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MINUTES OF A JOINT MEETING OF THE MAYOR AND COUNCIL  
AND THE TOWN HALL EXPANSION COMMITTEE, MUNICIPAL BUILDING,  
FEBRUARY 20, 1989, 6:30 P.M.

Mayor Howes called the meeting to order at 6:30 P.M.

Council Members in attendance were:

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| Julie Andresen  | Nancy Preston    |
| David Godschalk | James C. Wallace |
| Joe Herzenberg  | Arthur Werner    |
| David Pasquini  |                  |

Due to military service, Council Member Roosevelt Wilkerson, Jr. was absent excused.

Also present were the following members of the Town Hall Expansion Committee:

Milton Van Hoy  
Judy White, Planning Board Representative  
Larry Touchstone, Appearance Commission Representative

Also in attendance were Town Manager David R. Taylor, Assistant Town Manager Sonna Loewenthal, Town Attorney Ralph Karpinos, Dan Huffman and Tim Simmons, Architects, Hager, Smith and Huffman.

Council Member Preston stated that she had been unable to attend the Council's February 13th consideration of the Town Hall Expansion/Renovation project due to the birth of a grandchild, but that she had reviewed the videotape of these proceedings. Council Member Preston noted that two main concerns had arisen in this discussion: the disparity in projected costs versus available resources, and identification of items to be deleted to match costs and resources.

Council Member Preston stated that substituting light-colored brick for pre-cast concrete could result in approximately \$130,000 in savings. She noted that an additional \$15,000 could be saved by using sheetrock instead of wood paneling to construct the ceiling in the proposed Council Chamber. Council Member Preston said that since the wood paneling was an important design feature of the new building, efforts should be made to identify other means of cost containment.

Council Member Preston identified approximately \$13,000 additional cost savings via deletion of the proposed clock tower, and \$10,500 in savings by using opaque covering in lieu of a translucent roof at the building's main entrance.

Council Member Preston noted that many smaller items had been identified as potential cost-saving measures. She said that the Town Hall Expansion Committee felt that the least disturbance would occur by replacing of materials in the main entranceway covering (opaque vs. translucent roof).

Council Member Preston said that the Town Hall Expansion Committee had strong feelings about maintaining the clock tower as a unique means of identifying the building in the downtown area.

Council Member Preston noted the importance of constructing a building which the Council can be proud of, since the building will exist for many years to come.

Council Member Andresen inquired whether any elevations had been performed to see whether the clock tower would be visible from the downtown area. Mr. Huffman responded that no such testing had occurred to date, adding that the side of the clock tower would contain backlit glass for greater visibility.

Council Member Andresen asked whether it would be possible to see the clock tower from the corner of South Columbia and Rosemary Streets. Mr. Huffman responded yes.

Council Member Andresen sought elucidation of the Committee's recommendation for opaque versus translucent building materials in the construction of the entryway skylight. Council Member Preston responded that this recommendation was an effort to cut costs. She added that this approach would result in minimal disruption since the east and west walls were all glass, light from the skylight was not necessary. Mr. Huffman noted that replacement of the translucent skylight with a sheetrock ceiling could result in \$10,500 in savings.

Council Member Andresen noted the importance of having a good Council Chamber in the new Town Hall facility.

Council Member Godschalk stated that the Town's citizens had approved monies for the construction and renovation efforts. He urged the Council not to be extravagant in spending these monies. Council Member Godschalk said that the main function of the Town Hall is as a facility for office work. He noted his opposition to the clock tower and wooden ceiling paneling in the Council Chamber. Council Member Godschalk concluded his remarks by asking whether the bonds for the building project had been sold and whether the estimated interest cost on these \$2 million of bonds was approximately \$175,000. Town Manager Taylor responded in the affirmative to both questions.

Council Member Godschalk asked whether the estimates for asbestos abatement were firm. Ms. Loewenthal responded that the Town had estimates for removal. She added that prior

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asbestos abatement estimates from the same engineering firm had proven accurate. Ms. Loewenthal said that the bid for asbestos abatement would be let in approximately one year.

Council Member Godschalk inquired about the \$54,000 set aside for contingencies and rock removal. Town Manager Taylor responded that the estimated cost of rock removal for excavation at the front of the building was \$16,000.

Council Member Pasquini asked whether the projected cost overrun for the project was \$375,000. Town Manager Taylor responded that this figure was close to staff projections.

Council Member Pasquini expressed concern that an overrun was being recognized prior to groundbreaking. He noted the criticality of receiving bids for the building consistent with available bond monies. Council Member Pasquini said that additional cost overruns are commonly experienced during construction of projects of the magnitude of the Town Hall building. Council Member Pasquini asked how much had been earmarked for project contingencies. Town Manager Taylor said that \$54,000 had been budgeted for all contingencies.

Council Member Pasquini stated that he would be more comfortable if bids had been 5 to 10 percent below total bond proceeds. He noted that contracts for the project had not yet been let to date. He expressed a desire to send a message to other Town committees to keep costs down.

Council Member Preston assured Council Member Pasquini that the Town Hall Expansion Committee had made its best efforts to keep costs down. Council Member Pasquini stated that he was aware of these efforts and thanked the Committee members for their work. He noted that the building program had possibly been too ambitious.

Milton Van Hoy said that the efforts of the Expansion Committee had been focused on building more building for less money. He added that the initial bond estimate was incorrect. Ms. Loewenthal noted that the bond proceeds would pay for the new building while an additional \$520,000 had been earmarked from the Town's 5-year CIP for renovations to the existing Municipal Building and \$120,000 for CATV equipment. She noted the joint efforts of the architects, contractors, and subcontractors in working with the Town Hall Expansion Committee to keep costs down.

Council Member Werner stated that a Town Hall building rather than a monument was being contemplated for construction. Council Member Werner said that many numbers were being muddled together. He inquired whether other related costs such as temporary office

space and moving costs had been calculated. He said that the cost of asbestos removal was a side issue.

Mayor Howes asked whether the public bond issue notice had included costs of renovation to the existing Municipal Building. Ms. Loewenthal responded that general language addressing need for additional office space and a new meeting room had been used for wording of the bond ballot.

Town Manager Taylor reiterated Ms. Loewenthal's remarks that funds from the 5-year CIP would be used for building renovation while approximately \$2.3-\$2.5 million was the initial cost estimate for new building construction, parking facilities and architect's fees. Council Member Godschalk inquired whether the projected overrun was approximately \$500,000. Mr. Taylor said that this was approximately correct. He added the total projected building costs would be \$3.2 million. Mr. Taylor stated that the Council could choose to scrap bids received to date, or redesign and rebid the project, opening the possibility of receiving less building space at a higher cost.

Council Member Werner asked what accounted for the difference between bids received and the original cost estimate of \$2 million. Mr. Taylor responded that initial building cost estimates were based on 20,000 square feet at \$100 per square foot. He noted that bids received amounted to 16,500 square feet at \$144 per square foot.

Council Member Werner asked whether these per square foot costs were typical for office buildings in Chapel Hill. Mr. Huffman responded that office building space typically cost between \$80 and \$100 per square foot without a parking deck. He noted that Barnhill Associates, the low bid contractor for the Municipal Building, had recently completed a project in Chapel Hill at a cost of \$200 per square foot.

Council Member Werner inquired about the cost of a parking deck. Mr. Huffman responded that the projected cost of this facility was approximately \$230,000. He noted that the projected cost of a bridge and bus stop would be \$38,000. Mr. Huffman stated that as part of his cost estimation, design drawings of the proposed Town Hall facility had been sent to C.T. Wilson, builder of the existing Municipal Building. Mr. Huffman stated that building plans had been forwarded to precasters, but only one bid each was received for architectural and structural precasting. He noted that since precasters are very busy, the cost of their services had increased markedly. Mr. Huffman added that only one masonry contractor bid had been received for the project and that C. T. Wilson was too busy submit a bid for the General Contract.

Council Member Herzenberg stated that he had spoken in general support of the Town Hall Expansion Committee at the February 13th

Council discussion of this item. Council Member Herzenberg said that many of the items identified for cost containment would have negligible impact. He added that the clock tower and panelled ceiling would make the building more distinctive. He noted that the Council Chamber in which the meeting was being held was originally designed as a day-care center. Council Member Herzenberg continued his remarks by noting that the originally planned Council Chamber in the existing Municipal Building was not constructed due to cost overruns. Council Member Herzenberg said that the addition of some distinctive features would help citizens in identification of the Town Hall building. He urged the Council to keep items such as the clock tower to maintain the dignity of the building.

Council Member Preston said that it would be a mistake to discard the building bids at this point. She expressed a commitment to building a facility which would reflect civic pride. Council Member Preston stated that a conscientious effort had been made by the Town Hall Expansion Committee to address building cost concerns. She requested the support of the Council in continuing the current building process.

Mayor Howes stated that the Council had three broad choices: approve the recommendation of the Town Hall Expansion Committee; approve the recommendation with modifications to the building; or reject the bids received and reinitiate the process.

Council Member Preston stated that rejection of the bids would mean starting over again.

Council Member Pasquini said that estimated building costs were \$144 per square foot and \$125 per square foot without parking facilities and architect fees.

Council Member Wallace said that he favored adopting the recommendations of the Town Hall Expansion Committee. He stated his opposition to scrapping the bids received, noting his apprehensiveness with the current bonding and financing climate. Council Member Wallace expressed concern that if the process were reinitiated, the result might be a smaller building at a higher cost.

Council Member Andresen noted the critical need for more office space.

Mayor Howes stated that the choices before the Council were clear. He stated that the Council had one week to contemplate their individual decisions in this matter.

Council Member Werner asked what option would be before the Council. He stated a desire to have a menu of options. Mayor Howes

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responded that a variety of options were available by modifying the recommendations of the Town Hall Expansion Committee.

Town Manager Taylor noted that the cost of the most recent facility constructed by the Town, offices next to the bus garage, had been approximately \$100 per square foot.

Larry Touchstone noted that use of light-colored brick as opposed to pre-cast concrete could result in savings up to \$140,000.

Mayor Howes thanked the Town Hall Expansion Committee for their work.

The meeting was adjourned at 7:29 P.M.