



CITY OF NEWBURYPORT
OFFICE OF PLANNING AND DEVELOPMENT
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MEMORANDUM

TO: Newburyport City Council

FROM: Andrew R. Port, Director of Planning & Development

CC: Donna D. Holaday, Mayor

RE: Appropriation & Transfer of Funds – Design Contract – Market Landing Park Expansion

DATE: February 16th, 2021

As you know, the former Newburyport Redevelopment Authority (NRA) was dissolved by the state legislature in June 2020. All land and assets of the NRA have since been transferred to the City of Newburyport, including approximately \$570K available for design and construction of improvements associated with Market Landing Park Expansion.

On November 17, 2020 a Request for Proposals (RFP) was issued by the Office of Planning & Development for the purposes of soliciting responses from interested design firms. The Council's Ad Hoc Committee on Market Landing Park Expansion reviewed Price and Non-Price Proposals from fourteen (14) prospective design firms, and ultimately selected Sasaki Associates, Inc. as the preferred bidder. The Ad Hoc Committee, Mayor and Office of Planning & Development now recommend that the City Council appropriate funds in the amount of \$134K, plus \$16K in contingency funding (\$150K total), to implement schematic phase design work and cost estimates for park expansion during 2021. This work is encompassed by Tasks 1-6 in the RFP. The City can, following completion of schematic design later this year, solicit a Fee Proposal from Sasaki to complete RFP Tasks 7-9 (*final design, permitting, bidding and construction administration*). Alternatively, the City can decide to continue work with another design firm at that time if desired.

Price proposals from firms for schematic design (Tasks 1-6) ranged from \$94,800 to \$352,300. Sasaki was the highest ranked firm in review of Non-Price Proposals (*i.e. approach to the project, relevant experience and qualifications, etc.*). As such, the price proposal from Sasaki Associates represents a very reasonable cost for the design work and services required at this time. Based on various factors including project size and scope, known project parameters and constraints, the City's cost to undertake all Tasks 1-9 (*schematic design through to construction administration*) will likely range between \$300-350,000. This includes permitting, additional site testing and DEP reporting on soil conditions, civil engineering work necessary to bring the landscape architect's design plans to a "shovel-ready" status and oversight of bid and construction work by prospective contractors. It is therefore likely that the City will have between \$220-270K remaining in NRA revenues upon final design to apply towards construction activities. This places the fee proposal of \$134K

entirely within the overall project budget available at this time with adequate latitude for additional design/consultant services that will be required after the current schematic design phase.

For any Councilors hesitant to appropriate design funds at this time for the long awaited Market Landing Park Expansion project, please consider the following:

1. The Council’s own Order and Resolution regarding the central waterfront, in conjunction with the Act that dissolved the NRA, call for final design and construction of the envisioned Market Landing Park Expansion. This initial contract with Sasaki Associates will refine the previously agreed upon “Framework” park plan with extensive base mapping, detailed information on park layout and site improvements and most importantly a detailed construction cost estimate for the desired site improvements as a basis for future steps.
2. There appears to be sufficient funding available from NRA dissolution to cover the full cost of design, permitting, bidding and construction oversight, with some funding still remaining for construction.
3. The contract terms with Sasaki will include a target construction budget of \$5M, even in advance of schematic design work and cost estimates generated from Tasks 1-6, to ensure that the final construction project remains financially viable for the City. While there are various sources of funding that can be used to supplement the construction budget, following is an outline of anticipated funding sources and potential amounts as of this time:

a. Remaining NRA Revenues (available after design work):	\$220K +/-
b. CPA Yearly Funding (pending FY’22, FY’23 requests):	\$500K +/-
c. CPA Bonding (FY’23) (flagship central waterfront park project): ††	\$3M +/-
d. State “PARC” Grant (pending schematic design work, detailed cost estimate):	\$400K +/-
e. Herman Roy Trust Fund (“betterment of the Newburyport Waterfront”):	\$750K +/-
f. Parking Revenues from NRA East/West Lots (required by dissolution Act):	\$130K +/-

†† *While the City may need to bond CPA revenues to cover all construction costs (item c. above) it is highly likely that the prominence and overall importance of this project will secure local support for that option, as has already been done for arguably less well known projects or initiatives such as High School Stadium renovations, City Hall Renovations and various Open Space acquisitions. CPA bonding is covered by the CPA surcharge and state matching funds and should not be confused with other bonding sources, options or limitations the Council may be considering for capital projects unrelated to Community Preservation.*

For context, Finance Director Ethan Manning has confirmed that FY’19 parking receipts (pre-pandemic) for the former NRA East and West Lots (collectively) were \$195,499. Receipts for the Waterfront Trust parking lot were \$107,306. At this time, we would assume roughly \$250,000 in annual debt service for a \$3 million CPA bond (as noted above). For park improvements, the maximum borrowing term is 15 years. Assuming our design includes a small building for new public restrooms and visitor information (to replace the existing temporary trailers) that portion could be bonded out 25-30 years.

After decades of debate about the future of our central waterfront, years of negotiations necessary to confirm the “Framework” plan for Market Landing Park Expansion and obtain final dissolution of the NRA, it is time to seamlessly transition into design phase work with a reputable Landscape Architectural firm like Sasaki

Associates. I respectfully request approval of the associated transfer and appropriation at your earliest convenience so that our work with the design team can proceed forthwith. A series of meetings and communications, as well as a project webpage, will keep the Council and other interested parties informed of our progress and next steps in the months ahead.

Thank you for your time and support for this long awaited project!