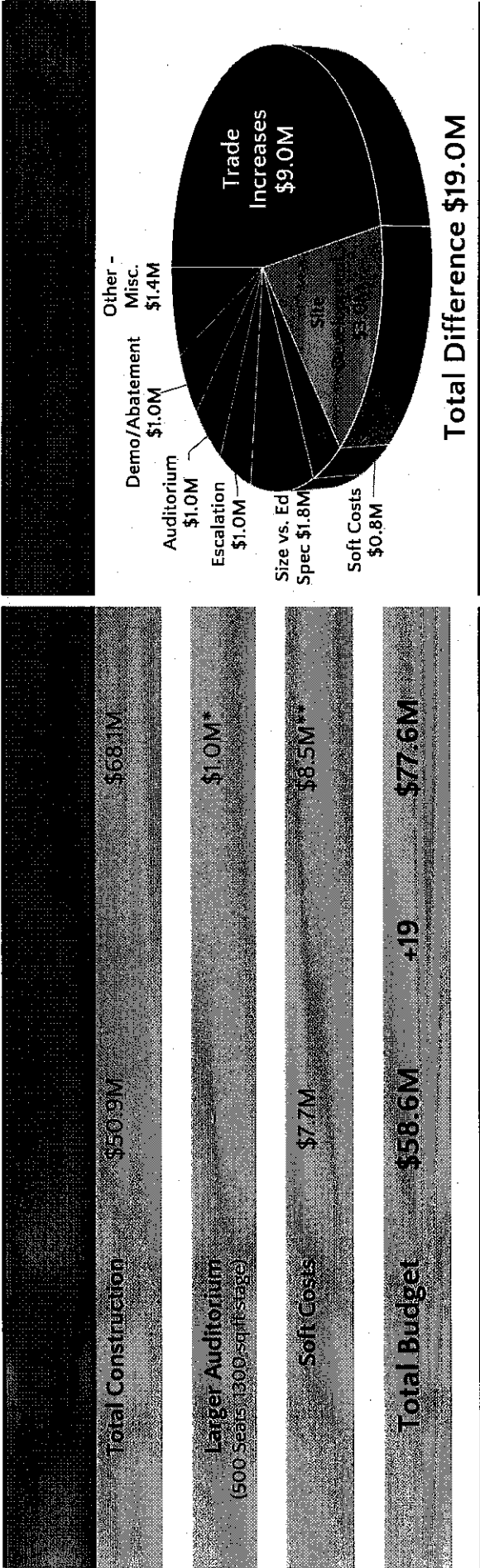


Tecton

	1	2	3
	Renovate Existing + limited additions	Renovation As New (RVN) 55-45%	New Building
Possibility of unforeseen conditions, conflicts, and cost increases	Very likely 4-7% of construction \$2,750,976 + \$1,200,458	Unlikely 2-3% of construction \$1,200,458 + \$1,200,458	Unlikely 1-2% of construction \$350,518 + \$0
Costs that don't stay in the building General Conditions Analysis (Probability between 3-10% of the construction cost)	48 Months (less 25%) \$3,985,420 + \$1,140,348	24 Months (less 25%) \$3,985,420 + \$1,140,348	24 Months (less 25%) \$3,985,420 + \$1,140,348
Temporary Facilities & Field Office Administrative Expenses (Probability between 3-10% of the construction cost)	48 Months \$7,400,000 + \$400,000	24 Months \$7,400,000 + \$400,000	24 Months \$7,400,000 + \$400,000
Annual Energy Costs (Analysis based on an energy audit of options, 10 year analysis, owners strongly encourage to schedule a meeting)	Average 100,000 (including basements) - \$1,500 x 10 years \$1,500,000 + \$467,923	Average 100,000 (including basements) - \$1,500 x 10 years \$1,500,000 + \$467,923	Average 80,313 (no basements) - \$1,250 x 10 years \$1,250,000 + \$0

ESTIMATE COMPARISON

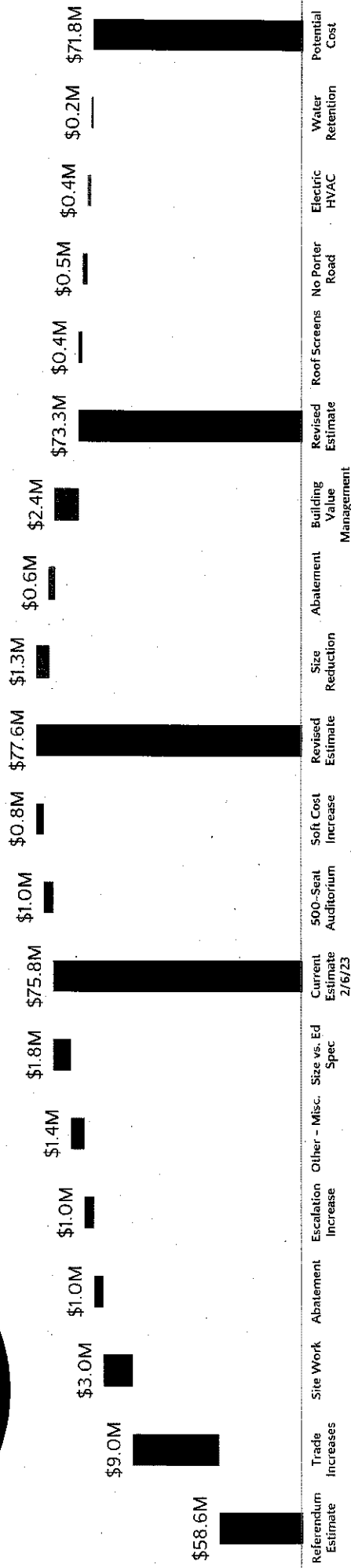
Comparison Between CD and SD Estimates



Source: Perkins-Eastman, 2/1/2023; CD vs. SD pie breakout, 2/6/23
 *Larger auditorium included to meet Ed Spec intent 2/1/23
 **Soft cost estimate updated by CMS Building Committee to reflect % of construction cost on 2/1/2023 +\$0.8M

PROJECT TO
DATE

Estimate Increase and Potential Reductions



Applies today's prices to "Concept Design" estimate

New learning based on recent environmental surveys

Building Committee revision 2/1/23:

Adjusted for Ed Spec intent

Updated FFE & owner's contingency per inflation rates

Building Committee approved cost reductions 2/1/23

Further cost mitigation options under review

Source: Perkins-Eastman 2/6/23

*Larger auditorium included to meet Ed Spec intent 2/1/23

**Soft cost estimate updated by CMS Building Committee to reflect % of construction cost on 2/1/2023 +\$0.8M

OPTIONS

Cost Mitigation Opportunities through Value Management

Provide concrete sidewalk in lieu of pavers on concrete base	\$194,140	High	None
Move to FF&E bleachers, soccer goals and team benches	\$120,960	High	If use current, may need to replace in short term
Reduce landscape/plantings by 20%	\$18,480	High	None
Remove center median in parking lots	\$40,340	High	P&Z restrictions
Remove southernmost parking bay and drive aisle in visitor/staff lot	\$125,870	High	Reduce to 99 total spaces in visitor/staff lot
Remove amphitheater	\$134,730	High	Add Bid Alternate
Provide chain link fence in lieu of service area walls	\$431,880	High	None
Reduce Spoils	\$109,640	High	None
All signed roof steel in lieu of tapering insulation	\$136,590	High	None
Eliminate Vegetated Roof	\$234,525	High	None
Reduce Classroom wing monitors	\$132,915	High	Lessens natural light in hallway
Eliminate Music area monitors	\$234,256	High	Lessens natural light in music rooms; still have windows
Eliminate BOE Monitor	\$197,235	High	Lessens natural light
Reduce Roof Screens Existing Design	\$117,293	Medium	P&Z Requirements tbd
Reduce Roof Screens - Use ballasted modular roof screens	\$234,488	Medium	P&Z Requirements tbd
Remove Trellis Cafeteria	\$88,703	High	None, design element
Remove Trellis BOE	\$38,120	High	None, design element
Remove Trellis Auditorium	\$128,534	High	None, design element
Storefront in lieu of Curtainwall at Music Area	\$41,845	High	None
No Porter Road	\$475,060	Low	May need building to move, could reduce parking
All Electric HVAC	\$477,630	Medium	Lifecycle cost increase
Water Retention	\$201,360	Medium	Need to review need with building codes

Source: Perkins-Eastman, 2/1/2023

POTENTIAL ACTIONS



- 1 Postpone decision until next estimate in April 2023**
Town will incur design cost in the interim
- 2 Postpone decision until bids received**
Town will incur design cost in the interim
- 3 Proceed and appropriate additional amount**
Review w/ Board of Finance, then referendum
- 4 Proceed with current budget**
Curriculum will be impacted / does not meet Ed Spec; risk to athletic fields, auditorium, classroom size

THANK YOU

Building Committee

CROMWELL MIDDLE SCHOOL



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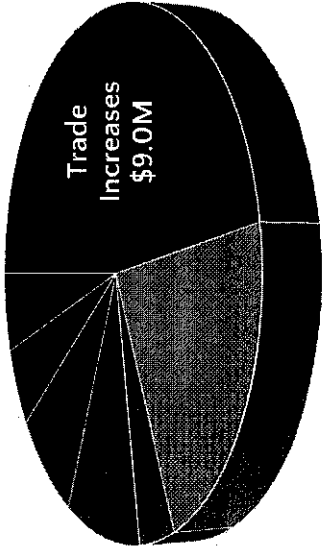
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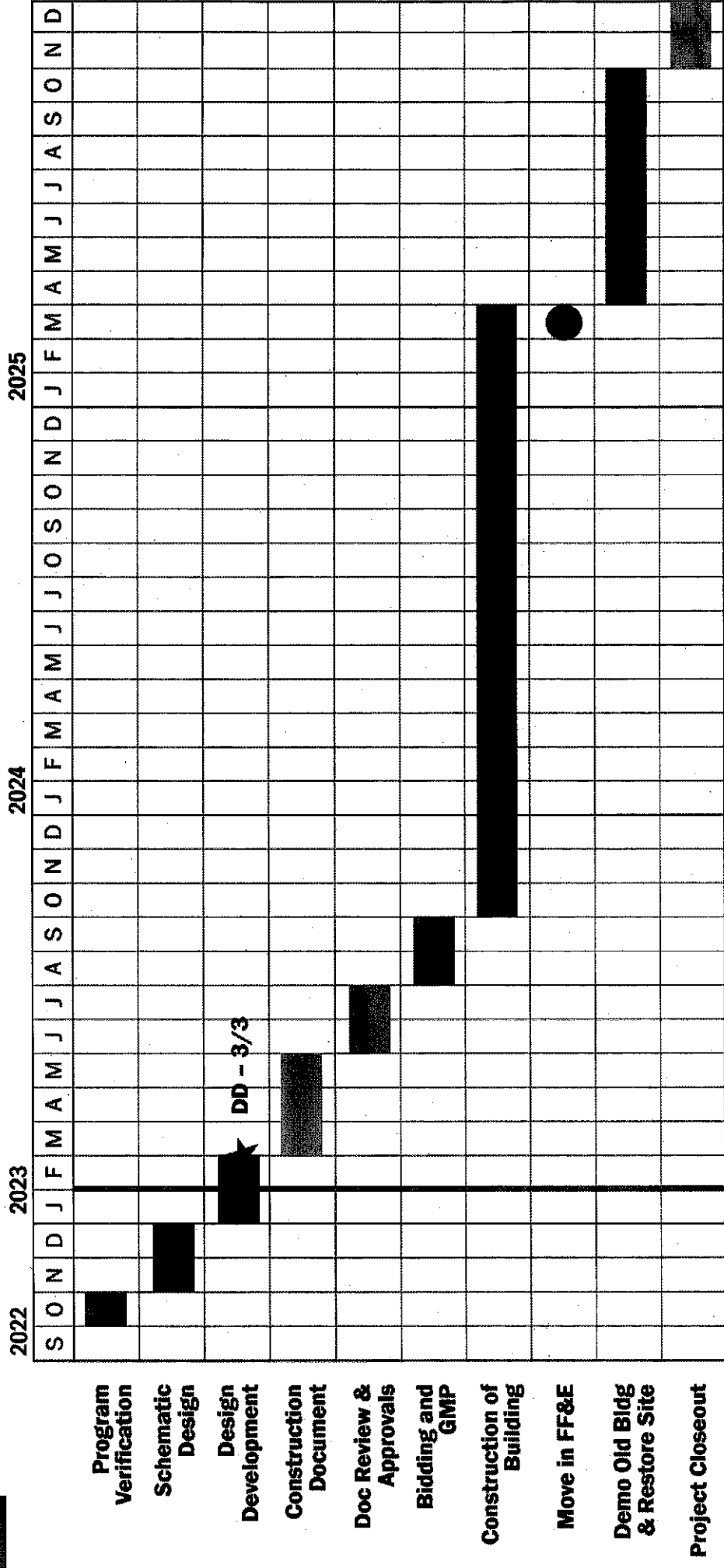
TRADE COST CHANGE

Concept Estimate: Trade Cost Increases



Concept Estimate: Trade Cost Increases <small>(Updated 2/6/23)</small>	
	Trade Cost Increase
Temp. Facilities	\$61.9k
C.I.P. Concrete	\$465k
Structural Steel	\$833k
Siding and Panels	\$222k
Roofing	\$598k
CW and Windows	\$476k
Site Board Assemblies	\$192k
Food Service Equipment	\$100k
Finishing	\$131k
HVAC	\$544k
Electrical	\$112k
Site Work	\$462k
Sum of Items = \$3.186M	\$2.3M
Sub-Total	\$5.8m
Indirect Costs	\$3.2m
Total	\$9.0m
Source: Perkins-Eastman 2/6/23	

Proposed Schedule



SUCCESS DRIVEN BY TEAM VALUES

As a Building Committee we,

- Are working towards a **shared purpose**.
- Are **transparent** and maintain open and honest communication.
- **Collaborate** as a team and with all stakeholders
- Act with **integrity**. We do what we say and say what we will do.
- Engage the community and **value all members' feedback**.
- Act with **respect**. We listen to all opinions and adhere to our meeting norms.



PROJECT OVERVIEW

Mission

- Prepare our students for the **future**
- Build a **safe, modern** Middle School
- Create an **inclusive** atmosphere for **all** students
- Foster **innovation** in an advanced learning environment
- Enable a **Science, Technology, Engineering, Art and Mathematics (STEAM)** curriculum

