

JOINT BUILDING COMMITTEE-MAPLE WOOD PROJECT

Date: January 30, 2019

Time: 4:30 p.m. start

Present: Councilor Marty Pepin, Councilor Marty Dumont, School Board Member Mark Richardson, School Board Member Tom McCallion, Superintendent Bob Gadomski, Asst. Superintendent Lori Lane, Business Administrator Katie Krauss, Devin McNelly, Maple Wood Principal, Karl Ingoldsby, Facilities Director, Cris Solomon, Architect from Samyn-D'Elia Architects, Brian Gehris, Milestone Construction, Frank Lemay, Milestone Construction, Mike Davey from EEI

Pepin called the meeting to order at 4:30 PM.

HVAC discussion with Energy Efficiency Investments: Lane stated that we would start with a bit more information about the Performance Contract options. She stated that in order to help the JBC make a more informed decision, Ingoldsby, Solomon and myself have had some conversations with Davey and looked at some other options. She stated that with the concern about cost, it seemed to make sense to have Davey come back and give us a bit more information. She stated that there was concern about a bond and bonding this. Davey stated that the last time they met they had jumped right into a list of different options and talked about the heating system, unit ventilators vs. ducted rooftop vents. He stated that what had not been talked about was Performance Contracting in a broader frame and to go over the concepts. He stated that they have done 22 of the schools in Manchester and all of the elementary schools in Portsmouth. He stated they had put LED lights in the schools in Portsmouth that are dimmable with sensors on the window that allow them to auto-dim when it is bright out. He stated that when Manchester started doing Performance Contracting in 2009 their annual energy bills were \$3,525,000.00. He stated that they are now at \$1,947,000.00. He stated that over a ten-year period we have reduced their annual energy bill by \$1.5 million a year. He stated that this is just the school side and we are just starting to work on the City. He stated that in Manchester they have done about \$5 million dollars of work and it has been extremely successful. Ingoldsby asked if that was just lighting? Davey stated that it was lighting and HVAC controls. He stated that they had done a job for Vergennes High School in Vermont which is about the size of Somersworth High School. He stated that they did the project over the summer which included lighting and boilers. He stated that after they implemented the project the usage was 46% less than the previous year. He stated that they are predicting \$72,000.00 savings just at the high school on an annual basis. He stated that another benefit is the LED lighting in gyms. He stated that the projected life of the light fixtures in the gym is 22 years. He stated that this equates to maintenance savings. He stated that districts fund these projects differently. He stated the most typical way to fund these projects is with a bond or a lease. He stated that leasing is the most common way that these projects have been done. He stated that they are easier to get approved and they do not count as debt, but as an operating expense. He stated that the final way to fund is Smart Start Funding, which is a program for smaller projects where we do "on bill financing" with the power and gas company. He stated that they allow you to go \$50,000.00 per building per year and financing periods are between 5-7 years. He stated that this is run through NH Public Utilities. He stated that with this you have the energy savings pay for the project. He stated that they have been working with Unutil and have updated the spreadsheet that you saw at the last meeting and essentially there are two options. He stated

what was originally in the budget were classroom unit ventilators with standard controls. He stated that what they have proposed are two options. He stated that the first would be to use enhanced control systems with analytics technology and the other would be, instead of the unit ventilators, to do ducted rooftop units. He stated that with unit ventilators they commonly get blocked with bookcases or other things in the classroom. He stated that they have to have holes in the walls to operate and you have many pieces of equipment to maintain. He stated that with the rooftop ducted units it puts all of the elements in the ceiling. He stated that unit ventilators take up classroom space and have a history of freeze up and are not efficient. He stated that he had a spreadsheet of options. See attached to minutes. He stated that if you wanted to do the bigger system, that could be leased for 15 years at \$26,000.00 annual payments which would be less than the energy savings. He stated that it would be budget neutral and could be approved by the School Board. He stated that you would reduce your district's energy budget by \$27,050.00. He stated that EEI would guarantee the annual energy savings so that if there was a shortfall we would be responsible for the difference in that payment. He stated that option 3B works within the budget and that option 3A you would have to obtain a lease for. He stated that approval for that could probably be done at the School Board level. Solomon stated that this week it looked like a bonded option was not a choice. He stated that a lease would go to the School Board and not have to go to the City. Lane stated that they wanted the JBC to think about the leasing option. She stated that we are close to a place where decisions have to be made. She stated that they are trying to help the JBC make the right decision. She stated that some had a question regarding the fee for the energy audit if we decide we do not want to move forward with it. Davey stated that there are larger companies that say if you do not work together and go ahead with the project there will be an exit fee which can be substantial. He stated that EEI does not operate that way. He stated that we do this work in a partnership way and if it does not go ahead, it does not go ahead and there is no fee. He stated that if you did Option 3B you could do SmartStart because you are in the \$50,000.00 range we could do that option with 0% financing and stay within budget and not have to go for a lease but have to go to the unit ventilator control. He stated that if you want to get away from the unit ventilators we would probably have to do a lease. Pepin stated that he did not think they would be able to get a bond from the city. He stated that the question would be if the School Board would be willing to go for the lease. Krauss stated that this would not be a decision that this group could make. She stated that it needs to at least go to their Budget and Finance Committee. Pepin stated that he likes Option 3 A. He stated that when he was on the fire department and they went into the classrooms there was always something on the ventilators or in front of them. He stated that with the roofing being redone this is the time to do this. Lane stated that if the JBC wanted to move this forward then is the next conversation with the Finance Committee? Gadomski stated that this hinges on the time frame. He stated it depends on when EEI needed a solid decision. He stated that they could pull together a School Board Budget Committee Meeting and in fact, we have one on Saturday. He stated that it is not in the agenda. He asked when we have to make a final decision on this? Gehris stated that it is holding Solomon up on final designs. He stated that you are already behind. Solomon stated that they have been holding off on the mechanicals until they know which direction they need to go. Richardson stated that 15 years out is a long time and if it is without interest it is even better. Krauss stated that the lease is not without interest. She stated that it is 4%. Dumont asked what the contingency was in the proposal? Lemay stated that you need to understand that this is a contingency because we do not have plans. It is a drawing contingency and if you spent it here then you would have to scale the project back. He stated that it is more a construction contingency and as the plans develop we can reduce that. Solomon stated that the owner's contingency is \$392,000.00. Lane stated that

the contingency will come down. Gadomski asked if there was a penalty to pay off the lease early? Davey stated no. He stated that you could wait until the end of the project and then lease what you need. He stated that it is not like a mortgage where you can pay an extra amount. He stated that if you want to pay extra, you need to pay it off. Krauss asked that if we do this now, do the payments start immediately? She stated that they will not be building this in until next year's budget. Davey stated that you would go to the School Board to enter in to a lease but you should not pull the lease until the project is done. Dumont stated that there are a lot of floating numbers. Davey stated that the lease would be through them or through third party companies. Dumont stated that the \$30,000 for the removal of the oil tank is in the existing plan. He stated that this figure could be removed from the spreadsheet because they were already planning in this number. He stated that the \$302,000.00 is the increase in the budget. Pepin stated that he could support Option 3 A. Davey stated that the analytics that it takes to pull information out of Maple Wood as to the heating, you are using the same controls throughout the district and we will be able to get analytics data from every school. He stated that he thinks the energy savings over a year will be \$60,000. He stated that this would be district wide. Dumont stated that the bigger the savings the better with less impact on budget. Pepin asked if going through the School Board was going to hold everything up? Solomon stated that they have the drawings out to be estimated at the Design Development level. He stated that they should have the estimates back in 2-3 weeks. He stated that for their next step we need to work with the mechanical engineers, the electrical engineers and plumbing to finish construction documents. Gehris stated that what he is pricing is related to the office and the addition off the front. He stated that there is another piece to the scope that he is not pricing out until there is a decision so it is holding things up. Pepin asked if Gadomski can get an answer from the School Board in that time frame? Gadomski stated that the School Board had a budget meeting on Saturday and the sole agenda item is to talk about the budget for the 2019-2020. He stated that he would have to go back to the School Board Chairman and see if he would mind if we added another agenda item for Saturday. Krauss asked if Davey could explain how the upfront cost gets paid? Davey stated that the upfront costs would come out of the line items for the construction budget. Krauss asked what about the additional money? Davey stated that the additional money would come from the lease payment. He stated that if they started construction in June, the first payment would be due in July from the construction budget. He stated that the second payment would be due in August and would come from the construction budget and the third payment would be in September and would come from the construction budget. He stated that the last payment would come from the financed amounts. He stated that you would have to have the lease closed by October/November. Lane stated that we already have \$700,000.00 budgeted for this. Krauss stated that she wants to make sure that we are not adding to this project. She stated that she is concerned that this all needs to be paid and how is it going to get paid. Davey stated that the \$760,000.00 is in the construction budget as part of the bond. He stated that there is an additional \$84,500.00 in a different part of the budget. He stated that regardless of whether or not you did this enhanced system we would be spending those funds anyway. He stated that you are concerned that there are no energy savings realized when you have to make that first \$26,000.00 payment. He stated that because this work is being done over the summer you benefit. Krauss stated that she is concerned about the \$300,000.00 more than we have in the budget now. Davey stated that you would not have to close on that lease until September. He stated that the first payment is typically 12 months from closing. Ingoldsby asked if the heating system for the music room was included in these estimates? Davey stated that they were included. Ingoldsby stated that if the music room is a no go then the project drops by 1/3rd? Davey stated that for the music room it was just one

system for mechanicals. Lemay asked where the figure for Performance Payment Bond comes from. Davey stated that it was his but he could operate under Milestones if they wanted. Gehris stated that EEI would become a mechanical contractor for him. Davey stated that he is doing this with them. He stated that they are not doing plumbing. Gehris stated that everything HVAC related would be under this GMP. He stated that they have to go out for bid for a plumber. Davey stated that they could work for Milestone or they could work for the City. McNelly asked if it needs to be asked of the City Council if they can include lighting in the scope of the JBC? Dumont thought that this would be a no. McNelly stated that it was not included in the original scope of the project. Pepin stated that the JBC is not approving this and it will be the School Board. He stated that we are approving the mechanical portion of the heating system and McNelly is asking if the City Council will approve the new lighting. Lane stated that the resolution when we were trying to clarify the scope of this project and the JBC reads "the resolution is to renovate and make improvements to Maple Wood School by improving security, upgrading building functionality to include and not be limited to upgrades to the existing HVAC system and to repair and replace the roof." She asked if lighting would be a part of building functionality? She stated that they need lights in the new office area. Gadomski stated that as soon as this meeting is over we are going into a Buildings and Grounds Committee Meeting so perhaps they can bring back a recommendation to the Board for Saturday. Gehris stated that if you are going with the rooftop ventilators and you need to remove all the ceiling tiles to work the ducts this is the time that you need to rework the lighting system. He stated that under the scope you have already done half the work.

Review of Construction Management Contract and Architectural Services: Lane stated that she had sent Gehris the contract that the attorney had seen and made revisions to. Lemay stated that he reviewed the whole thing and if they had a blanket statement that of the 7 pages the approval could have been 2 pages. He stated that the lawyer wants a clause in that we are familiar with all of the legal codes and that may not be so. He stated that he will have his lawyer clarify with her as to the other revisions that she has suggested. Dumont stated that there is usually a site review with the Code Department, the Fire Department, the Police Department and the Planning Department. He stated that as the plans come together there is a courtesy review. Lemay stated that this is normal. Solomon stated that in his contract it states that he needs to meet with all of the code officials. Lemay stated that Solomon is meeting all of the codes. Dumont stated that sometimes the Code Officials do not know the codes. Lemay stated that he will answer to the lawyer's revisions. He stated that you had a General Counsel rather than a Construction Lawyer look it over. He stated that they will have their lawyer try to clarify the changes that she is suggesting.

RFP for Clerk of the Works: Lane stated that they had not gone out for an actual RFP for Clerk of the Works. She stated that they had just put an ad out. She stated that they have had one response. Pepin stated that they need to wait to see what they get. Gadomski stated that they had gotten it out quickly to see what they got. Lemay asked if it would be a full time employee? Lane stated no. She stated that it does not describe the number of hours because it is still to be determined. Gehris stated that you may need this person more in the beginning and then not so much in the following months. Gadomski stated that for the next meeting we can bring you the resumes that the applicants have sent in and you can decide to interview one, interview all or none. Solomon asked where this was posted to? Sullivan stated that it was on Indeed, Edjobs, Union Leader and Fosters. Solomon stated that there are some construction reporting sites that it would go out to people interested. Lemay stated that they should be sent to the testing people also as they do a lot of the elements. Gehris stated that they would be overlooking the specialized testing. He stated that the Clerk of the Works would also be overseeing the testing.

Lemay stated that he understands that the boring company is just doing the secure entry area? He stated that the footprints are so small that they would be able to also complete the music wing area at the same time. He stated if they were going to charge for a day you need to get all borings done.

Project Update: Solomon stated that they have sent out their RFP as to the structural borings. He stated that they will bore down and get a structural bearing capacity. He stated that there is a concern that the schools are sinking. Ingoldsby stated that he had received two quotes and they were thinking to come during February vacation. Solomon asked if they could do it on the weekend? He stated that the drawings have been sent over to Jeri Tepi. He stated that they have the structural drawings, the mechanical drawings and the electrical drawings are out for pricing. He stated that they will do a site walk tomorrow, not for the final bid. He stated that they will give us a revised cost estimate. Lemay stated that they are just assisting in the budgeting process. McCallion asked what time that would be? Solomon stated that it was at 10:30 AM. He stated that there will be an additional walk-through once the drawings are complete. He stated that in the plans they have held off on the mechanicals in the classrooms until they know which way this committee will go. He stated that for mechanicals and structural it will take about two weeks to finish the drawings and then we will have construction documents. Gehris stated that the idea was to jump on the project during spring break. He stated that it sounds like the drawings will come after. Solomon stated that they will be done before the winter break. He stated that the plans have not changed much since the last meeting. See plan attached. He stated that they are trying to keep footings away from existing structures. He stated that they will go up against the existing building. He stated that the new foundations, the footings will go down to the footing depth and not below so as to not undermine what is there. He stated this way they will not disrupt the current foundations and soils of the existing building. He stated that they would be sending plans out to the State Fire Marshall's Office to do a code review before construction. He stated that in the end they are the ones in charge of any school constructions as to code. He stated that they do a review with the local code officials. He stated that they will sit down with the local Fire Chief and local Police Chief, especially on door controls. Gehris stated that he noticed that there are notes to upgrade the windows in the classroom that are adjacent to the exit. Solomon stated that they would need to upgrade that window to a fire grade window as it is an exit access corridor. Dumont stated that he wants to talk about borings. He stated that this building was rated for different construction when it was originally built. He stated that when they looked at building up on this school, when they tested it was not viable to go to a second story on this building. He stated that he is concerned as to how much disruption they can do to the existing foundation. Solomon stated that with the new structure it will all be self-supporting. He stated that we will not be adding any load to the existing structure. He stated that they will be adding new columns and new foundations.

Meeting Dates: Pepin stated that he does not know how often they need to meet. Lane stated that they have the Clerk of the Works and the EEI Performance Construction that are hanging out there. The next meeting will be on Wednesday, February 20th at 4:00. Pepin stated if there was nothing else he would accept a motion to adjourn. Dumont made a motion seconded by McCallion to adjourn. VOTE: motion passed, unanimously. Meeting adjourned at 5:50 PM.

Measure	Description	Cost	Savings	Rebate	Payback
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Maple Wood Elementary School

Rev 1-30-2019

ECM 1	Condensing Boilers 2 new boilers to fully replace existing boilers	\$222,500.00	\$2,900.00	\$15,000.00	
ECM 2	Standardize Controls and Analytics	\$176,800.00	\$3,700.00	\$12,000.00	
ECM 3A	2 new ERV For Classrooms with Re-Heat and perimeter heat	\$542,400.00	\$3,500.00	\$10,000.00	
ECM 3B	New UVS with DCV	\$184,600.00	\$2,000.00	\$2,000.00	
ECM 4	VFD Pumps	\$20,000.00	\$3,000.00	\$2,500.00	
ECM 5	Additions and Exhaust fans	\$82,800.00			
ECM 6	Roof Wall Insulation	\$30,000.00	\$2,000.00	\$14,000.00	
ECM 7	Removal Of Oil Tank allowance	\$30,000.00			
ECM 8	Electrical/Lighting	\$120,417.00	\$12,150.00	\$24,000.00	
	Total Energy Project With 3A	\$1,224,917.00	\$27,250.00	\$77,500.00	
	Total Energy Project with 3B	\$867,117.00	\$25,750.00	\$69,500.00	
	Base Scope Budget	\$760,000.00			
	P&P Bond and M&V	\$24,498.34			
	HVAC Budget Additions	\$84,500.00			

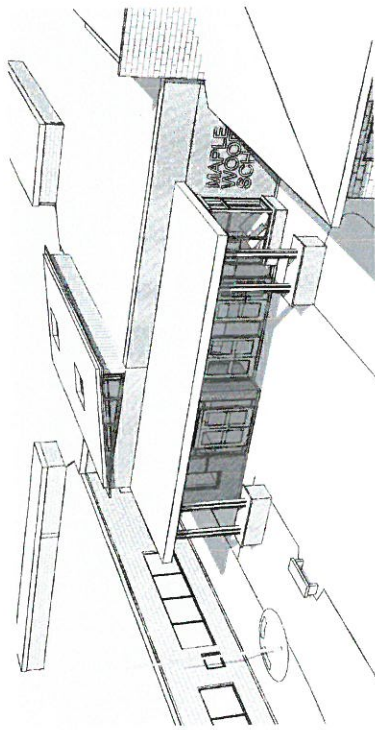
Total HVAC Budget Used us Down payment on PC	\$844,500.00			
Finance Amount without 3A	\$302,917.00			11.12
finance Amount with Option 3B	-\$46,883.00			0.00

Annual Lease Payment \$26,895 15 Years at 3.92%

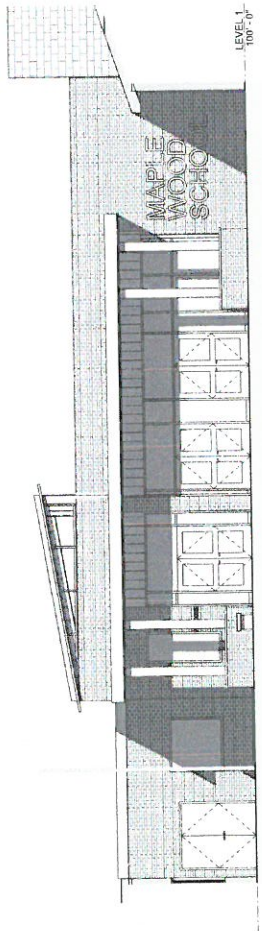


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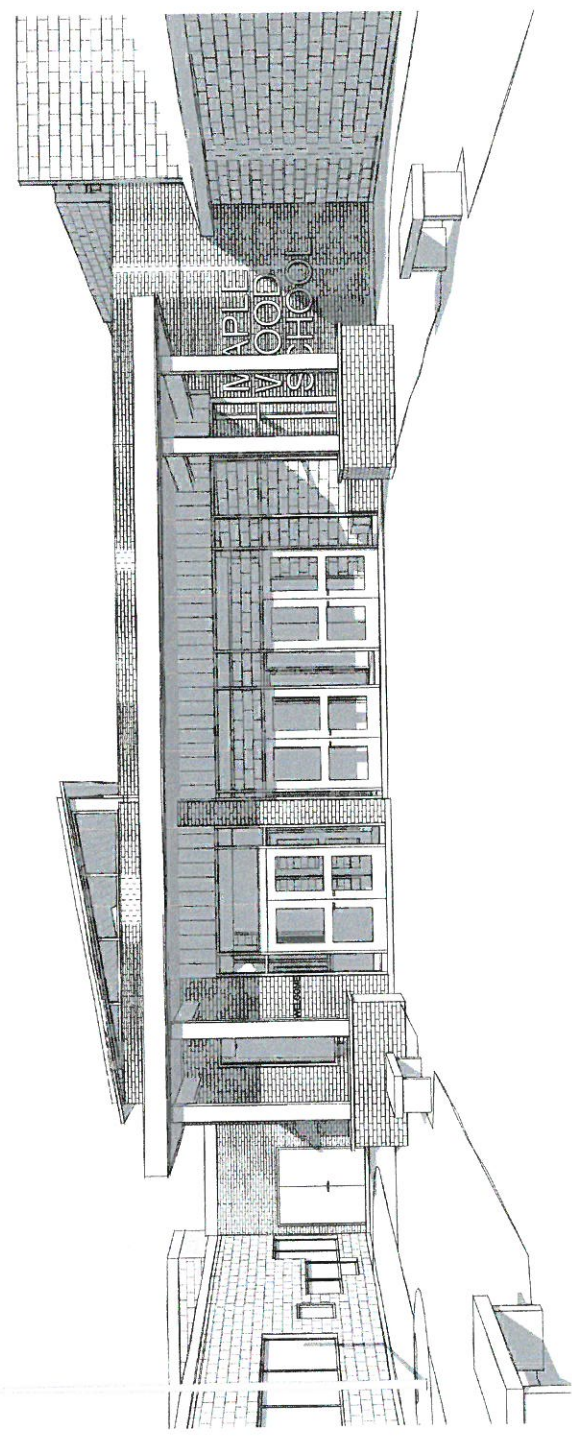




2 Aerial view
Scale: 1/8" = 1'-0"



1 Elevation
Scale: 3/16" = 1'-0"



3 Entry View
Scale: 3/16" = 1'-0"

Maple Wood Elementary School

51 W. High Street Somersworth, NH

01/30/2019