



THE CITY OF AUGUSTA

WILLIAM R. BRIDGEO
CITY MANAGER

TO: Mayor and City Council
FROM: City Manager Bill Bridgeo
RE: Administrative Report
DATE: February 2, 2015

Meetings:

The Mill Park Advisory Committee has been rescheduled due to today's storm and will now meet on Monday, February 9, 2015 in Conference Room A at 5:00 p.m.

There is a Strategic Communications Committee Meeting on Wednesday, February 4th in Conference Room C beginning at 6:30 p.m.

There will be a City Council Business Meeting on Thursday, February 5th beginning at 7:00 p.m. An agenda is included in council packets. There will be a pre-meeting in Conference Room A beginning at 6:30 p.m.

A Senior Staff meeting (including Bureau Directors) will take place in the Cumberland room of the Civic Center on Friday, February 6th beginning at 8:00 a.m.

Other Items:

In discussion last week with Councilor Bilodeau regarding the budget and sources and uses of funds for the Lithgow project, he asked me for an up-to-date summary for future reference. As I was working on that, it occurred to me that I was probably over due in providing that information to all of you. So, with thanks to Councilor Bilodeau for the prompt, enclosed is a copy of the current Sources and Uses of funds for the \$10.5 million project and the latest budget estimate as prepared for me by our architect, Stew Roberts. These documents form the basis for my negotiations with Construction Manager JF Scott to arrive at our Guaranteed Maximum Price. The draft contract between the City and Scott has been reviewed in detail by attorneys for both parties and I will be meeting with John Scott later this week (with the assistance of our advisor, John Brockington of Woodward and Curran).

The recent spate of bad weather is posing real challenges for the DPW. With the addition of today's snowfall (still estimated to be in the 8-10 inch range) the accumulation threatens to narrow some City streets to one lane and to delay snow removal even longer. I have authorized the use of outside contractors (to the extent they are available as most are already busy) where Lesley Jones thinks we can use them and we just exceeded this year's salt and sand procurement budget with a \$52,000 delivery of salt. I have advised Lesley to focus on public safety and getting the job done and we will address any DPW budget shortfall when things settle down.

C: Department and Bureau Directors
Augusta Legislative Delegation



THE CITY OF AUGUSTA

WILLIAM R. BRIDGEO

To: Mayor and Council
Fr: City Manager Bill Bridgeo
Da: February 2, 2015
Re: Summary of Sources and Uses of Funds for Lithgow Library Building Project

Per request of Councilor Bilodeau – and in consultation with Ralph St. Pierre – below you will find the final capital budget for the upcoming Lithgow project:

Sources of Funds:

Council reserved allocation from FY 2011	\$500,000
Bond approved June of 2014	\$8,000,000
Friends Contribution in hand	<u>\$2,000,000</u>
Total Available for Capital Expenditure	\$10,500,000

Uses of Funds:

Architectural/Engineering	\$855,000
Construction Contract	\$8,485,021
Furnishings	\$550,000
Project Expenses (Owner's Rep/Geotech/Etc.)	\$207,500
Contingency (4.0% of construction costs)	<u>\$403,826</u>
Total Capital Budget	\$10,499,000

This budget does not include relocating library (twice) and leasing of temporary facilities (estimated at \$600,000 combined). Those costs were approved by Council consensus (see attached spreadsheet distributed to Council at 3/27/14 meeting) to come from the one-time debt service budgetary variance achieved in the FY 2014/2015 budget by not having to make the \$1.3 million pension obligation bond payment.

Before I can contract with JS Scott for the Guaranteed Maximum Price (GMP), Council must (a) formally appropriate the \$500,000 from the assigned fund balance and (b) appropriate the funding (estimated at \$600,000 pending real numbers for moving) for the lease at the old hospital and the two moves. That appropriation will come from this year's debt service positive budgetary variance of \$1.3 million.

Lithgow Public Library
Augusta, Maine

Budget Estimate of Probable Project Cost with Escalation

1/29/15

31,755 Sf

Construction Estimate - Consigli Construction - (2/2014)

Construction Subtotal			\$6,312,174	
Design / Estimate Contingency	10.00%	\$631,217		
Subcontractor Bonds	1.40%	\$88,370		
Subtotal		\$719,588	\$7,031,762	
Construction Contingency	Moved to Project Contingency			
General Requirements	7.50%	\$527,382		
General Conditions	4.50%	\$316,429		
Subtotal		\$843,811	\$7,875,573	
Builders Risk Insurance		\$250		
General Liability Insurance	1.20%	\$94,507		
Building Permit	Waved			
Performance & Payment Bond		\$53,627		
Subtotal		\$94,757	\$7,970,330	
Fee	3.50%	\$278,962	\$8,249,292	
Value Engineering Reductions	5%		\$343,993	
Construction	31,755 Sf	\$275/Sf	\$7,905,299	\$249/Sf
Escalation to mid construction*	4%/Year	22 Months	\$579,722	
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Subtotal Construction			\$8,485,021	\$267/Sf

Furnishings

Furniture	25,000 Sf	\$22/Sf	\$550,000
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Project Expenses

Printing	\$10,000
Survey	\$2,500
Geotech	\$5,000
Testing	\$30,000
Misc Exp	\$40,000
Clerk/ Owners Rep	\$120,000

Subtotal Construction	\$207,500
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Professional Fees

Architecture & Engineering	\$798,120
Furnishings	\$55,000

Subtotal Fees	\$853,120
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Project Contingency

Contingency	4.00%	\$403,826
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Total Budget Estimate of Probable Project Cost (Rounded)	\$10,499,000	\$331/Sf
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*Additional Escalation per Month	\$26,351
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**CITY OF AUGUSTA
PENSION OBLIGATION BOND REFINANCING AND LIBRARY BOND BUDGETARY IMPACT
ANALYSIS**

FY	POB		BUDGET VARIANCE
	MUNICIPAL REFUNDING	POB SCHEDULED	
2015	\$95,218	\$1,408,890	\$1,313,672
2016	\$535,538	\$1,408,890	\$873,352
LIBRARY BOND COST FY 2016			
LIBRARY OPER. & MAINTEN.			
NET SUSTAINABLE SAVINGS			
			\$56,352
2015 BUDGET SAVINGS			
FY 2015 LIBRARY BOND INTEREST			
LIBRARY RELOCATION			
NET ONE TIME SAVINGS			
			\$1,313,672
			-\$123,000
			-\$600,000
			\$590,672

**CITY OF AUGUSTA
PENSION OBLIGATION BOND REFINANCING**

FY	POB SCHOOL REFUNDING	POB SCHEDULED	BUDGET VARIANCE
2015	\$14,195	\$207,957	\$193,758
2016	\$79,047	\$207,957	\$128,905
ONE TIME SAVINGS			
			\$64,854
NET SUSTAINABLE SAVINGS			
			\$128,905
SUSTAINABLE SAVINGS			
	SCHOOL		\$128,905
	MUNICIPAL		\$56,352
TOTAL SUSTAINABLE SAVINGS			
			\$185,257