



Ruthanne Fuller
Mayor

City of Newton, Massachusetts
Office of the Mayor

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December 11, 2023

Honorable City Council
Newton City Hall
1000 Commonwealth Avenue
Newton, MA 02459

Honorable City Councilors:

I respectfully submit this docket item to your Honorable Council requesting the authorization to appropriate and expend an additional \$10 million of bonded indebtedness to fully fund a new building for the Newton Center for Active Living Project (NewCAL) which will have a total project cost of \$30.5 million.

This morning we opened the bids for the NewCAL project for the second time with a \$7.5 million reduction in total costs from September 2023. Given the significant inflationary pressures in the building industry that we had anticipated and planned for, we expected bids that resulted in a total project cost greater than the previous amounts found in the CIP. The low bid results in a total project cost of \$30.5 million.

With rising construction costs, we have been adjusting our debt service assumptions in the Long-Range Financial Plan to allow for this critical project to move forward. As a reminder, City Council approved early this month the Lincoln-Eliot School project which also experienced construction cost increases.

We began contemplating a new senior center in 2018. After five years of hard work with well over 1,000 residents contributing to this project, we are excited to move forward with this transformative building. NewCAL will meet the needs of Newton's older adults for generations to come while also serving the broader Newton community.

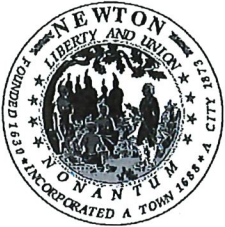
This \$30.5 million project complements nearly \$250 million in school facility investments underway at Lincoln-Eliot, Countryside, Franklin, Horace-Mann and completed projects for students and teachers at Oak Hill Middle School and the Newton Early Childhood Program (NECP), among others.

Attached is a memo from Public Buildings Commissioner Morse requesting the docket item.

Thank you for your immediate consideration of this matter with new information only available today.

Sincerely,

Mayor Ruthanne Fuller



CITY OF NEWTON, MASSACHUSETTS

PUBLIC BUILDINGS DEPARTMENT

52 ELLIOT STREET, NEWTON HIGHLANDS, MA 02461

Ruthanne Fuller, Mayor
Josh Morse
Building Commissioner

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December 11, 2023

Ruthanne Fuller, Mayor
Newton City Hall
1000 Commonwealth Avenue
Newton Centre, MA 02459

Re: Newton Center for Active Living Project

Dear Mayor Fuller:

The Public Buildings Department requests the Mayor to docket a request for an additional appropriation in the amount of \$10,000,000 for the Newton Center for Active Living Project. The City Council previously approved \$20.5 million at the time of site plan approval on August 8, 2022.

The general contracting bids were opened early today on December 11, 2023.

Between inflation, interest rates, and material lead times, the current construction market conditions are such that we need to be able to execute a contract as soon as possible.

Sincerely,

Josh Morse
Public Buildings Commissioner
cc: Maureen Lemieux, Chief Financial Officer
Alex Valcarce, Deputy Buildings Commissioner

NEWCAL

12/11/2023

ACCOUNT NUMBER	CATEGORIES OF THE BUDGET	#282-18	#102-19	#345-22	ARPA	New Request	Total Budget
58SB02	ARCHITECTURAL SERVICES	\$ 58,000.00	\$ 220,000.00	\$ 1,780,000.00	\$ 333,000.00	\$ -	\$ 2,391,000.00
58SB01	OWNER'S PROJECT MANAGER	\$ 40,000.00	\$ 80,000.00	\$ 1,090,000.00	\$ 292,000.00	\$ 63,400.00	\$ 1,565,400.00
58SB03	SITE/ENVIRONMENTAL	\$ -	\$ 60,000.00	\$ 115,000.00	(125,000.00)	\$ 41,600.00	\$ 91,600.00
58SB04	OTHER	\$ 2,000.00	\$ 40,000.00	\$ 55,000.00	\$ -	\$ 193,000.00	\$ 290,000.00
58SB40	PROJECT CONTINGENCY	\$ -	\$ -	\$ 150,000.00	\$ -	\$ -	\$ 150,000.00
582500	CONSTRUCTION	\$ -	\$ -	\$ 15,000,000.00	\$ -	\$ 9,207,000.00	\$ 24,207,000.00
58SB39	CONSTRUCTION CONTINGENCY	\$ -	\$ -	\$ 860,000.00	\$ -	\$ 140,000.00	\$ 1,000,000.00
585ITE	TECHNOLOGY	\$ -	\$ -	\$ 150,000.00	\$ -	\$ 220,000.00	\$ 370,000.00
585FFE	FF&E	\$ -	\$ -	\$ 300,000.00	\$ -	\$ 135,000.00	\$ 435,000.00

TOTAL PROJECT EXPENDITURE BUDGET \$ 100,000.00 \$ 400,000.00 \$ 19,500,000.00 \$ 500,000.00 \$ 10,000,000.00 \$ 30,500,000.00