

City Council Special Meeting
Wednesday, August 31, 2022, 6 p.m.
Via Zoom

<https://greenfield-ma-gov.zoom.us/j/98624092403?pwd=N0h6K08yZ1IranBXUTAvR3FTTUhlUT09>

Meeting ID: 986 2409 2403
One tap mobile
+13126266799,,98624092403#,,,,*158510# US (Chicago)
+16465588656,,98624092403#,,,,*158510# US (New York)

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+1 312 626 6799 US (Chicago)
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AGENDA

1. Call to Order

CHAIR'S STATEMENT: This meeting is not being recorded by the City Council. If any other persons present are recording you must notify the chairperson at this time.

2. Roll Call of Members

3. Suspend Rules of Procedure - Rules of Procedure, 8 Order and Disposition of Business

4. New Business

First readings:

- i) First reading: Order No. FY23-26 Appropriate \$1,750,000 for Fire Station.
- ii) First reading: Order No. FY23-27 Rescind borrowing authorization for new library by \$500,000.
- iii) First reading: Order No. FY23-28 Appropriate \$500,000 for Fire Station.

5. Motions, Orders, and Resolutions

- i) Vote to enter Executive Session for the purposes of hearing discussion of the reputation, character, physical condition or mental health, rather than professional competence, of an

individual, or to discuss the discipline or dismissal of, or complaints or charges brought against, a public officer, employee, staff member or individual. The individual to be discussed in such executive session shall be notified in writing by the public body at least 48 hours prior to the proposed executive session; provided, however, that notification may be waived upon written agreement of the parties.

6. Adjournment

EXECUTIVE SESSION WILL BE CALLED

*Please note that the list of topics was comprehensive at the time of posting, however, the public body may consider and take action on unforeseen matters not specifically named in this notice. Posted in accordance with M.G.L.c 30A § 18-25.

CITY COUNCIL ORDER
***City of* GREENFIELD**
MASSACHUSETTS

Councilor _____:

Second by Councilor _____:

The City Council,

Moved that it be ordered,

THAT THE GREENFIELD CITY COUNCIL WAIVE THE RULES OF PROCEDURE, 8 ORDER AND DISPOSITION OF BUSINESS, TO ALLOW THE AGENDA ITEMS TO BE TAKEN OUT OF ORDER.

Majority Vote Required.

VOTE:

Explanation of supporting rationale:

City Council – First Reading – August 31, 2022

- Appropriate \$1,750,000 for Fire Station
- Rescind borrowing authorization for New Library by \$500,000
- Appropriate \$500,000 for Fire Station

ROXANN WEDEGARTNER
Mayor



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Greenfield, MA 01301
Phone 413-772-1560 • Fax 413-772-1519
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City of
GREENFIELD, MASSACHUSETTS
OFFICE OF THE MAYOR

MEMO

TO: President Gilmour, Vice-President Dan Guin, & City Councilors

FROM: Mayor Wedegartner

CC: Tammy Marciel, Clerk to Council; Kathy Scott, City Clerk

DATE: August 29, 2022

RE: Financial Orders for First Reading to Fund the Construction of the New Greenfield Fire Station

Greetings, Councilors,

As you are aware additional funding is greatly needed to fund the construction of the new fire station. This was first brought home to us when we got initial estimates for the construction back in December of 2021, right on the heels of major increases in costs of materials, labor, and services due to inflation, supply chain problems, and construction material costs across the board (no pun intended). It was starkly brought home to us a second time last week when we opened the contractor bids, which came in significantly higher than we had anticipated.

You have several financial orders in your packet that offer a way to make up the \$2.7 Million Dollar deficit. Finance Director Liz Gilman has worked hard to come up with a funding scenario that does not require us to raise our borrowing significantly and she has provided back up for them. There is a silver lining that I'm happy to report that will assist greatly in that funding. Early last week we also got news that a USDA grant that we applied for in the Spring, 2022, has



The City of Greenfield is an Affirmative Action/Equal Opportunity Employer, a designated Green Community and a recipient of the "Leading by Example" Award



ROXANN WEDEGARTNER
Mayor



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City of
GREENFIELD, MASSACHUSETTS
OFFICE OF THE MAYOR

been awarded to us for the fire station to the tune of \$987,00! Also, in this mix, is the \$500,000 that was given by the Library Foundation to the City to reduce the borrowing on the Library in order to create borrowing capacity in our capital budget for the Fire Station.

I know you all have been looking for a way to assist in getting money for the fire station and now is the time for your help. We all thank you for your consideration.

Respectfully,

A handwritten signature in blue ink that reads "Roxann Wedegartner".

Mayor Roxann Wedegartner



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***CITY COUNCIL ORDER
CITY OF GREENFIELD
MASSACHUSETTS***

Councilor _____ :
Second by Councilor _____ :

The City Council,

Upon recommendation of Mayor Wedegartner

An Order

Appropriate \$1,750,000 for New Fire Station

Ordered, that:

The sum of \$1,750,000 be appropriated for the construction of the new Fire Station and to meet said appropriation the sum of \$750,000 is to be transferred from fund 1627 Bond Premium and the sum of \$1,000,000 is to be transferred from Fund 8402 Capital Stabilization.

2/3 vote required (9)

VOTE:

Balance of Capital Stabilization: \$1,094,010.69

Balance of General Fund Portion of Bond Premium: \$768,179.80

(Water is \$145,155.32, Sewer is \$455,654.24 and GCET is \$4,282.11 for a grand total balance of \$1,373,271.57 in Bond Premium).

Rationale: Results of Bid Opening is higher to do construction escalation costs

INFORMATION:

Other Funds Utilized: *Additional \$500,000 from ARPA (total of \$2,000,000 ARPA)
 *USDA Grant of \$987,000
 *See attached funding summary

Attachments:

1. Capital Stabilization Report
2. Bond Premium Reports – balance and breakdown of premium
3. Updated Fire Station Budget as a result of the bid opening.
4. Funding Summary
5. Construction Costs Escalation Article

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Town of Greenfield
 BALANCE SHEET FOR 2023 1

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FUND: 8402 Stabilization - Capital				NET CHANGE FOR PERIOD	ACCOUNT BALANCE
<hr/>					
ASSETS					
	8402	1080	Cash Due From Gen Fund	.00	1,094,010.69
			TOTAL ASSETS	.00	1,094,010.69
<hr/>					
FUND BALANCE	8402	3590	Fund Balance	.00	-1,094,010.69
			TOTAL FUND BALANCE	.00	-1,094,010.69
			TOTAL LIABILITIES + FUND BALANCE	.00	-1,094,010.69
				=====	=====

** END OF REPORT - Generated by Liz Gilman **

Fund 1627 - BOND PREMIUM

	Fire Station	General Fund	Water	Sewer	GCET	Totals
6/30/2019		86,887.79			60,151.00	147,038.79
8/15/2019 Received Expenses		1,104,747.25	84,018.12	300,507.93	0.00	1,489,273.30
Subtotal		1,191,635.04	84,018.12	300,507.93	60,151.00	1,636,312.09
10/04/19 received					21,935.29	21,935.29
Subtotal		1,191,635.04	84,018.12	300,507.93	82,086.29	1,658,247.38
Brush Truck/GR Pump St Roof Debt service		(75,000.00) (12,000.00)	(50,000.00)		(82,086.00)	(207,086.00) (12,000.00)
Expenses		(21,417.44)		(416.05)	(0.20)	(21,833.69)
Subtotal		1,083,217.60	34,018.12	300,091.88	0.09	1,417,327.69 44,348.00
6/30/2020 06/17/20 Received		1,083,217.60	34,018.12	300,091.88	0.09	1,417,327.69
10/9/2020 Revenue					49,381.47	
10/9./20 Expenses					(15,989.32) (32,423.00)	
Revised 10/09/20		1,083,217.60	34,018.12	300,091.88	969.24	1,418,296.84
Fire Station Transfer		(1,000,000.00)				0.00
Subtotal		83,217.60	34,018.12	300,091.88	969.24	418,296.84
Jun-21 BAN Premiium Expenses	37,831.92 (1,220.08)	43,668.87 (1,408.32)	40,444.10 (1,304.32)	33,093.92 (1,067.28)	0.00 0.00	155,038.81 (5,000.00)
	36,611.84	42,260.55	39,139.78	32,026.64	0.00	150,038.81
Balance	36,611.84	125,478.15	73,157.90	332,118.52	969.24	568,335.65
21-Sep Bond Premium Expenses					453,002.87 (59,990.00)	
BAN Princ Paydown					(389,700.00)	
Balance 11/30/21	36,611.84	125,478.15	73,157.90	332,118.52	4,282.11	571,648.52
Apr-22 Bond Premiium 4/29/22	\$379,117.85	\$442,831.21	\$85,832.46	\$152,504.53	\$0.00	\$1,060,286.05
Bond Expenses 04/29/22	(\$100,110.16)	(\$115,748.99)	(\$13,835.04)	(\$28,968.81)	\$0.00	(\$258,663.00)
Balance 06/30/22	315,619.53	452,560.37	145,155.32	455,654.24	4,282.11	1,373,271.57
Possible for FireStation	768,179.90					

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Town of Greenfield
 BALANCE SHEET FOR 2023 1

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FUND: 1627 Bond Premiums				NET CHANGE FOR PERIOD	ACCOUNT BALANCE
ASSETS					
	1627	1080	Due To/From General Fund	-66,288.53	1,373,271.57
			TOTAL ASSETS	-66,288.53	1,373,271.57
FUND BALANCE					
	1627	3590	Fund Balance	.00	-1,439,560.10
	1627	3910	Revenue Control	66,288.53	66,288.53
			TOTAL FUND BALANCE	66,288.53	-1,373,271.57
			TOTAL LIABILITIES + FUND BALANCE	=====66,288.53=====	=====1,373,271.57=====

** END OF REPORT - Generated by Liz Gilman **

Greenfield Fire Station Budget Update - August 10, 2022	Budget	Budget Revisions	Adjusted Budget	Anticipated	Cost to Date	Balance	% Expended
Owner's Project Manager							
<i>Design Phase</i>	85,000		85,000	85,000	85,000	0	100.0%
<i>Bidding</i>	30,000		30,000	30,000	15,000	15,000	50.0%
<i>Construction Administration</i>	400,000		400,000	400,000	-	400,000	0.0%
<i>Closeout</i>	20,500		20,500	20,500	-	20,500	0.0%
OPM - Subtotal	\$ 535,500	\$ -	\$ 535,500	\$ 535,500	\$ 100,000	\$ 435,500	18.7%
Architecture and Engineering							
<i>Schematic Design</i>	344,250		344,250	344,250	344,250	0	100.0%
<i>Design Development</i>	210,750		210,750	210,750	210,750	0	100.0%
<i>Construction Documents</i>	372,500		372,500	372,500	353,875	18,625	95.0%
<i>Bidding</i>	77,250		77,250	77,250	-	77,250	0.0%
<i>Construction Administration</i>	272,750		272,750	272,750	-	272,750	0.0%
<i>Budgeted Reimbursible Expenses</i>	125,000		125,000	125,000	84,690	40,310	67.8%
					-		
Architectural/Engineering Subtotal	\$ 1,402,500	\$ -	\$ 1,402,500	\$ 1,402,500	\$ 993,565	\$ 408,935	70.8%
Commissioning Services							
<i>Construction Phase</i>	40,000		40,000	40,000	-	40,000	0.0%
<i>Warranty Phase</i>	10,000		10,000	10,000	-	10,000	0.0%
Commissioning Subtotal	\$ 50,000	\$ -	\$ 50,000	\$ 50,000	\$ -	\$ 50,000	0.0%
Permanent Station							
<i>Construction - Adjusted Budget</i>	14,470,000		14,470,000	14,470,000	-	14,470,000	0.0%
Construction Total	\$ 14,470,000	\$ -	\$ 14,470,000	\$ 14,470,000	\$ -	\$ 14,470,000	0.0%
Project Expenses							
<i>Testing & Engineering</i>	50,000		50,000	50,000	-	50,000	0.0%
<i>Utility Backcharges</i>	50,000		50,000	50,000	5,310	44,690	10.6%
<i>Moving & Relocation Expenses</i>	50,000		50,000	50,000	18,874	31,126	37.7%
<i>Misc. Project Expenses</i>	20,000		20,000	20,000	-	20,000	0.0%
<i>Printing Expenses</i>	25,000		25,000	25,000	3,005	21,995	12.0%
<i>Legal Fees</i>	25,000		25,000	25,000	1,598	23,403	0.0%
Project Expenses Subtotal	\$ 220,000	\$ -	\$ 220,000	\$ 220,000	\$ 28,788	\$ 191,212	13.1%
Furnishings and Equipment							
<i>Furniture</i>	500,000		500,000	500,000	-	500,000	
<i>Equipment - Firematic & Kitchen</i>	-		-	-	-	-	
<i>Communications Equipment</i>	-		-	-	-	-	
<i>Technology</i>	115,000		115,000	115,000	-	115,000	0.0%
FF&E Subtotal	615,000	\$ -	615,000	615,000	-	615,000	0.0%
Site Acquisition / Temp Fire Station							
<i>Site Acquisition</i>	1,150,000	\$ (24,000)	1,126,000	1,126,000	969,215	156,785	6.7%
<i>Temp Fire Station</i>	2,000,000		2,000,000	2,000,000	1,456,393	543,607	72.8%
<i>13 Prospect Street Buildout</i>		24,000	24,000	24,000	19,790	4,210	
<i>Extended Time (6 mos @ 50K/Mo)</i>	300,000		300,000	300,000		300,000	
Temporary Station Subtotal	\$ 3,450,000	\$ -	\$ 3,450,000	\$ 3,450,000	\$ 2,445,398	\$ 1,004,602	70.9%
<i>Construction Contingency - 5% of Cons</i>	750,000		750,000	750,000	-	750,000	0.0%
<i>Soft Cost Contingency - 3% of Soft Cost</i>	210,000		210,000	210,000		210,000	
Total Project Budget	\$ 21,703,000	\$ -	\$ 21,703,000	\$ 21,703,000	\$ 3,567,750	\$ 18,135,250	16.4%

CITY OF GREENFIELD
NEW FIRESTATION FUNDING SUMMARY
August 29, 2022

Borrowing

550,000 Voted November 2019
10,000,000 Voted May 2020
5,000,000 Voted December 2020
500,000 *Pending*

Total Borrowing 16,050,000

Bond Premium

1,000,000 Voted December 2020
750,000 *Pending*

Total Bond Premium 1,750,000

Capital Stabilization 1,000,000 *Pending*

ARPA Funds 2,000,000

USDA Grant 987,000

GRAND TOTAL 21,787,000

<https://www.cbre.com/insights/books/2022-us-construction-cost-trends>

2022 U.S. Construction Cost Trends

Rising prices for labor and materials pressuring construction costs

06 Jul 2022 30 Minute Read

Chapters

- [Overview](#)
- [Chapter 1 Introduction](#)
- [Chapter 2 Construction Activity](#)
- [Chapter 3 Supply Chain Disruption](#)
- [Chapter 4 Labor Market Trends](#)
- [Chapter 5 Impact on Materials Costs](#)
- [Chapter 6 Implications for Construction Costs](#)

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Executive Summary

- A confluence of events—including soaring construction demand, inflation, pandemic-related restrictions, supply chain disruptions, labor shortages and the war in Ukraine—are spurring rising costs and uncertainty across the construction industry.
- CBRE's new Construction Cost Index forecasts a 14.1% year-over-year increase in construction costs by year-end 2022 as labor and material costs continue to rise. Escalation should stabilize to the 2%-4% range in 2023 and 2024, on par with historical averages.
- Overall cost inflation for materials is expected to begin cooling by the end of 2022 and largely return to typical levels by mid-2023. However, given the large number of construction inputs—many of which are often subject to geopolitical risks such as tariffs and sanctions—costs for some materials may remain volatile.
- Supply chain-related disruptions should begin to ease, but ongoing global labor and component shortages will hamper production and logistics capacity. As a result, long lead times and material shortages will likely continue in the short term.

- The construction industry faces numerous labor challenges, including a smaller talent pool in the aftermath of the Great Recession, an aging workforce—one in five workers is currently older than 55—and strong competition from other industries like logistics.
- Labor shortages are expected to persist for the near term, increasing wage pressure. Because construction wage growth has lagged the national average through the pandemic, construction labor escalation is likely to be higher in 2022.
- As demand for new construction projects increases, contractors may be able to pass along higher input costs. The extent to which this happens will depend on how many builders delay or cancel projects due to concerns over input prices, rising interest rates and economic uncertainty.
- Despite headwinds, construction demand is expected to remain strong for the near term. Although the possibility of an economic downturn should be taken seriously, considerable pent-up demand for new construction—including a nationwide housing shortage—and government infrastructure projects should largely sustain activity. As contractor backlogs grow, margins should increase, pushing up total construction costs.

CITY COUNCIL ORDER
City of GREENFIELD
MASSACHUSETTS

Councilor _____ :
Second by Councilor _____ :

The City Council,

Upon recommendation of Mayor Wedegartner

An Order
To Rescind Borrowing Authorities

Ordered, that:

Upon recommendation of the Mayor, vote to rescind the following borrowing authorization by \$500,000. Revised authorization \$19,041,296

PURPOSE	DATE OF VOTE	ART #	AMT AUTH
New Library	03/20/19	19-050	19,541,296
		Reduce	-500,000

Revised Authorization: 19,041,296

Majority vote required
VOTE:

Rationale:

Attachment: Friends of the Library \$500,000 donation.

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Town of Greenfield
NEW LIBRARY CONSTRUCTION GIFT REVENUE

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FOR 2023 13

ACCOUNTS FOR: 4220 New Library Construction	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
42206100 NEW LIBRARY CONSTRUCTION							
40 Revenue							
42206100 4830 Gifts	-500,000	0	-500,000	-500,000.00	.00	.00	100.0%
TOTAL Revenue	-500,000	0	-500,000	-500,000.00	.00	.00	100.0%
TOTAL NEW LIBRARY CONSTRUCTION	-500,000	0	-500,000	-500,000.00	.00	.00	100.0%
TOTAL New Library Construction	-500,000	0	-500,000	-500,000.00	.00	.00	100.0%
TOTAL REVENUES	-500,000	0	-500,000	-500,000.00	.00	.00	

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Town of Greenfield
 NEW LIBRARY CONSTRUCTION GIFT REVENUE

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FOR 2023 13

	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
GRAND TOTAL	-500,000	0	-500,000	-500,000.00	.00	.00	100.0%

** END OF REPORT - Generated by Liz Gilman **

CITY COUNCIL ORDER
CITY of GREENFIELD
MASSACHUSETTS

Councilor _____:
Second by Councilor _____:

The City Council,

Upon recommendation of Mayor Wedegartner

An Order
For the Construction of a New Fire Station

Moved that it be ordered,

An additional sum of \$500,000 be appropriated for the construction of a new Fire Station, and to meet said appropriation the Treasurer, with the approval of the Mayor, is hereby authorized to borrow said sum of \$500,000, pursuant to Massachusetts General Laws, Chapter 44 or any other enabling statute, and the Mayor is hereby authorized to apply for, contract for, accept and expend any Federal and/or State grants available for this project to be used to reduce the within appropriation, and further, the Mayor is authorized to take any action necessary to carry out the intent and purpose of this project;

And further, in accordance with M.G.L. c. 44, §20, the premium received by the City upon the sale of any bonds or notes hereunder, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to pay project costs and the amount authorized to be borrowed for the project shall be reduced by the amount of any such premium so applied.

Two-thirds (2/3) vote required.

Vote:

Explanation

CITY COUNCIL ORDER
City of GREENFIELD
MASSACHUSETTS

Councilor _____ :

Second by Councilor _____ :

The City Council,

Moved that it be ordered,

THAT THE GREENFIELD CITY COUNCIL VOTES TO ENTER TO EXECUTIVE SESSION FOR REASON 1. TO DISCUSS THE REPUTATION, CHARACTER, PHYSICAL CONDITION OR MENTAL HEALTH, RATHER THAN PROFESSIONAL COMPETENCE, OF AN INDIVIDUAL, OR TO DISCUSS THE DISCIPLINE OR DISMISSAL OF, OR COMPLAINTS OR CHARGES BROUGHT AGAINST, A PUBLIC OFFICER, EMPLOYEE, STAFF MEMBER OR INDIVIDUAL. THE INDIVIDUAL TO BE DISCUSSED IN SUCH EXECUTIVE SESSION SHALL BE NOTIFIED IN WRITING BY THE PUBLIC BODY AT LEAST 48 HOURS PRIOR TO THE PROPOSED EXECUTIVE SESSION; PROVIDED, HOWEVER, THAT NOTIFICATION MAY BE WAIVED UPON WRITTEN AGREEMENT OF THE PARTIES.

Roll Call Majority vote required

VOTE: