

COMMITTEE ON JOINT SCHOOL BUILDINGS

September 4, 2007
School Cmte. Members Beaudry,
Herbert, Gelinas
Aldermen Thibault, Roy, Long

12:00 PM
Aldermanic Chambers
City Hall (3rd Floor)

Chairman Beaudry called the meeting to order.

The Clerk called the roll.

Present: School Committee Members Beaudry and Herbert: Aldermen
Thibault, Roy and Long

Absent: School Committee Member Gelinas

Messrs: T. Clougherty

Chairman Beaudry addressed the first item of business.

Alderman Roy moved to enter non-public session under the provisions of RSA 91-A:3II(e). Alderman Thibault duly seconded the motion. A roll call vote was conducted. School Committee Members Beaudry and Herbert voted yea. Aldermen Thibault, Roy and Long voted yea. The motion carried.

On motion of Alderman Roy, duly seconded by Alderman Thibault, it was voted to re-enter public session.

Chairman Beaudry advised the discussion was limited to the purpose and requested any motions.

Alderman Thibault moved that the litigation between Manchester P.S. GP, LLC (Gilbane) and the City of Manchester be settled as set forth in the Settlement Agreement and Mutual Releases (enclosed herein) and that the Mayor be authorized to sign the Settlement Agreement and Mutual Releases on behalf of the City, subject to the review and approval of the City Solicitor, and to advise the Board of Mayor and Aldermen of such action for informational purposes. School

Committee Member Herbert seconded the motion. A roll call vote was conducted. School Committee Members Beaudry and Herbert voted yea; Aldermen Thibault and Roy voted yea; Alderman Long voted in opposition. School Committee Member Gelinias was recorded as absent. The motion carried.

Mr. Tim Clougherty, Facilities Engineer, asked Mr. Chairman, could we take up the matter we discussed relative to expenditures of \$1.8 million?

On motion of Alderman Roy, duly seconded by Alderman Thibault, it was unanimously voted to authorize the Department of Highways, Facilities Division, to expend up to \$1.8 million to correct deficiencies associated with the Design/Building project and to advise the Board of Mayor and Aldermen of such action for informational purposes.

Chairman Beaudry stated one thing with that expenditure though, Tim, is the...and I know that was on change orders, but is that going to hinder you at all, the \$2,500. Are we giving him permission now to go out and expend that \$1.8 million without having to come back to us or do you want to put a dollar amount on what work has to be done and for him to come back?

Alderman Long asked the \$1.8 million is going to pinpoint what the actual work is? With this agreement, there's work you already know you need to do under that \$1.8 million, correct?

Mr. Clougherty responded correct.

Alderman Long stated it's specific work, so I don't know if we need...I don't believe we need to put a figure on getting that work. We're going to know what that work is.

Mr. Clougherty stated I'll provide you with a monthly accounting.

Alderman Long stated yes, just giving us an account of what is being completed and what is being expended. He has to get that work done. I think it would be foolish of us to put a price tag on it before he comes to us.

Chairman Beaudry stated so basically we're giving Tim the authority to go out, expend the \$1.8 million, get the work that has to be done, get it done.

5. Update on the School Facilities Improvement Project (Monthly Report – May to August 2007).

On motion of Alderman Roy, duly seconded by Alderman Long, it was voted to by-pass this item.

4. Various school project status reports.

Mr. Clougherty stated there are several reports that were included in the agenda. I'd be happy to answer any questions relative to those. Beech Street lighting, Wilson, Southside...Are there any questions on the status reports that were contained in the agenda?

Alderman Smith stated I was over to Parkside Middle School today. I call it Parkside Junior High. In the progress report you state the new sub flooring and new maple flooring will be done in late August. That has not been done whatsoever. Also, there's pallets of plywood in the halls that should be removed. School is being opened tomorrow, and I don't know if the gymnasium is going to be locked or not, but there's nails protruding through the gym floors at this stage right today. So what I'm asking for, and I did, Mr. Chairman, talk to you about this, is I would like to know if that date is in concrete, September 24th, because if it's a rainy or that, they're going to have to have physical education and so forth in the classroom, so I'd like to know what the status is. Is it the 24th it's going to be finished or not?

Mr. Clougherty stated September 24th is the commitment that the contractor has agreed to at this point in time. I can't tell you that that's in concrete. When we contracted with the company to remove the defective flooring and provide new, it was for an area about 500 square feet. What we've actually done is about 2,000 square feet, so we've increased their scope of work by about 300%. They're doing what they can to accommodate the added scope of work because of the flooring that we found to be wet. They're telling us September 24th and I'm going to do everything that I can in my power to push them to meet that date, but if it waivers a little bit, there's not a lot that we're going to be able to do about it.

Alderman Smith stated all I'm interested in is, if it's September 24th, I've been on this from early August and it seems like everything gets pushed off. And I'm not blaming the City agency, but I am blaming the contractor because I've been over there and it seems like nothing has been done for three weeks. Would you concur with that?

Mr. Clougherty stated I concur 100%, Alderman. The problem that we have is that they thought that they had 500 square feet of flooring to do, and they based their summer work schedule around 500 square feet in Manchester, whatever,

maybe a full floor in Plaistow or some sort of work in Concord. But in reality it turned from 500 square feet to 2,000 square feet. So they quite frankly didn't have the labor to get our project done in time for school. What they're trying to do is to wrap up their other obligations so that they can put a complete workforce on our project and get it wrapped up as soon as they possibly can.

Alderman Smith stated thank you, Mr. Chairman. I certainly appreciate it.

Mr. Clougherty stated just one other thing, Mr. Chairman. I'm going to make sure somebody is over there this afternoon to check out the lobby area and I'll also make sure...I don't believe that we can lock the doors, but we talked about sealing them off with plastic or something like that to make sure that people aren't going in there.

7. Request to relocated lockers at Hillside Middle School.

Chairman Beaudry asked what are the wishes of the Committee? This is something that was done at Southside and actually there's still about 20 feet of Southside that has to be moved. I guess it wasn't in the original request, but he wants to get all his sixth grade into that new wing and there's still one line of lockers that has to be moved at Southside. Hillside, I went over there with our Chief Finance Officer, Karen DeFrancis, and looked at what Hillside had, and this request was actually done in a similar time frame as Southside. They want to get the lockers into the new addition, and this passed Building and Sites Committee, to send it to Joint, to have it funded through Joint. That's what funded the Southside project, contingency money. It's something that really should be done. The traffic flow at Hillside...kids have to go from the brand new section, all the way down to an older section throughout the whole building to get to their lockers, and the time that they need to do this is pretty prohibitive.

Alderman Long stated I don't disagree that this should be done. However, do we have contingency money?

Chairman Beaudry stated we do have some money. I'd leave that up to Tim.

Alderman Long asked where's this money coming from? We just approved an agreement, so where's this money coming from, within this joint board?

Chairman Beaudry stated where it came from before is contingency, and it's my assumption that we still have some contingency money left. If that's not factual, Tim, please let me know.

Mr. Clougherty stated the terms of the agreement in the settlement breakdown doesn't recognize a contingency existing, after this point in time.

Chairman Beaudry stated okay, so that \$1.8 million that we just allowed you to spend, is part of that money contingency money also, rolled into that?

Mr. Clougherty responded not really, no. It could be considered the money that's tied up in the LOC.

Chairman Beaudry stated but we don't know when we're going to get that, correct?

Mr. Clougherty responded right.

Chairman Beaudry stated this puts us in a dilemma. This is something that really should be done. Are you saying that we have no funds to do this then?

Mr. Clougherty stated I'm saying that the financial structure of the agreement, as it currently exists, doesn't recognize a contingency that can be utilized for a project such as this.

Chairman Beaudry asked so the five hundred and some odd thousand that we had showing on our spreadsheet for a contingency no longer exists then, after this agreement was settled?

Mr. Clougherty stated that's correct.

Alderman Long stated the \$1.8 million that we're looking at to complete work...Did we already authorize Hillside's?

Chairman Beaudry stated Southside, we already authorized it, and 90% of the project is already done. They've already moved most of the lockers up to where they need to be done. There's only one more row that has to be moved. And then Hillside is looking for the exact same thing.

Alderman Long asked do we know the cost of this, of Hillside?

Chairman Beaudry responded I was going to have 'not to exceed \$20,000'. It was about \$17,000 to do Southside to date and there's one more bank that has to be done, if we okay it this evening. So you're looking at approximately \$20,000.

Alderman Long asked and this is within the purview of the contract?

Chairman Beaudry responded it was already determined by the City Solicitor that this work was within the confines of the design/build.

Alderman Long asked could this come out of the \$1.8 million?

Chairman Beaudry responded it could.

On motion of Alderman Roy, duly seconded by Alderman Long, it was voted that the funds to finish moving lockers at Southside and to move lockers at Hillside would come out of the \$1.8 million from the settlement.

8. Copy of a communication from Gallagher Construction Services relative to an invoice from Liberty Insurance in the amount of \$246,292 for premiums due.

Alderman Long stated and that's already been resolved. That's within, that agreement, correct?

Mr. Clougherty stated it's accounted for in the agreement but the vote has not been taken. A motion authorizing the expenditure of \$246,292 needs to be made.

Alderman Long asked and what is that coming out of?

Mr. Clougherty responded that's recognized as a specific line item.

Alderman Roy asked is this coverage going forward?

Mr. Clougherty responded this is for retroactive premiums during the policy period.

Alderman Roy asked any savings we can get from here on out can be realized?

Mr. Clougherty responded I don't know what you mean by savings.

Alderman Roy asked now that the settlement agreement is in place, anything that we can terminate we will be terminating?

Mr. Clougherty responded the policy period that the Liberty Mutual recognizes has already terminated. That was September 16, 2006. This is for the retroactive audit for premiums associated with the policy period from April of 2003 to September of 2006.

On motion of Alderman Long, duly seconded by Alderman Roy, it was voted to approve this item.

Alderman Roy stated just a very quick request: Since this meeting was focused on the settlement, at our next meeting if we could get a full update, as well as updated financials and the discussion regarding the financials pertaining to work that had been completed, when requisition forms were not being submitted. An update of Gilbane's final work.

Mr. Clougherty asked as recognized in the settlement agreement, where we stand with that?

Alderman Roy responded yes.

Chairman Beaudry stated just one thing that was brought up at Building & Sites on the school side last week was West High flooring - leveling. Eric had mentioned that there were a couple of floors that had to be leveled at West High. I questioned why that wasn't part of the design/build, with all the construction that was done over there. Why would that be coming out of our General Fund?

Mr. Clougherty responded I don't know. Again, the design/build wasn't intended to solve every problem that we had in every school. That is a school that was renovated in 1994 or something like that. The product had failed.

Chairman Beaudry asked can you just take a look and get back to us whenever, if that would have fallen within the scope of this at all. Maybe you already know this off the top of your head. If this is something that fell into the scope of this project, I'd rather see the money come out of this than coming out of the General Fund.

Mr. Clougherty stated I can certainly do that. I'm trying to think, off the top of my head, where the funding for that came from. I didn't think it was the General Fund though.

Chairman Beaudry stated well, whatever you...Even if it came out of your fund, it's a charge back to the School District anyway, so it's going to come out of our General Fund, I believe, at some point in time.

Mr. Clougherty stated as will the design/build project through debt service.

Chairman Beaudry stated right. We'll be paying debt service. If doesn't have an immediate impact, as coming right out of the...

Mr. Clougherty stated that is a project that would certainly have been considered eligible. Whether it could be considered eligible today, I don't know.

Chairman Beaudry asked can you come back with an answer on that?

Mr. Clougherty responded that would have to come from the City Solicitor, the Chief Financial Officer.

Chairman Beaudry stated we can talk about this after the meeting and see if we can get an answer to it. It would be appreciated.

There being no further business, on motion of Alderman Long, duly seconded by Alderman Thibault, it was voted to adjourn.

A True Record. Attest.

Clerk of Committee