

Robert J. Park

PUBLIC BUILDING COMMISSION

WELLING CONFERENCE ROOM

EAST HARTFORD CT 06108

APRIL 21, 2022

2022 APR 22 AM 11:53

TOWN CLERK
EAST HARTFORD

PRESENT Henry Pawlowski, Jr., Chair
Fady El-Hachem, Member
Antonio Matta, Member (arrived 7:10pm)
Marilyn Pet, East Hartford Board of Education Representative (via phone)
Rich Kehoe, East Hartford Town Council Representative
John Morrison, East Hartford Town Council Representative

ALSO PRESENT Jim Rovezzi, Assistant Director of Facilities, East Hartford Public Schools

ABSENT Valerie Scheer, EHBOE Representative

The meeting was called to order at 7:06 p.m. Chair Pawlowski performed a roll call to determine attendance.

APPROVAL OF PREVIOUS MINUTES

December 28, 2021 Meeting

MOTION By Antonio Matta
seconded by Rich Kehoe
to **approve** the December 28, 2021 minutes of the Public Building Commission meeting.
Motion carried 5/0. **Absent:** El-Hachem

PUBLIC PARTICIPATION

None

OLD BUSINESS

Project Update – East Hartford High School Roof State Project 043-0245RR

James Rovezzi, Assistant Facilities Director for the East Hartford Public Schools, presented the Commissioners with a report on the roofing project for EHHS and EHMS. See attached.

The Commission requested that options be explored regarding the bond for the projects and a faster timeline for completion of the EHHS roof project than is envisioned in the memo presented.

NEW BUSINESS

Goodwin School Flooring Abatement State Project # 043-0247 CV – Plan Review and Sign-off on "Request for Review of Final Plans" Form SCG-042.

Jim Rovezzi, East Hartford Public Schools Assistant Director of Facilities, led a discussion of the flooring abatement at Goodwin School.

MOTION By Rich Kehoe
 seconded by Marilyn Pet
 to **authorize** the Chair to sign the Request for Review of Final Plans Form SCG-042, for the Goodwin School Flooring Abatement State Project #043-0247CV.
 Motion carried 6/0.

Hockanum School Roof Replacement State Project # 043-0246 RR – Plan Review and Sign-off on "Request for Review of Final Plans" Form SCG-042

Jim Rovezzi, East Hartford Public Schools Assistant Director of Facilities, led a discussion of the roof replacement project at the Hockanum School.

MOTION By Rich Kehoe
 seconded by Marilyn Pet
 to **authorize** the Chair to sign the Request for Review of Final Plans Form SCG-042, for the Hockanum Roof Replacement State Project #043-0246 RR.
 Motion carried 6/0.

Payment of Clerk

MOTION By Rich Kehoe
 seconded by Antonio Matta
 to pay the clerk for tonight's meeting.
 Motion carried 6/0.

The Commission thanked our clerk, Angela Attenello, for her years of outstanding service and dedication to the Town of East Hartford and particularly the Public Building Commission. We will miss her.

ADJOURNMENT

MOTION By Rich Kehoe
 seconded by Antonio Matta
 to **adjourn** (7:50 p.m.).
 Motion carried 6/0.

Recorded by:


Angela M. Attenello, Clerk



Operations and Finance Division

To: Board of Education Members

From: Ben Whittaker, Chief Operations Officer

Date: April 4, 2022

Re: Informational Report- EHHS Roof Replacement Project Update

The construction industry landscape has significantly changed since the budget for the East Hartford High School Roof Replacement project was conceptually designed and estimated in the Fall of 2019. The compound challenges of economic instability, collapse in demand, subsequent resurgence of demand, material shortages, labor supply, and massive inflation that have impacted several aspects of the economy have been especially prevalent in the commercial construction industry. A long-cycle municipal project like a major roof replacement, which in this case took 2.5 years to work through the BOE, Town, Voter Referendum and State School Construction grant process, by nature has to maintain a stable budget as it works through the process. Escalation factors are built in to the budget from the onset to cover unforeseen circumstances and "normal" inflation, with the intention of having a realistic construction budget when the time comes to bid the project.

The \$6,976,008 budget established for the EHHS Roof Replacement contained several contingencies to account for market and project fluctuations, as did the East Hartford Middle School Roof Replacement project (construction scheduled for 2023), which were combined into a \$11,620,000 (\$4M local share) project approved by voters in November 2020 and the State in March 2021. As the design process progressed throughout the industry and economic turmoil of 2021, the project team became increasingly concerned about the adequacy of the budget and if material and labor shortages would even allow for the project to be built at any cost. The project stayed the course with the hopes of the market "normalizing" by bid time, while the project team started contingency planning in case the market did not cooperate.

The EHHS bid package was released in late February, and throughout the bid process, the project team received feedback from contractors that materials (especially roof insulation) were either unavailable or taking up to 10 months to deliver. Rumors that large roofing contractors had stockpiled materials to corner the market were circulating (thus driving up material prices and decreasing competition), and lack of labor supply made our project timeline (June through August while EHHS was shut down) unlikely. The decision was made to keep the bid in the market, since at this point there was nothing to lose and an accurate gauge of the market could be made. Prospective bidders started informing the project team that they were not able to submit bids, and at the bid opening on March 25th, only two bids were received. Both bids were from reputable major roofing contractors, but the extreme price and large spread between the bids showed just how irrational the current market is. **The low bidder, Greenwood Industries, was \$10,696,000 or 53% over the project budget**, and Silktown Roofing was 92% over the project budget at \$13,383,600 – a 25% increase from the low bid.

Obviously, the project cannot move forward at these prices, but the big unknown is if these prices actually represent the "new normal" or are just a product of temporary market instability- or possibly both to a degree. Nobody wants to buy at the potential "top of the market," but this critical project does need to be completed as soon as possible, as does the

Middle School project which is now being designed (Fall bid was planned with Summer 2023 construction). Increasing the project budgets would require going back out to referendum, and referendum quorum would likely not be possible until November 2024. The State grant for EHHS expires on March 1, 2023 if a construction contract is not secured by that time. Before putting a permanent hold on the project until 2024, which would put the integrity of the roofing system in serious jeopardy without significant repairs during the (3) additional years until construction, the project team developed the following action plan:

- EHHS will remain closed during Summer 2022, to facilitate other projects taking place at the school and arrangements to move programming to EHMS/CIBA have already been made.
- The project will be re-bid in September 2022 with the hopes that supply chain and labor issues will be resolved (or at least improve) by that time and EHHS will be the first project "locked in" for Summer 2023. EH Middle School will also be bid at this time, providing additional economy of scale and contractor incentive to have two major projects nearby.
- Project schedule will be expanded to allow work while the school is occupied in non-sensitive areas. Sensitive areas will be completed while EHHS is shut down in Summer 2023 (programming to move to EHMS/CIBA again). EHHS shut down will also be required in Summer 2023 to facilitate the tri-gen replacement/generator install project. The EH Middle School roof will be replaced while the building is occupied, since the vast majority of the roof can be replaced without impact to operations. This maneuver should generate more contractor interest in the project.
- Additional design details, primarily the drainage system, will be developed during the shut down this summer, which will eliminate an unknown variable and increase contractor bid participation, while lowering overall cost.

There is a very good chance that the re-bid in September will still not result in a bid below the project budget, but there is no downside to re-bidding since there is no available method to increase budget prior to that time, nor would it be prudent to immediately increase the budget to this degree based on what may be temporary extreme market conditions. If the re-bid exceeds the budget, the new bid figures will be used to inform new budget numbers and the referendum process will re-start with the Town, effectively pushing both the EHHS and EHMS projects to a Summer 2025 construction date. The State Office of School Construction Grants and Review will be contacted to inquire about options for grant extension/increase feasibility and timeline, with hopes that the grant approval can be conditionally extended and increased if a supplementary referendum ends up being required.