

District: City of Gloucester
 School Name: East Gloucester Elementary School
 Recommended Category: Project Scope and Budget
 Date: August 19, 2020

Recommendation

That the Executive Director be authorized to enter into a Project Scope and Budget Agreement and a Project Funding Agreement with the City of Gloucester (the “District”) to replace the existing East Gloucester Elementary School and Veterans Memorial School with a new combined facility serving grades K-5 on the site of the existing Veterans Memorial School, contingent upon the District gaining full ownership, control, and exclusive use of the proposed site.

District Information	
District Name	City of Gloucester
Elementary School(s)	Gloucester Pre-School (PK) Beeman Memorial Elementary School (K-5) East Gloucester Elementary School (K-5) Plum Cove Elementary School (K-5) Veterans Memorial School (K-5) West Parish Elementary School (K-5)
Middle School(s)	O’Maley Innovation Middle School (6-8)
High School(s)	Gloucester High School
Priority School Name	East Gloucester Elementary School
Type of School	Elementary School
Grades Served	K-5
Year Opened	1948
Existing Square Footage	31,077
Additions	1989—Addition of 5 classrooms 2005—Addition of modular units
Acreage of Site	2.82 acres
Building Issues	The District identified deficiencies in the following areas: <ul style="list-style-type: none"> – Mechanical systems – Electrical systems – Plumbing systems In addition to the physical plant issues, the District reported that the existing facility does not support the delivery of its educational program.
Original Design Capacity	Unknown
2019-2020 Enrollment	202
Agreed Upon Enrollment	440
Enrollment Specifics	The District and MSBA have mutually agreed upon a design enrollment of 440 students serving grades K-5.
Total Project Budget – Debt Exclusion Anticipated	Yes

MSBA Board Votes	
Invitation to Eligibility Period	February 15, 2017
Invitation to Feasibility Study	February 14, 2018
Preferred Schematic Authorization	December 11, 2019
Project Scope & Budget Authorization	On August 26, 2020 Board agenda
Reimbursement Rate Before Incentives	61.02%
Incentive Points	1.63 – Maintenance 2.00 – Energy Efficiency – “Green Schools” ¹
Total Reimbursement Rate ¹	64.65%

¹ The MSBA has provisionally included two (2) incentive points for energy efficiency, subject to the District meeting certain sustainability requirements for the project. If the District does not meet the requirements for the energy efficiency, the District will not qualify for these incentive points, and the MSBA will adjust the reimbursement rate accordingly.

Consultants	
Owner’s Project Manager (the “OPM”)	CBRE/Heery, Inc.
Designer	Dore & Whittier Architects, Inc.

Discussion

MSBA staff reviewed the documents provided by the District and met with the District and its consultants to discuss scope and budget. The District has provided a Total Project Budget of \$66,700,000, which includes an estimated construction cost of \$51,925,531 (\$574/sq. ft.). The Estimated Basis of Total Facilities Grant would be \$39,444,609, which excludes OPM and Designer fees in excess of MSBA’s funding cap for basic services, OPM and Designer fees associated with ineligible site and building scope, costs associated with abatement of asbestos-containing floor materials, site costs in excess of 8% of total building cost, construction costs in excess of \$333/sq. ft. plus eligible demolition and abatement, costs associated with mailing and moving, costs in excess of the \$1,200 per student allowance for fixtures, furniture, and equipment, costs in excess of the \$1,200 per student allowance for technology, and owner’s and construction contingency costs.

Additionally, costs associated with the commissioning of ineligible square footage will result in the recovery of a portion of the overall commissioning cost. The MSBA has calculated this recovery of commissioning-related funds to be \$4,306, which has been deducted from the Estimated Maximum Total Facilities Grant and the Maximum Total Facilities Grant.

Project Scope and Budget Agreement	
Enrollment: 440	District’s Proposed Project Budget
Proposed Total Square Feet: 90,461	
Project Budget ¹	\$62,387,266
Scope Exclusions/Ineligible Costs	-\$22,942,657
Estimated Basis of Total Facilities Grant	\$39,444,609
Reimbursement Rate	64.65%
Estimated Maximum Total Facilities Grant before Cost Recovery ²	\$25,500,940
Cost Recovery	-\$4,306
Estimated Maximum Total Facilities Grant ²	\$25,496,634

Potentially Eligible Owner's and Construction Contingencies	\$2,235,713
Potential Additional Grant Funds for Eligible Owner's and Construction Contingency Expenditures	\$1,445,388
Total Project Budget	\$66,700,000
Maximum Total Facilities Grant ^{3,4}	\$26,942,022

¹Does not include Owner's or Construction Contingencies.

²Does not include any grant funds for potentially eligible Owner's or Construction Contingency Expenditures; subject to MSBA review and audit.

³Includes maximum possible Owner's and Construction Contingency grant funds, the final amount of which, if any, shall be determined by the MSBA in its sole discretion. The MSBA does not anticipate that the District will expend all of its contingency funds on expenses that are eligible for MSBA reimbursement.

⁴Maximum Total Facilities Grant will be allocated in part to the current Grant Cap, and in part to future available Grant Cap space.

MSBA staff recommends an Estimated Maximum Total Facilities Grant of \$25,496,634; however, the District may be eligible for up to an additional \$1,445,388 in grant funds, subject to the MSBA's review and audit of the District's owner's and construction contingency expenditures. Accordingly, staff recommends a Maximum Total Facilities Grant of \$26,942,022 for the Project Scope and Budget Agreement and Project Funding Agreement to replace the existing East Gloucester Elementary School and Veterans Memorial School with a new combined facility serving grades K-5 on the site of the existing Veterans Memorial School, contingent upon the District gaining full ownership, control, and exclusive use of the proposed site.