

CONSTRUCTION MANAGEMENT AT RISK SERVICES

Additions and Alterations to the Thomas Memorial Library

Cape Elizabeth, ME

Michael McGovern // Town Manager

Town of Cape Elizabeth | PO Box 6260 | Cape Elizabeth, ME | 04107

24 FEBRUARY 2014

Dear Michael,

Thank you for considering Zachau Construction for Construction Manager. Zachau Construction has been developing professional relationships in Maine for over 40 years. We would be honored to leverage our experience and dedication to become an integral member of your project team. We are confident that the project team we are proposing for this project, Jeff Zachau – President, Derek Converse – Director of Preconstruction, Bruce Hilfrank – VP/Project Manager, and Mike Packard – Supervisor, has the experience, history of working together, and positive attitude that would make us an excellent choice for your Construction Manager.

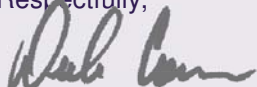
The reputation that Zachau has earned in its 44 years of business is noteworthy. However, the Construction Manager that you hire today is more about the individuals that make up the project team. The project team that we are proposing to use on the Thomas Memorial Library project is second to none. The experience and our individual talents and strengths combined with our history of working together make us the best choice for Construction Manager. Jeff brings the values and reputation that can only be developed by spending your entire life in a family business. Mike has worked at Zachau for 32 years and is regarded by many as one of the most dedicated and finest Supervisors in the region. Anyone, who has worked on one of Mike's projects, will attest to this fact. Bruce and I bring a combined 52 years commercial construction experience while completing over \$350 million of work in management roles. We both have successfully completed numerous projects ranging in size of \$10-\$30 million.

We are about to complete a similar project for the Town of Gray, which involved renovations and an addition to their existing library. We worked closely with Reed and Co. Architecture, the Town of Gray and the Gray Public Library Association (GPLA) during preconstruction to develop a project that met their budget and programming requirements. During construction, we were able to add value by incorporating many of their "wish list" items into the project, without increasing the GMP. Please feel free to contact the references listed regarding our performance.

Other library/municipal projects that we have completed include the Falmouth Memorial Library renovation and expansion, Pennell Institute/Gray Town Office historical renovation, New Gloucester Fire/Rescue, Kennebunkport Town Office renovations and the Jay Town Office. Additionally, prior to joining Zachau, I was the project manager for the new Topsham Library. We encourage you to find more information about our company and many of our recent projects at our website: www.zachauconstruction.com.

We are eager to be an integral member of this project team. We have provided preliminary estimating services to Reed and Co. on this project and are therefore familiar with the scope of work. We are committed to bring our combined experience and expertise to add value throughout the entire process – preconstruction, construction, and post construction. Ultimately, we see our role as Construction Manager as one of working for the Owner's interest. We will work collaboratively within the project team, administer the project requirements, and help you reach decisions, providing you with the best project for the best value.

Respectfully,



DEREK CONVERSE // DIRECTOR OF PRECONSTRUCTION

derek@zachauconstruction.com



ZACHAU CONSTRUCTION // 1185 U.S. ROUTE ONE | P.O. BOX J | FREEPORT, ME 04032

PHONE : 207.865.9925 | FAX : 207.865.9926 | ZACHAUCONSTRUCTION.COM



ABOUT OUR COMPANY

Established in 1969 by Earle Zachau, Zachau Construction has built a reputation as a company with honesty and integrity.



Zachau Construction has been building honest relationships into every new project. We work collaboratively with our clients toward a common goal — quality construction that is on time and on budget. We have completed over 350 contracts with a combined value exceeding \$200 million with zero litigation. Not with anyone — owners, designers, subcontractors, or suppliers.

With the flexibility to complete projects within a wide range of size and scope, Zachau has maintained a long history of delivering the same high level of service to all clients. We are ready for the challenges of special project requirements including: historical restorations and preservations, occupied spaces, environmentally sensitive areas, or off-hour work.

Our success is a result of our outstanding team. Zachau's management team has over 200 years of combined experience in the construction industry, with knowledge and expertise that carries a project from conception through completion. Our field teams are led by supervisors who have between 15 and 35 years of field experience, with skills in many construction trades.

While focusing on honesty and integrity, Zachau Construction, throughout its history, has provided value for its clients through the entire construction process. Zachau sets clear goals while maintaining the flexibility needed to meet all safety, budgetary, scheduling, and programming objectives.





ZACHAU MANAGEMENT TEAM

Our successful projects and long-term relationships are a testimony to our people and their dedication to integrity. We continually deliver on our commitments thanks to the qualifications, experience, and dedication of our team. The continuity of our team demonstrates our commitment to building strong relationships, and many members of our field team have been with us for over 20 years, some for over 30.

Our clients appreciate the accessibility of everyone on the team at Zachau. Clients are encouraged to contact any member of our staff during all stages of their project.



JEFF ZACHAU //
President

Upon graduating from the University of Maine with a BS in Accounting and Finance in 1989, Jeff joined his father, Earle, at Zachau Construction. As President, Jeff maintains complete financial oversight of every project, from pre-construction to completion. Jeff is a board member of the Freeport Economic Development Committee and a Corporator at Bath Savings Institution.



DEREK CONVERSE //
LEED AP | Director of Pre-Construction

Derek graduated from the University of Illinois with a Civil Engineering degree and from Purdue University with a Master's degree in Construction Management. He has over 20 years of construction experience, the last twelve in Maine. He is a Foundation Board member of the Thomas Memorial Library and is a LEED AP BD+C.



BRUCE HILFRANK //
LEED AP | Vice President | Project Manager

Bruce graduated from Wentworth Institute with a degree in Engineering. He has over 35 years of construction experience and joined Zachau Construction in 2002. As a project manager, Bruce becomes involved with the estimation process and sees it through to completion. He is a past president of Associated Builders & Contractors and is a LEED AP.



CHARLIE McBRADY //
Director of Business Development

Charlie graduated from the University of Maine with a BA in Public Administration. He has over twenty years of commercial construction experience. Charlie has served, and continues to serve, on many local boards, and is currently the president of the Morrison Developmental Center.



JON PROVOST //
LEED AP | Vice President | Project Manager

Jon started with Zachau in 1993 upon graduating from the University of Maine with a BS in Business Administration. As a project manager, Jon is also involved in projects from estimation through to completion. He is a board member of Associated Builders & Contractors and is a LEED AP.



MARIA BERUBE //
Vice President | Finance & Administration

Maria began at Zachau Construction in 1991 and has been an integral part of the company since. She is responsible for all aspects of office operation, from payroll to human resources. She graduated from Husson College with a BS in Accounting and is an active Notary Public.



SIMILAR PROJECTS

A list, consisting of type and use parameters similar to the subject property, of the last five projects that your firm has completed.

- **Gray Public Library – Gray, ME**
 - New addition and renovation to existing library
 - Contract: \$1,300,000
 - Completion: February 2014
 - Owner: See references
 - Architect: Reed and Co. Architecture
 - ZCI Staff: Bruce Hilfrank (PM), Mike Packard (Super)
 - ***In kind donations were used***

- **Pennell Institute – Gray, ME**
 - New addition and renovation to historic Pennell building
 - Contract: \$2,090,000
 - Completion: September 2010
 - Owner: See references
 - Architect: Lewis and Malm Architects
 - ZCI Staff: Bruce Hilfrank (PM), Mike Packard (Super)
 - ***In kind donations were used***

- **Morrison Developmental Center – Scarborough, ME**
 - New 30,000 SF special needs facility / school
 - Contract: \$4,700,000
 - Completion: August 2009
 - Owner: Mark Ryder (Executive Director), 207-883-6680
 - Architect: CWS Architects
 - ZCI Staff: Bruce Hilfrank (PM), Mike Packard (Super)
 - ***In kind donations were used***

- **Bow Street Market – Freeport, ME**
 - New 19,000 SF multi-use residential / retail complex
 - Contract: \$4,000,000
 - Completion: June 2011
 - Owner: See references
 - Architect: Bunker and Savage Architects
 - ZCI Staff: Bruce Hilfrank (PM), Mike Packard (Super)

- **Maine Standards Company – Cumberland, ME**
 - New construction of corporate headquarters and manufacturing facility
 - Contract: \$4,150,000
 - Completion: Spring 2013
 - Owner: See references
 - Architect: See references
 - ZCI Staff: Bruce Hilfrank (PM), Mike Packard (Super)



CAPACITY

Provide a summary of current project load and remaining capacity.

We currently have a stable backlog in construction and are seeking a few key projects for pre-construction. The proposed schedule for your project would fit really well with us. The current construction management projects that we have in preconstruction are:

- Anew Property Development – Roosevelt School Condominiums – South Portland, ME
 - Renovation and expansion of existing school to 19 modern condominiums
 - Construction Manager (currently in pre-construction)
 - \$3,400,000
 - PDT Architects
 - Completion – Spring 2015
- Avesta Housing – Golden, Park & Maple Housing – Saco, Maine
 - Renovations to existing housing units
 - Construction Manager (currently in pre-construction)
 - \$1,300,000
 - PDT Architects
 - Completion – Fall 2014

The current CM and GC Projects that we have in construction (smaller projects not listed) are:

- Hannaford Bros. – Yarmouth Hannaford
 - Renovation and Expansion of existing supermarket
 - General Contractor
 - \$3,500,000
 - Harriman Associates
 - Completion – October 2014
- The Catholic Diocese – St. Francis Housing
 - New construction of 40 housing units on urban site where St. Francis Church was located
 - General Contractor
 - \$4,700,000
 - CWS Architects
 - Completion – July 2014
- Gray Public Library Association – Gray Public Library
 - New addition and renovation to existing library
 - Construction Manager
 - \$1,300,000
 - Reed Architecture
 - Completion – February 2014
- Salvation Army – Camp Sebago Lodge
 - New construction of summer camp lodge/auditorium
 - General Contractor
 - \$2,050,000
 - SMRT
 - Completion – May 2014



PROPOSAL FORM FOR CM AT RISK

Additions and Alterations to the Thomas Memorial Library Cape Elizabeth, ME

TO: **Michael McGovern**
Town of Cape Elizabeth
PO Box 6260
Cape Elizabeth, ME 04107

Having examined the provided documents, we the undersigned propose the following terms that, if selected as the CM for the project, will be incorporated into the contract:

PROPOSED FEE AND ALLOWANCE SCHEDULE

Assumed \$3,000,000 Construction Budget (GMP)
8 to 10 month construction schedule (starting late fall 2014)

Total fee for Preconstruction Services		<u>\$ 9,000.00</u>
Total CM Fee Percentage for construction phase (Excl. Preconstruction Services)		<u>4.00%</u>
Proposed CM Estimating Contingency (% of Construction Budget) ^{1,2}		<u>1.50%</u>
General Conditions/Basic Requirements ³	(8 months)	<u>\$ 139,890.00</u>
(See attached detailed breakdown of General Conditions)	(10 months)	<u>\$ 160,300.00</u>

Notes:

1. Recognizing that a typical CM estimating contingency starts high (maybe 10%) and diminishes as drawings are developed, the CM Estimating Contingency on the proposal form reflects our proposed estimating contingency at the time of execution of Part 2 of the CM contract.
2. ***We propose to return 100% of all savings in the CM Contingency***
3. The General Conditions are based on an eight (8) to ten (10) month schedule with a late fall 2014 start. We will work with the project team to create the most efficient schedule and will adjust the General Conditions accordingly at the time of GMP.

Signed: _____



By: Jeffrey E. Zachau, President



Additions and Alterations to the Thomas Memorial Library - Cape Elizabeth, ME

Proposed General Conditions

Zachau Construction Inc.

1185 US Route One

PO Box J

Freeport, ME 04032

Ph 207.865.9925 Fax 207.865.9926



Description	Comment	Owner	COSTS (TO BE INCLUDED IN GMP)				
			8 month project (34 weeks)		10 month project (40 weeks)		
			General Requirements	General Overhead	General Requirements	General Overhead	
Building and Site Layout	Not applicable						
Conducting of Job Progress Meetings	Included in PM		included		included		
Construction Photos	Included in PM		included		included		
Contractor Bidding and Negotiations				X		X	
Design Services (Architectural and Engineering)		X					
Drawings & Specifications		X					
Daily and Final Cleaning			\$ 5,000.00		\$ 6,250.00		
Geotechnical Investigation & Report		X					
Geotechnical Services During Construction		X					
Home Office Labor				X		X	
Home Office Overhead & General Expenses				X		X	
Home Office Vehicles & Travel				X		X	
Impact Fees		X					
Insurance, Builder's Risk & Fire		X					
Performance and Payment Bonds	Excluded; if needed add 1% of GMP cost						
Insurance, CM and Subcontractor's Liability				X		X	
Insurance, Worker's Compensation				X		X	
Meeting Minutes/Memos	Included in PM		included		included		
Monthly Pay Requests, Preparation				X		X	
Permits (Building, State Fire Marshal, DEP & Site)		X					
Plans/Reproduction			\$ 1,000.00		\$ 1,000.00		
Prep & Updating of Project Schedules	Included in PM		included		included		
Project Closeout	Included in PM		included		included		
Labor and Reimbursables of Project Managers	\$1,000 per week		\$ 34,000.00		\$ 40,000.00		
Labor of Contractors Safety Inspector				X		X	
Project Signage			\$ 750.00		\$ 750.00		
Labor and Reimbursables of Project Superintendent	\$1,850 per week		\$ 62,900.00		\$ 74,000.00		
Record Drawings (As-Builts) and Owner's Manuals	Included in PM		included		included		
On-Site Safety Program & Enforcement			\$ 3,500.00		\$ 3,500.00		
Sales Tax (Town of Cape Elizabeth is Tax Exempt)							
Temporary Site Office / Supplies / Equipment			\$ 4,200.00		\$ 5,250.00		
Snow Removal	Allowance: to be adjusted once actual schedule is determined		\$ 2,000.00		\$ 2,000.00		
Special Inspections		X					
Survey, Boundary		X					
Survey, As-Built	Not applicable						
Temporary Electric Utility Charges		X					
Temporary Enclosures & Fencing	Use Zachau barricades - no cost		included		included		
Temporary Heat Equipment & Fuel Allowance (Winter Conditions)	Allowance: to be adjusted once actual schedule is determined		\$ 15,000.00		\$ 15,000.00		
Temporary Communications			\$ 1,600.00		\$ 2,000.00		
Temporary Power - Installation	Use existing	X					
Temporary Protection			\$ 1,500.00		\$ 1,500.00		
Temporary Sanitary Facilities			\$ 1,440.00		\$ 1,800.00		
Temporary Signage	Use Zachau Signs - no cost		included		included		
Temporary Storage			\$ 1,000.00		\$ 1,250.00		
Temporary Water	Use existing	X					
Testing/Inspections		X					
Trash Removal	Demolition debris carried in cost of		\$ 6,000.00		\$ 6,000.00		
Travel Expenses	Not applicable						
Warranty	Included		included		included		
Shop Drawing Review and Reproduction	Included in PM		included		included		
General Transportation	Included		included		included		
Project Executive				X		X	
Accounting Staff				X		X	
Support and Clerical Staff				X		X	
Scheduling	Included in PM		included		included		
Security	Not applicable						
Fixtures, Furnishings, and Equipment (supplied by owner, installed by contractor)		X					
TOTALS			\$ 139,890.00		\$ 160,300.00		

General Conditions are based on an anticipated 8-10 month schedule with a late fall 2014 start.

Description	Orig Dur	Early Start	Early Finish	2014												2015											
				MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT				
Project Start	0	13MAR14		◆ Project Start																							
CM Awarded	0	13MAR14		◆ CM Awarded																							
Schematic Design Phase	6d	13MAR14	20MAR14	■ Schematic Design Phase																							
Committee Meeting #4	0	20MAR14 *		◆ Committee Meeting #4																							
SD Estimate	10d	21MAR14	03APR14	■ SD Estimate																							
Design Development Phase	40d	21MAR14	15MAY14	■ Design Development Phase																							
Submit to Planning Board for April Meeting	0	28MAR14 *		◆ Submit to Planning Board for April Meeting																							
Committee Meeting #5	0	03APR14 *		◆ Committee Meeting #5																							
Planning Board Meeting	0	15APR14 *		◆ Planning Board Meeting																							
Committee Meeting #6	0	17APR14 *		◆ Committee Meeting #6																							
Committee Meeting #7	0	01MAY14 *		◆ Committee Meeting #7																							
Committee Meeting #8	0	15MAY14 *		◆ Committee Meeting #8																							
Construction Documents Phase	38d	16MAY14	10JUL14	■ Construction Documents Phase																							
DD Estimate	9d	16MAY14	29MAY14	■ DD Estimate																							
Committee Meeting #9	0	29MAY14 *		◆ Committee Meeting #9																							
Committee Meeting #10	0	12JUN14 *		◆ Committee Meeting #10																							
Adoption by Planning Board	0	17JUN14 *		◆ Adoption by Planning Board																							
Committee Meeting #11	0	10JUL14 *		◆ Committee Meeting #11																							
Bid 100% CDs	10d	11JUL14	24JUL14	■ Bid 100% CDs																							
Committee Meeting #12	0	24JUL14 *		◆ Committee Meeting #12																							
Town of Cape Elizabeth Referendum	0	04NOV14 *		◆ Town of Cape Elizabeth Referendum																							
Execute Part 2 of CMR Contract	10d	04NOV14	17NOV14	■ Execute Part 2 of CMR Contract																							
Owner Move Out	7d	18NOV14	26NOV14	■ Owner Move Out																							
Construction Start	0	01DEC14		◆ Construction Start																							
Construction Phase	210d	01DEC14	25SEP15	■ Construction Phase																							

Start date	13MAR14
Finish date	25SEP15
Data date	13MAR14
Run date	18FEB14
Page number	1A
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**Zachau Construction Inc.
Thomas Memorial Library
Preliminary Schedule**

- Early bar
- Progress bar
- Critical bar
- Summary bar
- ◆ Start milestone point
- ◆ Finish milestone point

COMPANY REFERENCES

Tina Martell, Town of Gray (207) 939-5752, tina.martell@td.com

Doug Webster, Town of Gray (207) 657-3112, dwebster@graymaine.org

Matthew Sturgis, Town of Gray (207) 657-2190, matthew.sturgis@capeelizabeth.org

- Owner's Rep, Gray Public Library

Alan Nichols (207) 522-0688, anichols@developmentsvcs.com

- Owner, Development Services of NE
- Owner's Rep , Oakleaf II – Senior Housing
- Owner's Rep , Maine Standards Co LLC
- MaineHousing, Westbrook Gardens

Dean Miller (207) 892-1300, dmiller@mainestandards.com

- Owner, Maine Standards

John Eagan, CEI (207) 882-7552, jwe@cei.org

- Owner, Rivershore

Adam Nappi (207) 865-6631, adam@bowstreetmarket.com

- Owner, Bow Street Market

John Charette, Port City Architects (207) 831-7757, john@charette-design.com

- Project Architect, Dockside (Formerly the Falmouth Sea Grill)
- Project Architect, Maine Standards

Jim Hatch (207) 865-1652, jimhatch212@gmail.com

- Executive Director, Freeport Housing Trust

Fred Pape (207) 775-6111, FredPape@PapeChevrolet.com

- Pape Auto Group, numerous projects
- Building Committee, Morrison Developmental Center

Drew Wing (207) 329-2564, drewwing7@gmail.com

- Owner, Concord Brook Condominiums
- Executive Director, Boys to Men

Charlie Merrifield (207) 749-4379, cmerrifield@hannaford.com

- Project Manager, numerous Hannaford projects

Pandika Pleqi, Winton-Scott Architects (207) 774-4811, ppleqi@wintonscott.com

- Project Architect, Oakleaf I & II – Senior Housing

Shawn Gorman (207) 329-3461, sgorman@llbean.com

- President, JTG Foundation
- Chairman, LL Bean



February 18, 2014

Town of Cape Elizabeth
Michael McGovern, Town Manager
PO Box 6260
Cape Elizabeth, ME 04107

RE: ZACHAU CONSTRUCTION, INC. – (Prequalification – Thomas Memorial Library Renovation and Addition, Town of Cape Elizabeth, ME)

Dear Mr. McGovern,

At its request, we are pleased to provide the following information on behalf of our client, **Zachau Construction, Inc.** We have been providing the surety bonds for **Zachau Construction, Inc.** for many years and consider it to be an excellent contractor, worthy of our highest recommendation.

We are the bond agency for **Zachau Construction, Inc.** at the address and phone heron and the **surety underwriter is Matthew R. Blaisdell, Travelers Casualty and Surety Company of America**, 207 Larrabee Road, Westbrook, ME 04092 (207) 857-2001.

At the present time, **Zachau Construction, Inc.** enjoys a bond program in the neighborhood of **** Ten Million Dollars *** (\$10,000,000) Single Project and *** Fifteen Million Dollars *** (\$15,000,000) in the Aggregate.** It is understood this program is subject to our usual underwriting review including the continued financial strength of our contractor, additional contracts awarded subsequent hereto, mutually acceptable contract documents including bond forms, evidence of adequate financing (if deemed appropriate) and all other usual and customary underwriting criteria employed by any surety.

It is our understanding this contractor's current bonded backlog is in the **\$4,000,000 range.**

In our opinion, **Zachau Construction, Inc.** is fully qualified, both financially and in all other respects, to undertake and successfully complete this project. We would urge you to give **Zachau Construction, Inc.** every consideration in your selection process and please contact us if we may be of any further assistance whatsoever to this outstanding contractor.

Sincerely,



Blair E. Torelli
Executive Vice President

btorelli@crosssurety.com

Cc: *Jeffrey E. Zachau, President, Zachau Construction, Inc.*