



Town of Concord
Finance Committee
22 Monument Square
Concord, Massachusetts 01742-0535

AGENDA

Concord Finance Committee

February 11, 2021

7:00PM

via Zoom Webinar and broadcast on MMN

Zoom Access Info:

Join from a PC, Mac, iPad, iPhone or Android device:

Please click this URL to join.

<https://us02web.zoom.us/j/85686763433?pwd=RU92R2FmTF1JOWV6UXZnTWN1U0hqQT09>

Passcode: 556420

Or join by phone:

Dial (for higher quality, dial a number based on your current location):

US: +1 312 626 6799 or +1 646 558 8656 or +1 301 715 8592 or +1 346 248 7799 or
+1 669 900 9128 or +1 253 215 8782 or 888 475 4499 (Toll Free) or 877 853 5257 (Toll Free)

Webinar ID: 856 8676 3433

International numbers available: <https://us02web.zoom.us/j/85686763433?pwd=RU92R2FmTF1JOWV6UXZnTWN1U0hqQT09>

1. Minutes: January 21, 2021
2. Continued Discussion: Middle School Building Committee
3. Observer Reports, as time permits

Reminders:

- **Next Regular Meeting:** February 25, 2021
- **FY22 Guidelines Meetings:** February 25, 2021
- ***When Finance Committee members anticipate being absent from a meeting, it would be appreciated if they would notify Chair Mary Hartman by email at: maryhartman7@gmail.com***

Supporting materials for agenda items are available online at www.concordma.gov/fcmtgdocs. Materials are generally uploaded on the Tuesday prior to the Regular Meeting.

*** If any member has materials they would like to present for discussion, please inform the chair in advance of the meeting ***

**Town of Concord
Finance Committee
Meeting Minutes – January 21, 2021**

Present: Ray Andrews, Dean Banfield, Kathy Cuocolo, Greg Guarriello, Mary Hartman, John Hickling, Richard Jamison, Dee Ortner, Parashar Patel, Christine Reynolds, Phil Swain, Brian Taylor, Lois Wasoff and Andrea Zall

Absent: Wade Rubenstein

Others Present: Select Board Chair Linda Escobedo; Select Board Member Terri Ackerman; School Committee Members Cynthia Rainey, Fatima Mezdad and Court Booth; Town Manager Stephen Crane; School Superintendent Laurie Hunter; Middle School Building Committee Members Pat Nelson, Dawn Guarriello and Charles Parker; Consultants Kristen Olsen (SMMA), Peter Martini (OPM) and Ian Parks (Hill International); NMI Planning Reuse Committee Chair Karl Seidman; Chief Financial Officer Kerry Lafleur; Recording Secretary Anita Tekle

Open Meeting

Ms. Hartman called the meeting to order at 7:00 pm with a roll call vote, with the following voting in the affirmative: Reynolds, Hartman, Ortner, Banfield, Taylor, Andrews, Patel, Wasoff, Jamison, Cuocolo, Zall, Hickling and Swain. The meeting was held via Zoom using the Webinar format, and broadcast via MMN. She noted that the meeting was being recorded.

Mr. Guarriello recused himself for the next presentation and discussion of the Middle School Building project.

Middle School Building Committee Presentation

Co-Chair Ms. Guarriello introduced the Committee members and consultants. Dr. Hunter thanked the Finance Committee (FC) for providing the opportunity for the presentation. Mr. Martini (Owner's Project Manager/OPM) reviewed the Project Goals Recap, which includes a total project cost limit of \$100 million; a total estimated construction cost limit of \$80 million; and a design for 700 students in Grades 6-8. The Committee is trying to stay within the \$100 million goal. Consideration is being given to sizing the Gymnasium and/or the Auditorium for more than Middle School use (i.e., for community use). Ms. Olsen noted that increasing the square footage would result in a higher cost.

Mr. Patel inquired about projected enrollment for the lifespan of the building (50 years). Dr. Hunter responded that they are targeting the project to absorb growth without overbuilding. Current enrollment is 683. Elementary school enrollment is down, so there would be room in the near future, based on NESDEC projections (census, building growth, housing starts, available land, bylaws, etc.). NESDEC projects flat enrollment for the next ten years, and then a decline. She is comfortable with the building sized for 700 students, without risk of overbuilding.

There was a brief discussion of the construction delivery method, and whether to bring the general contractor in early, or complete the design and then go out to bid. Ms. Guarriello noted that Design/Bid/Build projects are competitive at the present time. No decision has been made as to which choice is preferable—if the contractor is brought in early, the cost of the subcontractors can possibly be reduced, but the cost of the general contractor is higher. They are using \$100 million as their cost estimate. In response to a question from Ms. Hartman, Ms. Guarriello indicated that whichever

design is chosen (including the larger gymnasium/auditorium), the cost will be within the \$100 million budget. Ms. Hartman noted that there will have to be tradeoffs, and inquired as to who will be making the design decisions before the project is brought to Town Meeting. Ms. Guarriello noted that the Design Subcommittee will make a recommendation to the Middle School Building Committee (MSBC). Ms. Hartman noted that if we were receiving Mass. School Building Authority (MSBA) funding, then they would be providing budget oversight on the project. Without the MSBA, who will provide that oversight? Mr. Crane responded that the MSBA oversight generally relates to whether an expense is “contributing” or “non-contributing.” Ms. Guarriello remarked that these are often referred to as “eligible” and “ineligible” for reimbursement costs. Mr. Crane noted that financial oversight of the project is provided by the OPM, the MSBC, the Architect, Town Staff, and School Staff.

Mr. Taylor asked for a clarification of the \$80 million and \$100 million estimates. Ms. Guarriello responded that there are “hard costs,” which include all construction costs—material + labor to build; and there are “soft costs,” which include the consultants, testing, and everything else. Contingency is included in both “buckets” of costs. Ms. Zall asked whether the larger gymnasium could be built within the \$100 million estimate. Dr. Hunter responded that the group hopes to get everything it wants for under \$100 million. Mr. Guarriello clarified that if a feature is education supported, then it will be within the \$100 million cost. Otherwise, the costs are not as clear; how much community appetite is there beyond what is supported educationally. Ms. Hartman asked if the MSBC is committed to the \$100 million cost. Mr. Crane responded that the group has lots of energy, talent and commitment to detail, and is actively engaged in the process. He anticipates that a building for \$80 million could be presented to Town Meeting, and if 2/3 of the voters agree, then the cost could be increased. In response to a question from Mr. Taylor as to the square footage for a MSBA-funded project, Mr. Crane indicated that restrictions are imposed by MSBA, via a formula. There is a higher reimbursement rate for a project that is an “off the shelf” design. Concord is looking at a potential low 20% reimbursement rate.

Ms. Ortnier inquired about contingency funds. Ms. Olsen indicated that during the feasibility study, there was a 12% contingency. Those costs have declined as the design documents have become more refined. She clarified that separate contingency funds are available during the design and construction phases.

Mr. Banfield noted that the new Middle School project was represented to Town Meeting at a cost of \$80-100 million. He recommends that the project be brought to Town Meeting at \$90 million, rather than attempting to see what could be “squeezed” into a \$100 million budget. He expressed concern about what he perceived as a two-month delay in the project. When the project restarted in December 2020, two dates were provided—completion of the feasibility study by March 15, 2021 and building occupancy in 2025. He noted that there have been staff changes at Hill International, so the new date for completion of the feasibility study is May 2021. Mr. Martini responded that staff changes have not resulted in any delays. The consultants are taking direction from the MSBC, and the decision to arrive at the preferred schematic design by May was made by the Committee. There is an interest in obtaining additional community input into the design, which is the reason for the schedule change. Dr. Hunter commented that the group felt the March deadline was too rushed.

Mr. Banfield inquired how the decision will be made as to what the community can afford to build. Mr. Crane noted that originally, high priority was given to not have a move-in date mid-year. That is no longer an issue, post-COVID. Ms. Hartman noted that the FC is concerned about the impact of

the building costs on the taxpayer---estimated to be \$1,000/year for 20 years for the average taxpayer. It was decided that the MSBC will return to the FC for an update in late February. ***Follow-up Required***

Mr. Guarriello returned to the meeting.

NMI/Starmet Planning Reuse Committee Presentation

Mr. Seidman reported that a draft of the Committee's report has been delivered to the Select Board (SB), and is available for review on the Town's web site. Redevelopment of the land is in the early planning stages, but it is important to keep the FC in the loop, since there are fiscal implications to any reuse of the property. The Committee has been charged with assisting the Town in identifying potential reuse options of the 46-acre property at 2229 Main Street. Options that have been considered include conservation of about half of the site, with potential redevelopment of the other half. Cleanup will take 5 to 7 years. The redevelopment options under consideration are:

- Option 1: Municipal, Community, Recreation Focus
- Option 2: Private/Commercial/Office Use Focus
- Option 3: Mixed Use Focus—Housing, Retail, and Commercial Uses

Mr. Seidman noted that the Reuse Committee was formed by the SB in June 2019, and the draft report was completed in December 2020. Public input is sought through February 2021. Mr. Seidman reviewed the established "reuse zones," which total about 26 acres suitable for potential development. The Committee has not undertaken a fiscal impact study (to better understand the costs/revenues), which was not included in its charge from the SB. He suggested that perhaps this task could be assumed by the FC. Ms. Hartman responded that active FC members cannot conduct a cost/benefit analyses of various proposed uses of the Starmet property because FC members can only observe other committees, without participation. Ms. Hartman noted that not all of the land is contaminated; much of it is "virgin" land. In response to a question from Ms. Ortner, Mr. Seidman noted that there are several lien holders, and the federal government is spending several hundred million dollars on the cleanup. This is a superfund site, and there are lots of legal questions that are being borne/resolved at the federal level. Mr. Seidman noted that the purpose of the Committee's report is to provide the initial reuse concepts for planning purposes. The Town has not made a decision as to ownership of the property.

Ms. Cuocolo inquired whether the entire site could be used for conservation purpose. Mr. Seidman responded in the affirmative, but noted that there are a lot of land use needs in the Town, and this is a large site that will be cleaned, at a substantial cost. There is potential tax revenue from the property. In response to a question from Mr. Banfield about the environmental risk if the Town were to assume ownership, Mr. Seidman noted that the risk remains with the offending parties. The Town would not assume any financial risk with ownership. The ownership cost to the Town would be neutral.

At 8:54 pm, on a **MOTION** made by Mr. Banfield and seconded by Mr. Hickling, and on a roll call vote (with Ortner, Hartman, Reynolds, Banfield, Swain, Andrews, Jamison, Taylor, Patel, Wasoff, Cuocolo, Zall, Hickling and Guarriello all voting Yes), it was **VOTED** to adjourn the meeting and return to the Guidelines Subcommittee Meeting, with the intent of returning.

At 10:18 pm, on a **MOTION** made by Ms. Hartman and duly seconded, and on a roll call vote (with Ortner, Hartman, Reynolds, Banfield, Swain, Andrews, Jamison, Taylor, Patel, Wasoff, Cuocolo, Zall and Guarriello all voting Yes), it was **VOTED** to reconvene the meeting.

On a **MOTION** made by Ms. Wasoff and seconded by Mr. Swain, and on a roll call vote, (with Ortner, Hartman, Reynolds, Banfield, Swain, Andrews, Jamison, Taylor, Patel, Wasoff, Cuocolo, Zall and Guarriello all voting Yes), it was **VOTED** to accept the recommendation of the Guidelines Subcommittee, and to approve the preliminary FY22 Guidelines as follows:

Budget Entity	% of Total Appropriation	FY22 Preliminary Guideline
Town	31.41%	508,151
CPS	45.69%	739,172
CCRSD	22.90%	370,479
Subtotal		1,617,799
CCRSD Enrollment Shift		426,000
Total Preliminary Guideline		2,043,799

Observer Reports

Deferred to the February meeting.

Correspondence

None

Chief Financial Officer’s Report

None

Citizen Comments

None

On a **MOTION** made by Ortner and seconded by Ms. Zall, and on a roll call vote (with Ortner, Hartman, Reynolds, Banfield, Swain, Andrews, Jamison, Taylor, Patel, Wasoff, Cuocolo, Zall and Guarriello all voting Yes), it was **VOTED** to adjourn the meeting at 10:22 pm.

Respectfully submitted,

Anita S. Tekle
Recording Secretary

Documents Used or Referenced at Meeting:

- Presentation – Middle School Building Project (dated 1.21.2021)
- Presentation – Nuclear Metals, Inc./Starmet Reuse Planning Committee Report (dated December 2020)