

**CITY OF SHELTON**  
**SHELTON HIGH SCHOOL RENOVATION BUILDING COMMITTEE**  
**REGULAR MEETING                      July 13, 2011**  
Shelton High School – Room 317B

July 13, 2011

Committee Chairman Anthony Simonetti called the meeting of the Shelton High School Renovation committee to order at 7:05 P.M.

Pledge of Allegiance

Roll Call: Present - Anthony Simonetti, John Belden, Russ Bonaccorso, John Boyko, John Fitzgerald, Michelle Kawalautzki, William Banfe. Also present: Rit Bellefleur-VP Steel Tech, Dan Casinelli and Teresa Milyo, recording secretary. Excused: Martin Coughlin, Joseph Pereira, Sean Sullivan.

**Anthony Simonetti made a motion to approve the minutes of the meeting of May 13, 2011, so moved by Russ Bonaccorso, seconded by Michelle Kawalautzki. Vote 6-0, motion carried.**

Mr. Simonetti stated that the meeting will start with Item #7 on the agenda – Finance Report – Status because there is a lot to cover.

Item #7 – Financial Report Status – Mr. Banfe went over the allocation and expenditure budget for SHS Renovation Project, to better understand what when on. It is as follows:

Eileen Victoria was on the phone with the State yesterday. She was on the phone with Michelle Dixon. She is in the school facilities office and they in a bit of turmoil right now because people are switching jobs and some people who they counted on to give them answers before are in a different job and they cannot give us the answer necessarily of what they are looking for. Michelle advised Eileen that we have to file an ED-046, which is a progress payment request. Then follow it with the final application for payment maybe a month or two later. Eileen started to construct the ED-046 this afternoon because now as a result of the Board of Alderman's Appropriation, we are on the positive side of the ledger. We cannot file the ED-046 when you are in the negative. State will not accept it. Michelle Dixon advised Eileen what to do and how she wanted it to read and one of the difficulties we have always had on every building committee is that the State wants the ledger one way, the City constructs the ledger another way. We have had a great deal of cooperation from Doug Shearer, City Hall, everyone in the finance office, to help make some semblance of order. We are about 95% of the way home, but we still have some work to do with Doug Shearer and Fusco. There are still issues as to how we are recording some credits that were given by various subcontractors and how we are releasing them as expenditures. That bookkeeping has got to be cleared up and Doug is the only one who can do that. He has been working at it and he thinks they have it down to one line item which is the hard construction costs. That will take a little bit longer to iron out. If we get the ED-046 to the State by July 31<sup>st</sup>, 2011, Shelton should have a progress payment somewhere around the middle of September, usually about six weeks latter. Then the last bit of finance work that we have to do with the State is what we call the ED-049F, which is the final grant application, where you ask for your final amount of money that is due you. The State always holds back 5%. That 5% will not be released until probably a year from now when the audit is complete. For this building committee's purposes, when this project is a wrap, you as a building committee will take a vote to accept the project as final and complete. That vote then goes to the Board of Education. BOE takes your recommendation and accepts the project as final and complete. The minute they do that, they authorize the

filing of the ED-049F and all associated paperwork to wrap the project. Those two to three steps could take 2-3 months.

Mr. Banfe stated that Eileen Victoria has probably done the job of an internal auditor, which she is not. If anyone deserves the largest pat on the back for trying to bring this thing to a conclusion, it is her. Mr. Banfe's role has been minor compared to the work that she has done. Eileen has expended a lot more time than Anthony and Bill had originally anticipated. The number of hours that she has put in so far is well into the 30's. She went back to the beginning and went through every contract, every invoice, matched it up with the invoices that the city has paid and went right down the line. Eileen has finally got to the point where she has the city's ledger in her hand and the State's ledger in her hand.

Mr. Banfe passed out a copy of the ledger to everyone for review. This is the ledger that goes to the state. Every single line item, every single invoice, every application for payment, is recorded here. The difficulty Eileen is having is with the hard construction costs. There was \$26,000.00 for food spoilage, which Fusco back charged DC Electric. That paperwork involved a number of other contractors.

Top part of the ledger is the same information that everyone has; building, committee, city, State of CT.

We started off with a 1<sup>st</sup> Referendum of \$3,500,000.00 – For Auditorium & Roof. Right after that, this project took hold. It was decided to take the auditorium and put it into the building renovation project and not have it stand alone. Just have the roof stand alone. An additional referendum was held to which \$21,588,000.00 was appropriated. The total of the two referendums together was \$25,088,000.00. The roof replacement was given its own project number with the state. The cost of the roof project was \$1,801,930.00 which comes off of the \$25,088,000.00. Now you are left with a renovation budget of \$23,286,070.00 add Board of Alderman appropriated money of \$274,500.00, done on June 28, 2011. With the roof out of the way we have a total of \$23,560,570.00 as the amount of money to work with on this project. Mr. Banfe proceeded to go on to discuss the lines items for the state.

If you go line item by line item, what we have done in the last few months is to take some line items, brought them down to zero and put that money in the pot. There were some things that were zero right from the beginning, the first one being architectural services from Fletcher Thompson. Their contract was \$860,500.00. They were paid everything that was due them so their balance is 0. Architect reimbursables, there was some money left, they took it and put it in the project contingencies. The Architect additional services; there was \$69,500.00 of additional services for Fletcher Thompson, we expended \$66,570.00, we still have a balance of \$2,930.00. If this is for the interior doors, then this money will have to remain there.

Bonding issues – City Hall does not tell us the bonding numbers on a regular basis. When he went back two months ago to find out what the bonding costs were for this project, the city had not posted them since 2008. So there were three years of bonding costs that had to be added in. At that point we had \$100,000.00 in that line item, we had expended \$86,000. When the bonding costs came through, it came through as \$122,500.00. We had to bring up the bonding costs to \$145,000.00 when we originally had \$100,000.00, we expended the \$122,905.00 (that's what the bonding costs are to date) the balance \$22,500.00 is probably going to be future bonding costs. City is going out to bond again August 1<sup>st</sup> or 2<sup>nd</sup>. This project will not be wrapped by then, so there will be additional bonding costs.

Additional Scope Items – All of our additional scope items to date were \$768,175.72. Expended \$714,643.26. Balance of \$53,532.46. This money will be used to pay three contractors that are still due money. Steel Tech, Allstate and Engineers Welding.

In Construction Hard Costs Eileen picked up a \$28,000.00 swing already that Doug has got to address. So that \$75,000.00 negative balance is probably \$28,000.00 off in our favor.

Fusco base fee, supervision fee and construction costs and reimbursables have all been brought down to zeros. All that money was thrown into the pot. That is the \$900,000.00 credit change order you received from Fusco a few months ago.

Project Contingency – After we brought ourselves out of the red and into the black we have \$149.45 left.

FF&E(Fixtures, Furniture & Equipment) & Telephone - \$1,925.00. Mr. Banfe wrote in window treatments next to this line item because he does not know where this stands. Before Mr. Banfe left last fall we had gone out for a quote on the window treatments for this room (317B).

\$23,560,570.00 to work with.

Allocated : \$23,565.000.00

You cannot allocate more than what you have. The extra \$5,000.00 has got to come out of construction hard costs as a result of the misidentification of some of the ledger locations that the monies were assigned to.

Expended Column:  
\$23,546,883.89

If the allocation for the hard costs come down, so does the expended and encumbered column.

Back to the \$28,000.00. Part of it was for the food spoilage which was about \$26,000.00 and then \$2,000.00 credit that was added in that has to come out.

John Boyko questioned what was done with the \$42,000.00 overpayment from Allstate. Mr. Banfe advised that the credit has already been assigned to additional scope. Has paperwork from Allstate to show credit was issued.

City Ledger:

As of 7/30/2010 they had every check that they mailed out attached to an invoice. So every time an invoice goes down for payment they attach an invoice electronically. They paid out \$22,914,268.76 not including bonding costs. From 08/01/2010 to 07/12/11, an additional \$473,045.49, invoices were paid by the city on behalf of this committee. They have paid \$23,387,314.25.

The four things that have to have money reserved for:

Estimated Bonding: \$22,500.00  
Steel Tech: \$21,133.60  
Engineers Welding: \$4,986.25  
Allstate: \$27,412.61

We still owe, if you include another 22,500.00 for bonding, \$76,032.46

John Boyko asked if Mr. Banfe can explain why City's invoices paid, does not match our expended. Mr. Banfe advised that we have to break it down differently for the state. We have to break it down by eligible and ineligible costs.

The total paid out plus add in the amount we owe comes to \$23,463,346.71.

Mr. Banfe reminded everyone that when the building committee went to the Aldermen to ask for the additional money, they gave them a list of items that we still have to pay and some of the things that he zeroed out, there was \$63,000.00 that he put into the pot saying this is how much we have left, we will throw that into the pot, this is how much we have to pay out, we need \$254,000.00. The alderman appropriated \$20,000.00 more than that for some wiggle room, if we don't spend it, it goes back to them.

If we make no new expenditures, we hope to have about \$62,000.00 +/-, left in the kitty.

We spent \$122,905.09 on bonding in 2 ½ years. The faster we get the ED-046 into the state, the faster they get the progress payment from the State, that's less money the City has to bond.

John Fitzgerald wanted to know if there are any more surprises coming in the way of bills. Mr. Banfe advised that to his knowledge the only thing that we have out there that the committee might want to consider are the window treatments for a little less than \$2,000.00 and \$2,500 for the compressors.

Anthony Simonetti thanked Bill Banfe for his time spent on this. Mr. Banfe advised that Eileen did all the work and spent a lot of time after hours on this as well as weekends.

Anthony Simonetti continued the meeting and discussed the status of the outside doors. Rit Bellefleur advised that the only thing they have left are the monitors which Amano Electric is taking care of. They are planning to get to that in the next week or two. He plans to be done before school starts in September. Russ Bonaccorso asked if they are going back to the 24 volt system. Rit advised that they went ahead and did the 24 volts wherever there were 110 volts. They put transformers on them up above the ceiling and lowered them down to 24 volts. He did not have a signed change order but he stuck his neck out and said to go ahead and do it because it has to be done. That is on a separate project. Anthony Simonetti advised that this is an interior door, different job. The exterior doors are the renovation committee's the interior doors are the fire committee's.

They discussed the invoices for the interior doors. Dan Casinelli advised that when Rit sent the invoice, because it was such a large amount of money he asked him if it was all based on materials. It is application #4 on the invoice summary sheet. Dan asked Rit to send pictures of all the materials in the warehouse. He sent that and labeled what everything was in the picture to show that he clearly did have the materials in his possession. Rit also attached to the payment requisition an affidavit attesting to the fact that the materials had been stored at their warehouse.

Anthony Simonetti asked Rit if the doors would be done this summer. Rit advised that he is looking at having the doors done by August 15, 2011. By next week, around July 20th, they should be done with all the welding and prep work. Then he will have the painters follow right behind. We are looking at the week of July 18<sup>th</sup> for the painters to start. The week of July 25<sup>th</sup>, they will start installing all the hardware at the shop. Then the week of August 1<sup>st</sup> they will start coming in with the doors and mounting them and adjust them.

Mr. Simonetti asked Mr. Casinelli if he can attest that everything is there. Mr. Casinelli advised that yes it was. Essentially what is remaining is the labor. John Fitzgerald advised that there is \$34,110.00 of labor then, \$12,794.10 of retainage. John Fitzgerald asked if this was the way the contract was written to make a

payment of this magnitude with the materials in your possession and not here on site. Rit did not know because he did not see the contract. With that being said, John Fitzgerald said that with Dan's okay, we would have to send the contract to Tom Welch, corporation council, to review the contract. This is something that we normally do when we have materials stored off site and not on the project. He expects that Mr. Welch will say that it is fine. Also discussed was an invoice for \$9,012.00 that the committee never received. Rit went out to his truck to get his file. The meeting continued on to the next subject until Rit returns.

Item #1 - Boiler Room: Anthony Simonetti went down to the boiler room with Russ. They did some looking around. The new big compressor is not connected but it is there. They did put in the air change fan, a small box fan. Anthony thinks this may be only temporary because they have not moved the pipe yet. The pipe is in the room.

John Boyko asked if he could go back to the topic of the exterior doors. He asked John Fitzgerald how the Application #7 for \$21,298.82 jives with what the balance is. He sees that there is a balance and wants to make sure there are no hidden costs. Mr. Banfe advised that the exterior doors are strictly Steel Tech. Mr. Banfe went on to say that we cut them three checks already. Three invoices, 2 in 2009 and 1 in 2010 so the balance for the exterior door column is \$21,133.00.

Boiler Room Upgrade Contract Allocation: All State Construction - Ended up being \$345,000.00 It was originally \$317,000.00 plus change orders. We paid them 8 applications. 6 applications have been paid. Applications 7 & 8 are pending from the committee, which is now \$21,298.82. Balance to finish would be \$53,000.00. They also want another \$7,685.00.

Item #3 - Acoustical Panel Discussion-Health Room – Dan Casinelli sent the sketch to All State 3 times to get a price on it. No response from them. He does not think that they want to do the work. He will give it one more try.

#4 Cafeteria Ceiling Panels – Dan reported that it is not good. The manufacturer advised that the warranty period is over. The offer on the table was three years ago and they cannot replace the tiles now. They said that they were doing us a favor giving us the tiles when it was clear that the air conditioning was turned off. Dan and John Boyko did not think it was 3 years but more like 2 years. It is a one year warranty period anyway. Dan Casinelli asked the manufacturer if they could get him a discounted price for tile replacement and he has not heard back from them. John Boyko stated that there might have been a manufacturer defect in the tiles. Dan Casinelli said that the manufacturer offered to replace the tiles but not the labor. Anthony stated that we agreed to that but Dan Casinelli said that we did not agree to it originally. There was some disagreement as to what was agreed upon. The minutes will need to be researched to see what exactly was agreed upon. Anthony will discuss that with our former clerk.

Item #6 – Band Area Closet Doors – Bid #31-28 – Status – There was no information. Anthony Simonetti will check into that.

Report of Special Committees – Finance Committee: Approval of Invoices

Eileen Victoria: Billing for Financial Support Rendered - \$1,673.54. For time spent working with Bill Banfe on the updating of the ledger. 26.5 hours.

**John Boyko made a motion to pay the invoice, seconded by Michelle Kawalautzki. Discussion: Mr. Simonetti advised that he had a discussion with the mayor and he feels that this is something we should not be paying. It should be paid by the Board of Education, however we put the money in when we did the**

**bonding, so the money is there, Anthony Simonetti is voting against it. He does believe that she did the work and does deserve to be paid but feels that the committee should not be paying it. John Boyko stated that he is strongly in favor of making this payment. Vote 5 in favor, 1 opposed, motion carried.**

Invoice Application #7 #8 and #9 – All State Construction.

Application #7 & 8 there is no line item that shows that deduction of \$20,000.00 overpayment.

There was a discussion about the overpayment. John Fitzgerald advised that we have to see in writing that All State Construction returned the \$20,000.00. Mr. Banfe advised that there was an e-mail from the secretary at All State going through Application #2 and Application #6 showing where we were doubled billed. The secretary then showed them where it was credited on the next application but we do not know what application number that was.

**John Fitzgerald advised that given that fact that the outstanding invoices referenced in application #7, #8 & #9 are in dispute as to where the credit went in regards to the double billing, committee recommends tabling of applications 7,8 & 9 for All State Construction. seconded by Michelle Kawalautzki. vote 6-0, motion carried.**

Anthony Simonetti stated that John Boyko not only found this problem just today, but he also, in the boiler room with the discussion with All State, made it very clear that they had made an error in trying to charge us for some of the work that they were doing. Over \$30,000.00 more to do some piping work. John has been quite an asset when it comes to the hands on of what is going on and the bookkeeping and he formally thanked him.

Application #4 for TP Builders – With the payment of \$213,352.90 there is a balance of \$46,000.00 (approx.) **Committee recommends payment of the invoice with architect Dan Casinelli's approval, subject to Tom Welch, Corporation Counsel, reviewing all the documents contained for the materials stored. If he is okay with that we would like to go ahead and pay it, seconded by Michelle Kawalautzki. Vote 6-0 , motion carried.**

**Shelton Fire Rehab Invoice that was initially tabled, app. #2-70-10-0709 for \$9,025.00, Dan Casinelli has reviewed it and approved it. Committee recommends payment, seconded by Michelle Kawalautzki. All in favor. Vote 6-0, motion carried.**

Meeting adjourned at 8:25 P.M.

**Michelle Kawalautzki made a motion to adjourn the meeting. Vote 6-0, motion carried.**

Respectfully submitted,

*Teresa S. Milyo*

Teresa S. Milyo – Recording Secretary