

## **PARKING GARAGE BUILDING COMMITTEE**

1 JUNKINS AVENUE  
PORTSMOUTH, NEW HAMPSHIRE  
School Board Room

3:30 P.M.

Thursday, June 22, 2017

**MEMBERS PRESENT:** Councilor Lown, Chair, Councilor Eric Spear, John O'Leary, Mark McNabb, Nancy Colbert Puff, Deputy City Manager

**MEMBERS ABSENT:** Councilor Pearson, Everett Eaton

**ALSO PRESENT:** David Allen, Project Manager; Matt Tonello, Construction Manager; Chris Brennan, Walker Parking; Dan Hartrey, Facilities Project Manager; Gary Glines, Project Architect.

Councilor Lown called the meeting to order at 3:30 p.m.

### **Acceptance of Minutes**

*It was moved, seconded, and **passed** by unanimous vote to accept the June 1, 2017 minutes as amended.*

### **Progress Updates**

- Heinemann

Mr. Allen said he met with Heinemann and that there were some perpendicular parking spaces, between the Rock St. Park and the Heinemann Building, that were open to the public that the City would commit to Heinemann from 9:00 am to 5:00 pm on weekdays to take the place of the parking spaces that will be disrupted by the construction. This would continue the City's agreement that in change for the City giving Heinemann spaces during the work hours, Heinemann would allow the public to park in their front lot after work hours and on weekends.

- Gray Parcel

Mr. Allen said they had a purchase and sale agreement and expected that the closing date would happen soon.

- Happny Easement

Mr. Allen said the Happny easement was approved by the City Council and that documents were in the process of being put together. He said the need for that was more

critical now as Consigli, along with the site contractor Sargent, went through their analysis of the cost and constructability issues associated with the two option of vetting process on the relocation of the sewer and would use the easement.

- Department of Historic Resources

Don Hartrey said he heard from Historic Documentation, Inc., who said they would submit the approved archaeology form that week. He said they would have 30 days for the NHDHR to respond. Mr. Allen explained that the reason they were doing it was because they needed to take down several buildings in that area.

### **Garage Design Status – C. Brennan, Walker Parking**

- Design Development

Mr. Brennan stated that the project design development was in complete. He said they had advanced the precast package to be bid and had authorization to proceed with construction documents for the foundation. He said they were holding back on everything above grade pending further discussion and planned to deliver full CDs, pending approval to proceed with everything in design, which he thought would be at the end of July.

- Foundation Design

Mr. Brennan said the foundation design was started and that he anticipated having it delivered the same time as the rest of the documents to make sure everything was coordinated.

### **Construction Update – M. Tonello, Consigli Construction**

- Design Development Update/Value Management/Schedule

Mr. Tonello noted that everyone should have received the design development deliverable and the status on costs, schedule, and approvals. He said that a schematic design estimate took place on April 10 that they were using as a benchmark for things being measured forward. He said a recommendation was made to the City on May 30 for a site contractor and a budget update was provided for an interim number. He said they had captured the entire design development drawings, scope, and costs into their June 19 price and were now at \$20,532,282 with some contingencies. He said that the site contractor was preliminarily selected and that they also had some proposals for the precast superstructure with prices and would continue scope review with Walker and the City in the next few days. Mr. Tonello said the sum of those two values would approach about 50% of the total value of the project, with 50% of the project left to be priced and bought but not until all the construction documents were received at the end of July. He said they had a number of milestones outlined and noted that, previously, they had July 20 as the anticipated date for 100% construction documents, but that was before they

understood the whole impact of a number of value engineering items that were built into the package later on. He said that the previous price mentioned was what the drawings represented today and they had a manual list of 10-11 items that they were directed to move ahead on with budgetary numbers if they were to value-engineer the project.

Mr. Tonello said that a lot of the elements were scope removals, or removing architectural elements, which Walker needed answers on to move forward. He encouraged making those decisions soon. Mr. Tonello he expected that the site contractor would be ready to move forward on September 5 but couldn't release them to work or go to construction until they had an official approval from the Committee and the City. He said they had to make commitments very soon or they would lose the bid price.

Mr. Allen said they had reviewed the price with City Staff, Walker and Consigli and that the price for the early release site enabling package was \$5,447,682. He said it would take care of all clean-up work to build the site as well as the road, utilities, and some of the excavation. He said it also included the sewer relocation. Mr. Tonello noted that administrative costs, like bonds and insurance, should be secured before they moved ahead. He said all the conduit and utilities were included in the price.

Mr. O'Leary asked whether approval and authorization were contingent on closing on the Gray Parcel. Mr. Tonello said it wasn't contingent for him. Mr. Allen said and that City Attorney Sullivan said he was comfortable with going forward once they had the signed purchase and sale agreement. The Committee further discussed the Gray Parcel. Mr. Allen said the building demo would take place in late July and that the heavy construction would be done after Labor Day, so they had until Labor Day to get the property closed.

Mr. Tonello said the \$5.5M was one of three bids and that they had a certain amount of reserve until they had 100% construction documents. He said that the \$5.5M would be spent ultimately in the construction, with some amount reserved for the electrical work. He said the site contractor, Sargent Corporation, had a Letter of Intent that was conditional on receipt of a contract with the City. Mr. Allen said the City Staff reviewed it and recommended that the Committee go forward with it.

Mr. Allen recommended a motion to authorize that Consigli move ahead with the site enabling early release package in the amount of \$5,477,682.

*Mr. O'Leary moved to authorize that Consigli move ahead with the site enabling early release package in the amount of \$5,477,682. Mr. McNabb seconded. The motion passed with all in favor.*

Mr. Allen explained that City Manager John Bohenko would be the primary signatory and that Legal had already reviewed the AIA CM forms, which were the nuts and bolts. He said there would be an amendment, after which the Committee would end up with the GMP for the whole project. It was further discussed.

Councilor Lown clarified that the \$5.5M figure was within the \$20,532M and \$630K below the previous estimate. He asked Mr. Tonello whether he had the precast superstructure bids. Mr. Tonello said he had bids in but wasn't at the point of recommending an award. He said it carried a value of the average of the three numbers they had that should cover them for whatever subcontractor they selected. Councilor Lown concluded that the updated cost estimate production number was \$20,693M.

Mr. Tonello noted that in April, Consigli provided a full-blown schematic design estimate, and between that point and today, he said they gave the City an interim cost update with the site contractor bids and were about \$470K below their previous bids.

Councilor Lown referenced the statement noting that Consigli had identified with the design team approximately \$2.5M in value engineering without reducing the parking count. Mr. Tonello said that the \$20.542M represented what was on the design drawings prior to considering any kind of change through a value engineering effort. He said there was a decision process on all the items that could be considered as cost savings methods to reduce costs on the job, which was value engineering. He said most of them represented deletions of project elements, a reduction in an architectural element, or other changes in the scope.

Mr. Allen explained how Walker's schematic estimate and Consigli's estimates were reviewed internally to see if there was a discrepancy between the two items. Mr. O'Leary said he thought it was suggested at the previous meeting that the Committee should consider going to the City Council with alternatives. It was further discussed. Councilor Lown said the point of the Manager's memorandum was to alert the City Council to the possibility of an overrun, but with the additional bonding, if the Council approved it, the Committee would be able to complete the project as currently designed. He asked how the revisions and subtractions would affect the project's quality. Mr. Tonello said they would have to address each one item by item, and some would have quality or performance implications.

Mr. Brennan said the design was efficient in terms of cost, and the garage itself had been trending down through the estimates as well. He said there wasn't a lot of meat on the bone before the scope started being reduced, and he recommended discussing the ideas.

Chairman Lown referenced Mr. Tonello's executive summary and said \$2.5M of value engineering was identified without reducing the parking count, and an additional \$3.5M would reduce the parking count by a full floor of garage space. Mr. Brennan said they were trying to think outside of the box in terms of what they could do.

Councilor Lown suggested that the Committee go through the value engineering items, verifying that it would not affect the number of parking spaces or the integrity of the garage. Mr. Brennan said it might affect the roadway reduction.

The Committee reviewed each item, beginning with removing the elevator. Mr. Brennan said it would remove the car and equipment associated with one elevator but the shaft

would remain the same. He said the second shaft had the ability to install the second elevator once the area was more developed. He said if they eliminated one half of the shaft, the number of precast pieces to build the tower would increase and they would have to separate the tower from the main building, which would cost money. He said it would actually reduce the overall savings on that particular item, which was the reason it was recommended that the equipment be removed, leaving a blank shaft on one side.

Councilor Lown said that the original design was two elevators next to each other, so one of the two cars would be eliminated. Mr. McNabb said he didn't support it because it was a high-level building, and everyone would use the elevator. He said he didn't want people to be backed up and waiting. Mr. O'Leary said another elevator was necessary to transport people, especially handicapped people, if the other elevator broke down. Mr. McNabb said the Committee should not be involved in \$85K for life safety in operating a five-story elevator. He said it felt like they were micromanaging the project to eliminate an \$85K generator. He recommended leaving them as two elevators.

Councilor Lown asked whether the Committee should vote on each item one by one and then recommend it to the City Council. Mr. Allen said once they were done, they would have to regroup on what the budget would be if they eliminated anything. He said they were at \$3M to complete the project, with the road and the environmental work. He said the Committee should review the items and make the decisions. Mr. O'Leary recommended that it be presented as options. For example, Option A would be \$3M, they get everything, and Option B would be \$2.5M, with \$500K removed for various items. Councilor Spear suggested an Option C, eliminating the top level, which he said would give people some thinking room. Or, they could suggest completing the site work and paving it as a surface lot until a recession, when everything was cheaper.

Councilor Lown suggesting reviewing each item and getting Mr. Brennan's input as to which item the Committee could more easily do without.

Mr. Brennan said he agreed with Mr. McNabb that eliminating either one or two elevators was not a long-term good decision.

The Committee reviewed the other items.

- Item #2 - emergency generator, \$90K. Mr. Brennan said the generator had to do with accessibility and life safety and felt there was value in having it.
- Item #3, removing a portion of the new road and replacing it with a fire lane. Mr. Allen said he met with the Fire Department, who was adamant about being able to get out on Foundry Place and didn't like the idea of it being turned into a fire lane. Councilor Lown asked whether the cul-de-sac would remain. Mr. Brennan said it was a very conceptual design, but that the roadway would be a drive to the garage entrance and to Service Lot 6. Beyond that would be a driveway and nothing well developed. He said it would remain the same cul-de-sac as it currently was. Mr. McNabb said he would eliminate it if it were solely for the fire department because he

felt that the Fire Department would get in there no matter what. However, he said that if cars backed up, it would affect functionality of the garage. He said the design was already there and already bought with their intended site contractor and felt that it was more of a headache to capture the savings by issuing a revised design. Mr. Tonello and Mr. Brennan both said they would not recommend the change. Mr. Brennan said it would have an impact on the site's function.

- #4 – delete the flex space area slab and curtainwall, and increase parking. Mr. Brennan said they would put the foundations in the slab and eliminate the curtainwall and the interior block wall. Mr. McNabb verified that the City was still planning to put parking there. He said he wouldn't support it because he felt that it was pennywise and pound foolish. He said he liked the pedestrian experience there and that it would negatively change the use to that street level. Mr. Brennan agreed.
- #5 - take one intermediate level off the garage and reduce parking. The Committee rejected it, and there was no discussion.
- #6 - delete the requirement for multi colors, \$226K. Mr. O'Leary said it was something that didn't affect the functionality of the garage, so he had no problem putting that on the table. Mr. Brennan explained what a premium color was and said they could discuss it with the precast contractors and clarify what he expected from them within the next week. Mr. Tonello said it was an alternate that could be fine-tuned and noted that budgetary numbers weren't locked in. He said it would help to get more clarity as to what they could get for a base price. Councilor Lown said they could revisit it and thought it could have substantial savings. Mr. Brennan estimated that it could be between \$100-200K and recommended that it be left alive.
- #7 – Eliminate the secondary garage egress, add three bollards, etc. for \$39K. Mr. Brennan said it was eliminating the second vehicle entrance and related equipment and putting bollards there instead. He said if the drive were stopped at the garage entrance, there wouldn't be much reason to have a functional exit. Mr. McNabb encouraged keeping the entrance and removing as much of the 'hunting' factor as possible. He said it could be developed later as an exit. Mr. Brennan said the intent would be to put a removeable bollard there so that it could be connected to a functional entry and exit in the future. Mr. Rice said he saw it as more of a designated leased space area. Mr. McNabb said the Committee could recommend keeping it but using it only for designated leased spaces or employee spaces, otherwise he'd recommend eliminating it.
- #8 - urban fill disposal to be part of soft costs, 545K. Mr. Tonello said it wasn't really a savings and that it was misrepresented. He said that the budget for soil disposal that they removed from the site that wasn't hazardous was the responsibility of the site contractor. The Committee decided that it had no value.

- #9 - eliminate FRP gears and fins and #10, remove artisan panel. Mr. O'Leary said he thought it could be offered as an option but didn't support it because it wasn't functional. Mr. McNabb said it should be kept in the design because if they removed some of the elements, they would have a plain building. He noted that millions were spent on downtown beautification. Councilor Lown asked how the art pieces affected Artspeak. Mr. Allen said they were a separate process. Mr. Brennan said it would stand on its own. Councilor Lown said he wanted to know what Artspeak felt about it and whether they could compensate it with their 1%. Mr. Allen said their 1% was \$150K and that they were putting together an RFP for art. Mr. O'Leary said the artwork enhanced the building but that he was more concerned with what made the building work. Mr. McNabb said he saw them as totally separate in regards to architecture and to Artspeak.

Councilor Lown said there were three items under the heading of appearance that totaled \$635K and that the City Council could decide. He reiterated that he wanted to hear from Councilor Pearson about Artspeak. Mr. Brennan said the elements were important and that the City would recognize that, once the structure is up, it would be very large in context. He said that spending the money to make it visually appealing had real value in it and might even rival some of the functionality of the facility.

- #11 -- replace curtainwall at main stairs with precast. Mr. Brennan said the glazing on the outside of the elevator would be replaced with precast panels but would make the building look like a large concrete box. He said it went beyond aesthetics because the proposed open stair and elevator core would be a beacon for the facility and also offer security for the folks using it.
- #12 – remove public bathrooms. The Committee rejected it.
- #13 – eliminate Portsmouth letters (\$33K). Mr. McNabb said it wasn't worth the money.
- #14 – unforeseen costs – not discussed.

The Committee discussed whether any of the items should be put before the City Council. Councilor Lown said that, from the taxpayer's point of view, he could explain to the Council the essence of what they were talking about and give the Council an option. Mr. McNabb said the Committee could explain to the Council that they considered all the options and thought it was better to keep everything. Mr. O'Leary said he thought one option was to request the additional bonding to finish the garage as designed and that another option was to not get the additional bonding, which could be accomplished by eliminating the top floor. He said Option 3 was to eliminate some of the items that didn't impact the functionality. He said the total saved would be \$600K. Councilor Lown said another option was to parse through Option 3. He said he didn't think the Council would eliminate some of the items, but he knew the total of the non-functionality items was close to a million dollars. Councilor Spear recommended that the Committee say that it

would be about \$750K to eliminate all the non-functional elements and present it to the Council.

Mr. Tonello asked what the timing was and was told that the Council would authorize the additional \$3M by August 7. Mr. Brennan said they could look at which parts they could complete but had to consider the precast schedule. He said some of it would impact the precast. Mr. Allen said the least impactful would be the fins, gears and lettering and that the others involved a connection into the precast. Mr. Brennan said that if something came off, they could do something with the precast that would partially replace it but it might not be as appealing. Mr. O'Leary said that, even if the Committee did nothing, the bonding was still the item being waited on. Mr. McNabb said they still had to wait for the Council's decision about the \$3M, which would impact the design.

Mr. Brennan said that, to keep the CM on schedule, they could advance the design, and if they had to take off a level, it could be done. He advised really thinking about the schedule and giving him a drop-dead date as to when he had to have CDs.

Mr. Tonello said they had to exercise caution because if they went to complete design and engaged the precast contractor to a committed value, the ability to achieve the \$3.5M in savings would diminish significantly the farther down the road they went. Mr. Tonello said a lot of those were conditional on whether they went to 100% design now and went to bid with numerous subcontractors, and it would become confusing for the subcontractor market. He identified the architectural items as numbers as follows: Item 6, precast color, Item 9, architectural FRP gears, Item 10, metal artisan panels, Item 13, Portsmouth letters – and he estimated about \$670K. He said it could be fairly easy removals of scope post bid as deducted alternates and that they could always plan for them to be in the precast design. He said the credit would be the actual component they would be buying and that it would be easy to back off later. Mr. McNabb said it could be dangerous because removing that many items had to be replaced with something other than just precast. He thought it should be at best half that amount because so many surfaces would be affected.

Mr. Tonello said those four items would be easy for them to alternate without having to draw two different options. He said they could quickly diminish the amount they could capture in savings. He also noted that they would have to buy the curtainwall immediately because it would escalate highly. He said if they replaced the curtainwall with precast after the City Council meetings and after going to bid, he couldn't make quick exchanges with the subcontractor market on scopes of work and get what was represented as value numbers. He said the August 7 date wouldn't slow him down if they proceeded with the design on their current schedule.

Mr. Brennan said he was talking about an alternate. If the Council didn't agree to the additional money, that would mean taking off a level of the garage. He said he would order the glazing and take as an alternate one less level of lighting, structure, fire protection, and so on, and that would be the one alternate. They would have to pick and



choose what was included in that alternate because they would have to commit to a certain number of contractors.

Mr. Tonello said if they continued down the path of the design and got to 100% construction document at the end of July on the current plan and didn't get a positive vote from the Council on the 7th, they would have been out to market to bid the job for a week and a half. He said they could pull back all the RFPs, retract for another four weeks, and redesign the garage, which would probably put a delay in the middle of the schedule and put them in the position where they would be finished with the site work and waiting for the contractor that they weren't able to secure early enough.

Mr. McNabb said it was very important for the Committee to communicate to the City Council the fact that, if the dollars were voted down, they couldn't keep the schedule. He said that a month and a half would be added and that certain components would be repriced. Mr. Brennan said they would lose future revenues. Councilor Lown said it was a pressing issue in terms of time and the users. Mr. McNabb encouraged that the design be continued as if the project would be approved, and said Mr. Tonello could pull back the RFPs if it wasn't approved as requested.

Councilor Spear said that if the public hearing was at the July meeting, the mayor would have to call a City Council meeting to schedule another public hearing and vote at the July hearing, which would give the Committee three weeks to move ahead.

Deputy City Manager Colbert-Puff remarked that just because there was a number before the City Council for bond authorization didn't mean it would equate to direct spending. She heard enough variability in that number in terms of pricing and income that she thought the number could remain the same but that the spending number might vary.

### **Report on Percent for Arts – Councilor Pearson**

Councilor Pearson was not present.

### **Other Business**

- Next Meeting

Nancy said she would figure out the schedule and call Councilor Lown with a date

The meeting was adjourned at 5:15 p.m.

Respectfully submitted,

Joann Breault  
Secretary