

Town of Windsor

Memorandum

March 13, 2018

TO: The Honorable Mayor and Town Council

FROM: Michael Stallings, Town Manager *MS*

SUBJECT: Town Center Project

At the last Town Council meeting, Council discussed the results of the bid opening for the Windsor Town Center Project. At that time, the low bid was GTT Enterprises at \$1,000,000. GTT was unsuccessful in supplying the required documents, and was disqualified. This made A.R. Chesson Construction, Inc. the low bidder at \$1,398,000.

We have been working with A.R. Chesson to identify areas that we could realize cost savings through design changes and other minor revisions. A. R. Chesson supplied us with a list of their suggested cost savings. Mayor Richardson and I met with Brian Camden and Jan Burgess to review these suggestions. Attached you will find the spreadsheet that was supplied to us. Any cost saving measure that we felt was acceptable has the cost carried over into the tabulation column. As you can see, the total anticipated cost savings is \$268,600. I should note that on Thursday March 8th, the Windsor Town Center Advisory Board and members of Town Council will meet to discuss this list. As such, the list may be revised after the writing of this memo. If it is revised, an updated memo and list will be sent to Town Council.

With the reduction in cost stated above, the new contract cost would be \$1,129,400. Brian has suggested that we budget for a total of 10% contingency and 4% to cover construction administration costs. This brings to total project budget to \$1,287,516.

Also attached is a list of questions, and my answers, that Councilman Scott sent me regarding the facility for your information.

This is for Council's discussion and direction.

THE COMMUNITY CENTER

- 1) Where is parking addressed, # of spaces, hours of operation allowed in lease?
 - a. This is covered by section 12 of the attached lease. We are allowed to use the parking when the schools are not using them. We will coordinate our schedules to ensure that we do not have conflicting events.

- 2) Has the boiler and pressure valves been removed?
 - a. This will be done as part of the demo work, and is included in the contract.

- 3) Have we provided the insurance policies to the Landlord as per the lease?
 - a. Yes, I have provided the insurance requirements to the School Board.

- 4) Don't we need an agreement or lease with Parks and Rec. approved by the Co.?
 - a. We will have a MOU in place before the facility opens. We are working on the MOU now. I provided Council with an outline for the MOU that was drawn up by IOW. We are continuing to work on this.

- 5) What are our requirements and where do we need to maintain landscaping, lease?
 - a. There is nothing in our lease, or Town ordinance that puts any landscaping requirements on us.

- 6) Where will the funding for long range sustainability (operating cost, maintenance, and repairs) come from.
 - a. This will be from a combination of rental income and other funding sources. For the next two years, Isle of Wight County has committed \$25,000 to the project. This will cover half of our anticipated operating expenses. There will be an ongoing funding stream from our General Fund. There may be additional outside sources of funding, but any of that would be merely speculation at this point. Right now I am expecting the Town Center to have an operating budget of \$50,000. This may adjust over time as we utilize the facility.