SPECIAL MEETING OF THE PEABODY CITY COUNCIL
MARCH 26, 2024

PRESENT COUNCILLORS: TURCO, ROSSIGNOLL, WELTON, MELVILLE, GAMACHE, MCGINN, GOULD, DAIGLE, MANNING-MARTIN, HIGGINS, AND PEACH

ABSENT COUNCILLORS: None

Special Meeting of the Peabody City Council was called to order by City Council President, Stephanie R. Peach, for the purpose of receiving the report from the Finance Committee to adopt Bond Order – New police station and public safety headquarters in the amount of $69,200,000.

Finance Committee
March 26, 2024

P126-24 COUNCILLOR MCGINN – Reporting for the Finance Committee – The Finance Committee of the Peabody City Council met earlier this evening. Present for the committee were Councillors: Gamache, Gould, Manning-Martin, Turco, and myself as chair. All other councillors were present. We had one item on the agenda, a bond order for $69,200,000 for a new police station and public safety headquarters. This item was presented to us by a team led by His Honor the Mayor. The Mayor began the presentation by reviewing the timeline of the steps that brought us to this point. The Mayor introduced the members of the team assembled to develop the design and made special mention of the key role played by our Purchasing Agent, Mr. Dan Doucette. A couple of the companies that are playing significant supporting roles on this are Construction Monitoring Services and W.T. Rich Construction Management. The Mayor indicated that he had five main points that he wanted to touch on through the course of his presentation; the first being the location. He assured the committee that a number of sites had been evaluated throughout the city, and he went on to review the benefit of the site that was ultimately selected and the rationale for doing that. He wanted to stress that parking had been looked at and that the group that had advanced the design had worked closely with the Superintendent of Schools on the parking plan, and they believe that it will work. He noted that there will be a 25 percent increase in public parking available at the conclusion of the project. From an environmental perspective, the Mayor indicated that everything is being thoroughly vetted through the proper channels. Having heard concerns of several councillors about issues with Engine 5, the Mayor pushed back on the notion of incorporating Engine 5 into the new facility, reiterating his desire to keep that in South Peabody. He did commit to a significant improvement project for the existing Lynnfield Street site of Engine 5, and he has engaged the services of Dore & Whittier to start looking at that project. He also alluded to the possibility of another substation that he has in mind for the future, potentially at Centennial Park. The fifth point was the use of the existing building post construction. He indicated he'd likely keep that as office space and storage and possibly move some of the school administration offices into that location and additionally mentioned the possibility of moving some of the Health Department offices into that location. The Mayor indicated that the initial impact of a project of this size was going to be somewhere in the $30-75 million standalone impact on the tax rate. The next members of the group to present were Mr. Jeff McElravy and Matt Salad from Tecton Associates. They reviewed the presentation in detail that was presented to the Council in advance of our committee meeting, they reviewed the design evolution and how they got to the ultimate design and ultimately got to the budget information which was summarized on a slide indicating the major components of the total budget being the construction cost, the Guaranteed Maximum Price -- or GMP -- of $55.1 Million; project development and equipment costs; fees; FFE, etc. of $10.8 million; and construction and project contingency of $3.3 million; for a total project cost of $69.2 million. The Mayor came back at the conclusion of that presentation and read letters of support from Superintendent Dr. Vadala and from Higgins Principal, Todd Bucey. The following motion was made. (Report received)

P127-24 COUINCILLOR MCGINN – Reporting for the Finance Committee – MOVE TO receive, under suspension of the rules, the following Late 2 communications:

Dr. Josh Vadala, Supt. of Schools, regarding Proposed new Public Safety Building
Mr. Todd Bucey, Principal, regarding Public Safety Building
(Unanimous)

P128-24 COUNCILLOR MCGINN – Reporting for the Finance Committee – The next person to address the committee was Chief Griffin and he reviewed comments about the deficiency in the current building and his strong belief that the Police Department needs a new facility, and he outlined a number of reasons for that belief. Followed by him was Chief Dowling, who in addition to being the Fire Chief, is the Emergency Management Officer, and he pointed out that the new facility would take certain emergency operations out of the DPS building where they reside today, and they would oversee emergency responses from the new facility when that's in place. He, like the police chief, reviewed the deficiency of the current fire headquarters and outlined the need for why he believed this new facility would be needed and advantageous. The Mayor came back to the podium at that point and had indicated that one of the reasons that they are trying to move this timeline along is because they want to do some of the site prep work, which would require some blasting, and they would like to do that this summer so that it does not in any way interfere with the school schedule at the Higgins Middle School, which is obviously in very close proximity. The Mayor did indicate that the site for this particular use will require a special permit and he would be returning to the City Council to request that permit at a later date. There were also comments made by former District Attorney Jonathan Blodgett, who was in strong support of advancing this and summarizing, basically he said that not only do the police and fire departments deserve this building, but the City of Peabody, the public, and the residents deserve a better facility. This was not a public hearing, but I did utilize my latitude to allow for public comment and requested any interested parties to approach the podium. We did have a group of residents from Bradley Avenue who are nearby, who collectively spoke in favor of advancing the bond order. At that point, we turned it over to the members of the committee. A number of them had indicated that they believed a lot of their initial concerns had been addressed and in a number of cases indicated that the fact that the new design and/or the announcement of the project to address some of the deficiencies at Engine 5 would cause them to now be supportive of advancing this bond order. Councillor Manning-Martin dissented to some extent. She was in full agreement with the need for the facility but has some strong concerns about the location and questioned whether or not other city-owned property had been properly vetted and is under the impression that there may be a better, more advantageous time to finance a project of this magnitude in the future. Councillor Turco pressed the representative from Tecton Architects about how the GPM, or the Guaranteed Maximum Price was set. That was explained, and he indicated that Mr. McElravy expressed confidence that the current estimate would be in line with the final GMP. There was a question about where the laydown area would be and whether or not that would impact -- when I say "laydown area," that's the placing of construction materials and parking for construction workers and so forth. Mr. Jon Rich from W.T. Rich Construction indicated that they've worked with sites that are much more constrained than this one -- he considers this moderately constrained -- and that he believes there's a sufficient laydown area and remote parking available that it will not impact the use of the adjacent fields or the operation of the Higgins Middle School. There were questions asked about some of the other public safety buildings that have been built in Massachusetts in recent years and why the estimate for the Peabody facility seemed to be coming in higher. Mr. McElravy from Tecton Architects was not familiar with the specifics of all these projects but assumed that it related to a number of recent cost increases. There was another question from Councillor Turco about where fire department staff would reside and how many would actually be moving to this central location, and we were assured by Chief Dowling that the deputy chiefs would stay in the field close to the operations that they oversee. Councillor Peach had asked some questions of the Purchasing Agent, Mr. Dan Doucette. And again, kind of again getting back at the confidence price in the Guaranteed Maximum Price, Mr. Doucette indicated that there's already been two levels of value engineering done and that some cost has come out of the original estimates to the tune of $8 million and that although there are no guarantees, that further price reductions are possible by working closely with the team. Councillor Rossignoll asked a question about the work because there is a sensitive resource area in the vicinity of the new building, and whether or not any work would be done in the 100-foot buffer zone. Mr. Kevin McGarry of Fuss & O'Neill, who's a subcontractor to Tecton, the architect, indicated that they believe all the work will be done outside the 100-foot buffer and that they are already working with the Conservation Commission and Conservation Agent to make sure that all those sensitive areas are dealt with properly. Councillor Higgins asked some questions about the maximum occupancy of this building going forward and probably more importantly how it's positioned to support the future growth of the department. There were a number of items listed off that are intended to hopefully make this building a bit more future-proof based on projections for 25 years of growth changes to the male-female officer mix and how that's going to be accommodated by movable partitions and more flexible space that the City won't be locked into for decades so that hopefully the facility will be more useful over a longer period of time, flexible office spaces and more training spaces, which are significantly increased from the current facility. The representative from Tecton also provided some further clarification on what is involved in the

$3.3 million contingency line item. There was additional questions about this future-proofing of the building and, again, there were a couple of additional comments made about the specifications that this building will be built to being far more strenuous and strict because it's a public safety building, than the typical code and well advanced beyond what our current facilities are built to, meaning that they should hold up to the stressors of the environment for years to come. They indicated that mechanical systems were being chosen with resiliency in mind, including all electrical systems, which are going to be solar ready. There may be a better way to acquire the actual solar panels in the future outside this process, but right now they're making sure that it is designed in such a way that it can accommodate a solar array on the roof. There was also a question that was put to the Mayor about the potential for federal money being pursued, understanding that the Mayor needed to come to the council for a bond order for the full amount, but is there any chance of defraying this cost by outside grants or other federal funding mechanisms and the Mayor indicated that he has been in touch with the legislative members of our congressional delegation – Senators: Warren and Markey -- and is pursuing, and will continue to pursue third-party money to defray the cost to the City's taxpayers. With that, inputs from the presenters and questions from the committee and the councillors were all addressed. The following motion was made. (Report received)

P129-24 COUINCILLOR MCGINN – Reporting for the Finance Committee – MOVE TO receive, under suspension of the rules, late communication Item 1 from Mr. Jeffrey W. Saliba, Business Manager, International Association of Heat & Frost Insulators and Allied Workers Union, Local No. 6, 303 Freeport Street, Boston, regarding Construction of the new police station.
(Unanimous)

P130-24 COUNCILLOR MCGINN – Reporting for the Finance Committee – BE IT ORDERED by the City Council of the City of Peabody that the City of Peabody appropriate the amount of Sixty-Nine Million Two Hundred Thousand ($69,200,000) Dollars for the purpose of paying the costs of the design and construction of the Peabody Public Safety Facility located at Allen's Lane, Peabody, Massachusetts, including the payment of all costs incidental or related thereto.

It is Further Ordered: That the Treasurer is authorized to file an application with the appropriate officials of The Commonwealth of Massachusetts (the "Commonwealth") to qualify under Chapter 44A of the General Laws any and all bonds of the City authorized to be borrowed pursuant to this loan order, and to provide such information and execute such documents as such officials of the Commonwealth may require in connection therewith.

It is Further Ordered: That to meet this appropriation the Treasurer with the approval of the Mayor is authorized to borrow said amount under Chapter 44 of the General Laws or any other enabling authority; that the Treasurer, Mayor and any other City official is authorized to take actions necessary or convenient to carry out the purposes of this Order, and that this Order be advertised as read.
(Carried 10-1; Councillor Manning-Martin opposed)

MOVED: MOVE TO adjourn. Special meeting of the Peabody City Council adjourned at 9:20 p.m.

SUBMITTED TO HIS HONOR THE MAYOR, APRIL 3, 2024
RETURNED BY HIS HONOR THE MAYOR, APRIL 3, 2024

ATTEST: Allyson M. Danforth
(Allyson M. Danforth, City Clerk)