

SPECIAL APPROPRIATION

From: Jennifer Charneski, Finance Director

Date: May 3, 2017

Board of Education Central Office/Mather Community Center Building Project

RESOLVED:

That the following special appropriation is approved by the Board of Finance for referral to the Representative Town Meeting (RTM):

| From | | | To: | | |
|--------------|--------------|-----------------------|--------------|------------------------|-----------------------|
| Acct. Number | Account Name | Amount | Acct. Number | Account Name | Amount |
| | State Grant | 181,363.46 | | 35 Leroy/Mather Center | 1,355,482.55 |
| | Fund Balance | 1,174,119.09 | | | |
| | TOTAL | \$1,355,482.55 | | TOTAL | \$1,355,482.55 |

The referenced project had an original appropriation of \$6,979,000. A General Fund transfer of \$401,932.54 was approved in FY2016, making the total appropriation \$7,380,932.54. All legal costs and settlements have been paid and the project is now complete. Expenditures for the project totaled \$8,736,415.09, resulting in a deficit of \$1,355,482.55. This request will appropriate a previously received state grant and authorize the use of fund balance to cover the remainder of the deficit.

During the project a number of issues developed, causing a serious overrun. The first problem was the default of the general contractor and the bonding company. In addition, there were scope changes, understated budget amounts and additional fees to the architect and project manager. Further, there was unanticipated demolition and hazardous material abatement needed at the Mather Community Center site as well as a redesign of some electrical work. Some of the issues that needed to be addressed resulted in additional fees to the architect and project manager to assist in responding to lawsuits.