

Abbott Library Board of Trustees Minutes
Safety Services Building – September 30, 2013
Approved

Trustees: Terri Jillson White, Chair; Peter Urbach, Assistant Chair; John Wilson, Treasurer; James Gottling, Secretary; Jean Molloy; Peter Spanos
Alternates: Xan Gallup (at 6:10 pm)
Director: Mary Danko
Others: Mindy Flater, Foundation Chair; Mary Epreman, Jeanne Wilson

I. Chairs' Opening Remarks – Terri White

Terri opened the meeting at 6:00 pm and said that Xan Gallup, upon arrival, would sit in for Barbara Hollander, who had an excused absence.

II. New Abbott Library

Peter Urbach opened the discussion, reviewing the points listed by the town attorney, Jae Whitelaw. These are...

1. Foundation seat on Oversight Committee – agreed.
2. Foundation funds to trustees for payment to the town – agreed.
3. Interest on construction loan paid by town. As you and I discussed, given the projected timeline for payment from the various sources which has been inserted in the Agreement, the town will not need to provide funds until 2014 and will not need to obtain a construction loan but can instead procure a “regular” loan. Therefore, there is no need for a provision for payment of the construction loan interest, and all interest on the town loan will be paid by the town out of the 2014+ operating budget(s) per the usual procedure for the payment of interest on loans procured by the town. I have made the appropriate changes to the agreement to reflect this change. Please note: I have not seen the CM’s construction schedule, so take the timeline provided in the draft agreement on its face. My view as to the need for the construction loan is based on my reliance on the timeline.
4. Library’s equity interest in future proceeds – agreed.
5. As we discussed, the proposed changes to Section B which identify a trustee as the town’s agent with the CM and the architect is not acceptable. The Project is the construction of town owned property, and the town is the entity that is signing the agreement with the CM and that is answerable to the contractor for payment of the full amount of the Project. Therefore, a town official and/or employee must be “in charge” of both making final decisions relating to the Project and communicating those decisions to the CM. The initial AIA agreements provided that the Trustees would be the town’s agent. The reason for this was that the project at that point was in the design stage, and it was appropriate that the trustees be making and communicating the decisions re design issues. Now that the Project is entering the construction – and payment – stage, the agent should be changed in both AIA documents to appoint the town manager. Per the Tri-party¹ agreement, the Oversight Committee will make any decisions regarding the project that must be made during construction and recommend those decisions to the town manager, but as such

¹ “Tri-party” here is assumed to be the same as “Tripartite,” “Tri-Partite.” or “Memorandum of Agreement.”

decisions may or will have an impact on the total cost of the project, and hence the town's total liability under its contract with the CM/architect, the final decisions must be made by the town manager. Having said that, I do understand that the library trustees have taken the lead on designing the library and will be the ones responsible for its operation once built, and I anticipate that the Oversight Committee and the town manager, whether you or someone else, will work cooperatively to achieve the trustees' goals while maintaining the town's financial interests at the same time.

6. I do not believe we have seen the final CM contract as amended to include the GMP. The Tri-party Agreement should not be signed by the town until we have reviewed the final contract with all amendments/attachments.

Peter said that in Item 3, the town agrees pay the construction loan. Items 1, 2, and 4 agree with the position suggested by the trustees in the 9/24/2013 meeting. Item 5 asserts that the agent for the project must be a town employee, the town manager, not the trustee representative, Peter Urbach. Peter said that is not a battle that we can win.

Mindy Flater said that pledges at this time amount to \$372,000 and are expected to reduce to \$293,000 when Foundation funds will be needed. Mascoma Bank is sending a letter of commitment for \$325,000, but that letter has not yet been received.

Several items remain to be clarified. The following motions deal with these issues

Peter Urbach, with second by John Wilson, moved to accept the Tripartite Agreement as modified by the trustees changes of 9/24 and the town counsel's changes on 9/29, with the additional changes of adjusting the monies shown in the recitals paragraph to reflect the Coffin gift being in the trustees fund and not in the foundation funds and the Chairman to sign on behalf of the trustees. This motion passed unanimously.

Peter Urbach presented a standard 9-page AIA document, which shows the GMP value of the project to be \$1,986,237.

Peter Urbach, with second by Jean Molloy, moved to recommend to the selectman the approval of the Guaranteed Maximum Price amendment to the Construction Manager contract, subject to the submission by Trumbull-Nelson of the additional attachments that have been discussed. This motion passed unanimously.

Peter Urbach, with second by Pete Spanos, moved to amend the contracts with the architect and the construction manager to substitute the name of Donna Nashawaty for the name of Peter Urbach as the contact person or owner's agent. This motion passed unanimously.

III. Old Business – None

IV. Other Business – None

V. Public Comment – None

VI. Adjournment

John Wilson, with second by Xan Gallup moved to adjourn. The motion passed unanimously at 7:20 pm.

Respectfully submitted,



James G Gottling, Secretary