School Building Projects Advisory Council
Meeting Minutes
January 18, 2018, 11:30 am
Legislative Office Building, 300 Capitol Ave., Room 1C

In attendance

Members Present
Commissioner Melody A. Currey, Chair
Susan Weisselberg
Lou Casolo
Antonio Iadarola
Glenn Gollenberg
John Woodmansee

Attendance - Staff
Director Konstantinos Diamantis, Office of School Construction Grants and Review (OSCGR)
Kermit Thompson
Barbara Fabiani
Bob Celmer
Angela Gelineau
Timothy O’Brien

Meeting business

The meeting was called to order by Commissioner Currey at 11:35 am.

Agenda Item 1: Welcome and Introductions
Commissioner Currey welcomed the Council members, members of the public and staff.

Agenda Item 2: Approval of Previous Meeting Minutes
Amendment to agenda, approve 12/17/17 meeting minutes. Motion made by Susan Weisselberg to approve previous meeting minutes, seconded by Glen Gollenberg. Motion carried by Commissioner Currey to adopt previous meeting minutes.
Agenda Item 3: Follow-Up Discussion on The Three Cost Centers in School Construction “Buckets”

Discussion (Currey, Diamantis, Casolo, Gollenberg, Iadarola, Weisellel and Woodmansee)

The council had a follow-up discussion on the three cost center “buckets” in school construction. Form SCG-2002 (Building Project Other Costs), Form SCG-2003 (Building Construction Costs), and Form SCG-2004 (Building Project Soft Costs).

Kosta Diamantis introduced Kenneth Thompson, Architect, from the Office of School Construction Grants & Review to discuss his draft explaining the summary of School Construction Project Costs, the 3 “buckets”, including examples in each category.

- Building Project Other Costs (Form SCG-2002)
- Building Construction Costs (Form SCG-2003)
- Building Project Soft Costs (Form SCG-2004)

*Attached is a copy of draft discussed*

The council discussed items listed in each of the cost centers as presented by Mr. Thompson. Director Diamantis proposed forming a subcommittee to discuss the content of each form in more detail. The Office of School Construction Grants and Review (OSCG&R) will modify these forms as a result of SBPAC meetings and results of subcommittee meeting. A draft of these modified forms will be reviewed by the committee at the next SBPAC meeting.

Commission Currey praised OSCG&R for all their hard work.

Agenda Item 4: Public Comment

No public comment

Adjournment

A Motion was made to adjourn by Susan Weisellel. 
Approved unanimously.
Commissioner Currey ruled the meeting adjourned.
School Construction Project Costs

To develop school construction costs, which relate to the “Connecticut School Construction Standards and Guidelines”, the SBPAC has developed 3 cost categories:

- **Building Construction Costs** - often referred to building hard costs
- **Soft Costs** - generally professional fees
- **Other Costs** - all other costs, which may be hard or soft costs

Together these 3 cost categories comprise the total school construction project cost. **Building Construction Costs** have a dollar-per-square-foot limit. **Soft Costs** are limited to a percentage of **Building Construction Costs**, site development construction costs, and other hard costs. **Other Costs** are all project costs, which are neither **Building Construction Costs** nor **Soft Costs**. In Connecticut, all costs are eligible or ineligible for reimbursement by the state.

1. **Building Construction Costs**

**Building Construction Costs** are the costs of the construction of the building only, including that portion of general conditions and Contractor/CM overhead and profit related to the building. Reimbursable **Building Construction Costs** are subject to a per-square-foot-dollar limit established by the Commissioner of the Department of Administrative Services.

Examples of Building Construction Costs are

- Selective Demolition: the removal of a limited components of the building - not wholesale building demolition.
- Excavation and backfill related to the building foundation.
- All trade costs: the cost of building materials and cost of the work of the trades people, such as masons, plumbers, and painters.
- Construction-related overhead and profit, including: General Conditions; General Contractors and Construction Managers-at-Risk (differentiated by contract) fees, overhead, and profit; and tradespeople’s overhead and profit, including their cost of bonds, insurance, and administrative costs.
- Equipment attached to the building, includes, but is not limited to components to heat, cool and ventilate building (ducts, boilers, condensers), to provide light and power (light fixtures, related conduit and wiring to satisfy power requirements), conduit and wiring for equipment data (computers, printers, and interconnecting network), communications systems (phones), and security systems, building systems control equipment, and millwork (cabinets and counters).
- Limited contingency funds to provide a cushion for unexpected expenses that are dedicated to “Building Construction”.
2. Soft Costs

Soft Costs are generally fees for services and include the services provided by architects, engineers, surveyors, program managers, third-party owner’s representatives, construction administrators, code consultants, third-party code reviewers, peer review engineers reviewing construction projects above a “threshold” size, and commissioning agents.

The limits of Soft Costs depending on the type of projects:
- 15% of hard construction costs for “New” projects.
- 17% of hard construction costs for “Renovation” projects.
- 20% of hard construction costs for projects with “special/exceptional” considerations.

Soft Cost percentages are applied to “hard construction costs” which include, the Building Construction Cost plus the “hard” construction cost of site development, abatement, furniture, furnishings and equipment (FF&E), playscapes, and technology.

3. Other Costs

Costs not considered Building Construction Costs nor Soft Costs, are Other Costs. Examples of this third category include site acquisition, hazardous materials’ abatement, gross demolition, site development (work beyond building perimeter but inside property line or in some cases inside project-limit-line), local building permits, furniture, furnishings and equipment (FF&E), playgrounds/playscapes, classrooms for students displaced during construction work and building permits.

Contingencies and Escalation

Contingencies of any kind and escalation can be either hard costs or softs costs and are categorized by topic/item to which they pertain.

Eligible and Ineligible Costs

School building construction project costs are either eligible or ineligible for reimbursement by the state as determined by statute, regulation or procedure. For an item or for work to be eligible, it must be within the Educational Specs and be both durable and bondable. Work or items which are maintenance work, corrective work, or of excessive costs are ineligible. All work (material and labor) outside the school property line is ineligible. Items that are determined to be an operating expense vs a capital expense are ineligible.