

The February 13, 2020 Board Meeting minutes were approved by the MSBA's Board of Directors at the April 15, 2020 meeting.

Massachusetts School Building Authority Board Meeting Minutes of February 13, 2020

A meeting of the Massachusetts School Building Authority (the "Authority" or "MSBA") was held on February 13, 2020 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; Terry Kwan, appointed member; Sheila Vanderhoef, appointed member; and Greg Sullivan, appointed member.

Others Present: James MacDonald, Chief Executive Officer; Jack McCarthy, Executive Director/Deputy Chief Executive Officer; Christine Nolan; Mary Pichetti; Mike McGurl; Katie DeCristofaro; Chris Alles; Christy Murray; Karl Brown; Laura Guadagno; Julie Leonard; Wei Xu; Gianpiero Tirella; Colleen Smith; Brian Kelley; Siobhan Tolman; Matt Donovan; Maria Puopolo; Sarah Przybylowicz; 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

The Chair called the meeting to order at 10:00 a.m. and asked if anyone is recording the meeting. An individual from The Waltham Channel announced that he was recording the meeting.

Next, the Chair provided a brief overview of the items on the agenda for the meeting. She explained that the Board will be voting to: remove one project from the Accelerated Repair Program; authorize the MSBA to enter into Project Funding Agreements for twenty Accelerated Repair projects in twelve districts with a combined Estimated Maximum Total Facilities Grant of approximately \$24.3 million; invite two districts into Feasibility Study; and invite two districts to enter into a Project Scope and Budget Agreement with a combined Estimated Maximum Total Facilities Grant of approximately \$153.9 million. The Board will also be voting to approve two final audits from two districts with a combined Final Total Facilities Grant of \$28,535,797. Finally, the Board will be voting to authorize the Executive Director to provide for the issuance of one or more series of Dedicated Sales Tax Bonds.

Acceptance of the December 11, 2019 Minutes

The Chair asked for a motion to accept the minutes of the December 11, 2019 Board Meeting. A motion was made by Ms. Kwan and seconded by Mr. Deninger:

Approval of the Minutes of the December 11, 2019 Board Meeting

VOTED: That the Board of Directors of the Massachusetts School Building Authority hereby approves the Minutes of the December 11, 2019 Board meeting.

VOTE: *There being no questions or comments, the Board approved the Motion to approve the Minutes of the December 11, 2019 Board Meeting by majority – 7 in favor, 0 abstaining.*

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Project

Project Removal from Accelerated Repair Program

MSBA Senior Project Manager Mike McGurl explained that at the June 26, 2019 Board of Directors meeting, the Town of Hanover received an invitation for a partial roof replacement at the Cedar Elementary School. A preliminary cost estimate developed by the consultants prior to the start of the Schematic Design was determined to be too high for the District at this time, resulting in the submission of a Declaration of Removal for its Statement of Interest from the Accelerated Repair Program.

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

Vote on Removing Hanover's Accelerated Repair Statement of Interest from the MSBA Accelerated Repair Program

VOTED: That, whereas, on June 26, 2019, the Board voted to invite the Town of Hanover to participate in the MSBA's Accelerated Repair Program for the Cedar Elementary School; and, whereas, as described in the materials attached hereto as Exhibit A, the Town of Hanover has notified the MSBA that it has decided not to further pursue its Accelerated Repair Statement of Interest or Accelerated Repair Program invitation for the Cedar Elementary School, the Board hereby removes the Town of Hanover's Accelerated Repair Statement of Interest for the Cedar Elementary School from the MSBA Accelerated Repair Program and authorizes the Executive Director to do all acts necessary and execute and deliver any and all documents and agreements in connection with such removal.

***VOTE:** There being no questions or comments, the Board approved the Motion to Remove the Town of Hanover's Statement of Interest from the MSBA Accelerated Repair Program by majority – 7 in favor, 0 abstaining.*

Accelerated Repair Program Project Funding Agreement Authorization

MSBA Senior Project Manager Mike McGurl explained that MSBA staff have received Schematic Design submissions from twelve districts for Accelerated Repair projects at twenty schools. The proposed projects combined include thirteen roof replacements and eight boiler replacement projects. 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 \$41,535,802, which includes a total combined construction estimate of \$32,409,186. The combined Estimated Maximum Total Facilities Grant for these twenty projects is \$24,359,096. Including potentially eligible project contingencies, the combined Maximum Facilities Grant is \$25,444,126.

The recommendation today includes four of the six schools invited into the 2019 Accelerated Repair Program from the City of Lowell. The four schools are for boiler replacement projects. The remaining two schools are currently scheduled for approval at the April 2020 Board Meeting. Both schools will include recommendations for boiler and roof replacement projects.

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

**Vote to Authorize the Executive Director to Execute Project Funding Agreements
for Several 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
Agawam	Agawam Junior High School	Boiler	\$1,205,806	\$617,862	\$645,239
Blackstone Valley Regional Vocational Technical School District	Blackstone Valley Regional Vocational Technical High School	Partial Roof	\$1,486,419	\$751,188	\$781,720
Chelmsford	South Row Elementary School	Partial Roof	\$516,646	\$248,997	\$259,149
Dracut	Brookside Elementary School	Roof	\$3,536,208	\$1,745,262	\$1,830,174
	George H. Englesby Elementary School	Roof	\$2,806,808	\$1,446,863	\$1,515,678
East Bridgewater	Central Elementary School	Partial Roof	\$2,222,224	\$1,123,134	\$1,172,007
Fitchburg	South Street Elementary School	Partial Roof; Partial Boiler	\$3,105,244	\$2,370,144	\$2,484,195

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Hampden-Wilbraham Regional School District	Wilbraham Middle School	Roof	\$3,169,773	\$1,575,085	\$1,649,340
Lowell	Frederic T. Greenhalge Elementary School	Boiler	\$1,479,485	\$1,035,368	\$1,077,059
	James S. Daley Middle School	Boiler	\$1,880,962	\$1,311,532	\$1,365,952
	Rogers Early Learning Center	Boiler	\$2,135,646	\$1,505,076	\$1,567,527
	S. Christa McAuliffe Elementary School	Boiler	\$1,498,147	\$1,026,312	\$1,067,552
	Mary E. Finn Elementary School	Boiler	\$1,155,908	\$365,276	\$378,861
Southborough					
Wakefield	Greenwood School	Roof	\$1,675,490	\$677,556	\$705,054
Wayland	Loker Elementary School	Partial Roof	\$3,798,498	\$1,178,571	\$1,234,396
Worcester	Burncoat Street Preparatory School	Partial Roof	\$1,017,713	\$770,685	\$803,485
	Lincoln Street School	Boiler	\$1,346,274	\$1,017,257	\$1,062,884
	Tatnuck Magnet School	Roof	\$2,025,697	\$1,518,616	\$1,581,629
	Vernon Hill School	Roof	\$2,504,165	\$1,878,257	\$1,964,763
	Worcester East Middle School	Roof	\$2,968,689	\$2,196,055	\$2,297,462
Totals			\$41,535,802	\$24,359,096	\$25,444,126

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Lowell City Manager Eileen Donoghue thanked the Board and MSBA and commented that the City is delighted to be considered for the necessary repairs at the schools. She introduced the project consultants that were present at the meeting and thanked the MSBA on behalf of State Senator Ed Kennedy.

Dracut Superintendent Steven Stone thanked the Board and MSBA staff. He commented that this is an exciting project and he is looking forward to continuing the partnership with the MSBA.

State Representative Carmine Gentile thanked the Board and MSBA staff for their support for the Loker Elementary School project in the Town of Wayland.

A staff member from State Representative Stephan Hay's office spoke on behalf of the Representative noting that the Representative supports the project at the South Street Elementary School in Fitchburg.

Inga Knox, the Owner's Project Manager from Jacobs for the project at the South Row Elementary School in Chelmsford, commented that the Superintendent could not make the meeting today but sent a letter expressing his appreciation for the support of the Board and MSBA staff.

A staff member from State Representative Thomas Golden's office spoke on behalf of the Representative noting that the Representative supports the project at the South Row Elementary School in Chelmsford.

A staff member from State Representative James O'Day's office spoke on behalf of the Representative noting that the Representative supports the projects in the City of Worcester.

A staff member from State Representative Daniel Donahue's office spoke on behalf of the Representative noting that the Representative supports the projects in the City of Worcester.

A staff member from State Senator Walter Timilty's office spoke on behalf of the Senator noting that the Senator supports the project at the Central Elementary School in East Bridgewater.

The Chair noted that State Representative Donald Wong had to leave the meeting but had offered his support for the Greenwood School project in the Town of Wakefield.

***VOTE:** There being no further questions or comments, the Board approved the Motion to execute Project Funding Agreements for the Accelerated Repair Projects by majority – 7 in favor, 0 abstaining.*

Invitation to Feasibility Study

MSBA Capital Program Manager Katie DeCristofaro explained that staff are recommending that the Board vote to invite the following districts to collaborate with the MSBA to conduct a Feasibility Study: the Town of Norwood for the Dr. Philip O. Coakley Middle School and the Town of Tyngsborough for the Tyngsborough Middle School. She explained that these districts have completed the necessary prerequisites and she provided a brief summary of the enrollment options for the districts.

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

**Vote on Inviting Communities to Collaborate with the MSBA
to Conduct a Feasibility Study**

VOTED: That the Executive Director is hereby authorized to invite certain communities to collaborate with the MSBA to conduct and/or review a Feasibility Study, as described in 963 CMR 2.00 *et seq.*, and subject to any conditions set forth in Exhibit B, for each of the schools listed in Exhibit B attached hereto.

VOTED: That the Executive Director is hereby authorized to do all acts, to execute and deliver any and all documents and agreements, and to expend all funds necessary or desirable in connection with conducting and/or reviewing a Feasibility Study for each of the schools listed in Exhibit B.

State Representative John Rogers, who represents Norwood, thanked the Board and MSBA staff for their consideration. He also thanked Jack McCarthy and Greg Sullivan.

Norwood Superintendent Dave Thomson thanked the Board and MSBA staff for this opportunity. He commented that he has had a great experience with MSBA staff and looks forward to moving forward in the process.

Margo Fraczek, Principal at the Dr. Philip O. Coakley Middle School, thanked the Board and MSBA staff for their consideration.

Mr. Sullivan commented that State Representative Rogers helped write the legislation to create the MSBA when he was the Chair of the Ways and Means Committee.

Tyngsborough Town Administrator Matt Hanson introduced other local officials who were present at the meeting. He thanked the Board and MSBA staff and commented that he is happy to be moving forward in the MSBA process.

Tyngsborough Assistant Superintendent Mark Branco noted that the Superintendent was unable to attend the meeting today. He thanked the Board and MSBA staff and commented that he looks forward to continuing the partnership with the MSBA.

Ms. Kwan commented that she wants to emphasize the importance of educators being involved in the building design and writing the educational plans. She commented that districts should have a thorough educational plan that includes professional development for staff to use the facility the way they envision it.

State Senator Ed Kennedy thanked the MSBA for its support for the Tyngsborough Middle School and also for its support for the four ARP projects in the City of Lowell that were previously discussed.

VOTE: *There being no further questions or comments, the Board approved the Motion to invite two communities to collaborate with the MSBA to conduct a Feasibility Study by majority - 7 in favor, 0 abstaining.*

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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 Nauset Regional High School located in the Nauset Regional School District. He presented a PowerPoint and provided a brief summary of the proposed project. He explained that the proposed project is 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.

The District submitted a total project budget of \$131,825,665. As shown in the PowerPoint presentation, the basis of the MSBA grant would be \$82,878,551, and the proposed Estimated Maximum Total Facilities Grant would be \$35,572,564 with the District's 43.39% reimbursement rate.

The 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 a Project Scope and Budget Agreement and Project Funding Agreement with the Nauset Regional School District

VOTED: That the Board of Directors of the Massachusetts School Building Authority hereby approves the Potential Project 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 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 Nauset Regional School District, in such forms as he may determine to be acceptable, for the Nauset Regional High School project at a reimbursement rate of forty-three and thirty-nine hundredths percent (43.39%) of approved, eligible costs, up to an Estimated Maximum Total Facilities Grant of \$35,572,564, 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 \$36,676,476, 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.

Greg Levasseur, Chair of the Nauset School Building Committee, thanked the Board and MSBA staff for their consideration. He commented that he looks forward to working with the MSBA in the future.

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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 Nauset Regional School District by majority – 7 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 Waltham High School located in the City of Waltham. He presented a PowerPoint and provided a brief summary of the proposed project. He explained that the proposed project is to replace the existing Waltham High School, contingent upon the District gaining full ownership, control, and exclusive use of the proposed new site.

The District submitted a total project budget of \$374,567,387. As shown in the PowerPoint presentation, the basis of the MSBA grant would be \$180,159,866, and the proposed Estimated Maximum Total Facilities Grant would be \$118,373,814 with the District's 65.71% reimbursement rate.

The Chair 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 City of Waltham

VOTED: That the Board of Directors of the Massachusetts School Building Authority hereby approves the Potential Project to replace the existing Waltham High School, contingent upon the District gaining full ownership, control, and exclusive use of the proposed new 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 Waltham, in such forms as he may determine to be acceptable, for the Waltham High School project at a reimbursement rate of sixty-five and seventy-one hundredths percent (65.71%) of approved, eligible costs, up to an Estimated Maximum Total Facilities Grant of \$118,373,814, 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 \$122,302,271, 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.

State Representative Thomas Stanley thanked the Board and MSBA staff. He congratulated the Mayor, the Waltham High School administration, and Waltham City officials for all their hard work. He commented that he supports the project at the Waltham High School and looks forward to the partnership with the MSBA.

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State Representative John Lawn thanked the Board, the MSBA, Jack McCarthy, and Matt Donovan for their support. He thanked the Mayor for her work and vision for the children of Waltham. He noted that he understands that site selection can be difficult. He thanked the City Council and the Waltham administration and commented that he fully supports the project at the Waltham High School.

Waltham Mayor Jeannette McCarthy thanked the Board, the MSBA, Jim MacDonald, Jack McCarthy, Matt Donovan, Mary Pichetti, Karl Brown, Christine Nolan, Jess Deleconio, and Elena Seiti for their support on behalf of the children, citizens, and taxpayers of the City of Waltham.

MSBA Chief Executive Officer James MacDonald explained that the MSBA received many emails and letters from residents regarding the project at the Waltham High School. He commented that the emails and letters have been made available for Board members. He explained that some of the letters were not signed and, therefore, would not be read aloud. However, the letters will become part of the record.

Mr. Deninger commented that some of the letters mentioned that the Department of Environmental Protection (DEP) may need to do a study of the site. He asked when and how this will be addressed.

Mr. McCarthy explained that any site studies with DEP will be conducted after the Board approves the project.

Ms. Kwan commented that both staff and subcommittee members review projects meticulously. She explained that they review how the design of the building fits with the educational program. She commented that subcommittee members have raised some of the issues that have been noted by residents and have discussed them in great detail. She also commented that many of the concerns of the residents should be addressed locally in the community because many decisions regarding the project are made at the local level.

Waltham Ward Two Councillor Caren Dunn asked if the cost of the project would be discussed today.

The Chair explained that the vote today is for a Project Scope and Budget invitation which sets the Maximum Total Facilities Grant that will be contributed by the MSBA.

Mr. Sullivan commented that he is aware that the Board has received many letters of opposition to the project at the Waltham High School. He noted that the Board received a petition signed by many residents citing concerns including the cost of the project, environmental issues, and traffic issues. He commented that it is worth noting the budget for the project and that the City of Waltham will pay for the majority of the costs. He then inquired why the project is so expensive and if it is realistic for the City to afford.

Mr. McCarthy explained that construction costs all over the country have increased. He noted that the site for the project is a factor in the overall cost and the MSBA sets caps on site work; therefore, much of the cost for the project site will be the responsibility of the City. He commented that the City has already passed a vote in City Council to appropriate the money for this project. He further commented that opposition letters regarding projects are not unprecedented and that site selection is often a very difficult decision for districts.

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Mr. Sullivan commented that all of the letters and emails of opposition that were sent to the MSBA have been noted, adding the MSBA staff provided the letters to the Board members. He noted that he is going to vote in favor of the project because the City of Waltham, through the voters and elected officials, have approved this project.

Upon noticing someone videotaping the meeting, MSBA Chief Executive Officer James MacDonald asked anyone who was recording the meeting to identify themselves. Celeste Woodside, a resident of Waltham, announced she was recording the meeting.

Mr. Cronin commented that the City may have to go back to City Council and increase the bond authorization at some point. He noted that \$721 per square foot for construction is very expensive. He also commented that he hopes there is a transparent discussion within the City even if there is not a debt exclusion. He explained that the tax rate will increase substantially even if the voters do not vote on this because the City Council will take a vote on the tax rate. He commented that the MSBA wants to make sure that the numbers for the project are transparent and that residents know what this means for the community. Further, Mr. Cronin commented that there are traffic issues in Waltham and there will be ancillary costs associated with the project. He noted that he agrees with Mr. Sullivan's opinion that this is ultimately a local decision but he wants to make sure there is transparency regarding the cost to residents. He went on to say that he hopes the concerns of the Police Chief and Fire Chief have been addressed.

State Representative Thomas Stanley commented that a lot of these issues have already been raised and addressed, and that the City has had robust discussions about these issues. He commented that not every resident in Waltham agrees with the project, but he has no doubt that the safety and environmental issues will be addressed. He commented that the City can afford this project. He explained that it has been an excruciating and difficult process, but he has listened to all sides and the continuing concerns of some residents. He noted that the vast majority of residents are in favor of the project.

Ms. Kwan commented that this project was discussed at the Facilities Assessment Subcommittee meeting. She noted that she is very impressed with the educational plan submitted by the City, adding that it is very forward looking. She wanted to assure people that the educational plan has been reviewed. She commented that the City needs to support the personnel that will be using the building.

***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 Waltham by majority – 7 in favor, 0 abstaining*

Audit

Wei Xu, MSBA Financial Audit Manager, began his audit update by explaining that the MSBA has completed final audits for 527 Capital Pipeline Program projects plus the two projects that are being presented for final approval to the Board today, all together representing approximately \$5.98 billion in submitted and audited costs.

He continued, explaining that the MSBA has also audited approximately \$3.4 billion in submitted costs for the 233 projects currently submitting monthly requests for reimbursement. Based on the Total Project Budget information and submitted costs to date of approved projects, the MSBA

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estimates that approximately \$3.7 billion in additional costs will be submitted for audit for these projects.

The Financial Audit Manager then explained that monthly submitted costs have averaged \$92.8 million over the 12 months preceding this Board meeting, and the total amount submitted and audited in this 12-month period equals approximately \$1.1 billion.

Approval of Audits, New Program

The Financial Audit Manager explained that the Board is being asked to approve two Capital Pipeline Program audits listed on Exhibit C. He explained that the total combined grant amount for these two projects is \$28,535,797.

The Chair asked for a motion, and the following motion was made by Ms. Kwan 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 C 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 – 7 in favor, 0 abstaining.

MSBA Updates

Executive Director's Report

The Executive Director began his report by thanking MSBA staff members for their hard work in preparing for the Board meeting. He noted that since the December 11, 2019 Board meeting, the MSBA has visited 26 projects and, as of February 7, 2020, three districts have voted affirmatively to appropriate feasibility study or full project funds. He explained that the MSBA anticipates making 25 project visits in March and April and presented a list of the upcoming district visits as part of his PowerPoint presentation. He further 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. He added that staff have attended several project milestone ceremonies. He also noted that he attended the Massachusetts Facilities Administrators Association meeting at the Assabet Valley Regional Vocational Technical High School, the Massachusetts Municipal Association Meeting and Trade Show, the New Mayors event, the MMA Annual Meeting, and met with the House Committee on Bonding.

Next, the Executive Director explained that the My Ideal School Contest is planned for June 17, 2020 at the State House. He noted that the deadline for submissions is April 29, 2020.

Then, the Executive Director welcomed the new Capital Planning Co-op's, Liam Rigby and Ben Zhang.

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Project Status Updates

MSBA Director of Capital Planning Mary Pichetti provided an update on the project at the South Middle School in the Town of Braintree. She explained that the Town received Project Scope and Budget approval from the Board of Directors at the August 21, 2019 Board meeting. The 120-days to appropriate local funding expired on December 26, 2019. The Braintree Town Council took their necessary votes on January 23, 2020 and February 4, 2020. The debt-exclusion vote will occur at a March 28, 2020 Special Election. Staff are recommending an additional extension beyond the 120-day deadline of December 26, 2019 to April 1, 2020 in furtherance of the Town's efforts to secure its funding for the South Middle School project.

MSBA Post-Occupancy Evaluation Program

MSBA Senior Project Manager Chris Alles provided an update and presented a PowerPoint on the MSBA's Post-Occupancy Evaluation Program. He explained that the MSBA continues to provide grants that support approximately \$750 million to \$1 billion in school construction projects each year. With that comes an imperative responsibility to ensure that the Commonwealth's investment is protected. Throughout the course of the Post-Occupancy Pilot Program, previously approved by the Board in May 2017, the focus has been how the MSBA could best understand if MSBA-funded public school projects are operating and performing as they were designed, and how the MSBA could add value to its current process. Based on the efforts of the Pilot program, MSBA staff are recommending that with an estimated increase of approximately six percent to MSBA's annual salary budget, combined with an estimated annual consultant budget of approximately \$420,000, the MSBA could implement a Post-Occupancy Program that would benefit both the MSBA and districts moving forward.

He explained that over the past 2.5 years, MSBA staff have worked with consultants to establish a system unique to the MSBA's process including a thorough review of Capital Planning's Core Program modules which has led to the establishment of a module specific to post-occupancy and has enabled the MSBA to identify opportunities in its current modules that will inform future projects. During the pilot, fourteen MSBA-funded school buildings were visited, in which valuable information was collected; however, this provides merely a snapshot of the overall value that a Post-Occupancy Program could provide. Understanding issues with systems compatibility, safety concerns with roofing materials, lighting control issues, general building management systems compatibility, operations & maintenance best practice assessments, energy use comparisons, the need for re-commissioning, training and building turn-over concerns, and general district feedback, are just some of the examples experienced from these visits.

He further explained that projecting forward, in the next five years, the MSBA estimates that 50-60 approved projects would be eligible for post-occupancy evaluations, in accordance with the MSBA's proposed three-years of occupancy policy. The associated construction cost of these projects is approximately \$3.9 billion dollars.

He noted there are two cost components associated with staffing this program, which the MSBA has estimated to include: additional MSBA staff totaling approximately \$505k, for 5.25 full time employees (5 new hires and .25 existing IT staff) and professional consultants totaling approximately \$420k. This assumes twelve annual post-occupancy evaluations.

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By comparison, staff estimate that the Post-Occupancy Evaluation Program being proposed would cost approximately \$925k annually, or approximately .11% of the estimated annual construction cost of approved projects. Further comparison indicates that MSBA's annual commissioning commitment is estimated at approximately \$1.5 million (or .18% of the estimated annual construction budget).

He noted that the MSBA has and will continue to search for ways to improve and add value to what the MSBA does. The MSBA believes that with an appropriately staffed program, the many benefits associated with implementing an MSBA Post-Occupancy Program provides great value to the overall process.

He further noted that the MSBA hopes to commence this new program in Spring 2021.

The Chair commented that this is a new project and is money well spent for the MSBA.

Ms. Vanderhoef commented that this is very important work and a great program to see if building systems are working properly.

Mr. Deninger commented that he agrees with Ms. Vanderhoef. He noted that this is one large research project, adding that it is what you do with the information that is gathered that is the tricky part. He commented that the MSBA is going to gather some great information from this project.

Ms. Kwan commented that this process should help to ensure that the custodial and maintenance staff are receiving the appropriate training for the new building systems.

Mr. Alles explained that the MSBA plans to gather information through surveys and meetings with the administration staff in districts.

Mr. Sullivan noted that this program will cost nearly \$1 million. He noted that he is interested to review the outcome of the pilot program. He suggested completing this work with consultants instead of hiring more full-time staff.

Ms. Brockelman commented that this is the type of follow-up that is needed for building performance and energy use. She noted that this type of program would track that information long term and should bring down the cost of maintenance over time. She noted that the MSBA needs to look at what the MSBA should do with the information gathered from this project and look into how the MSBA can educate OPMs and designers.

The Chair stepped out of the meeting briefly and her designee, James MacDonald, presided over a brief portion of the meeting.

Mr. MacDonald encouraged Board members to reach out to Chris Alles or Jack McCarthy if they would like additional information on the program.

Project Overview Report

MSBA Senior Project Manager Mike McGurl presented a PowerPoint, including a bid summary for the Core Program. He summarized available data for anticipated Sub-Bids in February, March and April and anticipated DBB Bids or GMP Executions in February, March and April.

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MSBA Project Manager Christy Murray presented a new interactive map using Tableau for bidding information regarding MSBA projects. She explained that there is still work progressing on the map project and that MSBA staff are hoping to share a second version of the map with additional features at the April Board of Directors meeting. This second version will then be added to the MSBA website. She thanked the IT team for all their help with this project.

The Chair returned to the meeting.

Then, MSBA Senior Project Manager Mike McGurl presented a PowerPoint, including a summary of bid results for the Core Program. He reported that of the 22 Core Program projects scheduled to receive sub-bids in 2019, fifteen have reported DBB bids or GMP executions to date. All fifteen of the reported bids came in within the estimated budget. As part of his presentation, he presented a chart on bid data for the projects in the MSBA Capital Pipeline. He then provided bid data for the MSBA's Accelerated Repair Program. He 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 April 2020 Board of Directors meeting. He then explained that for the 2018 Accelerated Repair Program, thirteen of the fifteen reported projects bid within the estimated budget and an additional ten projects are anticipated to bid by the April Board of Directors meeting.

Mary Pichetti, MSBA Director of Capital Planning, thanked the IT department, Christy Murray and Mike McGurl for their work on the interactive maps.

Mr. Cronin complimented MSBA staff on their work to create the new interactive maps.

Finance

Sales Tax Collection Update

MSBA Director of Budget and Finance Administration, Julie Leonard, presented a PowerPoint and provided an FY20 SMART Collections update. The FY20 Consensus Revenue Estimate of \$954 million would represent growth of 6.8% over the FY19 unaudited amount. The FY20 collections for July through December 2019 are \$24.586 million (5.56%) higher than FY19 collections for the same period.

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

Grant Payments Update

MSBA Treasurer, Gianpiero Tirella, provided an update regarding MSBA grant payments for projects, noting that the MSBA has made \$420,848,620 in grant payments to date in Fiscal Year 2020. This is for 222 Capital Pipeline Program projects in 135 districts.

FY20 Budget Update

MSBA Chief Financial Officer, Laura Guadagno, provided the Board with a FY20 budget update. She presented a PowerPoint with Fiscal Year 2020 Expenditure Charts which outlined year to date

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spending. She also provided a Fiscal Year 2020 Budget Update and reviewed salaries and benefits, administrative expenses, and grant program expenditures to date.

Authorization of 2020 Dedicated Sales Tax Bonds, Refunding Bonds and Cash Defeasance of Prior Bonds

MSBA Chief Financial Officer, Laura Guadagno, provided an update on the vote for the issuance by the MSBA of one or more series of dedicated sales tax bonds, refunding bonds and the cash defeasance of prior bonds. She explained that the borrowing authorization is for up to \$500 million of new money bonds, anticipated in May/June 2020, and up to \$1.5 billion of refunding bonds, depending upon the interest rate and the opportunity for savings. She noted that market conditions continue to be strong. She also explained that the MSBA is planning up to a \$150 million cash defeasance of outstanding bonds ahead of the new money deal.

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

Authorization to Provide for the Issuance by the Authority of One or More Series of Dedicated Sales Tax Bonds, Dedicated Sales Tax Refunding Bonds and Cash Defeasance of Prior Bonds

VOTED: To authorize the Executive Director to provide for (i) the issuance by the Authority of one or more series of Dedicated Sales Tax Bonds (the "Bonds") pursuant to Section 206 of the Trust Agreement dated as of August 1, 2005 (as amended, supplemented and restated, the "Trust Agreement") between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee") in an aggregate principal amount not to exceed \$500,000,000, and (ii) the issuance by the Authority of one or more series of Dedicated Sales Tax Refunding Bonds (the "Refunding Bonds") pursuant to Section 207 of the Trust Agreement in an aggregate principal amount not to exceed \$1,500,000,000 for the purpose of refunding prior bonds issued by the Authority, as determined by the Executive Director and providing for costs of issuance of the Refunding Bonds, and such Bonds or Refunding Funds may be issued as either senior or subordinate lien bonds and either as tax-exempt or taxable bonds, and in furtherance thereof the Executive Director, with respect to the Bonds and the Refunding Bonds, is hereby delegated all powers of the Authority under Section 3B of Chapter 70B of the Massachusetts General Laws.

VOTED: To authorize the Executive Director to apply available moneys of the Authority to the cash defeasance of prior bonds issued by the Authority, as determined by the Executive Director in an principal amount not to exceed \$150,000,000, and in furtherance thereof the Executive Director, with respect to the cash defeasance, is hereby delegated all powers of the Authority under Section 3B of Chapter 70B of the Massachusetts General Laws.

VOTED: To authorize the Executive Director and such other officers of the Authority as the Executive Director may designate, acting singly, upon the advice of the Authority's bond counsel or disclosure counsel, to do all acts and things and to execute and deliver any and all documents, certificates and other instruments necessary or desirable in connection with the issuance of the Bonds and/or the Refunding Bonds,

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including without limitation a purchase contract providing for the sale of the Bonds and/or the Refunding Bonds, a preliminary and final official statement with respect to the Bonds and/or Refunding Bonds, continuing disclosure agreements, one or more supplemental trust agreements, one or more refunding escrow agreements, and one or more agreements providing for the investment of the proceeds of the Bonds and/or Refunding Bonds and in connection with the cash defeasance, including without limitation a defeasance escrow agreement.

Mr. Sullivan commented that the MSBA is very fortunate to be under the umbrella of the Treasurer's office. He noted that the MSBA has a great record on bond issuances. He commented that the MSBA has saved taxpayers a lot of money by timing the refundings and getting good rates. He noted that he is pleased to vote in favor of this.

The Chair thanked Sue Perez who leads the Commonwealth's Debt Management Department and collaborated with the MSBA prior to this meeting.

***VOTE:** There being no further questions or comments, the Board approved the Motion by majority – 7 in favor, 0 abstaining.*

The Chair asked for a motion to adjourn the meeting. A motion was made by Ms. Kwan and seconded by Mr. Cronin. The meeting was adjourned at 11:45 a.m.

List of documents and exhibits used at the meeting:

- PowerPoint Presentation
- December 11, 2019 Board Meeting Minutes
- Project Removal from the Accelerated Repair Program
- Invitation to Feasibility Study
- Invitation to Project Scope and Budget
- Audit Status Report
- Recommendation for Approval of Final Audits, Capital Pipeline Program
- Executive Director Report
- Post Occupancy Pilot Program Update
- Project Overview Report
- Sales Tax Collection Update
- Grant Payments Update
- FY20 Budget Update
- Authorization of 2020 Dedicated Sales Tax Bonds, Refunding Bonds and Cash Defeasance of Prior Bonds

*Three letters were received but not read into the record.

State Representative David Muradian Jr. sent a letter offering his support for the project at the Blackstone Valley Regional Vocational Technical High School in the Blackstone Valley Regional Vocational Technical School District. The Accelerated Repair Program project received Board approval to execute a Project Funding Agreement.

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State Representative Michelle DuBois sent a letter offering her support for the project at the Central Elementary School in the Town of East Bridgewater. The Accelerated Repair Program project received Board approval to execute a Project Funding Agreement.

State Representative Carolyn Dykema and State Senator James Eldridge sent a letter offering their support for the project at the Mary E. Finn Elementary School in the Town of Southborough. The Accelerated Repair Program project received Board approval to execute a Project Funding Agreement.