

Nantucket Fire Station
Project Update

July 20, 2016

Bid Results

Project was bid on June 22, 2016; the following bids were received:

Contractor	Base Bid	Alternate 1	Alternate 2	Total (B+1+2)
Maron Construction Co., Inc.	\$ 15,218,470	\$ 1,282,795	\$ 48,000	\$ 16,549,265
J & J Contractors, Inc.	\$ 15,707,000	\$ 1,100,000	\$ 50,000	\$ 16,857,000
Brait Builders Corporation	\$ 16,860,000	\$ 949,000	\$ 46,000	\$ 17,855,000

Notes:

- *Alternate 1 was for the construction of a separate storage building.*
- *Alternate 2 was for repainting the existing Police Station window and door trim.*

Project Budget

Description	Budget Amount
Construction Budget	\$14,433,125
Designer Fees	\$976,000
OPM Fees	\$458,860
Other Soft Costs (FFE, etc.)	\$440,140
Soft Cost Contingency (2%)	\$37,500
Construction Contingency (4.5%)	<u>\$654,375</u>
Total Project Budget	\$17,000,000

Appropriations:

2015 Annual Town Meeting:	\$15,000,000
November 2016 Special Town Meeting:	<u>\$2,000,000</u>
Total:	\$17,000,000

Bid Results

Construction budget was \$14,433,125.

Low bidder was deemed non-responsive, making J&J the low bidder.

Results in a budget deficiency of \$1,273,875 between J&J and the construction budget.

Contractor	Base Bid	Alternate 1	Alternate 2	Total (B+1+2)
Maron Construction Co., Inc.	\$ 15,218,470	\$ 1,282,795	\$ 48,000	\$ 16,549,265
J & J Contractors, Inc.	\$ 15,707,000	\$ 1,100,000	\$ 50,000	\$ 16,857,000
Brait Builders Corporation	\$ 16,860,000	\$ 949,000	\$ 46,000	\$ 17,855,000

Problem - Insufficient funds to award the contract.

Next Steps & Options

Problem: Construction budget shortfall of \$1,273,875

Option 1:

Remove paving and fencing from scope – Town to procure separately.

Rebid the project and seek additional monies for paving and fencing at Special Town Meeting in October or Annual Town Meeting in April.

Pros:

- *Opportunity to increase number of bidders.*
- *Opportunity to capitalize on Town contracts for paving.*

Cons:

- *Need to begin prequalification immediately.*
- *No guarantee of lowering or maintaining shortfall.*
- *Still need to locate a funding source for removed items.*

Next Steps & Options

Problem: Construction budget shortfall of \$1,273,875

Option 2:

Utilize non-committed funds from other areas of the Project Budget in combination with monies from the FY 17 Reserve Fund to be able to execute the \$15.7M contract with J&J.

Return to Special Town Meeting to appropriate additional funds to replenish the remainder of the project budget.

Pros:

- *Work begins immediately at a price that is known.*

Cons:

- *No guarantee the Town approves the appropriation in October resulting in depleted budget line items and possible cessation of the project mid stream.*

Uncommitted Costs

Description	Budget Amount	Uncommitted
Construction Budget	\$14,433,125	
Designer Fees	\$976,000	
OPM Fees	\$458,860	
Other Soft Costs (FFE, etc.)	\$440,140	\$440,140
Soft Cost Contingency (2%)	\$37,500	\$37,500
Construction Contingency (4.5%)	<u>\$654,375</u>	<u>\$654,375</u>
Total Project Budget	\$17,000,000	\$1,132,015
Plus FY 17 Reserve Funds		<u>\$141,860</u>
Budget shortfall		\$1,273,875

Next Steps & Options

Problem: Construction budget shortfall of \$1,273,875

Option 3:

Redesign the project and re-bid to stay within the appropriation.

Pros:

- *Would not need additional funds.*

Cons:

- *Disregard for programmatic items that have been developed over the past year and a half (e.g. building a new version of what you already have).*
- *Additional design fees of approximately \$200-\$300K.*
- *No guarantee of savings and a loss of economy as removal of square footage would NOT be at the bid price per square foot.*
- *End up with a building that does not meet current and future needs.*

Next Steps & Options

Problem: Construction budget shortfall of \$1,273,875

Option 4:

Do not proceed with any project.

Pros:

- *None*

Cons:

- *Increased cost at a later date – labor and materials only go up.*
- *New building code coming into effect at some point this year – resulting in a stale design and possibly non-compliant design.*
- *Monies spent to date are wasted.*
- *Project cost would have been approximately \$9.7M in 2008.*