

Saint Michael Parish Building Committee Meeting January 8, 2020

Representatives of Saint Michael Parish Building Committee met with members of the Diocesan Building Commission and RDG and Clark-Enersen Architectural representatives. Present were: Bill Mines, diocesan facilities manager; Jason Suelter, structural engineer; John Sinclair, architect; Msgr. Mark Huber, vicar general; Msgr. John Perkinton, chair diocesan building commission; Randy Milbrath, RDG lead architect; Travis Barrett, Clark-Enersen; Nick Cusick, capital campaign chair; Sue Braun, Saint Michael school principal; Tracy Rockwood, chief financial officer for the diocese of Lincoln; Bill Graeve, Saint Michael business manager, Ben Huck of Sampson Construction and Father Borowiak.

The purpose of the meeting was to review the 95% completed design and construction documents for the planned new Saint Michael church and lower-level academic buildout by the Diocesan Building Commission in anticipation of the submission of these documents to the City of Lincoln for construction permits and to subcontractors for bidding.

Randy Milbrath, lead architect for RDG explained the process to date of the planning and design of this project. He explained the nuances of the project and the elements that are particular to it. Randy Milbrath also explained the planning/design process and the timeframe for the project. He said that the architects would like to have the documents out for bid very soon.

Randy Milbrath addressed three areas of concern that members of the Diocesan Building Commission had from the December 16, 2019 meeting. These are:

1. An owner's contingency within the project
2. The possible excavation of the lower-level underneath the narthex
3. The covered drop off on the east side of the narthex/nave.

Jason Suelter raised questions regarding the cost estimates for the project. Ben Huck, from Sampson Construction, talked about how he arrived at a design development estimate beginning in November 2019 and how his estimates have evolved since then.

Randy Milbrath explained that Sampson's first construction estimates came in at \$10.6 million. He said that Saint Michael parish building committee had communicated to the parish that \$10.2 million would be available for construction. Randy explained that \$400,000 had been eliminated from the first budget through value engineering and other processes. He went on to provide detail on how the dome would be constructed. He said that an outer dome, supported on a steel frame, would support an inner dome which would be hung from the outer dome.

Jason Suelter asked if, upon review of RDG's plans, he could forward any potential questions to Randy Milbrath, to which Randy said yes.

Randy Milbrath gave participants handouts of the covered drop-off, whose design had been questioned by a member of the Diocesan Liturgical Commission. Discussion on design and features of the drop-off followed. Msgr. Perkinton said there is a balance between functionality and aesthetics, and left the design to the discretion of St. Michael's Building Committee.

Discussion then went to the lower level of the narthex being excavated. Father Borowiak said a first estimated cost of \$500,000 for this would far exceed the budget. Ben Huck said that this

estimate anticipated that area being finished. Ben subsequently sent an email later revising the estimates on the assumption the area would simply be rough finished. Details from Ben's email are:

Excavation 1,376 CY x \$15= \$20,640
Footings 45 LF x \$95= \$4,275
Concrete walls 630 SF x \$25= \$15,750
Slab on grade 2,636 SF x \$5= \$13,180
Steel floor structure 2,636 SF x \$20= \$52,720
Architectural/MEP fit out 2,636 SF x \$100= \$263,600
Contingency, bond, insurance, fee= \$30,000
Total \$400,165

Nick Cusick said artwork likely would not be a part of the first construction phase because of cost.

John Sinclair asked about the possibility of adding an Owners Contingency. He said that the Construction Management at Risk approach is a favorable construction delivery management method. John explained the four types of contingencies in a handout. They are, with John's projected allowance amounts:

Number One: Errors and Omissions Allowance - \$400,000. For example, A.) Wall is framed incorrectly or is in the wrong location. Contractor must remove and replace correctly. Costs can be taken out of construction management allowance; B.) Wrong door hardware is ordered and installed. Contractor must remove incorrect hardware and replace with a specified product. Again, cost can be taken out of construction management allowance.

Number Two: Architectural/Engineering Team Errors and Omissions Allowance - \$25,000. For example, A.) Drawings omit provisions for the owner's programmatic requests of a hose bib on the exterior wall of the building. Once discovered during construction the architectural/engineering team provides appropriate information to contractor. Costs can be taken out of architectural/engineering allowance. B.) Specifications omit provisions (originally requested in owner's program) for locks on several office door hardware sets. Contractor orders and installs replacement lock sets. Costs can be taken out of architectural/engineering allowance.

Number Three: Owner Changes and Modifications Allowance - \$50,000. For example, A.) Owner upon seeing the millwork shop drawings, decides to upgrade countertop materials from laminate to granite. Costs can be taken out of owner allowance. B.) Owner decides that additional parking spaces are needed to accommodate need. Costs can be taken out of owner allowance.

Number Four: Unforeseen Conditions Allowance - \$25,000. For example, A.) Upon demolition of existing wall where new construction is to adjoin existing, reveals that the contractor did not build the original building according to drawing specifications. Structural modifications need to be made. Cost can be taken out of unforeseen conditions allowance. B.) The fire marshal decides during final occupancy inspection that additional smoke detectors are required beyond what was originally approved in his drawing review. Cost can be taken out of unforeseen conditions allowance.

Nick Cusick talked about how contingency would fit into the overall budgetary needs. Ben Huck talked about how he arrived at the 4% contingency in Sampson's construction budget and said that as they have fine-tuned the project, that the contingency is more than adequate.

John Sinclair talked about contractual elements which should include profit percentage for self-performed work and profit percentage for subcontracted work.

Jason Suelter asked about Sampson's self-performance bids. Ben Huck said Sampson might bid the following for self-performed work:

1. Foundations (footings and poured walls)
2. Steel erection
3. Rough carpentry (wood backing for items mounted on/in walls that require anchorage or support beyond what metal studs provide)
4. Finish carpentry (installation of things such as cabinets, doors, wood trim, toilet accessories)

Nick Cusick followed up on that discussion saying that Saint Michael requested and will be able to see all of the bids as opened. He also talked about the overall project including the elements of form, function and finances. He said this in particular discussion regarding the covered drop-off.

Tracy Lockwood, diocesan chief financial officer, talked about how the Diocesan Finance Office arrives at a loan request. Nick Cusick explained how the Saint Michael financial pro forma has been structured in that \$10.2 million of the total of 13.25 million overall costs, is for construction. The remaining amounts include costs for five years of prepaid interest for a construction loan, five years forward funding for operations, design and architectural fees and other soft costs including permit fees, etc. Msgr. Perkinton asked Saint Michael Building Committee members if they had any questions for the Diocesan Building Commission.

Fr. Borowiak responded by asking if the Diocesan Building Commission had questions for us. The Diocesan Building Commission met separately at the end of the meeting and Randy Milbrath met with members of the Saint Michael Building Committee to finalize several areas of the project including ceiling color paint selection, etc. Msgr. Perkinton said that the Diocesan Building Commission would finalize their observations in a letter and forward it to Father Borowiak in the near future.