

Oak Bluffs

Affordable Housing Committee

Date: 06.25.09

Time: 12:00 Noon

Location: Town Hall Meeting Room

Members present:

Chairman Ron DiOrio, John Bradford, Harvey Beth, James Westervelt(recorder)

Members absent:

Brian Hughes

Attendees:

Town Administrator Michael Dutton, and three bidding general contractors

Item: Old Library Conversion Project-Opening of Bids from Contractors

Chairman DiOrio opened the meeting for the purposes of opening bids from general contractors for the Noyes (Old Library/Affordable Housing) project.

Harvey Beth opened the bid from Construction Dynamics, Fitchburg \$1,587,100.00.

John Bradford opened the bid from A.P. Whitaker and Sons, W. Bridgewater \$1,261,000.00.

Michael Dutton opened the bid from J.K. Scanlon, E. Falmouth \$1,294,000.00.

All three bids were bid bonded and the general contractors were DCAM certified.

All three bids included the bids from the sub contractors submitted and opened at the committee's previous meeting.

Michael Dutton told the contractors present that he and the committee would review the submitted bids and talk with their consultant Martha Warenfels from the Architectural firm of Durkee, Brown, Viveirus and Warenfels. A decision will be made by August 1st or sooner.

All three attending contractors left the meeting at this time- 12:12 pm.

All members of the committee were disappointed with the absence of any local bidders. All three bids were way above what the committee expected. A discussion followed as to what to do next. **Michael Dutton** explained to the committee that it could reject all bids and start over. **Jim** commented that doing that would then push the timetable way back and we could lose the grant money. **Michael** stated he would consult with **Alice Boyd** our grant writer to see if a six-month extension could be had. **Ron** asked if Michael knew of any options the state would grant the town. **John** mentioned a possible short-term lease to an entity for construction and when the lease expired it would revert back to the town. **Michael** remembered that sort of deal was proposed for the old town hall building but it was a long term lease. Both Michael and **Harvey** doubted that the state would grant anything other than the procedure laid out.

The committee then discussed the high cost was being driven by the state regulations relating to the use of grant money. Michael questioned if the project could be done "locally" without using the grant. Using local general contractors and sub contractors appealed to the entire committee. **Ron asked Michael** if any local contractors had been DCAM certified. He thought there were two that were but they were prohibited by the state regulations from bidding because they were not rated for a project as large as ours. **Ron asked if Michael** could appeal to the state to see if our local contractors could bid on this project. If it were possible then we could reject all bids and start over.

The meeting of the sub committee of **Michael Dutton, Brian Hughes, Harvey Beth** with **David Vigneault** and the **Conroys** has not taken place and Micheal will try and schedule one as soon as possible. **Michael** said he would call the Massachusetts School of Pharmacology to try and get some sales figures. The rental of the pharmacy space was then discussed. The cost on Circuit Ave. near Craftworks is around \$25,000 to \$28,000 NNN. A straight annual rental versus a percentage of sales was discussed. The committee felt that being farther out on Circuit Ave and wanting someone to succeed there, that a

lease agreement of an annual rent for five years starting somewhere from \$18,000 to \$22,000 and increasing each year would be appropriate.

Michael will explore the possibilities of using local contractors. He hopes to get an estimate from John Johns to see how much of a difference there would be between local general contractors vs. state grant requirements. Michael will consult with Alice Boyd, Town Counsel, and the state. He will report back at our next meeting.

Harvey disclosed that being the town representative the Dukes County Regional Housing Authority, and being on the board of the Island Housing Trust might be construed as a conflict of interest. He will make proper disclosures to the Town Clerk. **Ron** mentioned how the Board of Selectmen has recently designated the ConCom and ZBA as special town employess. **John** said the Planning Board has that special employee designation and he being the Planning Board representative to this committee is covered. **Ron suggested that the entire Affordable Housing Committee be granted that status.**

Minutes of the previous meeting were read and accepted 3 in favor 1 abstained.

Next meeting scheduled for July 2, 2009 at 9am in the Town Hall meeting room