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March 25, 2020

Mr. Paul Moosey, P. E.
Commissioner of Public Works and Parks
Department of Public Works and Parks
20 East Worcester St.
Worcester, MA 01604

RE: Owner's Project Management Services for Triple-A Ballpark – Amendment No. 5

Dear Mr. Moosey:

Skanska is pleased to submit our proposal for continued OPM services for the Worcester Ballpark. We respectfully request that the merits of our proposal be read and considered in totality with what Skanska has been previously funded for in Amendment 3 dated August 9, 2019, and how the project has tracked since then and up to this proposal, which we believe is supported below.

The City, the Team and Skanska, agreed in October 2018 that the funding for our services could be provided in phases, and that the first phase would be through the Design Development phase, or June 2019. The second phase was the redesign of the project, as it was nearly 100% over budget at the Schematic Design phase. The redesign was to be complete in November 2019 and it still continues, six months later.

As soon as the first design packages were released for the early construction work, the RFI process began in earnest. Two things became clear. One was that the design of each of the packages was anything but complete, despite the drawings and specifications being labeled 100% CD's. The other was that the architecture had not been coordinated with the structure, and the geometry of the two did not match. This took months to resolve (and we remain optimistic it is resolved). The number and complexity of the RFI's on just the first round of structural steel drawings was so significant that the first delivery of steel was delayed by six weeks because of it. As you are aware, the City/WRA was put on notice by Gilbane-Hunt (JV) on February 26, 2020 for this delay.

We experienced similar issues as subsequent design packages were issued for bid. Many of the packages were so incomplete that we had to return them to the architect to correct before we could issue for bid. Other packages, which were critical to maintain schedule, were issued, and the number of RFI's on these was in the hundreds. Bid dates had to be delayed multiple times due to missing information, incomplete documents or conflicts. In fact, the Electrical bid date was pushed back five times due to these issues.

Because of the design team's struggles with deliverables, combined with the multiple projects (Garage, Left Field Building, SOMA) it was determined that the Skanska team would issue all Bulletins and design directives. We have issued 121 bulletins with a number currently in process. Skanska has also issued 21 Addenda during the procurement phase. It is important to recognize that the design team would normally manage these efforts and, as a result, OPM staff time has been diverted to manage this. We have also processed more than 478 RFI's from bidders during the bid phase, as well as all notices and other correspondence with the bidding community. There have been an additional 484 RFI's from the JV. Moreover, the designer's unfamiliarity with MGL Ch. 149a procedures and requirements has placed an added workload on Skanska, creating significant rework and resultant drawing revisions merely to comply with Massachusetts public procurement requirements. Just the email traffic alone from DAIQ is overbearing, and the resulting coordination with the JV is more than any other 149a project in my 40 of years of construction and owner's project management experience.

As always, we appreciate the support of the City/WRA and WRS and their management teams. The level of effort of the OPM staff has far exceeded what anyone could have anticipated in October 2018, however. The complexity of the addition of the Left Field Building foundation to the JV's scope, coordination of the SOMA work, coordination with Wyman-Gordon, intensive review of drawings, legal issues, meetings on top of

meetings, budget and finance matters, have all increased the level of management and engineering support on the WRA projects. Budget and finance matters include working with the City/WRA senior project manager and the WRS closely to constantly monitor and correct DAIQ's invoices, essentially managing their sub-consultants from a financial perspective. Additionally, the JV has been struggling with the cost reporting of the project, including actual and forecasted costs, allocation to the various funding buckets, tracking of costs, etc. The OPM, likewise, has been working with the City/WRA senior project manager and the WRS, has spent an inordinate amount of time correcting multiple errors and misinformation from the JV, thus resulting in a truer, more accurate accounting of construction costs.

I have attached our Amendment 3 staffing chart and shown the actual hours (in green) expended each month compared to the original budgeted hours. You will see that our burn rate has been much higher than budgeted through April, and that our continued involvement will be greater than anticipated. At the end of April 2020, we had expended \$343K more than budgeted up to that time. You might also recall that we previously reduced our proposed staffing projections by \$200K on two occasions at the request of the City and the WRS.

I have also attached the Amendment 5 staffing chart, showing the anticipated level of effort required to complete the project. Included in this chart is the team necessary to bring the project to successful completion. Within a few months, we will have up to 27 trade contractors on board, all seeking change orders due to the conflicts in the documents. This trend shows no sign of decreasing, considering the number of bulletins issued in the last two weeks, and the nearly 500 RFI's on the current architectural documents.

As shown below, I have added the amount invoiced to date on the Ballpark to the total projection ("cost to go"), and then deducted the amount funded to date for Skanska and IFG, resulting in an amount of \$785,710 additional funding required for Amendment 5.

| | | | |
|----------------------------------|-----------------|--|--------------------|
| Skanska Cost to Go | | | \$1,940,015 |
| Travel and Reimbursables | | | \$12,000 |
| | | | |
| | Subtotal | | \$1,952,015 |
| | | | |
| Invoiced to Date - Skanska | Feb-20 | | \$1,262,185 |
| Invoiced to Date -IFG | Feb-20 | | \$193,727 |
| Invoiced to Date - Reimbursables | Feb-20 | | \$12,163 |
| Invoiced to Date | Subtotal | | \$1,468,075 |
| | | | |
| Predicted Final Cost | | | \$3,420,090 |
| Funded to date thru Am 4 | | | \$2,634,380 |
| Amendment 5 Total | Total | | \$785,710 |

In conclusion, the above is still significantly less than Skanska's original staffing proposal of \$3.8M from October 2018, and represents just 3.1% of the \$110M Ballpark construction cost. This is certainly in line with usual OPM costs as a percentage of construction cost, maybe a bit less, and the effort on this Ballpark project is well beyond usual with respect to numbers of third parties, complexities, schedules and level of effort required.

Skanska proposes to perform these services through completion of the ballpark in April 2021, including closeout through June 2021, in the amount of \$785,710. As always, staffing will be provided on an as need basis.

We look forward to our continued work with the Worcester Redevelopment Authority, City of Worcester and the Team in bringing the Worcester Ballpark to a successful completion.

Best Regards,

A handwritten signature in blue ink, appearing to be 'KM', with a long, sweeping underline that curves to the right.

Keith Martin
Project Executive
SKANSKA USA BUILDING INC.



May 22, 2020

Items driving OPM efforts on the project:

1. Redesign when SD was 100% over budget in May 2019. Still not complete.
2. Multiple reviews of incomplete and/or inaccurate design packages
3. Providing the same comments and findings on successive drawing issues where they were not incorporated previously
4. Review of multiple change order requests due to drawing omissions and/or errors. WL French alone has in excess of 85 change orders in eight months.
5. Review and handling of 505 RFI's from subs alone, plus another 520 during the bid phases of the project
6. Processing 158 bulletins, many of which had to be returned to the design team as incomplete
7. Review and processing of tens of thousands of emails, some of which are 30 pages in length from the design team
8. Coordination of LFB foundation, waterproofing, drainage, garage sections and ongoing schedule issues
9. Coordination of SOMA and Wyman Gordon matters
10. Constant review and correcting of DAIQ invoices and requests for additional funding
11. By default, managing DAIQ's sub-consultants because they couldn't
12. Coordination of Container Park issues, which never end
13. Tracking and bucketing of costs across the whole program to align with various funding sources
14. Working with the JV on development of an accurate and understandable cost report
15. Working with the JV on change order log, including weekly meetings in excess of one hour
16. Review and handling of multiple Notices from the JV.

Of the Amendment #5 request of \$785,710, nearly half of that (\$343K) has already been spent managing the above. Our burn rate has been 1712 hours in excess of budget through April.

The remaining \$442K reflects the cost to manage the project through completion, Ballpark only. The total proposed contract value is still \$400K less than our original proposal of \$3.8M in October 2018, and is less than 3% of the current \$120M estimated cost at completion of the Ballpark

| Category | Numbers | | | |
|--------------------------------------|---------|---------|---------|------------|
| | DAIQ | JV/Subs | Bidders | Skanska |
| RFIs* | - | 505 | 520 | - |
| Bulletins | 158 | - | - | - |
| Design Directives | - | - | - | |
| Addenda | - | - | - | 21 |
| [Other] | | | | |
| [Other] | | | | |
| Diverted Skanska Fees (DAIQ) | - | - | - | \$ 154,000 |
| Diverted Skanska Fees LFB | - | - | - | \$ 72,000 |
| Diverted Skanska Fees SOMA/W-G/legal | | | | \$ 77,000 |



Job Cost to go from 3rd week April to completion.
May 27, 2020

| PROJECTED LABOR | Billed to Date | 2020 | | | | | | | | | | | | 2021 | | | | | | | Projected Billing for Project | | | | | | | | |
|--|----------------|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|-----|-----|-----|-----|------|------|-------------------------------|------|--------|-------|------|---------------------|------------|--|--|
| | | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | June | July | Total Hrs | Rate | Amount | | | | | | |
| Project Management | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Project Management | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| K. Martin | hrs/month | | | | 48 | 130 | 130 | 130 | 64 | 64 | 64 | 64 | 64 | 64 | 64 | 64 | 64 | 32 | 32 | | | | | | 1078 | \$ 225 | \$ 242,550 | | |
| T. Doolittle | | | | | 44 | 129 | 129 | 109 | 86 | 86 | 86 | 86 | 86 | 86 | 86 | 86 | 86 | | | | | | | | 1185 | \$ 175 | \$ 207,375 | | |
| K. Kane | hrs/month | | | | 0 | 40 | 86 | 173 | 173 | 173 | 173 | 173 | 173 | 173 | 173 | 173 | 173 | 173 | 173 | | | | | | 2202 | \$ 215 | \$ 473,430 | | |
| P. Benitez | | | | | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | | | | | | | | 104 | \$ 185 | \$ 19,240 | | |
| R. Malone | | | | | 68 | 173 | 173 | 173 | 173 | 173 | 173 | 173 | 173 | 173 | 173 | 173 | 173 | 173 | 87 | | | | | | 2404 | \$ 175 | \$ 420,700 | | |
| R. L'Hereux | | | | | 0 | 173 | 173 | 173 | 173 | 173 | 173 | 173 | 173 | 173 | 173 | 173 | 173 | 173 | 173 | | | | | | 2422 | \$ 145 | \$ 351,190 | | |
| Charest/Gleason/TBD | | | | | 40 | 173 | 173 | 173 | 173 | 173 | 173 | 173 | | | | | | | | | | | | | 1078 | \$ 185 | \$ 199,430 | | |
| M. Appell | | | | | 32 | 32 | 32 | 32 | 32 | 32 | 32 | 32 | 32 | 32 | 32 | | | | | | | | | | 352 | | \$ - | | |
| P. Couture | | | | | | | | | | | | | | | | | | | | | | | | | 0 | | \$ - | | |
| IFG Admin | | | | | | | | | | | | | | | | | | | | | | | | | 0 | | \$ - | | |
| Supervision/Office Support | | | | | | | | | | | | | | | | | | | | | | | | | 0 | | \$ - | | |
| Insert Name | hrs/month | | | | | | | | | | | | | | | | | | | | | | | | 0 | | \$ - | | |
| Insert Name | hrs/month | | | | | | | | | | | | | | | | | | | | | | | | 0 | | \$ - | | |
| Insert Name | hrs/month | | | | | | | | | | | | | | | | | | | | | | | | 0 | | \$ - | | |
| Administration | | | | | | | | | | | | | | | | | | | | | | | | | 0 | | \$ - | | |
| Insert Name | hrs/month | | | | | | | | | | | | | | | | | | | | | | | | 0 | | \$ - | | |
| Administrative | hrs/month | | | | 10 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | | | | | | 290 | \$ 90 | \$ 26,100 | | |
| Accounting | | | | | | | | | | | | | | | | | | | | | | | | | 0 | | \$ - | | |
| | hrs/month | | | | | | | | | | | | | | | | | | | | | | | | 0 | | \$ - | | |
| Greg | hrs/month | | | | | | | | | | | | | | | | | | | | | | | | 0 | | \$ - | | |
| IT Labor | | | | | | | | | | | | | | | | | | | | | | | | | 0 | | \$ - | | |
| IT Labor | hrs/month | | | | | | | | | | | | | | | | | | | | | | | | 0 | | \$ - | | |
| TOTAL LABOR PROJECTED (MONTHLY) | | - | 0 | 0 | 0 | 250 | 705 | 924 | 991 | 902 | 902 | 902 | 729 | 729 | 729 | 729 | 697 | 697 | 571 | 485 | 173 | | | 11115 | | 1,940,015.00 | | | |



Green bars indicate hours expended to date above budget. Total cost for that burn rate is \$341K. See Summary letter for Amendment calculations. May 27, 2020

Worcester Ballpark

| ITEM # | PROJECTED LABOR | 2018 | | | 2019 | | | | | | | | | | | | 2020 | | | | Projected Billing for Project | | | |
|--------|-----------------------------------|------|-----|-----|------|-----|-----|-----|-----|------|------|-----|------|-----|-----|-----|------|-----|-----|-----|-------------------------------|-----------|---------------------|------|
| | | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | June | July | Aug | Sept | Oct | Nov | Dec | Jan | Feb | Mar | Apr | Total Hrs | Rate | Amount | |
| | Project Management | | | | | | | | | | | | | | | | | | | | | | | |
| 1 | K. Martin hrs/mo | 48 | 87 | 87 | 64 | 64 | 64 | 64 | 64 | 64 | 69 | 69 | 69 | 69 | 69 | 69 | 32 | 32 | 32 | 32 | 1148 | \$ 225 | \$ 258,300 | |
| | Actual 1 | 35 | 84 | 44 | 56 | 85 | 124 | 122 | 112 | 110 | 120 | 188 | 104 | 146 | 120 | 122 | 101 | 91 | 108 | 124 | 1996 | \$ 225 | \$ 449,100 | |
| | T. Doolittle | 64 | 64 | 64 | 64 | 64 | 64 | 64 | 64 | 64 | 138 | 138 | 138 | 138 | 138 | 138 | 129 | 129 | 129 | 129 | 1856 | \$ 170 | \$ 315,520 | |
| | Actual 2 | 34 | 47 | 98 | 88 | 126 | 141 | 141 | 117 | 104 | 97 | 155 | 110 | 112 | 113 | 116 | 119 | 74 | 106 | 105 | 2003 | \$ 170 | \$ 340,510 | |
| 3 | B Charest/Susahrs/month | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | \$ 180 | \$ - |
| | Actual 3 | | | | | | | | | | | | 128 | 48 | 56 | 60 | 64 | 125 | 122 | 114 | 717 | \$ 177 | \$ 126,909 | |
| | P Benitez | 8 | | 8 | | 16 | | 8 | | 8 | 4 | 4 | 4 | 4 | 10 | 4 | 24 | 4 | 8 | 24 | 138 | \$ 165 | \$ 22,770 | |
| | Kevin Kane | | | | | | | | | | | | | | | | | | | | 0 | \$ 215 | \$ - | |
| | Malone | | | | | | | | | 81 | 108 | 200 | | 173 | 163 | 150 | 197 | 173 | | | 1245 | \$ 170 | \$ 211,650 | |
| | | | | | | | | | | | | | | | | | | | | | 0 | | \$ - | |
| | Engineer | | | | | | | | | | | | | | | | | | | | 0 | \$ 90 | \$ - | |
| | | | | | | | | | | | | | | | | | | | | | 0 | | \$ - | |
| | | | | | | | | | | | | | | | | | | | | | 0 | | \$ - | |
| | Supervision/Office Support | | | | | | | | | | | | | | | | | | | | 0 | | \$ - | |
| 7 | Insert Name hrs/month | | | | | | | | | | | | | | | | | | | | 0 | | \$ - | |
| 8 | Insert Name hrs/month | | | | | | | | | | | | | | | | | | | | 0 | | \$ - | |
| 9 | Insert Name hrs/month | | | | | | | | | | | | | | | | | | | | 0 | | \$ - | |
| | Administration | | | | | | | | | | | | | | | | | | | | 0 | | \$ - | |
| 10 | Insert Name hrs/month | | | | | | | | | | | | | | | | | | | | 0 | | \$ - | |
| 11 | Catherine hrs/mo | 8 | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 20 | 14 | 18 | 10 | 20 | 30 | 20 | 30 | 20 | | 302 | \$ 75 | \$ 22,650 | | |
| | Accounting | | | | | | | | | | | | | | | | | | | | 0 | | \$ - | |
| 12 | hrs/month | | | | | | | | | | | | | | | | | | | | 0 | | \$ - | |
| 13 | Greg hrs/month | | | | | | | | | | | | | | | | | | | | 0 | | \$ - | |
| | IT Labor | | | | | | | | | | | | | | | | | | | | 0 | | \$ - | |
| 14 | IT Labor hrs/month | | | | | | | | | | | | | | | | | | | | 0 | | \$ - | |
| | | | | | | | | | | | | | | | | | | | | | 0 | | \$ - | |
| 15 | LABOR PROJECTED (M | 133 | 298 | 317 | 288 | 371 | 409 | 415 | 373 | 451 | 550 | 772 | 563 | 710 | 699 | 679 | 696 | 648 | 505 | 528 | 9405 | | 1,747,409.00 | |