

February 18, 2016 Meeting of the Facilities Implementation & Strategic Planning Committee

Members present: John Hadley, Siobhan Bohnson, Christopher Rucho, Marcia Cairns, Kevin McCormick, James Dugan, John DiPietro, Ray Bricault, Phil Mallet (Recorder)

Members absent: Janice Ash, Patrick Crowley

Representing Cardinal Construction Corp.: Brent Arthaud, Principal, Anthony DiLuzio, Project Executive, Harry Carver, Owner's Representative (Construction Phase)

Mr. Hadley convened the meeting at 7:00 p.m.

Approve Minutes of February 10, 2016

Motion Mr. McCormick to approve, second Mr. Dugan, all others in favor.

Presentation, Cardinal Construction Company

Mr. DiLuzio moderated a slide presentation, turning to Mr. Arthaud for a corporate overview. Mr. Arthaud started Cardinal in 2002 with a view to filling the need for competent construction management for public and private projects in Central Massachusetts. To date the company has been involved with over \$1 billion of projects in place. Mr. Arthaud said his aims were always to remain local and with the hiring of Mr. DiLuzio to build the dominant construction management firm in the area specializing on police and fire projects.

Mr. DiPietro asked why Cardinal was interested in so small a project as the WB police station; that perhaps it was filler between larger projects. Mr. Arthaud emphasized Cardinal's mission to stay local and versatile and that no project was too small. He said Cardinal does not advertise and gets 95% of its business from referrals. To a question regarding subcontracting, he said very few if any project management tasks are subbed, obviously much subcontracting takes place in the construction phase and Cardinal, and Mr. DiLuzio, are experts in the c149 bidding law.

Returning to the slide presentation, Mr. DiLuzio said he has been with Cardinal one year, but has 20 years experience beginning with the facility in Ayer in 1995. His reason for moving to Cardinal was that now he can concentrate on Central Mass., building a portfolio in the police and fire facility sector.

Mr. Arthaud returned to the subject of whether the WB project was filler between larger ones. He said the process on small project is the same as on a large one. In fact, smaller projects can be more challenging, because of timing issues and having less wiggle room. The dollar figure doesn't tell it all, he said. Mr. Arthaud related some anecdotes about past projects that supported this, and Mr. Carver told of how several problems with current and recent projects had been solved.

Turning to the WB Police Station project, Mr. DiLuzio said Cardinal will offer excellent communication and coordination skills based on their expertise and experience. Timely reporting and action was crucial he said. Mr. DiLuzio referred to items mentioned in the RFQ such as budget, designer selection, database, c.149 bids, 6 weeks design phase, 10 month construction phase, two month after finish move in, and emphasized that the schedule was “aggressive” but doable. He said much work can be done now, perhaps by Town employees, or vendors and contractors who have worked or are working for the Town. Big or small projects have the same management pieces, but early on much communication is needed so as to anticipate problems and opportunities. Mr. DiLuzio said the Owner’s Project Manager is responsible for getting the bid, sub-bid process right. He makes keeping bid bidders out a top priority.

Preliminary schedule needs to be worked on immediately. Mr. DiLuzio said getting a pad-ready site is complex due to utilities. Asked again how realistic the current scheduling is Mr. DiLuzio repeated it was very aggressive and the committee will have to meet more often in the early stages. It may be possible, he said, using open contracts to begin site work now without activating c.149 conditions. Mr. DiLuzio said there will be change orders in the project, and contingency funding will be necessary but Cardinal’s expertise is in keeping these to a minimum. He said to save money the project needs to avoid winter condition costs.

Mr. DiLuzio pointed to a slide of a running cost sheet of past projects he has managed, analyzed by square foot, which showed total project costs for police and fire projects average \$375 per sq ft and construction costs \$295 per square foot. Regarding procedure, he said that a spreadsheet would be opened at the first meeting, as he begins to talk to people to determine needs, objectives, scheduling and financing. Planning for contingencies is paramount with the economy, and thus contractors and suppliers, busy. Mr. DiPietro asked who is responsible for slowdowns and cost overruns. Mr. Arthaud said the Town is ultimately responsible but that Cardinal’s experience will help preclude these difficulties. It’s Cardinal’s job, he said, to help the Town avoid these situations, by “staying on top of people,” using its construction background.

Mr. Arthaud said that additionally the Town can go after the bond of poor performing contractors but only for out-of-pocket costs caused by the under performance, but this is a last resort. Managing design to budget is the key, he said, and Cardinal’s cash flow reports reveal if spending is at the right pace. Projected flow versus actual in weekly reports reveals a lot. The Town and Cardinal need to agree on the specifications of a quality building, going through all items in early meetings.

Regarding construction oversight, Mr. DiLuzio said on-site visits will be made as often as needed. Customarily, site visits comprise talking to all contractors on-site, taking photos. Weekly or bi-weekly meetings with subs and client are also regular items. The Town and Cardinal need to decide if the project warrants a full-time presence. At a minimum, Cardinal will spend one full day; though Cardinal is local,

so on-site or meeting visits at other times are possible and billed hourly. Early schedule development and tracking to the schedule is important. Through PROCORE, Cardinal has a superior reporting capability so all concerned will know what's going on daily and weekly.

Mr. Bricault referred to the RFQ and the search for an OPM, not a clerk of the works. Mr. DiLuzio said if it is determined that a clerk is required Cardinal would prefer to have the clerk reporting to Cardinal. To clarify Cardinal's reponse to the pre-interview request for an estimate of costs, Mr. Arthaud said that the document sent to the Town was just that, an estimate, not a bid. A short discussion of modular and tiltup construction ensued and it was agreed that neither type of construction was appropriate for this project.

Motion Mr. McCormick at 7:50 p.m. to enter into executive session under the provisions of MGL, Chapter 30a, Section 21(A), Part 2 to discuss strategy with regard to contract negotiations with Cardinal Construction for owner's project manager services, seconded by Mr. Dugan. The Committee will not be returning to open session. Roll call vote: Mr. Hadley, aye, Mr. McCormick, aye, Mr. Bricault, aye, Mr. Rucho, aye, Ms. Cairns, aye, Mr. Dugan, aye, Mr. Mallet, aye, Ms. Bohnsen, aye, Mr. DiPietro, aye.

Respectfully submitted,

Approved March 30, 2016

Phil Mallet