

## **The Concord Middle School Building Committee Report: Value Engineering Cuts Top \$2 Million and Recommended Warrant Article**

The Concord Middle School Building Committee (CMSBC) continued to meet in October with the goal of further reducing the projected construction costs of the proposed middle school project and to provide the Concord Select Board with an updated recommendation on the level of additional funds to seek in the Warrant Article language for Special Town Meeting and the Special Election. Like many public-school building projects across the state and country, the CMSBC is grappling with the significant challenges presented by inflation, the cost of goods, and supply chain issues that are significantly increasing the cost of construction beyond what was forecasted at the time the project was approved by Concord voters in January, 2022.

The CMSBC has met 10 times since July to explore and implement value engineering opportunities since construction cost estimates came back more than \$5 million higher than levels approved at Town Meeting and the Special Election. At those CMSBC meetings, members have successfully moved to adopt more than \$2 million in value engineering cuts to the construction budget.

The CMSBC is facing these challenges despite their efforts to value engineer throughout the life of the design process. At multiple points in the process of refining the design, the CMSBC has voted to approve value engineering items that would reduce costs. In addition to the ongoing value engineering process, the Concord Select Board recommended before the January Special Town Meeting that the CMSBC take the precaution of establishing a Construction Budget with a Bidding Contingency. Members of the CMSBC subsequently approved a line item of \$2,019,312 to offset the anticipated market volatility that they are now experiencing; however, the delta between the estimate and the budgets remains apart even if the Bidding Contingency was factored into the construction budget.

In addition to their value engineering efforts, the member of the CMSBC have kept an open dialogue with the Concord Select Board and the Concord Finance Committee to discuss an approach for the construction budget issue as well as the establishment of a Special Town Meeting and Special Election so that Concord residents can weigh in and make a final decision on budget and scope of the project. Based on the Value Engineering efforts and economic factors, the CMSBC recommended that the warrant article be worded to request an increase in the allowable construction budget of up to \$12.2 million if approved at both the Special Town Meeting and subsequent Special Election. On October 28, the Select Board voted Warrant Article language that would increase the construction budget by up to \$7.2 million. The amount outlined in the Warrant Article is a “not to exceed” cost and may not be the final amount voted if the project’s 90% cost estimates reveal lower costs. The Warrant Article is also meant to account for inflation between the time of the votes and the date that the project will be formally put out to bid.

Residents will have the option to vote to maintain the original construction budget previously approved at Town Meeting and the Special Election or to vote additional funding for the CMSBC recommended project.

Key dates identified by the Select Board include a public hearing on the Warrant Article *November 17<sup>th</sup>*, a January 19<sup>th</sup> Special Town Meeting, and a ballot vote on February 9<sup>th</sup>.

## **Upcoming Meetings and Forums -**

- COFFEE: Wednesday, November 16 12 p.m. — zoom
- CMSBC MEETING: Thursday, Nov 17, 7:30 a.m. – zoom
- FINCOM HEARING/ FORUM: Thursday, Nov 17, 2022 7:00 p.m. — Town House and zoom
- COFFEE: Thursday, Jan 5, 2023 at 7 p.m. — zoom
- FORUM: Monday, Jan 9, 2023 7 p.m. — zoom
- COFFEE: Wednesday, Jan 11, 2023 at 10:15 a.m. — Fowler Library
- COFFEE: Tuesday, Jan 17, 2023 at 12 p.m. — zoom

Agendas and zoom links can be found on both the Town of Concord's website and the CMSBC website at <https://www.cmsbuildingproject.org/meeting-agendas-minutes>.

## **Concord Middle School Building Committee Contact Information**

Interested individuals can find all relevant materials regarding the Concord Middle School Building Committee including meeting dates, agendas, and minutes as well as reports that led to the Town Meeting Warrant Article at [www.cmsbuildingproject.org](http://www.cmsbuildingproject.org). For questions and comments, individuals can email the Committee at [msbc@concordps.org](mailto:msbc@concordps.org) or utilize the form on the web page, [www.cmsbuildingproject.org](http://www.cmsbuildingproject.org).