

BCOC Meeting Minutes

Date: April 15, 2020, 5:30pm

Location: Video Conference

Committee Members

Present: Peter Bahrenburg, Noel Green, Erik Hoekstra, Kate Stein, David Boehm, Claire Wool, Jordan Redell, Marty Spaulding, Nathan Lavery, Tom Peterson

Others in attendance: Kathy Olwell (BSD), Mike Fisher (BSD), Stephen Carey (BSD), Tom Flanagan (Future BHS Superintendent), Natty Jamison (PCI)

Meeting Commenced at 5:35pm

Introductions:

Tom Peterson (TP) began the meeting, introducing the committee members and welcoming the members of the Burlington School Board in attendance.

- **TP:** Primary purpose of this meeting is to review the budget reconciliation process, review potential cost saving measures, and review the potential new funding sources.

Reconciliation Process:

- **TP:** Reconciled estimate for Cost of Work (CoW) 1.8% above WT's original estimate. The general conditions had an understandably larger delta - with the reconciled estimate 14% above WT's estimate. The overall project estimate has been reconciled to 3.5%. Reconciled estimate, with targeted scope reductions and adjustments, is approximately \$3.8 million above the \$70 million bond.

Review of Cost Saving Options:

- **TP:** CHPS certification is being kept in the project for now. Consultant is already budgeted for. Won't necessarily get the actual certification. Bike canopy is expensive and can be added later on, eliminated from current project. The replacement of the gym floor can be deferred. The bleachers need to be replaced as soon as possible, but can use funds previously earmarked for BHS. The repair of the student parking lot can also be funded from a different source.
- **TP:** Finishes: BCOC and the general public agreed that keeping the more durable finishes in the project is a priority.
- **TP:** To reduce cost the galleria is recommended to be eliminated. It would have required extensive demolition and expensive over-building, net savings of just under \$1 million. Some loss of circulation space, but no loss in program space.
- **TP:** Reducing renovations planned for F building is a \$5.4 million savings, and is work that can be carried out at a later date as a separate project.
- **TP:** Having air conditioning is a priority for BCOC, staff, and public.
- **TP:** The auxiliary gym will be designed and will be bid out as an add or deduct alternate. It could be a standalone project, or included in project if funding allows. With these changes, the total cost of the project is \$73,844,414.
- **TP:** The new material for this meeting is Nathan Lavery's (**NL**) memo regarding additional funding opportunities.

Review of Additional Funding Options:

- **NL:** The first item on this list (city waiving cost of zoning permit) is feasible, but not under district control. Revenue from Taft school lease could be applied to this project. That revenue should support OnTop, which has a large presence at the new BHS facility. There was an allocation from the Capital Plan proceeds, already earmarked for BHS that could be applied to this project. I am confident that with the variety of options available, we can hit the \$4 million.
- **TP:** Square footage of program space for Ontop in the new facility will be roughly 7,000sf. +/- The rough sf price for this project is \$377/sf, which means the OnTop program space will cost roughly \$2.6 million.

Project Highlights:

- **TP:** Project highlights: Accessibility and ADA compliance, new connectors between buildings, upgraded restrooms, air conditioning, improved circulation including new elevators, a new roof, better insulation, windows and efficiency. There will also be much better safety, with fewer entry points and better lines of sight. There will also be improved fire protection.

Work in Summer 2020:

- **TP:** The construction of a standalone electrical room can possibly be done this summer, allowing electrical runs to be made as the project progresses. The replacement of the bleachers in the gym, and replacement of the gym floor if the funding and the timing of schools reopening allows it. The student parking lot work could potentially be done as well. Potentially some asbestos abatement. A lot of this work hinges on permitting schedules and uncertainties related to the pandemic.

Next Steps:

- **TP:** The BCOC will bring its recommendation to the school board next week, and depending on that result, the school board and BCOC will bring their recommendation to the board of finance at their next available meeting. Tentatively April 27, 2020.

Schedule:

- **TP:** BRD has produced a more detailed schedule, but generally: If we get approval from the school board and board of finance in May, design development could be complete by October. We are hoping to get Construction Documents complete by the new year, but that schedule is very tight. If that does happen, construction could begin in late spring of 2021.

Questions (BCOC Members):

- **TP:** Opened the floor to questions: starting with members of the BCOC, and then school board members.
- **David Boehm (DB):** How confident are we that we can bridge the funding gap?
- **NL:** With the exception of the zoning permit fees, it is essentially money in hand, and I have no doubt that we can use it.
- **DB:** And what is the read of the board right now? And the city?
- **Clare Wool (CW):** The board might ask, what if we stick with the \$70 million and use the \$4 million identified by NL to pay down that debt? It would be irresponsible of the BCOC to present anything that does not meet OPRs. It's up to us to deliver the message in such a way that the school board understands this.
- **Jordan Redell (JR):** After receiving NL's memo, and discussing it with my colleagues, we have some questions: what is the \$400,000 zoning cost based on?
- **TP:** We calculated it based on the rates published by the zoning department.

- **JR:** Can you provide a detailed breakdown of these fees? It is likely that at least some of these fees will need to be paid, but some might be able to be eliminated. Scott Gustin is ready to help with questions.
- **NL:** Is that \$400k amount already in the budget?
- **TP:** Yes.
- **NL:** Whether the amount is higher or lower is immaterial, what matters is how much the city can waive.
- **JR:** Is there a building permit fee?
- **TP:** Yes.
- **JR:** Having a list of all of the city costs would be really helpful. Under state statute the major impact fee will not apply. Tom were you aware of that?
- **TP:** No. For all city permit fee expenses we were budgeting about 800k.
- **Marty Spaulding (MS):** Do you think these questions could be answered ahead of the presentation to the school board?
- **JR:** I will do my best to expedite it, but it will likely need review by the department of education, and will likely still be an ongoing conversation.
- **DB:** Witnessing this process has been amazing. I know how hard it is to bring project costs down, from my own experience.
- **KS:** Yes, I am staying positive and excited about this project!
- **Eric Hoekstra (EH):** If NL has found a path, I'm not so focused on the \$70 million number, just on whether it can be funded.
- **MS:** The school board supported the BCOC seeking additional funding, so it is reasonable to expect that they will support this route.

Questions (School Board Members):

- **Mike Fisher (MF):** I am thinking about the state education fund, and taking money that could be used elsewhere in the system. There may be significant budget shortfalls due to Covid-19.
- **Kathy Olwell (KO):** Has some of the money from the Taft lease been spent yet?
- **NL:** Yes, particularly on getting those programs set up in new spaces. The school board and voters committed us to using the funds for relocating programs OR other infrastructure needs.
- **MF:** But we could use it for other schools.
- **CW:** Yes, but capital plan funds have already been allocated.
- **MS:** This project, like all projects, is costing more than anticipated. But, we have a robust capital plan to address needs, and given that OnTop will be in BHS, using those funds for this makes sense.
- **Stephen Carey(SC):** I was happy to see NL's memo and to see funding this project will be possible. I was disappointed to lose so much of the wow factor, but I fully support this new approach. I hope my fellow board members will as well. Is the Taft money one time thing or recurring?
- **NL:** It's a 99 year lease, paid up front. Not recurring.
- **SC:** How solid are those reconciled estimate numbers?
- **TP:** A reminder that we are still in the Schematic Design phase, the full extent of the hazardous materials is still unknown, and the impact of the shutdown on the construction industry is unknown. With the information we have now, we are confident in the numbers.
- **JR:** How do you think Covid will affect construction?
- **TP:** I don't think costs will go down. A lot of what was driving costs was an aging workforce, lack of skilled labor etc. I think the best we can hope for is neutral impact.

- **CW:** WT is an experienced, national firm, and their estimating is conservative. The reconciliation process makes this as accurate as we can get.
- **TP:** One last question for school board members: what, if anything would you like to see added or taken out of this presentation, before presenting it to the full school board?
- **KO:** I just want more information. But otherwise it is a great presentation.
- **SC:** If you can nail down city costs more, that would be helpful.
- **Noel Green (NG):** What is the process with the board?
- **CW:** NL, myself and MS will work on a motion to move forward with this funding plan, and then take that to the Board of Finance, showing BCOC and School Board support.
- **MF:** I mostly have questions about the additional funding sources. What other things could/would the Taft money go to?
- **NL:** I will prepare to answer that.
- **MS:** It would be useful if CW asked the board to submit questions ahead of time so we can prepare.
- **CW:** Will do.
- **TP:** If there are no more questions, I will close the meeting.

Meeting adjourned at 6:54