

The August 28, 2019 Board Meeting minutes were approved by the MSBA's Board of Directors at the October 30, 2019 meeting.

Massachusetts School Building Authority Board Meeting Minutes of August 28, 2019

A meeting of the Massachusetts School Building Authority (the "Authority" or "MSBA") was held on August 28, 2019 at 40 Broad Street, Boston, Massachusetts.

Members Present: Deborah Goldberg, State Treasurer and Chair; Anne Brockelman, appointed member; Sean Cronin, Designee of the Secretary of Administration and Finance; Matt Deninger, Designee of the Commissioner of Education; Sheila Vanderhoef, appointed member; and Terry Kwan, appointed member.

Others Present: James MacDonald, Chief Executive Officer; Jack McCarthy, Executive Director/Deputy Chief Executive Officer; Christine Nolan; Mary Pichetti; John Jumpe; Karl Brown; Kevin Collins; Christy Murray; Peter Falk; Laura Guadagno; Tamia Buckingham; Gianpiero Tirella; Colleen Smith; Briana Malloy-Walker; Matt Donovan; Maria Puopolo; Sarah Andrews; members of the press; municipal representatives; legislative representatives; local elected officials; and other members of the public. A sign-in sheet is on file at the MSBA.

Call to Order

James MacDonald, First Deputy Treasurer and MSBA Chief Executive Officer, presided over the first part of the meeting as Acting Chair.

The Acting Chair called the meeting to order at 10:00 a.m. and asked if anyone is recording the meeting. No one announced that they were recording the meeting.

Next, the Acting Chair provided a brief overview of the items on the agenda for the meeting. He explained that the Board will be voting to: authorize the MSBA to enter into Project Funding Agreements for two Accelerated Repair projects in two districts with an Estimated Maximum Total Facilities Grant of approximately \$4.7 million; authorize two proposed projects to proceed into Preferred Schematic Design with an estimated \$182.4 million in total construction costs; and invite seven districts to enter into a Project Scope and Budget Agreement with a combined Estimated Maximum Total Facilities Grant of approximately \$274 million. The Board will also be voting to approve four final audits from three districts with a combined Final Total Facilities Grant amount of \$2,128,703 and voting on a reimbursement rate adjustment for one district. Finally, the Board will be provided updates from the Capital Planning and Finance staff.

Acceptance of the June 26, 2019 Minutes

The Acting Chair asked for a motion to accept the minutes of the June 26, 2019 Board Meeting. A motion was made by Ms. Brockelman and seconded by Mr. Cronin:

Approval of the Minutes of the June 26, 2019 Board Meeting

VOTED: That the Board of Directors of the Massachusetts School Building Authority hereby approves the Minutes of the June 26, 2019 Board meeting.

VOTE: *There being no questions or comments, the Board approved the Motion to approve the Minutes of the June 26, 2019 Board Meeting by majority – 5 in favor, 0 abstaining.*

Project

Accelerated Repair Program Project Funding Agreement Authorization

MSBA Project Manager Kevin Collins explained that MSBA staff have received Schematic Design submissions from two districts for Accelerated Repair projects at two schools. The proposed projects combined include two roof replacements, two window and door replacements, and one boiler replacement. MSBA staff have reviewed the existing conditions analysis and proposed schedule provided by each district and have discussed the scope and budget with the districts and their consultants. The districts have provided a combined Total Project Budget of \$11,074,984, which includes a total combined construction estimate of \$8,480,984. The combined Estimated Maximum Total Facilities Grant for these two projects is \$4,742,529. Including potentially eligible project contingencies, the combined Maximum Facilities Grant is \$4,964,420.

At the June 27, 2018 Board of Directors Meeting, Norfolk County's invitation to the Accelerated Repair Program ("ARP") included the replacement of the roof and windows/doors at both Kemp Hall and the Plant Science Building as well as the boilers at the Plant Science Building. Following the completion of the Schematic Design, the District elected not to proceed with the proposed roof, windows/doors, and boiler scope at the Plant Science Building and this scope will be removed from the ARP invitation.

The Acting Chair asked for a motion, and the following motion was made by Mr. Deninger and seconded by Ms. Brockelman:

Vote to Authorize the Executive Director to Execute Project Funding Agreements for Two Proposed Accelerated Repair Projects

VOTED: That the Board of Directors hereby approves the Proposed Accelerated Repair Projects, as set forth below and as further described in the materials presented to the Board and attached hereto, and as such Proposed Projects shall be further defined in the Project Funding Agreements, and authorizes the Executive Director to take all steps necessary to execute and deliver Project Funding Agreements with the Districts set forth below, in such forms as he may determine to be acceptable, and expend funds in accordance with such Project Funding Agreements, in accordance with the following:

District	School	Scope	Total Project Budget	Estimated Maximum Total Facilities Grant	Maximum Total Facilities Grant
Norfolk County Agricultural School District	Norfolk County Agricultural High School	Partial Roof, Partial Window/Door	\$4,999,135	\$1,640,724	\$1,715,924
Worcester	Challenge and Reach Academy	Roof, Boiler, Window/Door	\$6,075,849	\$3,101,805	\$3,248,496

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	Totals	\$11,074,984	\$4,742,529	\$4,964,420
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Tino Capobianco, aide to Senator Paul Feeney, thanked the MSBA on behalf of the Senator for the support for the Norfolk County Agricultural School District project.

Jay O'Brien, aide to Senator Walter Timilty, thanked the MSBA on behalf of the Senator for the support for the Norfolk County Agricultural School District project.

The Acting Chair noted that Representative Paul McMurtry sent a letter offering his support for the Norfolk County Agricultural High School project.

The Acting Chair noted that Representative James O'Day sent a letter offering his support for the Challenge and Reach Academy project in the City of Worcester.

VOTE: *There being no further questions or comments, the Board approved the Motion to execute Project Funding Agreements for Two Accelerated Repair Projects by majority – 5 in favor, 0 abstaining.*

Recommendation for Preferred Schematic

The MSBA's Director of Project Management, John Jumpe, explained that the Board is being asked to approve the preferred schematic designs for the Leicester Middle School located in the Town of Leicester and the Nauset Regional High School located in the Nauset Regional School District.

The Town of Leicester is proposing to replace the existing Leicester Primary School, Leicester Memorial Elementary School, and Leicester Middle School with a new PK-8 school facility on the existing Leicester Middle School site. This proposed project will serve an agreed upon enrollment of 930 students in grades K-8, for a project that will serve grades PK-8. The proposed project has an estimated construction cost of \$69,520,526.

The Acting Chair asked for a motion, and the following motion was made by Ms. Kwan and seconded by Mr. Deninger:

Vote on Moving the Town of Leicester to Schematic Design

VOTED: That the Board of Directors hereby authorizes the Executive Director to do all acts necessary, execute and deliver any and all documents and agreements, and expend funds as deemed appropriate by the Executive Director to assist the Town of Leicester with, in concept, the development of schematic designs to replace the existing Leicester Primary School, Leicester Memorial Elementary School, and Leicester Middle School with a new PK-8 school facility on the existing Leicester Middle School site, as further described in the materials presented to the Board and attached hereto, in accordance with G.L. c. 70B and 963 CMR 2.00 *et seq.* and all other guidelines and policies of the Authority.

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Leicester Superintendent Marilyn Tencza thanked the MSBA for its support and feedback regarding the Leicester Middle School project and introduced other local officials at the meeting.

***VOTE:** There being no further questions or comments, the Board approved the Motion to move the Town of Leicester to Schematic Design by majority – 5 in favor, 0 abstaining.*

Ms. Vanderhoef arrived at the meeting.

The Nauset Regional School District is proposing an addition and renovation project at the Nauset Regional High School, contingent upon the District gaining full ownership, control, and exclusive use of the site. This proposed project will serve an agreed upon enrollment of 905 students serving grades 9-12. The proposed project has an estimated construction cost of \$112,926,276.

The Acting Chair asked for a motion, and the following motion was made by Mr. Deninger and seconded by Ms. Kwan:

Vote on Moving the Nauset Regional School District to Schematic Design

VOTED: That the Board of Directors hereby authorizes the Executive Director to do all acts necessary, execute and deliver any and all documents and agreements, and expend funds as deemed appropriate by the Executive Director to assist the Nauset Regional School District with, in concept, the development of schematic designs for an addition and renovation project at the Nauset Regional High School contingent upon the District gaining full ownership, control, and exclusive use of the site, as further described in the materials presented to the Board and attached hereto, in accordance with G.L. c. 70B and 963 CMR 2.00 *et seq.* and all other guidelines and policies of the Authority.

Nauset Superintendent Tom Conrad introduced other local officials at the meeting and thanked the MSBA and the Board.

***VOTE:** There being no further questions or comments, the Board approved the Motion to move the Nauset Regional School District to Schematic Design by majority – 6 in favor, 0 abstaining.*

Approval of Project Scope and Budget Agreement and Authorization for Project Funding Agreement

MSBA Design Director, Karl Brown, explained that the Board is now being asked to approve a Project Scope and Budget Agreement and to authorize the MSBA to enter into a Project Funding Agreement for a project at the Amesbury Elementary School located in the City of Amesbury. He presented a PowerPoint and provided a brief summary of the proposed project. He explained that the proposed project is to replace the existing Amesbury Elementary School with a new PK-2 facility to be located on the Cashman Elementary School site.

The District submitted a total project budget of \$60,513,570. As shown in the PowerPoint presentation, the basis of the MSBA grant would be \$40,596,293, and the proposed Estimated Maximum Total Facilities Grant would be \$23,942,384 with the District's 58.98% reimbursement rate.

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The Acting Chair asked for a motion, and the following motion was made by Mr. Deninger and seconded by Ms. Kwan:

Vote to Authorize the Executive Director to Execute a Project Scope and Budget Agreement and Project Funding Agreement with the City of Amesbury

VOTED: That the Board of Directors of the Massachusetts School Building Authority hereby approves the Potential Project to replace the existing Amesbury Elementary School with a new PK-2 facility to be located on the Cashman Elementary School site, as further described in the materials presented to the Board and attached hereto and as such Proposed Project shall be further defined in the Project Scope and Budget Agreement, and authorizes the Executive Director to take all steps necessary to execute and deliver a Project Scope and Budget Agreement and Project Funding Agreement with the City of Amesbury, in such forms as he may determine to be acceptable, for the Amesbury Elementary School project at a reimbursement rate of fifty-eight and ninety-eight hundredths percent (58.98%) of approved, eligible costs, up to an Estimated Maximum Total Facilities Grant of \$23,942,384, which shall not include any funds for owner's or construction contingency expenditures; that the Board of Directors hereby further authorizes the Executive Director to increase the Estimated Maximum Total Facilities Grant up to a Maximum Total Facilities Grant of \$24,466,254, in the event that the MSBA determines, in its sole discretion, that any owner's and/or construction contingency expenditures are eligible for reimbursement pursuant to MSBA regulations, guidelines, or policies; that the Board of Directors hereby further authorizes the Executive Director to expend funds in accordance with such Project Funding Agreement.

Amesbury Mayor Ken Gray thanked the Board as well as local officials, the School Committee, and School Building Committee.

Amesbury Superintendent Jared Fulgoni thanked the MSBA for its support.

Amesbury School Committee Chair Peter Hoyt offered his thanks to the MSBA.

VOTE: *There being no further questions or comments, the Board approved the Motion to Execute a Project Scope and Budget Agreement and Project Funding Agreement with the City of Amesbury by majority – 6 in favor, 0 abstaining.*

Treasurer Goldberg arrived at the meeting.

MSBA Design Director, Karl Brown, explained that the Board is now being asked to approve a Project Scope and Budget Agreement and to authorize the MSBA to enter into a Project Funding Agreement for a project at the South Middle School located in the Town of Braintree. He presented a PowerPoint and provided a brief summary of the proposed project. He explained that the proposed project is to replace the existing South Middle School with a new grades 5-8 facility on the existing site.

The District submitted a total project budget of \$86,585,919. As shown in the PowerPoint presentation, the basis of the MSBA grant would be \$57,458,219, and the proposed Estimated

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Maximum Total Facilities Grant would be \$30,997,288 with the District's 53.96% reimbursement rate.

The Acting Chair then asked for a motion, and the following motion was made by Ms. Kwan and seconded by Ms. Vanderhoef:

Vote to Authorize the Executive Director to Execute a Project Scope and Budget Agreement and Project Funding Agreement with the Town of Braintree

VOTED: That the Board of Directors of the Massachusetts School Building Authority hereby approves the Potential Project to replace the existing South Middle School with a new grades 5-8 facility on the existing site, as further described in the materials presented to the Board and attached hereto and as such Proposed Project shall be further defined in the Project Scope and Budget Agreement, and authorizes the Executive Director to take all steps necessary to execute and deliver a Project Scope and Budget Agreement and Project Funding Agreement with the Town of Braintree, in such forms as he may determine to be acceptable, for the South Middle School project at a reimbursement rate of fifty-three and ninety-six hundredths percent (53.96%) of approved, eligible costs, up to an Estimated Maximum Total Facilities Grant of \$30,997,288, which shall not include any funds for owner's or construction contingency expenditures; that the Board of Directors hereby further authorizes the Executive Director to increase the Estimated Maximum Total Facilities Grant up to a Maximum Total Facilities Grant of \$32,322,513, in the event that the MSBA determines, in its sole discretion, that any owner's and/or construction contingency expenditures are eligible for reimbursement pursuant to MSBA regulations, guidelines, or policies; that the Board of Directors hereby further authorizes the Executive Director to expend funds in accordance with such Project Funding Agreement.

Braintree Mayor Joseph Sullivan thanked the MSBA and the Board for its support for the South Middle School project in the Town of Braintree.

VOTE: *There being no further questions or comments, the Board approved the Motion to Execute a Project Scope and Budget Agreement and Project Funding Agreement with the Town of Braintree by majority – 6 in favor, 0 abstaining.*

MSBA Design Director, Karl Brown, explained that the Board is now being asked to approve a Project Scope and Budget Agreement and to authorize the MSBA to enter into a Project Funding Agreement for a project at the George H. Mitchell Elementary School located in the Bridgewater-Raynham Regional School District. He presented a PowerPoint and provided a brief summary of the proposed project. He explained that the proposed project is to replace the existing George H. Mitchell Elementary School with a new facility on the existing site.

The District submitted a total project budget of \$80,600,000. As shown in the PowerPoint presentation, the basis of the MSBA grant would be \$55,933,442, and the proposed Estimated Maximum Total Facilities Grant would be \$33,154,207 with the District's 59.28% reimbursement rate.

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The Chair then asked for a motion, and the following motion was made by Mr. Deninger and seconded by Ms. Vanderhoef:

Vote to Authorize the Executive Director to Execute a Project Scope and Budget Agreement and Project Funding Agreement with the Bridgewater-Raynham Regional School District

VOTED: That the Board of Directors of the Massachusetts School Building Authority hereby approves the Potential Project to replace the existing George H. Mitchell Elementary School with a new facility on the existing site, as further described in the materials presented to the Board and attached hereto and as such Proposed Project shall be further defined in the Project Scope and Budget Agreement, and authorizes the Executive Director to take all steps necessary to execute and deliver a Project Scope and Budget Agreement and Project Funding Agreement with the Bridgewater-Raynham Regional School District, in such forms as he may determine to be acceptable, for the George H. Mitchell Elementary School project at a reimbursement rate of fifty-nine and twenty-eight hundredths percent (59.28%) of approved, eligible costs, up to an Estimated Maximum Total Facilities Grant of \$33,154,207, which shall not include any funds for owner's or construction contingency expenditures; that the Board of Directors hereby further authorizes the Executive Director to increase the Estimated Maximum Total Facilities Grant up to a Maximum Total Facilities Grant of \$33,828,113, in the event that the MSBA determines, in its sole discretion, that any owner's and/or construction contingency expenditures are eligible for reimbursement pursuant to MSBA regulations, guidelines, or policies; that the Board of Directors hereby further authorizes the Executive Director to expend funds in accordance with such Project Funding Agreement.

Bridgewater-Raynham Superintendent Derek Swenson thanked the MSBA for its support for the George H. Mitchell Elementary School project in the Bridgewater-Raynham Regional School District.

Bridgewater Town Manager Michael Dutton thanked the MSBA for its support.

VOTE: *There being no further questions or comments, the Board approved the Motion to Execute a Project Scope and Budget Agreement and Project Funding Agreement with the Bridgewater-Raynham Regional School District by majority – 6 in favor, 0 abstaining.*

MSBA Design Director, Karl Brown, explained that the Board is now being asked to approve a Project Scope and Budget Agreement and to authorize the MSBA to enter into a Project Funding Agreement for a project at the Waterford Street Elementary School located in the City of Gardner. He presented a PowerPoint and provided a brief summary of the proposed project. He explained that the proposed project is to replace the existing Waterford Street Elementary School and the existing Elm Street Elementary School with a new PK-4 facility to be located on the Pearl Street site, contingent upon the District gaining full ownership, control, and exclusive use of the proposed site.

The District submitted a total project budget of \$89,558,570. As shown in the PowerPoint presentation, the basis of the MSBA grant would be \$61,643,449, and the proposed Estimated Maximum Total Facilities Grant would be \$49,224,948 with the District's 80.00% reimbursement rate.

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The Chair then asked for a motion, and the following motion was made by Mr. Deninger and seconded by Ms. Kwan:

Vote to Authorize the Executive Director to Execute a Project Scope and Budget Agreement and Project Funding Agreement with the City of Gardner

VOTED: That the Board of Directors of the Massachusetts School Building Authority hereby approves the Potential Project to replace the existing Waterford Street Elementary School and the existing Elm Street Elementary School with a new PK-4 facility to be located on the Pearl Street site, contingent upon the District gaining full ownership, control, and exclusive use of the proposed site, as further described in the materials presented to the Board and attached hereto and as such Proposed Project shall be further defined in the Project Scope and Budget Agreement, and authorizes the Executive Director to take all steps necessary to execute and deliver a Project Scope and Budget Agreement and Project Funding Agreement with the City of Gardner, in such forms as he may determine to be acceptable, for the Waterford Street Elementary School project at a reimbursement rate of eighty percent (80.00%) of approved, eligible costs, up to an Estimated Maximum Total Facilities Grant of \$49,224,948, which shall not include any funds for owner's or construction contingency expenditures; that the Board of Directors hereby further authorizes the Executive Director to increase the Estimated Maximum Total Facilities Grant up to a Maximum Total Facilities Grant of \$51,211,184, in the event that the MSBA determines, in its sole discretion, that any owner's and/or construction contingency expenditures are eligible for reimbursement pursuant to MSBA regulations, guidelines, or policies; that the Board of Directors hereby further authorizes the Executive Director to expend funds in accordance with such Project Funding Agreement.

Representative John Zlotnik offered his support for the Waterford Street Elementary School project and thanked the MSBA for the support.

Gardner Mayor Mark Hawke thanked the MSBA staff and Board on behalf of the City.

Jonathon Zhang, aide to Senator Dean Tran, thanked the MSBA on behalf of the Senator.

VOTE: *There being no further questions or comments, the Board approved the Motion to Execute a Project Scope and Budget Agreement and Project Funding Agreement with the City of Gardner by majority – 6 in favor, 0 abstaining.*

MSBA Design Director, Karl Brown, explained that the Board is now being asked to approve a Project Scope and Budget Agreement and to authorize the MSBA to enter into a Project Funding Agreement for the projects at the Chestnut Street site and the William R. Peck School located in the City of Holyoke. He presented a PowerPoint and provided a brief summary of the proposed projects. He explained that the proposed projects are for the construction of a new facility serving grades 6-8 on the Chestnut Street site and a new facility serving grades 6-8 to replace the William R. Peck School on the existing site, contingent upon the District gaining full ownership, control, and exclusive use of the Chestnut Street site.

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For the Chestnut Street Middle School, the District submitted a total project budget of \$62,459,045. As shown in the PowerPoint presentation, the basis of the MSBA grant would be \$43,562,196, and the proposed Estimated Maximum Total Facilities Grant would be \$34,833,974 with the District's 80.00% reimbursement rate.

For the William R. Peck Middle School, the District submitted a total project budget of \$70,441,654. As shown in the PowerPoint presentation, the basis of the MSBA grant would be \$48,051,892, and the proposed Estimated Maximum Total Facilities Grant would be \$38,439,884 with the District's 80.00% reimbursement rate.

The Chair then asked for a motion, and the following motion was made by Mr. Deninger and seconded by Ms. Vanderhoef:

Vote to Authorize the Executive Director to Execute a Project Scope and Budget Agreement and Project Funding Agreement with the City of Holyoke

VOTED: That the Board of Directors of the Massachusetts School Building Authority hereby approves the Potential Projects for the construction of a new facility serving grades 6-8 on the Chestnut Street site and a new facility serving grades 6-8 to replace the William R. Peck School on the existing site, contingent upon the District obtaining full ownership, control, and exclusive use of the Chestnut Street site, as further described in the materials presented to the Board and attached hereto and as such Proposed Projects shall be further defined in the Project Scope and Budget Agreement, and authorizes the Executive Director to take all steps necessary to execute and deliver a Project Scope and Budget Agreement and Project Funding Agreement with the City of Holyoke, in such forms as he may determine to be acceptable, for the construction of a new facility serving grades 6-8 on the Chestnut Street site and a new facility serving grades 6-8 to replace the William R. Peck School at a reimbursement rate of eighty percent (80.00%) of approved, eligible costs, up to an Estimated Maximum Total Facilities Grant of \$34,833,974 for the Chestnut Street site project and an Estimated Maximum Total Facilities Grant of \$38,439,884 for the William R. Peck School project, which shall not include any funds for owner's or construction contingency expenditures; that the Board of Directors hereby further authorizes the Executive Director to increase the Estimated Maximum Total Facilities Grants up to a Maximum Total Facilities Grant of \$36,040,351 for the Chestnut Street site project and a Maximum Total Facilities Grant of \$39,776,148 for the William R. Peck School project in the event that the MSBA determines, in its sole discretion, that any owner's and/or construction contingency expenditures are eligible for reimbursement pursuant to MSBA regulations, guidelines, or policies; that the Board of Directors hereby further authorizes the Executive Director to expend funds in accordance with such Project Funding Agreement.

Holyoke Mayor Alex Morse thanked the Treasurer and the Board for their support over the years. He noted that Holyoke has not had a new school in thirty years and that the City Council recently voted in favor of placing the debt exclusion question for this project on the ballot. He thanked the MSBA for collaborating with the City on the comprehensive assessment of all of Holyoke's schools and noted that this is a unique opportunity for the City of Holyoke.

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Representative Aaron Vega thanked the MSBA for the two-school recommendation for the City of Holyoke and for the support over the years. He thanked Jack McCarthy for coming to Holyoke and meeting with City Council members.

Mr. Cronin asked what the estimated increase in the tax bill for a homeowner would be. The Mayor responded that the increase will be approximately \$250 for a \$200,000 house.

VOTE: *There being no further questions or comments, the Board approved the Motion to Execute a Project Scope and Budget Agreement and Project Funding Agreement with the City of Holyoke by majority – 6 in favor, 0 abstaining.*

MSBA Design Director, Karl Brown, explained that the Board is now being asked to approve a Project Scope and Budget Agreement and to authorize the MSBA to enter into a Project Funding Agreement for a project at the Raymond E. Shaw Elementary School located in the Town of Millbury. He presented a PowerPoint and provided a brief summary of the proposed project. He explained that the proposed project is to replace the existing Raymond E. Shaw Elementary School with a new grades 3-6 facility on the existing site.

The District submitted a total project budget of \$60,922,761. As shown in the PowerPoint presentation, the basis of the MSBA grant would be \$39,555,540, and the proposed Estimated Maximum Total Facilities Grant would be \$24,274,068 with the District's 61.37% reimbursement rate.

The Chair then asked for a motion, and the following motion was made by Mr. Deninger and seconded by Ms. Vanderhoef:

Vote to Authorize the Executive Director to Execute a Project Scope and Budget Agreement and Project Funding Agreement with the Town of Millbury

VOTED: That the Board of Directors of the Massachusetts School Building Authority hereby approves the Potential Project to replace the existing Raymond E. Shaw Elementary School with a new grades 3-6 facility on the existing site, as further described in the materials presented to the Board and attached hereto and as such Proposed Project shall be further defined in the Project Scope and Budget Agreement, and authorizes the Executive Director to take all steps necessary to execute and deliver a Project Scope and Budget Agreement and Project Funding Agreement with the Town of Millbury, in such forms as he may determine to be acceptable, for the Raymond E. Shaw Elementary School project at a reimbursement rate of sixty-one and thirty-seven hundredths percent (61.37%) of approved, eligible costs, up to an Estimated Maximum Total Facilities Grant of \$24,274,068, which shall not include any funds for owner's or construction contingency expenditures; that the Board of Directors hereby further authorizes the Executive Director to increase the Estimated Maximum Total Facilities Grant up to a Maximum Total Facilities Grant of \$24,730,865, in the event that the MSBA determines, in its sole discretion, that any owner's and/or construction contingency expenditures are eligible for reimbursement pursuant to MSBA regulations, guidelines, or policies; that the Board of Directors hereby further authorizes the Executive Director to expend funds in accordance with such Project Funding Agreement.

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Millbury Superintendent Greg Myers spoke and thanked the MSBA.

The Chair noted that Senator Michael Moore and Representative Paul Frost sent a letter offering their support for the Raymond E. Shaw Elementary School project in the Town of Millbury.

VOTE: *There being no further questions or comments, the Board approved the Motion to Execute a Project Scope and Budget Agreement and Project Funding Agreement with the Town of Millbury by majority – 6 in favor, 0 abstaining.*

MSBA Design Director, Karl Brown, explained that the Board is now being asked to approve a Project Scope and Budget Agreement and to authorize the MSBA to enter into a Project Funding Agreement for a project at the Philip G. Coburn School located in the Town of West Springfield. He presented a PowerPoint and provided a brief summary of the proposed project. He explained that the proposed project is to replace the existing Philip G. Coburn Elementary School with a new grades PK-5 facility on the existing site, contingent upon the District gaining full ownership, control, and exclusive use of the proposed site.

The District submitted a total project budget of \$69,036,380. As shown in the PowerPoint presentation, the basis of the MSBA grant would be \$49,050,801, and the proposed Estimated Maximum Total Facilities Grant would be \$39,235,179 with the District's 80.00% reimbursement rate.

The Chair then asked for a motion, and the following motion was made by Ms. Kwan and seconded by Mr. Deninger:

Vote to Authorize the Executive Director to Execute a Project Scope and Budget Agreement and Project Funding Agreement with the Town of West Springfield

VOTED: That the Board of Directors of the Massachusetts School Building Authority hereby approves the Potential Project to replace the existing Philip G. Coburn Elementary School with a new grades PK-5 facility on the existing site, contingent upon the Town of West Springfield gaining full ownership, control, and exclusive use of the proposed site, as further described in the materials presented to the Board and attached hereto and as such Proposed Project shall be further defined in the Project Scope and Budget Agreement, and authorizes the Executive Director to take all steps necessary to execute and deliver a Project Scope and Budget Agreement and Project Funding Agreement with the Town of West Springfield, in such forms as he may determine to be acceptable, for the Philip G. Coburn School project at a reimbursement rate of eighty percent (80.00%) of approved, eligible costs, up to an Estimated Maximum Total Facilities Grant of \$39,235,179, which shall not include any funds for owner's or construction contingency expenditures; that the Board of Directors hereby further authorizes the Executive Director to increase the Estimated Maximum Total Facilities Grant up to a Maximum Total Facilities Grant of \$40,110,907, in the event that the MSBA determines, in its sole discretion, that any owner's and/or construction contingency expenditures are eligible for reimbursement pursuant to MSBA regulations, guidelines, or policies; that the Board of Directors

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hereby further authorizes the Executive Director to expend funds in accordance with such Project Funding Agreement.

West Springfield Superintendent Michael Richard thanked the Board and commented that the community supports the Philip G. Coburn Elementary School project.

The Chair noted that Representative Michael Finn sent a letter offering his support for the Philip G. Coburn project in the Town of West Springfield.

VOTE: *There being no further questions or comments, the Board approved the Motion to Execute a Project Scope and Budget Agreement and Project Funding Agreement with the Town of West Springfield by majority – 6 in favor, 0 abstaining.*

Audit

Tamia Buckingham, MSBA Director of Audit, began her audit update by explaining that the MSBA has completed final audits for 501 Capital Pipeline Program projects plus four projects that are being presented for final approval to the Board today, all together representing approximately \$5.56 billion in submitted and audited costs.

She continued, explaining that the MSBA has also audited approximately \$3.4 billion in submitted costs for the 236 projects currently submitting monthly requests for reimbursement. Based on the Total Project Budget information and submitted costs to date of approved projects, the MSBA estimates that approximately \$3.5 billion in additional costs will be submitted for audit for these projects.

The Director of Audit then explained that monthly submitted costs have averaged \$82.1 million over the 12 months preceding this Board meeting, and the total amount submitted and audited in this 12-month period equals approximately \$985.1 million.

Approval of Audits, New Program

The Director of Audit explained that the Board is being asked to approve four Capital Pipeline Program audits listed on Exhibit A. She explained that the total combined grant amount for these four projects is \$2,128,703.

The Chair asked for a motion, and the following motion was made by Mr. Deninger and seconded by Ms. Vanderhoef:

Approval of Audit Costs for Several Projects

VOTED: That the Board of Directors of the Massachusetts School Building Authority hereby approves the final audited approved grant amounts for each of the projects listed in the spreadsheet attached hereto as Exhibit A and authorizes the Executive Director to make payments consistent with this vote.

VOTE: *There being no questions or comments, the Board approved the Motion by majority – 6 in favor, 0 abstaining.*

MSBA Updates

Executive Director's Report

The Executive Director began his report by thanking the MSBA staff members for their hard work in preparing for the Board meeting. He noted that since the June 26, 2019 Board meeting, the MSBA has visited 24 projects and, as of August 23, 2019, two districts have voted affirmatively to appropriate feasibility study funds. He explained that the MSBA anticipates making 22 project visits in September and October and presented a list of the upcoming district visits as part of his PowerPoint presentation. He added that staff have attended several project milestone ceremonies. He explained that since the last Board meeting, MSBA staff have engaged in outreach with multiple school districts and have attended several meetings where they have participated as presenters and as stakeholders. Then, the Executive Director spoke about the Meet & Greet he hosted with the 2019 Ward Fellows from Boston Latin. He also noted that the MSBA celebrated its 15th anniversary in July.

The Executive Director then spoke about legislation that passed which impacts how the MSBA calculates grants for districts. The legislation requires that when determining the grant percentage for school projects in calendar year 2019 and calendar year 2020, the MSBA shall calculate the community poverty factor by examining the proportion of economically disadvantaged students from calendar year 2014 to the present and assigning whichever year's factor is the highest, as determined by the Department of Elementary and Secondary Education. He noted that this could have a significant impact to the overall number of projects approved because this additional grant funding will apply to the cap and reduce cap availability for other projects. He added that the MSBA continues to work with the legislature to raise the MSBA's cap and the MSBA has been told that it will be part of a larger education bill that is going to be released in the Fall.

The Executive Director provided an update on the Dennis-Yarmouth project noting that the District, the Town of Dennis, and the Town of Yarmouth had worked together to resolve some of their differences and Yarmouth withdrew the lawsuit it had filed against the District and Dennis. The Executive Director continued by explaining that now, taxpayers in Yarmouth have filed a lawsuit against the District, the Town of Dennis and the Town of Yarmouth regarding the local funding vote for the project. He explained that the project is "on pause" with the MSBA. He added that the District will continue to provide updates to the MSBA regarding the taxpayer lawsuit.

Next, the Executive Director provided an update on the Waltham High School project and noted that the City is working to resolve eminent domain issues and a related lawsuit that the City filed against the original property owner of the site. He explained that the Waltham High School project is "on pause" with the MSBA and was removed from this Board meeting agenda.

The Executive Director next welcomed the following new employees to the MSBA: Sayou Cooper as Project Assistant; Simone Ward as Audit Analyst; and Ariel Alves as Architectural Associate.

Then, the Executive Director congratulated the following employees on promotions: Brittany Gomes to Senior Project Coordinator; Evan Levesque to Project Manager 2; and Christy Murray to Project Manager 2. He then congratulated Brian Lynch on his recent engagement and also congratulated Christina Forde on the birth of her daughter Anna.

Project Overview Report

The August 28, 2019 Board Meeting minutes were approved by the MSBA's Board of Directors at the October 30, 2019 meeting.

MSBA Project Manager Christy Murray presented a PowerPoint, including a summary of bid data. She summarized available data for anticipated Sub-Bids in August, September, and October and anticipated DBB Bids or GMP Executions in August, September, and October.

Then, she presented a PowerPoint with interactive maps with data for anticipated bids for the 2019 through 2021 calendar years, including the total construction budgets.

MSBA Project Manager Christy Murray then presented a PowerPoint, including a summary of bid results for the Core Program. She reported that of the 24 Core Program projects scheduled to receive sub-bids in 2019, eight have reported DBB bids or GMP executions to date. All eight of the reported bids came in within the estimated budget. As part of her presentation, she presented a chart on bid data for the projects in the MSBA Capital Pipeline. She also noted that Westport has chosen to rebid the Westport Middle/High School project. She then provided bid data for the MSBA's Accelerated Repair Program. She explained that for the 2017 Accelerated Repair Program, 26 of the 33 reported projects bid within the estimated budget. One remaining project is anticipated to bid by the February 2020 Board of Directors meeting. She then explained that for the 2018 Accelerated Repair Program, 10 of the 12 reported projects bid within the estimated budget and an additional five projects are anticipated to bid by the December Board of Directors meeting.

MSBA Project Manager Peter Falk provided an update on the construction cost data in the Project Overview Report. He explained that the MSBA used to provide construction cost data for only new construction but has now added data for addition/renovation construction costs as well. This information will be on the MSBA's website soon.

There was a brief discussion regarding competition for bidding and sub-bidding on MSBA projects.

Discussion on Bristol County Agricultural High School

The MSBA's Director of Capital Planning, Mary Pichetti, provided an update on the Bristol County Agricultural High School project. She explained that at the June 27, 2018 Board meeting, the District's project was approved and the MSBA and the District have executed a Project Funding Agreement for the project. In completing its design development submittal, the District notified the MSBA that it combined the Landscape Lab and Arbor Bucket Truck/Chain Saw Lab into one new building. In the approved scope of the PFA, the Landscape Lab was intended to be renovated while the Arbor Bucket Truck/Chain Saw Lab was intended to be built new. Based on the space summaries provided in the schematic design and the design development submittal, this revision reduced the amount of square footage that will be renovated in the project from 90,450 to 84,466 and reduced the total square footage from 196,151 to 196,081. The revision results in the Major Reconstruction or Reno/Reuse incentive points being adjusted downward from 2.31 points to 2.10 points and the Reimbursable Construction Cost Cap (\$333/sq. ft.) calculation to adjust the eligible construction budget downward from \$67,566,787 to \$67,543,477.

Staff recommend that the Estimated Maximum Total Facilities Grant approved at the June 27, 2018 Board Meeting for the Bristol County Agricultural High School be decreased from \$51,428,124 to \$51,242,655 and that the Maximum Total Facilities Grant be concomitantly decreased from \$53,286,797 to \$53,095,156 based on the space summary revisions which

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decrease the reimbursement rate as adjusted by the Renovation or Reuse of an Existing Facility Factor from 63.24% to 63.03%.

The Chair asked for a motion, and the following motion was made by Mr. Deninger and seconded by Ms. Kwan:

**Vote to Decrease the Bristol County Agricultural Regional School District's
Previously Approved Reimbursement Rate**

VOTED: That, whereas, on June 27, 2018, the Board of Directors approved a project in the Bristol County Agricultural Regional School District (the "District") for additions/renovations and new construction of various buildings at the Bristol County Agricultural High School campus (the "Project") with a reimbursement rate of sixty-three and twenty-four hundredths percent (63.24%), which includes 2.31 incentive points for "Renovation or Reuse of an Existing Facility"; and, whereas, based on District revisions to the Project which result in a decrease to the amount of square footage that the District will be renovating, the Board hereby approves a decrease in the "Renovation or Reuse of an Existing Facility" incentive points from 2.31 points to 2.10 points and a revised total reimbursement rate of sixty-three and three hundredths percent (63.03%) with a concomitant decrease of the Estimated Maximum Total Facilities Grant to \$51,242,655 and the Maximum Total Facilities Grant to \$53,095,156 for the Project, as further described in the materials presented to the Board and attached hereto, and hereby authorizes the Executive Director to take all steps necessary to execute and deliver any amendments to the Project Funding Agreement with the District, in such forms as he may determine to be acceptable, and expend funds in accordance with such amended Project Funding Agreement.

VOTE: There being no questions or comments, the Board approved the Motion by majority – 6 in favor, 0 abstaining.

Finance

Sales Tax Collection Update

MSBA Chief Financial Officer, Laura Guadagno, presented a PowerPoint and provided an FY19 and FY20 SMART Collections update. The FY19 collections through June 2019 were \$45.221 million (5.33%) higher than FY18 collections during the same period. The FY20 Consensus Revenue Estimate of \$917 million would represent growth of 4.0% over the FY19 unaudited amount. The FY20 collections for July 2019 are \$77.941 million (4.776%) higher than FY19 collections for the month of July 2018.

She presented a slide with a graphical depiction of FY16 – FY20 Quarterly and Monthly SMART collections, and then year-to-date SMART collections by year from FY16 – FY20.

Grant Payments Update

MSBA Treasurer, Gianpiero Tirella, provided an update regarding MSBA grant payments for projects, noting that the MSBA has made \$70,136,875 in grant payments to date in Fiscal Year 2020. This is for 62 Capital Pipeline Program projects in 50 districts.

The August 28, 2019 Board Meeting minutes were approved by the MSBA's Board of Directors at the October 30, 2019 meeting.

FY19 Results and FY20 Budget Update

MSBA Chief Financial Officer, Laura Guadagno, provided the Board with a FY19 and FY20 budget update. She presented a PowerPoint and provided a summary of the Administrative, Operations and Grant Programs Budget and the Capital Pipeline Professional Support Services Budget for FY19 and FY20 with a summary of expenditures to date.

2019 Series A Bond Issue

MSBA Chief Financial Officer, Laura Guadagno, provided an update on the 2019 Series A bond issuance. She explained that on July 17, 2019 the MSBA sold \$300 million of 2019 Series A Bonds and she reviewed their structure and call features. She then provided a slide on the MSBA's overall debt service profile.

The Chair asked for a motion to adjourn. A motion was made by Mr. Deninger and seconded by Ms. Vanderhoef. The meeting was adjourned at 11:25 a.m.

List of documents and exhibits used at the meeting:

- PowerPoint Presentation
- June 26, 2019 Board Meeting Minutes
- Project Funding Agreement Recommendations for the Accelerated Repair Program
- Preferred Schematic Design Recommendations
- Project Scope and Budget Phase Recommendations
- Audit Status Report
- Recommendation for Approval of Final Audits, Capital Pipeline Program
- Executive Director Report
- Project Overview Report
- Discussion on Bristol County Agricultural High School
- Sales Tax Collection Update
- Grant Payments Update
- FY19 and FY20 Budget Update
- 2019 Series A Bond Issue Update