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State of New Hampshire
DEPARTMENT OF ADMINISTRATIVE SERVICES
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July 1, 2016

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, New Hampshire 03301

INFORMATIONAL ITEM

At the Governor and Council meeting on January 14, 2015, the Executive Council approved a contract with Harvey Construction, item #37 to construct a new Marine Patrol facility in Gilford, New Hampshire. The contract with Harvey Construction is a construction management contract and the Executive Council requested that the Department of Administrative Services provide quarterly updates on the project. Attached is a copy of the June 2016 quarterly report.

Respectfully Submitted,

Vicki V. Quiram
Commissioner

Governor and Council
Quarterly Report
NH Marine Patrol Headquarters
June 23, 2016

Overview

The Legislature, through the laws of 2013, chapter 195: 2, I, D, appropriated \$9,379,313 to design and construct a new Marine Patrol headquarters building. The Department of Administrative Services, Division of Public Works Design and Construction (DPW) and the Department of Safety, Marine Patrol selected Samyn D'Elia Architects, PA to provide architectural and engineering (A/E) services for this project. DPW selected Harvey Construction to provide construction management (CM) services. Harvey Construction provided the low GMP (Guaranteed Maximum Price) bid of \$7,998,717 for a 33,681 square foot facility.

The Governor and Council approved a contract with Harvey Construction on January 14, 2015, item # 37 for a base contract of \$7,998,717. In addition, the Council also approved a contingency of \$225,000 bringing the potential contract value to \$8,223,717.

This project will replace the existing NH Marine Patrol facility at 31 Dock Road in Gilford with a new facility on the existing lot and an adjacent parcel purchased from a former marina. This location on Lake Winnepesaukee has been historically known as Glendale. The scope of work includes the construction of a new facility with on-site parking, which will include office space for Marine Patrol (sworn/civilian); secure booking area, storage facility; mechanics shop, ADA accessible boating education classrooms; boat registration and administration functions.

Budget at 35% Design Development

Initial Appropriation:	\$9,379,313
Harvey Construction (Construction GMP):	\$7,998,717
Samyn D'Elia (Engineering Fees):	\$747,600
Public Works Fees:	\$234,000
Commissioning:	\$40,000
DHR- Historic Inventory Report:	<u>\$9,440</u>
Balance Remaining for Furnishings and Contingency:	\$349,556

The GMP of \$7,998,717 results in a \$237.48 per square foot construction cost.

Design History

May 2015: Harvey Construction estimated the project cost after receiving 100% Construction Documents is as follows:

Project Construction Estimate	
Using 100% construction documents:	\$8,720,726
Allowance per contract:	<u>\$412,000</u>
Total Project Construction Estimate:	\$9,132,726
Harvey Construction GMP:	<u>\$7,998,717</u>
Project Overage:	(\$1,134,009)

The revised construction cost estimate of \$9,132,726 results in a \$264.55 per square foot construction cost. Building area increased slightly at this time to 34,522 square feet.

May 2015 to July 2015: DPW requested A/E and CM to provide cost saving options to bring construction budget within the original GMP. Extensive "value management" work commenced to reduce building square footage, eliminating/replacing equipment with less expensive options and modifying the building's interior and exterior finishes.

The team met regularly to review potential savings. On July 17, 2015 final pricing was available for Building Demolition, Concrete Foundation, Structural Steel and Earthwork. At that time, the team re-evaluated the program and decided to reduce the building square footage by 6,887 square feet. Total building is now 27,635 square feet.

August 13, 2015: Harvey Construction provided a revised estimate, including allowances, of \$7,978,193. This estimate includes a building redesign to accommodate the reduction of 6,887 square feet, the equipment substitutions and interior/exterior finishes modifications. Harvey Construction has credited the project \$565,800 or \$82.15 per square foot for the 6,887 square foot reduction in building area.

Revised estimate from Harvey Construction for 100% revised Construction Drawing set from A/E consultants is as follows:

Revised Harvey Construction Estimate:	\$ 7,978,193
Accepted GMP:	<u>\$ 7,998,717</u>
Total savings:	\$ 20,524

The revised construction cost estimate (\$7,978,193) results in a \$288.70 per square foot construction cost.

Design History Update

DPW reviewed the final estimate from Harvey Construction on a line-item by line-item basis to determine if the project received the correct value for equipment, finishes and square foot reductions.

July 31, 2015: Harvey Construction was issued a Notice to Proceed in the amount of \$163,069.33 for "**Demolition Only**".

September 21, 2015: Harvey Construction was issued a Second Revised Notice to Proceed in the amount of \$1,293,701.00 for "**Partial Site Work Only**".

October 1, 2015: Harvey Construction was issued a Third Revised Notice to Proceed in the amount of \$ 839,710.00 for "**Partial Site Work - Foundation**".

November 12, 2015: Alteration Order No. 1 was signed by Harvey Construction and DPW reflecting a successful negotiation to reduce the contract amount for construction by \$ 222, 622.00. This money will remain in the contract for the owner's contingency. This lowered the contract total to \$7,776,095.00

March 1, 2016: DPW and Marine Patrol approved Alteration Order No. 2 for \$198,883.52. The purpose of Alteration was for eleven change proposals that were unforeseen conditions for the project. These included an upgrade to the roof warranty, additional cost for the fuel storage system, an add of some epoxy floor coating, LED light fixture upgrades, adding folding partition in the classroom and other miscellaneous items. This increased the Contract total to \$7,974,978.50.

May 31, 2016: DPW and Marine Patrol approved Alteration Order No.3 for \$76,352.60 to buy back some Value Engineer items and pay for some unforeseen conditions, i.e. electrical plan changes, heat matt and gutter trace, maintenance slab finish, and armory booking changes along with several credits. The contract total is now \$8,051,331.20

Current Status

- DPW and Marine Patrol are working on cost to install building security, telephone and data systems which will come from remaining balances of allowance and un-encumbered funds.
- Permanent power has been brought to the building
- Drywall is complete on the first floor and 80% complete on second floor.
- Exterior finishes are 85% complete.

- Base coat of paving is complete.
- Fuel distribution system is 90% complete.
- Project is on schedule for a completion date of September 2, 2016.