

**Concord Middle School Building Committee**  
**Finance Subcommittee**  
**Meeting Minutes**  
**October 24, 2019**

**PRESENT:** Susan Bates, Mike Carroll (Hill International), Kate Hanley, Jon Harris, Tim Hult, Laurie Hunter, Jared Stanton, Andy Vo (Hill International)

**Call to Order**

The meeting was called to order by 7:32 AM.

**Budget status of the Feasibility and Design phase of the project**

Mr. Carroll recommended establishing a target budget number within the next month, noting that the Designer they choose would be able to assist with determining a number. He noted that the MSBA has information available to access as well. He also suggested determining square footage by including all aspects of a possible new building that they would like included, noting that they need to begin with educational programming needs. He stated that the design team can then meet with specific departments to determine individual needs. Dr. Hunter stated that they have targeted the week of November 18<sup>th</sup> for choosing a designer and Mr. Carroll suggested being able to discuss a big picture budget number and cost per square foot by the 1<sup>st</sup> week in December. Mr. Hult asked Mr. Carroll what is considered “normal contingency” and Mr. Carroll stated that there are contingency lines for unforeseens from finish of design forward and also for built in contingencies.

Mr. Vo shared an overview timeline of major milestones on the project for use by the management team. Mr. Carroll noted that this document will be included in the monthly report that they present to the Committee.

**Summary key financial terms of both the OPM and proposed Design Contracts**

Mr. Carroll stated that the contract that they’ve negotiated is a not to exceed value and is billed out hours per rate. Mr. Hult noted that Hill had expended a few more hours than planned over these first few months due to the desire to accelerate the process and technical things related to review of the contract. Mr. Carroll stated that they should have the discussion of flexibility with the designers as well. Mr. Hult stated that there was an invoice coming in and Mr. Harris stated that the town would handle the bill payments, but requested having a payment authorization signed off by Hill for approval. Mr. Carroll stated that they shouldn’t approve any bill without a letter from Hill attached recommending approval. Mr. Stanton recommended that he meet with Hill either once a week or biweekly before any payment is made to sign off on. Mr. Carroll shared his experience with the approval process on other projects. The Committee agreed upon the following approval process order: Hill, School Dept., Committee, and Town. Mr. Carroll noted that they also need to determine a process for change orders.

**Potential of the potential debt stabilization fund**

Mr. Hult stated that they received a letter from Dean Banfield, Chair of the Concord Finance Committee.

Public Comment: Dean Banfield, 73 Walden Terrace, Concord, MA. Mr. Banfield stated that the Concord Finance Committee has discussed the possible debt burden on the Town of Concord should this project move forward. He stated that the Finance Committee recommends preparing for that now, by advocating for a warrant article this year to provide for the establishment of a stabilization fund in which funds could be placed for future mitigation of a tax hike that will occur when debt is issued. He noted that the new CCHS building was opened in 2015, and in FY13 a program was made to establish a stabilization fund, which had a healthy amount of money set aside to cut the peak off of the debt service. He stated that the Town of Concord has a free tax fund and would like for some portion be set aside for a stabilization fund.

### **High level analysis of total costs from some comparable projects**

Mr. Hult shared a report created by Hill that included a high level analysis of total costs from comparable projects. Mr. Carroll noted that all of the projects included in the report were MSBA projects. He reviewed and explained the information provided on the report, including escalation rates. Mr. Hult suggested adding square foot per student as well as key attributes, such as a large gym. The Subcommittee suggested some additional schools they would like added to the report for comparisons. Mr. Hult requested that Hill provide any information on increased cost due to sustainability efforts. He also requested their help with the process of mitigation related to future reduction of expenses. Ms. Hanley noted that she is preparing a handout to share with the entire committee on the 31<sup>st</sup>. Mr. Carroll noted that ROI is very important to consider in terms of sustainability premiums.

Public Comment: Ms. Newman, 59 Mallard Drive, Concord, MA. Ms. Newman questioned if it was possible to get data on operational costs to run schools and Dr. Hunter stated that they could talk on this. Mr. Carroll noted that there are a lot of variables put into cost to run numbers.

A motion was made to adjourn by Ms. Bates, seconded by Ms. Hanley. The motion was approved and the meeting adjourned at 8:56 AM.

Respectfully Submitted,

Erin Higgins  
Recording Secretary

Approved: 1.16.20

#### Abbreviations:

MSBA	Massachusetts School Building Authority
OPM	Owner's Project Manager
RFP	Request for Proposal
ROI	Return on Investment