

CITY OF NEWTON

IN BOARD OF ALDERMEN

FINANCE COMMITTEE REPORT

MONDAY, JANUARY 11, 2010

Present: Ald. Gentile (Chairman), Ciccone, Linsky, Salvucci, Rice, Danberg, Fuller and Freedman;

Also present: Ald. Baker, Crossley, Schnipper, and Shapiro

City staff present: Angela Buchanan Smagula (Assistant City Solicitor), Arthur Cabral (Interim Public Buildings Commissioner), David Wilkinson (Comptroller), James Reardon (Treasurer), Robert Rooney (Chief Operating Officer), David Turocy (Deputy Commissioner of Public Works), Heidi Black (Administrator of High School Construction and Strategic Planning; School Department), Sarah Ecker (Director of Community Operations) and Shawna Sullivan (Committee Clerk)

#419-09      HIS HONOR THE MAYOR requesting authorization to appropriate ten thousand dollars (\$10,000) from Budget Reserve for the purpose of settling a claim filed against the City of Newton due to damages sustained from sewage back up caused by actions of a subcontractor working for Dimeo Construction and ensuing actions on the part of City employees. [12/15/09 @ 4:04 PM]

**ACTION:**      **APPROVED 8-0**

**NOTE:**            Assistant City Solicitor, Angela Buchanan Smagula, presented the item to the Committee. The request for \$10,000 from budget reserve is to settle the city's portion of a claim filed by a property owner due to a sewage flood in the basement of his property on Kimball Terrace. In July of 2008, Kimball Terrace flooded due to an open drainpipe, an open sewer manhole on Elm Road, an unconnected drainpipe and heavy rains. The open drainpipe and open sewer manhole were a result of a drain replacement project related to the Newton North High School Project. When a city worker responded to the flood, he accidentally opened a sewer manhole instead of a drain manhole causing further damage to the property. A thorough investigation was undertaken and it was determined that the sewage flood was caused by a combination of errors made by a sub-contractor working for Dimeo Construction, who is the Newton North High School Contractor and the City of Newton employee.

Ms. Smagula negotiated a settlement with the property owner, who has accepted a \$30,000 settlement. The sub-contractor, Dimeo Construction and the City of Newton will each be responsible for one-third of the settlement. There were also two other claims filed as a result of the sewerage flood, which are being settled for less than \$5,000, which does not require Board of Aldermen approval. However, the Interim City Solicitor will provide a report of all settled or outstanding claims against the City in February, which will include the two settlements. Ald. Linsky moved approval of the item, which carried unanimously.

#12-10      HIS HONOR THE MAYOR requesting authorization to transfer three thousand one hundred ninety one dollars and fifty-cents (\$3,191.50) in the Health and Human Services Department to allow the purchase of a copy machine for use in the H1N1 flu immunization program (an additional \$3,191.50 will be paid by a Massachusetts Department of Public Health grant) *and that this item be declared an emergency measure necessary to protect the health and safety of the people and property of the City of Newton in accordance with Section 2-9 of the Newton City Charter, which requires a separate 2/3 vote of the Board of Aldermen.*  
[12/22/09 @ 10:09 AM]

**ACTION:**      **NO ACTION NECESSARY 8-0**

**NOTE:**      The Chairman has spoken with the Comptroller, David Wilkinson, regarding this item and the Health and Human Services Department submitted a memo and e-mails to Mr. Wilkinson, which were attached to the agenda, explaining that the transfer of funds is no longer necessary. The Health and Human Services Department received authorization from the Massachusetts Department of Public Health and the Cambridge Health Alliance to split the cost equally between them for the copier. Therefore, the docket item requires no action from the Board of Aldermen. Alderman Freedman made a motion for no action necessary, which carried unanimously.

#421-09      HIS HONOR THE MAYOR requesting authorization to appropriate and expend nine thousand two hundred dollars (\$9,200) from Budget Reserve for the purpose of supplementing the Comptroller's expenses budget for auditing costs. [12/15/09 @ 4:05 PM]

**ACTION:**      **APPROVED 8-0**

**NOTE:**      Comptroller David Wilkinson reviewed the request for an appropriation with the Committee. Mr. Wilkinson stated that funding for audit fees related to the Comprehensive Annual Financial Report (CAFR) is included in the Comptroller's budget, as suggested by the Financial Audit Committee. The fees for the audit of federal grant awards are usually included in the expenditure budget for each federal grant. However, for the FY'09 audit, the independent auditors selected two federal grant programs to audit. The two programs chosen were the SPED Medicaid Reimbursement Program and the American Recovery and Reinvestment Act education funds, which the Governor used to substitute for the cuts in Chapter 70 education funds. Unfortunately, there were no resources within the grant programs or the Comptroller's budget to pay the audit fees, as all the resources received were used for education obligations. The appropriation is necessary to pay the fee of \$4,600 for each of the audits. Ald. Salvucci moved approval of the docket item, which carried unanimously.

#423-09      HIS HONOR THE MAYOR requesting authorization to appropriate and expend thirty thousand dollars (\$30,000) from Budget Reserve for the purpose of supplementing the banking services account in the Treasurer's Department.  
[12/15/09 @ 4:05 PM]

**ACTION:**      **APPROVED 8-0**

**NOTE:** Jim Reardon, Treasurer, joined the Committee for discussion of this item. The request is for an appropriation to supplement the banking services account in the Treasurer’s Office. The Treasurer provided the classification detail sheet from the current budget, which is attached. The supplemental funds will bring the banking services account more in line with what has been spent in previous years for banking services. The Bank of America has increased its fees significantly and other banks have increased their fees. In addition, the city is using additional banking services, such as a remote sorter. All banking fees are currently paid from the Treasurer’s budget.

Mr. Reardon is in the process of working with Citizens Bank to reduce the monthly service fees but the generated savings will not be enough to offset the total charges. Ald. Linsky asked if the Treasurer had considered no longer using the services of Bank of America. The Treasurer responded that he is looking into other banks but in order for the city to do business with a bank it must receive a green status report from VeriBanc and be large enough to handle the significant amount of money involved in providing banking for the City. Ald. Freedman asked why all of the banking service fees came out of the Treasurer’s budget. Mr. Reardon explained that it would be time consuming for the Treasurer’s Office to identify and allocate fees to individual accounts at this time. The Treasurer’s Office benefits at this time, as it is much easier for the department to track the city’s accounts. The bank submits a monthly statement to the city that includes all of the charges associated with the city’s accounts. It is possible that in the future the city could allocate a percentage of charges to individual departments. Ald. Gentile suggested that the Treasurer revisit using the Village Bank for more of its banking, as it is truly a community bank and has expanded recently. The Treasurer stated that he met with a representative of Village Bank last year and receives a quarterly report update on Village Bank. The city has increased its banking business with Village Bank. With that Ald. Ciccone moved approval of the item, which carried by a vote of eight in favor and none opposed.

**REFERRED TO PUBLIC FACILITIES AND FINANCE COMMITTEES**

#424-09 **HIS HONOR THE MAYOR** requesting that the budget for the Newton North High School construction project be amended by transferring from hard costs (construction) to soft costs the sum of Two million two hundred thirty-two thousand five hundred dollars (\$2,232,500) to focus resources on project oversight by the Project Manager and the Design team, as follows:

Project Manager .....	\$596,000
Building System Commissioning .....	\$40,000
Architectural Expenses .....	\$570,000
Consultant Expenses/testing .....	\$326,500
Furnishings.....	<u>\$700,000</u>
	\$2,232,500

[12/15/09 @ 4:04 PM]

**Public Facilities approved 6-0-1 (Gentile abstaining) on 01/06/10**

**ACTION:** **APPROVED AS AMENDED 6-0-2 (Freedman, Linsky abstaining)**

**NOTE:** The Chief Operating Officer submitted a request from His Honor the Mayor to amend the docket item to the Committee, which is attached. The request does not change the requested transfer amount but recommends the reallocation of \$270,000 from Architectural

Expenses to Unallocated Contingency. The Unallocated Contingency Account allows the Mayor to make transfers from this account to other accounts without any Board of Aldermen action. The account currently contains approximately \$9,780. The Mayor is proposing that additional money be transferred to the account to allow the Mayor to address any needs that might arise. The Comptroller also provided the Committee with a revised budget to actual report on the construction project dated January 11, 2010, which is attached.

Mike Burton, the Project Manager from Turner Construction, provided the Committee with the attached information regarding the transfer of funds from construction costs to soft costs. The information contained a breakdown of the reallocated funds and detailed how the transferred funds would be used. The construction line item was set at \$165 million and the construction manager came in with a price of approximately \$162,800,000 for construction, which left approximately \$2.2 million as uncommitted money in that line item. The reallocation is necessary to maintain the current project oversight. The project is about 75% complete and it is expected that the new building will be turned over on time or ahead of schedule. The project is forecasted to be under budget by approximately \$6.5 million. Mr. Burton stated that the fact that the project is on time or ahead of schedule and under budget is due to having the right amount of oversight for the project. The transfer of funds will fund the project management staffing to the appropriate levels through May of 2011.

The biggest unknown in the project is Phase II, which includes the demolition of the existing school, and installation of the baseball and softball fields. The demolition of the old school will require abatement of asbestos and it is yet to be determined how it should be done. Some testing on the old school has been undertaken and Mr. Burton expects to come before the Board of Aldermen in September with a schedule for the demolition and further information on how the demolition will take place. However, additional funds for consultants will be required to aid in the development of abatement specifications, additional testing for asbestos and other contaminants and a demolition work plan, which meets the approval of the Department of Environmental Protection. The transfer will also fund some additional commissioning services that were added after the original commissioning package was budgeted.

Brad Dore, Dore & Whittier's Principal Architect, reviewed the portion of the transfer request related to architectural services. The architects' contract was initially adjusted two years ago to address the acceleration of the project and the additional on-site architectural services. When the initial adjustment to the contract was discussed, it was clear that the additional funds would not cover the entire project. In order to complete Phase I of the project on schedule and within budget, there needs to be an appropriate level of architectural services. Mr. Dore believes that the requested \$300,000 will provide the needed architectural services until September 15, 2010. Mr. Dore explained that Phase II will require architectural services and the designer services contract provides for additional services at an hourly rate.

Heidi Black, Administrator of High School Construction and Strategic Planning, spoke on the addition of \$700,000 for furniture, fixtures and equipment (FF&E). Ms. Black explained that the \$700,000 figure is somewhat of an arbitrary number. She believes that the cost of the equipment and furniture will be between \$2 million and \$2.2 million. The \$1.3 million that was contained in the original project budget for FF&E was based on a 1999 project scope for the renovation of the school. The \$1.3 million does not provide enough money to purchase enough equipment and furniture for the program at the school. The School Department has inventoried

all of the existing furniture within the current school. The School Department is reusing approximately 50% of the furniture and equipment from the old school. Some of the existing furniture does not meet fire code and some of it is too old to be reused. Ms. Black hopes to issue purchase orders for the equipment and furniture in the near future in order to receive it in time for the opening of the new school.

Frank Allard of Dimeo Construction voiced his support of the continuation of the current project oversight. The construction team has worked very well together and to this point accomplished a project that is under budget and on schedule. If the project management and architectural service support is decreased the project will not continue to proceed as well as it has been. It is important that the Board of Aldermen understands the need for project support and the additional money for furniture, fixings and equipment. Mr. Allard stated that he strongly believes that his company will not be requesting any additional construction money beyond the approximately \$162,800,000 for construction. Ald. Linsky voiced concerned that there are no hard figures regarding the demolition of the old building. Mr. Allard explained that the city's owner allowance contained \$4.5 million for the demolition of the school. However, since there may be complications during the demolition the amount has been raised to \$10 million.

The Committee discussed the proposed traffic signal on Walnut Street and how it would be funded. Ald. Gentile pointed out that there are contingency accounts that could be used to fund the traffic signal. Ald. Linsky asked if the grey water system would be brought back as part of the project. It was explained that it would be the decision of the new administration. It will not happen before the opening of the school but may move forward at a later date.

Ald. Danberg moved approval of the item as amended to include the Mayor's request to reduce the requested funds for architectural services by \$270,000 and reallocate it to unallocated contingency. The committee voted to support the motion of approval as amended by a vote of six in favor and two abstentions.

#385-08(2) HIS HONOR THE MAYOR requesting authorization to appropriate from Receipts Reserved for Appropriation to Conservation \$6,000 received from the Newton Marriott for improvements to Norumbega Park in accordance with condition #25 in special permit board order #385-08. [12/15/09 @ 5:06 PM]

**ACTION:** **APPROVED 8-0**

**NOTE:** The Chairman stated that this is a request to appropriate money received from the Newton Marriott related to a condition of a special permit for improvements to Norumbega Park. The Committee had no questions regarding the request and Ald Salvucci moved approval, which carried unanimously.

**Chairman's Note:** The Committee was joined by Sarah Ecker of the Executive Office for an update on the preparation of the FY'11 budget. She has met with department heads in order set a preliminary calendar for budget preparation. The initial forecast is expected to be completed by next week. It is expected that the budget will be presented to the Board of Aldermen in April. The Mayor intends to meet with groups of Aldermen in February and March to keep them apprised of the budget preparation. The FY'11 budget will not depart radically from the previous budget set-up due to time constraints. Although performance management may not be

reflected in budget, the department heads will be asked to account for resources. The Executive Office is also looking at ways to gather resident input on the budget but have not determined how to accomplish that at this point.

The Committee also received briefings on the Group Health Self Insurance Fund – FY 2010 Mid-Year Report and Mid-Year Capital Project Fund Financial Report. Mr. Wilkinson reviewed each of the reports with the committee. For further information on the reports, please refer to the reports, which were attached to the January 11, 2010 Finance Committee Agenda.

The draft Board Orders are attached for each of the items that were approved. All other items were held without discussion and the meeting was adjourned at approximately 10:25 PM.

Respectfully Submitted,

Leonard J. Gentile, Chairman

CITY OF NEWTON  
IN BOARD OF ALDERMEN

, 2010

ORDERED:

That in accordance with the recommendation of the Finance Committee through its Chairman, Leonard J. Gentile, the sum of ten thousand dollars (\$10,000) be and is hereby appropriated from Budget Reserve to be expended under the direction of the City Solicitor for the purpose of settling a claim filed against the City of Newton for damages sustained to property at 25 Kimball Terrace from sewage back up caused by actions of a subcontractor working for Dimeo Construction and ensuing actions on the part of city employees.

FROM:	Budget Reserve.....	\$10,000
	(0110498-5790)	
TO:	Legal Settlements	
	(0110893-5725).....	\$10,000

Under Suspension of Rules  
Readings Waived and Item Approved

(SGD) DAVID A. OLSON  
City Clerk

(SGD) SETTI D. WARREN  
Mayor

Date: \_\_\_\_\_

CITY OF NEWTON  
IN BOARD OF ALDERMEN  
, 2010

ORDERED:

That in accordance with the recommendation of the Finance Committee through its Chairman, Leonard J. Gentile, the sum of nine thousand two hundred dollars (\$9,200) be and is hereby appropriated from Budget Reserve to be expended under the direction of the Comptroller for the purpose of supplementing the expenses budget account for auditing costs in the Comptroller's Office:

FROM:	Budget Reserve (0110498-5790).....\$9,200
TO:	Comptroller – Expenses (0110401-530201).....\$9,200

Under Suspension of Rules  
Readings Waived and Item Approved

(SGD) DAVID A. OLSON  
City Clerk

(SGD) SETTI D. WARREN  
Mayor

Date: \_\_\_\_\_



CITY OF NEWTON  
IN BOARD OF ALDERMEN  
, 2010

ORDERED:

That in accordance with the recommendation of the Finance Committee through its Chairman, Leonard J. Gentile, the sum of thirty thousand dollars (\$30,000) be and is hereby appropriated from Budget Reserve to be expended under the direction of the Treasurer for the purpose of supplementing the banking services account in the Treasurer's Department:

FROM:	Budget Reserve (0110498-5790).....	\$30,000
TO:	Treasurer – Expenses (0110701-530210).....	\$30,000

Under Suspension of Rules  
Readings Waived and Item Approved

(SGD) DAVID A. OLSON  
City Clerk

(SGD) SETTI D. WARREN  
Mayor

Date: \_\_\_\_\_

CITY OF NEWTON  
IN BOARD OF ALDERMEN

, 2010

ORDERED:

That, in accordance with the recommendation of the Public Facilities Committee through its Chairman Sydra Schnipper, and the Finance Committee through its Chairman Leonard J. Gentile, that the following transfer of funds is hereby authorized for the purpose of amending the budget for the Newton North High School construction project to focus resources on project oversight by the Project Manager and the Design team, as follows:

FROM:	Construction (NNHS-1-530225) .....	\$2,232,500
TO:	Project Manager (NNHS-1-530220) .....	\$596,000
	Building System Commissioning (NNHS-1-530219) .....	\$40,000
	Architectural Expenses (NNHS-1-530202) .....	\$300,000
	Consultant Expenses/testing (NNHS-1-5301) .....	\$326,500
	Furnishings (NNHS-1-58516) .....	\$700,000
	Unallocated Contingency (NNHS-5793).....	\$270,000

Under Suspension of Rules  
Readings Waived and Item Approved

(SGD) DAVID A. OLSON  
City Clerk

(SGD) SETTI D. WARREN  
Mayor

Date: \_\_\_\_\_

CITY OF NEWTON  
IN BOARD OF ALDERMEN

, 2010

ORDERED:

That in accordance with the recommendation of the Finance Committee through its Chairman Leonard J. Gentile, the sum of six thousand dollars (\$6,000) received from the Newton Marriott in accordance with Condition #25 in Special Permit #385-08 be and is hereby appropriated from Special Permit Receipts Reserved to be expended under the direction of the Director of Planning & Development for the purpose of improvements to Norumbega Park.

FROM:	Special Permit Receipts Reserved (14R11401-5901).....	\$6,000
TO:	Norumbega Park Improvements (C114016-52409).....	\$6,000

Under Suspension of Rules  
Readings Waived and Item Approved

(SGD) DAVID A. OLSON  
City Clerk

(SGD) SETTI D. WARREN  
Mayor

Date: \_\_\_\_\_

**CITY OF NEWTON BUDGET  
CLASSIFICATION DETAIL**

ACCOUNT	DESCRIPTION	EXPENDED FY2007	EXPENDED FY2008	CURRENT YEAR 2009			RECOMMENDED	APPROPRIATION CHANGE BETWEEN FY2009 AND FY2010
				APPROPRIATION	ADDITIONAL APPROPRIATION	TOTAL APPROPRIATION		
		YTD EXPENSES						
<b>FRINGE BENEFITS TOTALS:</b>		145,409	146,660	160,589	3,507	164,096	178,149	14,053 9%
<b>FUNCTIONAL ELEMENT TOTALS:</b>		1,086,175	1,107,907	1,177,470	7,533	1,185,003	1,208,967	23,964 2%
<b>BOARD OF ASSESSORS TOTALS:</b>		1,086,175	1,107,907	1,177,470	7,533	1,185,003	1,208,967	23,964 2%
<b>107 - TREASURER/COLLECTOR</b>								
0110701 - TREASURY								
<b>PERSONAL SERVICES</b>								
511001	FULL TIME SALARIES	497,598	510,126	464,818	-31,986	432,832	267,078	485,409 12%
511101	PART TIME < 20 HRSMK	0	0	20,643	-500	20,143	1,576	16,379 -19%
513001	REGULAR OVERTIME	0	0	0	7,250	7,250	7,190	5,000 -31%
514001	LONGEVITY	1,300	2,963	1,300	750	2,050	1,825	1,600 -22%
515002	SEVERANCE PAY	0	0	0	7,812	7,812	7,812	0 -7,812 -100%
515003	SPECIAL LEAVE BUY BACK	0	12,000	0	1,207	1,207	1,207	0 -1,207 -100%
515006	VACATION BUY BACK	0	0	0	2,531	2,531	2,531	0 -2,531 -100%
515102	CLEANING ALLOWANCE	3,600	4,292	3,000	0	3,000	2,856	3,000 0%
<b>PERSONAL SERVICES TOTALS:</b>		502,498	529,380	489,761	-12,935	476,826	292,075	511,388 7%
<b>EXPENSES</b>								
52401	OFFICE EQUIPMENT R-M	4,082	2,610	3,500	0	3,500	2,631	3,500 0%
5301	CONSULTANTS	0	0	0	111,000	111,000	44,000	0 -111,000 -100%
530210	BANKING SERVICES	65,453	67,639	48,239	-2,503	45,736	18,545	48,239 5%
5307	PARKING TICKET COLLECTION	156,044	167,143	170,875	-15,000	155,875	155,875	170,875 10%
5309	LEGAL SERVICES	0	0	0	0	0	0	0 0%
5313	TEMP STAFFING SERVICES	0	0	0	17,503	17,503	17,503	0 -17,503 -100%
5314	REGIST/RECORDING FEES	1,725	6,020	5,500	0	5,500	-5,420	5,500 0%
5316	BOND/NOTE SALE COSTS	0	195,724	0	3,000	3,000	-420	0 -3,000 -100%
5317	MAILING SERVICES	86,313	98,598	103,300	0	103,300	42,190	103,300 0%
53401	TELEPHONE	1,451	1,253	3,000	0	3,000	822	3,000 0%
5341	POSTAGE	16,695	13,988	16,000	0	16,000	10,618	16,000 0%
5342	PRINTING	1,127	2,543	9,600	0	9,600	677	9,600 0%
5343	ADVERTISING/PUBLICATIONS	241	3,953	4,000	0	4,000	-3,409	4,000 0%
5420	OFFICE SUPPLIES	4,293	5,973	4,460	0	4,460	4,276	4,460 0%
5523	PAPER GOODS & SUPPLIES	7,610	6,000	8,850	0	8,850	5,914	8,850 0%
5592	BOOKS/MANUALS/PERIODICALS	0	0	100	0	100	0	100 0%



SETTI D. WARREN  
MAYOR

City of Newton, Massachusetts  
Office of the Mayor

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January 11, 2010

Honorable Board of Aldermen  
Newton City Hall  
1000 Commonwealth Avenue  
Newton, MA 02459

Ladies and Gentlemen:


I request that a reallocation be approved by the Honorable Board for Docket Item #424-09 as stipulated below. While the total transfer amount remains the same (\$2,232,500), the amount allocated to Architectural Expenses is proposed to be decreased by \$270,000 and credited to "Unallocated Contingency" as described in the original budget approved by the Honorable Board (Order #56-07(2)).

Line	Previous Request	Change	New Request
Project Manager	\$596,000	0	\$596,000
Building System Commissioning	\$40,000	0	\$40,000
Architectural Expenses	\$570,000	-\$270,000	\$300,000
Consultant Expenses/testing	\$326,500	0	\$326,500
Furnishings	\$700,000	0	\$700,000
Unallocated Contingency	0	+\$270,000	\$270,000
<b>TOTAL:</b>	<b>\$2,232,500</b>	<b>0</b>	<b>\$2,232,500</b>

At the time the budget for the entire school project (April 22, 2008), \$1,500,000 was allocated to "Unallocated Contingency" authorizing the Mayor to make transfers without further action by the Board. Today, after processing current invoices from 2009, there is approximately \$9,780 remaining in the account. This account allows for addressing unforeseen needs in a timely manner. Any unused funds in these accounts will be returned to the City at the project's completion.

Thank you for your consideration to this request.

Very truly yours,



Setti D. Warren  
Mayor

1000 Commonwealth Avenue Newton, Massachusetts 02459

[www.ci.newton.ma.us](http://www.ci.newton.ma.us)

DEDICATED TO COMMUNITY EXCELLENCE



CITY OF NEWTON, MASSACHUSETTS  
 HIGH SCHOOL IMPROVEMENT FUND  
 NORTH HIGH SCHOOL NEW CONSTRUCTION PROJECT  
 BUDGET TO ACTUAL REPORT  
 December 31, 2009

	Original Budget {1}	Transfers Pre #56-07(2) {2}	Amended BO# 56-07(2){3}	Amendment BO#85-09	Subsequent Transfers {4}	Total Amended Budget	Total Expenditures	Encumbrances	Unobligated Balance
ADMINISTRATIVE SUPPORT SALARIES	\$ 383,213.37	\$ -	\$ 668.00	\$ -	(\$ 2,542.53)	\$ 381,338.84	\$ 238,541.70	\$ -	\$ 142,797.14
WORK BY OTHER DEPARTMENTS	-	2,500.00	-	-	2,542.53	5,042.53	4,736.20	-	306.33
RENTAL - EQUIPMENT	550,000.00	-	-	-	-	550,000.00	2,015.50	248.50	547,736.00
RENTAL-STORAGE CONTAINERS	-	3,500.00	-	-	7,000.00	10,500.00	8,985.37	1,453.06	61.57
RENTAL-SANITARY FACILITIES	-	2,000.00	-	-	10,000.00	12,000.00	10,450.00	700.00	850.00
CONSULTANTS	200,000.00	-	850,000.00	-	489,840.00	1,539,840.00	1,325,008.49	194,812.87	20,018.64
ARCHITECTURAL SERVICES {5}	7,000,000.00	8,860,193.51	(487,193.00)	-	548,924.00	15,921,924.51	14,256,986.44	1,664,938.07	0.00
CONSTRUCTION CLERK OF THE WORKS	275,000.00	-	-	-	-	275,000.00	80,000.00	195,000.00	-
BUILDING SYSTEM COMMISSIONING	350,000.00	-	-	-	-	350,000.00	255,000.00	95,000.00	-
CONSTRUCTION PROJECT MANAGEMENT	2,500,000.00	367,850.00	526,579.00	-	244,000.00	3,638,429.00	3,355,075.00	283,316.00	38.00
CONSTRUCTION MANAGER AT RISK {5}	119,358,690.33	(3,035,636.00)	48,676,946.00	-	-	165,000,000.33	113,653,226.00	49,111,583.00	2,235,191.33
BLUEPRINTING	49,548.50	-	-	-	-	49,548.50	6,900.25	-	42,648.25
LEGAL SERVICES	250,000.00	30,000.00	50,000.00	-	-	330,000.00	265,469.79	6,030.21	58,500.00
LEGAL SETTLEMENT	-	-	-	-	100,000.00	100,000.00	100,000.00	-	-
REGISTRATION AND RECORDING FEES	-	50.00	-	-	-	50.00	50.00	-	-
POSTAGE	100.00	-	-	-	-	100.00	164.26	-	85.74
PRINTING	51.50	150.00	-	-	-	250.00	22.00	-	29.50
ADVERTISING/PUBLICATIONS	300.00	-	-	-	-	300.00	-	-	300.00
ATHLETIC TRANSPORTATION	350,000.00	(5,500.00)	155,500.00	-	-	500,000.00	240,079.14	-	259,920.86
UNALLOCATED CONTINGENCY {4}	-	-	1,500,000.00	-	(1,399,764.00)	100,236.00	-	-	100,236.00
OWNERS CONTINGENCY {4}	6,225,107.69	(6,225,107.51)	5,000,000.00	-	-	5,000,000.18	-	-	5,000,000.18
BUILDING IMPROVEMENTS	497,500.00	-	-	-	-	497,500.00	42,999.81	-	454,500.19
COMPUTER SERVER HARDWARE	925,000.00	-	-	-	-	925,000.00	-	-	925,000.00
AUDIO-VISUAL EQUIPMENT	925,000.00	-	-	26,750.00	-	951,750.00	25,619.86	663,782.00	262,348.14
CLASSROOM FURNITURE	1,387,500.00	-	-	-	-	1,387,500.00	30,926.68	-	1,356,573.32
<b>TOTAL</b>	<b>\$ 141,227,011.39</b>	<b>-</b>	<b>\$ 56,272,500.00</b>	<b>26,750.00</b>	<b>-</b>	<b>\$ 197,526,261.39</b>	<b>\$ 133,902,256.49</b>	<b>\$ 52,216,863.71</b>	<b>\$ 11,407,141.19</b>

{1} Original budget thru board order #56-07 (04/04/2007)  
 {2} Line item transfers authorized by Mayor per #56-07  
 {3} Line item revisions per #56-07(2) and agreement between Mayor Cohen and Alderman Gentile.  
 {4} Transfers from the Owners contingency require prior approval of the Board of Aldermen  
 The Mayor is authorized to make unlimited transfers from the Unallocated Contingency.  
 {5} Includes \$4,940,332 in retainages payable.

Contingency Re-cep	Contingency Line within contract	Unencumbered and unexpended line item balance	Owner's Contingency (Mayor)	Unallocated Contingencies (Board of Aldermen)	Total Contingencies
Construction Manager at Risk Contingencies	10,200,000.00	2,235,191.33	100,236.00	5,000,000.18	14,751,776.51
Construction Line within contract	2,783,651.00	2,235,191.33	(1,399,764.00)	17,535,427.51	2,783,651.00
Unencumbered and unexpended line item balance	-	-	-	-	-
Owner's Contingency (Mayor)	-	-	-	-	-
Unallocated Contingencies (Board of Aldermen)	-	-	-	-	-
<b>Total Contingencies</b>	<b>\$ 7,416,349.00</b>	<b>\$ 2,235,191.33</b>	<b>\$ 100,236.00</b>	<b>\$ 5,000,000.18</b>	<b>\$ 14,751,776.51</b>

# Newton North High School Fund Reallocation

- Reallocation of unencumbered funds. Transfer from hard cost to soft cost is required to maintain current levels of project oversight.
- Current BOA approved GMP \$197.5M. \$165M Hard Cost and \$32.5M Soft Cost.
- Per board order, all line item transfers to be approved by BOA.
- Construction Manager (Hard Cost) line item contains \$2.2M of unencumbered funds. The proposed reallocation would transfer this amount to "Soft Cost" line items.

## Construction Update

- Schedule – Project is approximately 75% complete and forecasted to be turned over on time, or ahead of schedule.
- Budget – Project is forecast to be under budget by approximately \$6.5M.



# Breakdown of reallocated funds

■ OPM Services .....	\$596k
■ Added commissioning scope .....	\$40k
■ Consultants.....	\$329k
■ Design Services Phase I .....	\$300k
■ Unallocated contingency* .....	\$270k
■ FFE .....	<u>\$700k</u>
■ Total .....	\$2.2M

## Current OPM Services Contract

- Currently OPM staffing levels will be reduced at the end of January 2010
  - Current staff:
    - Full Time Project Executive, Project Manager, Field operations Manager, and Clerk.
  - After February 1<sup>st</sup>, 2010
    - Part Time Project manager (1 day per week)
    - Full Time Clerk of the Works

## Extended OPM Staff

- Current OPM staffing levels are recommended to maintain required MSBA oversight and to bring the project in on schedule and under budget
- \$596k supplements OPM staffing to appropriate levels through May 2011
- Revised staffing after February 1<sup>st</sup>, 2010
  - Full Time Project Executive – through Jan 2011
  - Full Time Project Manager – through May 2011
  - Full Time Clerk of the Work – through May 2011

## Additional Commissioning Services

- Additional equipment and systems to be commissioned
  - Miscellaneous Mechanical Commissioning
    1. Chilled water system
    2. Exhaust fans
    3. Transfer fans
    4. Split systems
    5. Air curtain
    6. Heating system
  - Photovoltaic system
  - Demand response system

## Consultants

- The consultants line item funding has been spent on Phase I building quality assurance and quality control and testing
- Additional funds are required for Phase II - \$329K
  - Assist Design team w/ development of Phase II abatement specifications
  - Develop work plan for DEP approval
  - Additional asbestos and contaminant testing
  - On-site monitoring and air quality verification

# Designer Services Budget Revisions Phase I

- Designer Services contract was adjusted on 2/29/08 for acceleration and 24 months of on-site support
- Current Designer Services adjustment = \$85k/month
- The need to maintain an appropriate level of Design Team support will be required to complete the project on schedule and within budget
- Proposed Phase I Designer Services adjustment = \$300k

# Designer Services Budget Revisions Phase II

- Designer's Basic Services obligation continues through September 15, 2010
- Design Team construction administration support for Phase II will be required for demolition of existing High School, Athletic Fields and other site related items
- Designer Services Contract contemplates additional services to be provided on an hourly basis per contract rates

## Additional FF & E

- \$1.3 Million budget set in 1999 based on original project scope
- Equipment & Furniture are continuing to age
- Fire code will not allow reuse of certain items
- Categories
  - Furniture – Office and Classroom
  - Equipment – Athletic, Science, Art and Music, Custodial, etc.



# Schedule

## Newton North High School January 2010 Soft / Hard Cost Reallocation

