

**VILLAGE OF HASTINGS-ON-HUDSON, NEW YORK
BOARD OF TRUSTEES
SPECIAL MEETING
OCTOBER 27, 1998**

A Special Meeting of the Board of Trustees was held on Tuesday, October 27, 1998 at 8:05 p.m. in the Municipal Offices, 615 Broadway.

PRESENT: Mayor Wm. Lee Kinnally, Jr., Trustee James B. Keaney, Trustee Michael Holdstein (8:06 p.m.), Trustee Anthony Gagliardi, Village Manager Neil P. Hess, and Village Clerk Susan Maggiotto.

ABSENT: Trustee Elsa DeVita

CITIZENS: None.

62:98 AWARD OF BIDS FOR MUNICIPAL BUILDING RENOVATIONS

Mayor Kinnally: The purpose of tonight's meeting is to award the bids for the Municipal Building renovations.

Village Manager Hess: It is my recommendation that the bids for the renovations be awarded as follows: Contract No.1- General Contracting, to Rockmore Contracting Corp. of Port Washington, New York for \$648,200; Contract No. 2 - Mechanical to Harmonay Mechanical Services Corp. of Port Chester, New York for \$219,198; Contract No. 3 - Plumbing to C & B Plumbing and Heating, Inc. of Pelham, New York for \$149,000; Contract No. 4 - Electrical to Talt Electric Corp. of Rye, New York for \$163,800; and Contract No. 5 - Asbestos Removal to APS Contractors, Inc. of South Hackensack, New Jersey for \$27,200.

I would like to turn it over to Mr. Koch to explain the process in terms of the final development of the plan and specifications, and their recommendations in terms of the bids.

Mitchell Koch, Peter Gisolfi's office: We are very happy with the results of the bids. We had about a dozen general contractors and another dozen mechanical, plumbing, electrical, and asbestos contractors bidding on this project. The results came in very close to the budget estimate that we made at the design development phase. Some of the bids came in higher than the design development estimates; however, we feel that it is within a reasonable amount of about 10%. We are also happy with the caliber of everybody who has been selected.

It has been the effort of my office to ensure that the building was upgraded and made a much more pleasant place to use and work in, always respecting the historical quality of the architecture. To work within the context of such a historic building is difficult, and our mechanical, electrical, and plumbing contractors went to great lengths to understand how serious we are about them maintaining the historical character of the building and working within the existing structure of the building for things like lighting and air conditioning. We are chasing

wires up the ceilings in a very difficult way so that we do not have to put all new ceilings in the building. The air conditioning for the courtroom is being shoehorned in an extra-thick wall. It is a very tricky condition up there and, again, we were trying hard to maintain the historical integrity of each and every space. I think it is going to just be super when it is finished.

Village Manager Hess: The difference from the pre-bid estimate was actually an 8.9% difference, which is acceptable especially considering that the pre-bid estimates were done back in February. There was a 20% “multiplier” on the pre-bid estimates that Mr. Crane identified as for incidentals and to account for the date that the actual bids come in. So considering that the bids on a project this size have a difference of \$98,000, or 8.9%, I believe is reasonable.

Trustee Holdstein: Are you personally familiar with the work of all of these contractors?

Mr. Koch: I am not personally familiar with them because I am relatively new to the area. However, I did extensive investigation into every one of these low bidders and they all come very highly recommended. They all do really good work. Our office has a history with all of them, except the general contractor. This person has an excellent track record doing public work in New York City. Through personal connections I know project managers who have worked with him and have nothing but the highest praise for him.

Mayor Kinnally: What do you anticipate the start date on the first phase of the project to be?

Mr. Koch: We would hope to get out letters of intent this week, and I would anticipate that when the police are completely out the asbestos abatement can start right away. So I would say within two weeks.

Village Manager Hess: The police are physically all moved out.

Mr. Koch: We have been coordinating some incidental things like the shelving and some items of furniture, and last bits and pieces of this and that to be moved out. I think when that is done we are really ready to go.

Village Manager Hess: We can assure you that anything else that has to be moved out will be done right away.

Mayor Kinnally: And at this point, what do you anticipate the time from beginning to completion?

Mr. Koch: The constraint on this job will be that we are replacing the boiler, which supplies heat not only for the Municipal Building but the for the library. We are going to replace it after

the heating season, so that is going to happen in April or May. Then, giving a reasonable amount of time like a month to really get it cleaned up and finished after that work is done, I would anticipate that everybody will be out and we will have reached substantial completion by the end of May.

Village Manager Hess: So a shorter time frame than I figured. We were estimating the end of July or beginning of August.

Mayor Kinnally: We will figure September.

Trustee Holdstein: You said you are pleased with everything. I am not quite as pleased. I was hoping that the numbers that we were tossing around were numbers that would have been on the outer edge, rather than the lowest bid still being slightly higher than our estimate. I was hoping that we were allowing for a lot of things, and then when we got lower bids it would come in a little less. Once we go to contract with these different people to award them the bids is there any further negotiation that is done?

Village Manager Hess: Unless you have deduct alternates, which we did in the general construction where we took the deduct alternate to repair the existing fire escape instead of constructing a new fire escape. Under a public bidding process, everybody has to play on the same playing field. My understanding is that you cannot start negotiating with these people now and start pulling out items.

The bids are within reason. When you get an estimate it can be 10% one way or the other: 10% high, 10% low. Then you consider it reasonable. They are within 8.9% of the estimate that was made eight months ago.

Mr. Koch: Inasmuch as they were the low bids, these were made cutting everything very close from the contractors' point of view. We are not going to be expecting any give-backs from the contractors. However, typically in construction all of these contracts are meaningless if you don't have people of integrity. It just so happens that these people happen to be people of integrity. That is the most important thing. You can sue, you scream, you can do anything you want and the person will still rake you over the coals. So, that counts for a lot.

Trustee Holdstein: I don't disagree. I thought when we talked about a figure of \$1,500,000 as what we would vote to bond out that we would come in under that...and that's soup to nuts. We are a little bit over.

Village Manager Hess: No, not at all. If you read the memo, it says the amount to be borrowed is \$1,400,000.

Trustee Holdstein: I understand that. But we are taking monies from elsewhere to meet this number.

Village Manager Hess: Which was always contemplated, if you read my previous correspondences, that we were using an existing balance.

Trustee Keaney: We should look at the construction estimates and then decide if we want to go ahead with the project.

Mayor Kinnally: We are all disappointed that it is a little more. These are estimates. From our standpoint, it was an educated guess based upon an estimate. The market is a true indicator of how much it is going to cost, and the market has said, when you boil everything down that we are off 8.9%.

Trustee Holdstein: I was operating under the assumption that the \$1,500,000 was going to cover everything. I was not aware you always planned to throw other monies into it. I was hoping that Frank, in his conversations with us, was giving the outer realm of what he really thought. In fact, this has come in beyond that outer realm slightly.

Mr. Koch: The work that we did was always budget-conscious and always with an eye to what the building is going to look like and how it will work. One example of that: throughout the building you have historic six-panel wood doors, which are no longer acceptable for fire code reasons. Wood doors would cost about \$2,500 each, so we are putting in embossed metal doors, which will look, for all intents and purposes, like the wood embossed doors but will cost about \$350 apiece.

Trustee Holdstein: I assumed that that was done from the outset anyway.

Mr. Koch: In the design process this last stretch, the construction documents phase, is where the details are nailed down. It is at that time that the real value of the project becomes most evident. Which is why, in the design development estimates, there is always a little escape clause saying, these are design development, and plus or minus on this, and there is a contingency fee. It is impossible, unfortunately, to have everything worked out halfway through the design process.

Trustee Holdstein: In Frank's memo he had the 20% multiplier for incidentals. Then in this memo we have 10% contingency. Is that the same line, and we have reduced it from \$215,000 to \$120,000?

Mr. Koch: Architectural services are broken down on this one. But in Frank's memo they are included in that 20%.

Trustee Holdstein: The 20% is the architectural plus 10% contingencies. So the 10% contingency may not be needed. Or, of the \$120,000 we may only need \$30,000 of it because of different things. Having done construction on my own home, our overrun was only \$200, because on the advice of our architect we had very detailed plans and we did not make one change. I hope that the Village has done its work so that we are not coming back to you and making those kinds of changes that create that 10% extra.

Mayor Kinnally: We may still have to do that, especially considering the constraints of the building. We are working around an historical artifact, and we may have to make some changes in mid-stream that will cost more.

Village Manager Hess: You won't know until you, say, open up a wall or ceiling.

Mayor Kinnally: The plans, to the extent that the plans exist for the old building, may have been deviated from in the course of either construction or interim renovations to the building. This is not unusual when you work on an old building.

Mr. Koch: From what we have seen, though, the building is in good shape so we are not anticipating any major surprises. But with any remodeling project there is always something, and if there are a lot of little things it adds up. I think 10% is a comfortable contingency.

Trustee Holdstein: . You indicated that, with the exception of that GC, your office has worked with, or knew, the other four contractors on the list.

Mr. Koch: I'm sorry, not the asbestos contractor. But they are recommended by our asbestos consultant.

Trustee Holdstein: But with the electrical, the plumbing, and the mechanical your office has had experience?

Mr. Koch: Yes.

Trustee Keaney: The \$98,000 is excess over the estimates that were made eight months ago. That does not seem out of line to me. We should be prepared for additional rises in the costs as we open walls and see what is in there. But, I don't know how you get around that.

Trustee Gagliardi: Why did the bid on the plumbing come in a lot higher than the estimate?

Mr. Koch: We provided the police in the locker rooms with a more extensive bathroom than was originally indicated on the design development drawing. The plumbers who bid the job were doing it based upon detailed mechanical drawings from our mechanical and plumbing engineer. At the design development stage, those numbers were projected based upon building size. I am afraid that they were really low. You have identified the weakest part of the cost estimate. This was done very much in the abstract. Not until we specified exactly what we had, and until the contractors came through the building and saw the conditions, was the real cost of doing the work even understandable.

Mayor Kinnally: We thank you very much. We have the numbers; none of us are happy. It is a \$100,000 variance.

The issue tonight is not the funding but the award of bids for Municipal Building renovations. On the issue of funding, we have an authorization for more financing. We are not at the point now that we have to put that into play. We still have money in the budget for some of these items. The issue of funding will be the subject of additional meetings and discussion. But as we have an approval for going out for bond on this, we are certainly within the numbers to go ahead and order these bids.

Trustee Holdstein: Do we go out now and get the full \$1,500,000 and put it in the coffers, or do we get it in increments? With the rate being so low, I wonder if it is to our advantage to take it all now.

Village Manager Hess: It will depend on the investment rate. We will take a look at that and will have a recommendation on that. If our investment rates are near 5%, and we can borrow at 3.7%, then I will recommend borrowing the full amount up front, investing it, and drawing down off the investments.

On MOTION of Trustee Gagliardi, SECONDED by Trustee Keaney, the following Resolution was duly adopted upon roll call vote:

RESOLVED: that the Mayor and Board of Trustees award the following bids for Municipal Building Renovations:

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|---|-----------|
| Contract No.1 - General Contracting: Rockmore Contracting Corp. Port Washington, NY | \$648,200 |
| Contract No. 2 - Mechanical: Harmonay Mechanical Services Corp. | \$219,198 |

Port Chester, NY

| | |
|---|-----------|
| Contract No. 3 - Plumbing: C & B Plumbing and Heating, Inc. Pelham, NY | \$149,000 |
| Contract No. 4 - Electrical: Talt Electric Corp. Rye, NY | \$163,800 |
| Contract No. 5 - Asbestos Removal: APS Contractors, Inc. South Hackensack, NJ | \$ 27,200 |

ROLL CALL VOTE

AYE

NAY

| | | |
|-----------------------------|---|--------|
| Trustee James B. Keaney | X | |
| Trustee Elsa C. DeVita | | Absent |
| Trustee Michael Holdstein | X | |
| Trustee Anthony Gagliardi | X | |
| Mayor Wm. Lee Kinnally, Jr. | X | |

ADJOURNMENT

On MOTION of Trustee Keaney, SECONDED by Trustee Gagliardi, with a voice vote of all in favor, Mayor Kinnally adjourned the Meeting at 8:35 p.m.

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