

MEMORANDUM

Date: November 21, 2024

To: Jarrod Cabral, DPW Director

From: Paul Millett, PE

CC: Wes Stinson, Sabrina Castaneda

Subject: DPW Facility: Progress Update

Background

The purpose of the memorandum is to provide a summary of the on-going review by EP on the background information, reports and cost estimates provided by the Town for the proposed DPW facility. EP has not spent any time reviewing information regarding the Route 6 site.

Summary

Review of Documents/Building Program:

Documents prepared by the Architect Weston & Sampson (W&S) were reviewed:

Building Program:

The building consists primarily of 3 functional areas:

- Administration/offices/employee facilities
- Vehicle Maintenance/wash bay/workshop
- Vehicle & Equipment Storage....this area is currently 49% of the total program; it was 57% of previous programs, and should become the focus of future revisions and refinements as it dominates the costs.

Review of Building program: Based on EP's review, W&S developed 4 programs. The initial needs were estimated at 36,600 sf; then reduced to 32,500 sf, then 29,600 and finally down to 20,200 sf.

EP presumes that the 20,200 sf building program at the Route 6 site was presented at Town meeting.

Cost Estimates Review and Comments:

1. W&S:

The hard construction cost appears to be reasonable based on W&S's prior project unit prices (\$/sf) for new buildings. In addition, W&S presented a memo with a recommendation to add 7% for compliance with the Stretch Energy Code.

The soft costs were increased from \$5.6M to about \$7.1M. This appears reasonable.

2. CHA Independent Review:

CHA's estimates for building sizes between 27,200 sf and 33,700 sf ranged from \$25.1M to \$29.7M, with an average of \$27.54M. However, these costs did not include industrial equipment (\$1M) and soft costs (\$7M).

The corrected/adjusted "apples to apples" total project estimate comes out at about \$35.4M....quite close to the W&S estimate of \$34.6M.

The "final" W&S estimate for the 20,150 sf building was \$28.66M for steel building construction.

3. Working Group Estimate:

EP has not been provided with a detailed estimate for review. We have heard references to it but have not seen the backup.

Missing Cost Items:

It is unclear if the W&S estimate or the CHA estimate carried a premium for "outer Cape location". EP recommends adding 10% for this.

Also, it is unclear if the costs were projected forward to the mid-point of construction.

Illustration: Nov. 2024 EP Independent Estimate:

As a preliminary exercise, EP created an estimate as follows:

Building Size: 21,000 sf assumed for now (all new construction....this will be re-examined in the next 2 months to see what facilities can be reused, etc.)

Unit Cost: Use \$800/sfNov. 2024. (Average (\$796/sf rounded up to \$800/sf of W&S costs for Rockport and Tewksbury project costs in 2023 of \$784 and \$809/sf)

Add:

- Outer Cap Location Premium: 10%
- Energy Code Premium: 7%-10%. Use 7%
- Total: + 17%
- Updated Unit Cost: $\$800 \times 1.17 = \$936/\text{ft.}$
- Building cost: $21,000 \text{ sf} \times \$936/\text{sf} = \$19.7\text{M}$ (rounded)
- Inflation to mid point of construction: Assumed to be in 2.5 years....say 5/2027.
 - Add 5% per year x 2.5 years = +12.5%

Updated Cost: $\$19.7\text{M} \times 1.125 = \22.2M

Soft Costs: Use W&S estimate: \$7M

EP Total Project Cost Estimate: \$29.2M.

Not included:

Any special site issues such as contaminated soils handling, removal, disposal, groundwater treatment, etc. (On-going investigations by others will provide clarity on this)

Next Steps

Over the next 2 months, EP will focus on the following tasks.

- Visit the existing DPW buildings and Transfer station sites. Assess what buildings could be reused/upgraded.
- Revisit and reprioritize the admin/vehicle maintenance/vehicle storage functions.
- Explore ways to potentially reduce the program footprint, with a focus on vehicle storage.
- For example, can the overall program be reduced by say an additional 10-15%+? Is a 17,500-19,000 sf program target achievable?
- Obtain an update on the environmental investigations at the DPW site, and associated costs.