

*The December 21, 2022 Board Meeting minutes were approved by the MSBA's Board of Directors at the March 1, 2023 meeting.*

## **Massachusetts School Building Authority Board Meeting Minutes of December 21, 2022**

A meeting of the Massachusetts School Building Authority (the “Authority” or “MSBA”) was held on December 21, 2022. The meeting was held remotely via Zoom.

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

**Others Present:** James MacDonald, Chief Executive Officer; Jack McCarthy, Executive Director/Deputy Chief Executive Officer; Mary Pichetti; Mike McGurl; Laura Guadagno; Christine Nolan; Matt Donovan; Maria Puopolo; Stacy Patino; Barbara Hansberry; Colleen Smith; Mike Bergquist; Siobhan Tolman; John Jumpe; Karl Brown; Katie DeCristofaro; Elena Seiti; Evan Levesque; Erin Sullivan; Chris Alles; Sharon George; Wei Xu; Gianpiero Tirella; Julie Leonard; municipal representatives; legislative representatives; local elected officials; and other members of the MSBA and the public.

### **Call to Order**

The 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.

She then explained that the meeting is being held in accordance with Chapter 107 of the Acts of 2022, which permits remote participation by all Board members and allows the MSBA to use adequate alternative means, such as a conference call line, to ensure public access to the deliberations of the Board.

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: approve minutes from the October 26, 2022 Board of Directors meeting; approve staff recommendations on revised project funding limits and revise the grant amounts for two projects; invite ten 2022 Core Program Statements of Interest into Eligibility Period; invite two districts into Feasibility Study; re-categorize one district from Feasibility Study to Eligibility Period; execute Project Funding Agreements for five projects from two districts in the Accelerated Repair Program, with an Estimated Maximum Total Facilities Grant of approximately \$15.1 million; and authorize one project to proceed into Preferred Schematic Design, with an estimated \$183.9 million in total construction costs. The Board will also be voting to invite two districts to enter into Project Scope and Budget Agreements and Project Funding Agreements and to approve four final audits from four districts with a Final Total Facilities Grant of approximately \$88 million. Additionally, the Board will be voting on staff recommendations for the Model School Program, Post Occupancy Evaluation House Doctor Services, IT Software Development and Support Consulting Services and the MSBA Investment Policy.

### **Acceptance of the October 26, 2022 Minutes**

The Chair asked for a motion to accept the minutes of the October 26, 2022 Board meeting. A motion was made by Ms. Vanderhoef and seconded by Mr. Deninger:

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### **Approval of the Minutes of the October 26, 2022 Board Meeting**

VOTED: That the Board of Directors of the Massachusetts School Building Authority hereby approves the Minutes of the October 26, 2022 Board meeting.

There being no Board discussion, the Chair asked for a roll call vote of the Board.

#### **Roll Call Vote:**

Terry Kwan – Abstain  
Sheila Vanderhoef – Yes  
Sean Cronin – Yes  
Matt Deninger – Yes  
Deborah Goldberg – Yes

**The motion passed – 4 in favor, 0 against, 1 abstaining.**

Ms. Brockelman joined the meeting.

#### **Recommendation to Revise MSBA Project Funding Limits**

The MSBA's Director of Project Management, John Jumpe, presented a PowerPoint regarding the recommendation to revise the MSBA's project funding limits. He noted that he wants to recognize and thank Capital Planning's Data team, particularly Mike McGurl and Yona Baer, who performed much of the work being presented. He explained that the MSBA's overall goal is to identify an appropriate construction cost funding limit going forward, estimate the impact of the new construction cost funding limit on projects in the capital pipeline who have not yet secured approval, and to support the effort to determine the number of Statements of Interest the MSBA is able to invite into the pipeline.

The Director of Project Management provided an overview of the MSBA's annual cap, as well as historic project costs and MSBA funding limits.

He explained that overall, staff evaluated eleven options as funding limit alternatives and discussed this review with the Facilities Assessment Subcommittee on November 9, 2022 and November 22, 2022. He reviewed the estimated impact to the annual cap for each option, as well as the impact on project invitations. He also provided an overview of the number of project invitations from 2018-2021.

Next, the MSBA's Director of Capital Planning, Mary Pichetti, explained that MSBA staff focused on four options that were advanced for additional review. The MSBA started with the precedent approach in which the increase in funding is tied to the annual cap space, which has no impact on project invitations, to an alternative with a 20% increase to the construction funding limit that impacts capacity for new project invitations by an estimated \$332 million.

The Director of Capital Planning explained that regardless of the funding level selected, the number of potential 2022 SOI invitations will be less than last year because of larger schools and higher district reimbursement rates on average. Additionally, one of the recommended SOIs is the equivalent of four other SOI schools because of its size and the district's reimbursement rate. To

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lessen the impact of this one project on the possible number of invitations this year, staff is recommending that the Executive Director apply the approved administrative procedures to this SOI to allow the total value of square footage and associated grant to be spread across several future years.

The Director of Capital Planning explained that, given the funding challenges districts are facing in the current construction market, the MSBA is recommending the 20% increase to the construction funding limit and a reduced number of invitations for the 2022 Statements of Interest by two. To support this recommendation, the Executive Director will apply the approved administrative procedures to mitigate the immediate impact of this recommendation on the number of SOI invitations that can be considered for 2022. These administrative procedures, along with the pause in the 2023 Accelerated Repair Program, are needed to support the 20% increase to the funding limit. The result of this recommendation is a reduction for Core Program project invitations by as much as two to three invitations per year for calendar years 2022, 2023, 2024 and 2025, for an approximate reduction of eight to eleven invitations in Core as well as the reduction of \$75 million of ARP invitations in 2023.

The Director of Capital Planning explained that based on this review, MSBA staff have recommended the following: adjustment to the current policy of funding from up to \$360/sf plus eligible demolition and abatement which included eligible sitework costs to funding up to \$393/sf for building costs plus eligible demolition and abatement; adjustment to the current sitework cost allowance guidelines of funding from up to eight percent of building cost as part of the construction cost funding limit to funding up to ten percent of the MSBA's building cost funding limit for otherwise eligible sitework costs. This allowance would be reimbursed in addition to the MSBA's building construction cost funding limit plus eligible demolition and abatement; and reimbursement of up to \$39/sf for otherwise eligible sitework in addition to the proposed building cost funding limit of \$393/sf for a total construction cost funding limit of \$432/sf plus eligible demolition and abatement.

The Director of Capital Planning explained that staff have also recommended that the MSBA adjust the current policy for OPMs and Designers that was set in June 2021 to be a percentage of an upper limit of \$500/sf or the construction budget, whichever is less, to an upper limit of \$550/sf or the construction budget, whichever is less, for otherwise eligible basic services. The changes to the policy would be effective for districts receiving Board approval of a Project Scope and Budget on or after October 1, 2022.

Based on an effective date of October 1, 2022, the recommendation for the Board's consideration and approval includes revisions to the Project Scope and Budget Agreements for the City of Haverhill for the Consentino Middle School and the Town of Winchester for the Lynch Elementary School, both approved at the October 26, 2022 Board meeting. Additionally, the recommendation includes for the Board's consideration and approval revisions to the Project Scope and Budget Agreements for the Town of Brookline for the Pierce School and the Town of Wakefield for the Wakefield Memorial High School, scheduled for presentation at today's meeting.

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

### **Approval of Massachusetts School Building Authority's Funding Policy**

VOTED: That the Board of Directors of the Massachusetts School Building Authority hereby approves the following recommended changes to the Authority's funding policy, effective for districts receiving Project Scope and Budget approval on or after October 1, 2022, as further described in the materials presented to the Board and attached hereto, and hereby authorizes the Executive Director to do all acts and things necessary to implement the following recommended changes to the funding policy:

- Adjust the current policy of funding from up to \$360/sf plus eligible demolition and abatement (including eligible sitework costs) to funding up to \$393/sf for building costs plus eligible demolition and abatement (exclusive of eligible sitework costs);
- Adjust the current sitework cost allowance guidelines of funding from up to 8% of building cost for otherwise eligible sitework costs (within the construction funding limit) to funding up to 10% of the MSBA's building cost funding limit for otherwise eligible sitework costs (in addition to the MSBA's building construction cost funding limit plus eligible demolition and abatement);
- Apply the proposed adjustment to MSBA's sitework cost allowance guidelines to include up to \$39/sf in addition to the proposed increase to \$393/sf for a total construction cost funding limit of \$432/sf plus eligible demolition and abatement;
- Adjust the current policy of funding up to 3.5% of an upper limit of \$500/sf or construction budget, whichever is less to funding up to 3.5% of an upper limit of \$550/sf or construction budget, whichever is less, for otherwise eligible Owner's Project Management basic services;
- Adjust the current policy of funding up to 10% of an upper limit of \$500/sf or construction budget, whichever is less to funding up to 10% of an upper limit of \$550/sf or construction budget, whichever is less, for otherwise eligible Designer basic services; and
- Make the policy effective for districts receiving an approval of a Project Scope and Budget on or after October 1, 2022.

VOTED: That, in accordance with the aforementioned changes to the Authority's Funding Policy, effective for districts receiving Project Scope and Budget approval on or after October 1, 2022, the Board of Directors of the Massachusetts School Building Authority hereby approves a revised Estimated Maximum Total Facilities Grant of \$80,487,558, and a Maximum Total Facilities Grant of \$81,988,724, for the Potential Project in the City of Haverhill to replace the existing Dr. Albert B. Consentino Middle School with a new facility serving grades 5-8 on the existing school site, as further described and subject to any limitations set forth in the materials presented to the Board on October 26, 2022; provided further that the Authority shall update the Total Project Budget for the project accordingly.

VOTED: That, in accordance with the aforementioned changes to the Authority's Funding Policy, effective for districts receiving Project Scope and Budget approval on or after October 1, 2022, the Board of Directors of the Massachusetts School Building Authority hereby approves a revised Estimated Maximum Total Facilities Grant of \$19,941,157, and a Maximum Total Facilities Grant of \$20,308,733, for the Potential

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Project in the Town of Winchester to replace the existing Lynch Elementary School with a new facility serving students in Pre-kindergarten through grade 5 on the expanded existing site, as further described and subject to any limitations set forth in the materials presented to the Board on October 26, 2022; provided further that the Authority shall update the Total Project Budget for the project accordingly.

Mr. Cronin asked what the administrative procedures are that were mentioned.

The Director of Capital Planning explained that in 2017, the MSBA presented memos with the administrative procedures to allow for an annual reconciliation of the Annual Cap that either forwards unused grant cap space to future years and/or borrows from future years. The purpose of the procedures is to provide the MSBA with maximum flexibility to account for the changes in district's schedules caused by unforeseen issues and allowing for extensions so that districts will be successful while still maximizing the use of the cap so that all dollars available go toward district projects.

Mr. Cronin commented that this vote does not fix the major problem, noting that the cap needs to be looked at as well. He commented that he knows the Executive Director and others are looking into this. He noted that the MSBA has cash that cannot be used because of the cap. He thanked the MSBA staff that worked on this recommendation, adding that he believes there are other components, such as the reimbursement rate formula, that need to be addressed.

The Chair noted that she concurs with Mr. Cronin.

Ms. Kwan commented that Mr. Cronin provided a good summary of the issue.

Mr. Deninger commented that he agrees with Mr. Cronin. He noted that we are doing what we can internally, but there is more to be done externally with the legislature.

The Chair commented that the Board and MSBA recognize the enormous need across the state. She noted that there are restrictions placed on the MSBA and this is challenging. She commented on the escalating project costs and the labor shortage. She commented that everyone will need to work together, and she hopes the new administration will work with the MSBA on these issues.

The Executive Director thanked Mr. Cronin for his comments and for recognizing that the MSBA is working to address these issues. He commented that at a minimum, the MSBA will seek an increase to the cap. He noted that he is hoping to have Mr. Cronin in for a meeting after the new year to discuss these topics further.

There being no more discussion, the Chair asked for a roll call vote of the Board.

**Roll Call Vote:**

Anne Brockelman – Yes  
Terry Kwan – Yes  
Sheila Vanderhoef – Yes  
Sean Cronin – Yes  
Matt Deninger – Yes

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Deborah Goldberg – Yes

**The motion passed – 6 in favor, 0 against, 0 abstaining.**

### **Invitation to Eligibility Period**

MSBA Capital Program Manager Katie DeCristofaro explained that the Board is being asked to vote to invite the following districts into the Eligibility Period: the Blackstone-Millville Regional School District for the Blackstone-Millville Regional High School, the City of Brockton for the Brockton High School, the City of Chicopee for the Barry Elementary School, the Town of East Bridgewater for the Central Elementary School, the Franklin County Regional Vocational Technical School District for the Franklin County Regional Vocational Technical High School, the City of Marlborough for the Richer Elementary School, the City of Salem for the Salem High School, the Town of Swansea for the Joseph Case Junior High School, the Town of West Bridgewater for the Rose L. MacDonald Elementary School, and the Town of Wrentham for the Charles E. Roderick School.

She explained that the MSBA received 121 Statements of Interest (SOIs) in 2022. Sixty-seven were received for the Accelerated Repair Program and 54 were received for the Core Program. She noted that Accelerated Repair Program conclusions and invitations are complete, with today's focus on the Core SOI submissions.

At the August 3, 2022 Facilities Assessment Subcommittee (FAS) meeting, MSBA staff reported that the 2022 Statement of Interest due diligence process commenced when the SOI system closed on April 29, 2022. Staff recommended 23 further review SOIs, twenty-one of which were senior study candidates to be conducted in August and October 2022. Two of the 23 were desktop reviews.

At the November 22, 2022 Facilities Assessment Subcommittee meeting, staff recommended the following: 10 Statements of Interest for invitation into Eligibility Period, maintaining the 31 "No Further Review" recommendations as established at the August 3, 2022 FAS meeting, and an additional 13 SOIs post-senior study to the category of "No Further Review Recommended" for an overall outcome of 44 No Further Review Recommendations and 10 Further Review Recommendations.

She then provided a summary of the 10 SOIs that staff are recommending for the Board to invite into Eligibility Period.

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

### **Vote on Inviting Communities to the Eligibility Period**

VOTED: That the Board approves each District and School that is listed on Exhibit A for invitation into the Eligibility Period subject to the conditions that are set forth in Exhibit A; that the Executive Director is hereby authorized to commence the Eligibility Period for each such District and School upon the date of such District's and School's separate Eligibility Period Commencement Date as set forth in Exhibit A; and that the Executive Director is hereby further authorized to do all acts and things, to execute and deliver any and all documents and agreements, and to expend

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funds necessary or desirable in connection with inviting each of these communities into the Eligibility Period and to commence the Eligibility Period.

Ms. Kwan commented that it is important that the actual users in the district create, write and review the educational program, adding that it should not be written by the district's consultants. She noted that the Board reads all of the educational plans and commented that the educational plans should be driving the design of the building. She commented that a good educational plan will also serve the districts well when going to the public to approve the funding.

Mr. Deninger commented that the districts should concentrate on the educational plan. He noted that the districts have the support of the Board, and he encourages the districts to listen to the MSBA's guidance.

Mr. Cronin commented that the districts should not use the reimbursement rates given at the start of the project to calculate their share of the project because the effective reimbursement rate for a project will be less when applied to eligible project costs. He commented that the Massachusetts Division of Local Services' website has tools available to help calculate taxes.

The Executive Director noted that the MSBA received a letter of support from State Senator Ryan Fattman and State Representative Michael Soter for the proposed project at the Blackstone-Millville Regional High School in the Blackstone-Millville Regional School District.

Blackstone-Millville Regional School District Superintendent Jason DeFalco thanked the Board and the MSBA. He commented that this is a huge opportunity for the District and he is grateful to be selected.

Brockton Superintendent Michael Thomas thanked the Board and the MSBA and commented that it is great to be able to work with the MSBA.

Brockton Mayor Robert Sullivan thanked the Board and MSBA. He commented that this project is a game changer for the City. He commented that this is wonderful for the students of Brockton.

The Executive Director noted that the MSBA received a letter of support from State Senator John Velis and State Senator Adam Gomez for the proposed project at the Barry Elementary School in Chicopee.

Chicopee Interim Superintendent Alvin Morton thanked the Board and the MSBA for this monumental opportunity and partnership.

Chicopee Mayor John Vieau thanked the Chair, the Board and the MSBA. He commented that he is excited for this opportunity, and he is looking forward to the process. He wished everyone a happy holiday.

State Representative Jacob Oliveira offered his support for the proposed project at the Barry Elementary School in Chicopee. He thanked the Board and the MSBA for this opportunity.

East Bridgewater Central Elementary School Principal Kate Byrne commented that she appreciates the opportunity and thanked the Board and MSBA.

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East Bridgewater Superintendent Elizabeth Legault thanked the MSBA and the Board.

Franklin County Regional Vocational Technical School District Superintendent Rick Martin thanked the Board and the MSBA for this opportunity. He commented that he is looking forward to encompassing the growing enrollment in the District.

State Senator Jo Comerford thanked the Board and the MSBA. She commented that she is grateful for the deliberation on the funding limits earlier in the meeting. She noted that there is strong support from the District for the proposed project.

An aide to State Representative Natalie Blais thanked the Board and the MSBA and offered the Representative's support for the proposed project at Franklin County Technical High School.

The Executive Director noted that the MSBA received a letter of support from State Senator Jo Comerford, State Representative Susannah Whipps, State Representative Natalie Blais and State Representative Paul Mark for the proposed project at the Franklin County Technical High School in the Franklin County Regional Vocational Technical School District.

Marlborough Superintendent Mary Murphy thanked the Board and the MSBA for their support.

Salem Superintendent Steve Zrike thanked the Board and the MSBA for this opportunity, adding that he is grateful. He commented that he is excited to engage in city-wide discussions and he looks forward to the hard work ahead with the MSBA.

State Representative-Elect Manny Cruz thanked the Board and the MSBA. He commented that he looks forward to working with the MSBA.

State Senator Joan Lovely thanked the Board and the MSBA. She commented that she looks forward to working with the MSBA.

Swansea Superintendent John Robidoux thanked the Board, MSBA and legislative delegation for their support. He commented that he looks forward to continuing to work with the MSBA. He wished everyone a happy holiday.

The Executive Director commented that the MSBA received a letter of support from State Senator Michael Rodrigues for the proposed project at the Joseph Case Junior High School in Swansea.

The Executive Director commented that the MSBA received a letter of support from State Representative Steven Howitt for the proposed project at the Joseph Case Junior High School in Swansea.

The Executive Director commented that the MSBA received a letter of support from State Representative Patricia Haddad for the proposed project at the Joseph Case Junior High School in Swansea.

Chief of Staff to State Senator Walter Timilty thanked the Board and the MSBA and offered the Senator's support for the proposed projects at the Rose L. MacDonald Elementary School in West Bridgewater and the Central Elementary School in East Bridgewater.

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West Bridgewater Superintendent Mark Bodwell thanked the Board and the MSBA. He commented that he is excited to be part of the MSBA program and for the next steps in the process.

Wrentham Superintendent Dr. Allan Cameron thanked the Board and the MSBA. He commented that he is excited and appreciative of their support.

There being no more discussion, the Chair asked for a roll call vote of the Board.

**Roll Call Vote:**

Anne Brockelman – Yes

Terry Kwan – Yes

Sheila Vanderhoef – Yes

Sean Cronin – Yes

Matt Deninger – Yes

Deborah Goldberg – Yes

**The motion passed – 6 in favor, 0 against, 0 abstaining.**

Next, the MSBA's Chief Executive Officer James MacDonald presented a PowerPoint presentation that showed photos of building deficiencies from the 2022 SOI site visits. He explained that due to the limitations from the MSBA's annual cap, the MSBA was only able to invite in ten of the 54 Core Program SOIs received this year. He explained that due to the volume of SOIs for the Accelerated Repair Program as well, the MSBA had to further limit the eligibility for the Accelerated Repair Program based on the age of the roofs, windows, and boilers. The MSBA only accepted roofs that at a minimum were 30 years old, window/door systems that were 35 years or older, and boilers that were at a minimum 25 years old in 2022.

As in past years, most of the buildings that file for the Core Program are at least 40 to 50 years old, with many much older. Based on their age alone, these buildings have outdated systems, which would require a major repair project that would cost tens of millions of dollars, much higher than many of our districts can afford alone. The MSBA's recommendations for invitation represent the most urgent and needy amongst all the SOIs; however, that is not to say that the issues faced commonly by the other district SOIs are not urgent and needy.

The Chair thanked the Chief Executive Officer for sharing the information and photos.

The Chief Executive Officer thanked Mary Pichetti, Katie DeCristofaro, Diane Sullivan, John Jumpe, Mike McGurl and the rest of the SOI team for their hard work every year.

**Invitation to Feasibility Study**

MSBA Capital Program Manager Katie DeCristofaro explained that staff are recommending that the Board vote to invite the Hamilton-Wenham Regional School District and the City of Leominster into Feasibility Study. The two districts were invited into Eligibility Period on March 2, 2022 and have completed all the necessary prerequisites including: the filing of their educational profile questionnaire, finalizing enrollment, and securing feasibility study/schematic funds to proceed.

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The first district for consideration is the Cutler Elementary School in the Hamilton-Wenham Regional School District. The MSBA will be working with the District to study the following four options: 285 students in the facility's current configuration of grades K-5, 430 students consolidating the Cutler Elementary School and Winthrop Elementary School for grades 3-5, 645 students consolidating the Cutler Elementary School and the Winthrop Elementary School for grades K-5, and 740 students consolidating the Cutler Elementary School and the Winthrop Elementary School for grades 1-5.

The second district for consideration is the Fall Brook Elementary School in the City of Leominster. The MSBA will be working with the District to study options that maintain their current grade K-5 configuration for 610 students.

Based on the completion of the Eligibility Period requirements, staff recommend that the Board vote to authorize the two districts to proceed into Feasibility Study.

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

**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.

Hamilton-Wenham Regional School District Superintendent Eric Tracy thanked the Board and MSBA. He commented that he looks forward to moving forward with the project. He thanked Nina Pappacostas for her assistance.

Leominster Superintendent Paula Deacon thanked the Board and the MSBA for their support and commented that the community, staff and students are all appreciative.

Leominster Mayor Dean Mazzarella commented that the City has worked hard to maintain the building. He thanked the Board and the MSBA for their support.

There being no more discussion, the Chair asked for a roll call vote of the Board.

**Roll Call Vote:**

Anne Brockelman – Yes  
Terry Kwan – Yes  
Sheila Vanderhoef – Yes  
Sean Cronin – Yes  
Matt Deninger – Yes

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Deborah Goldberg – Yes

**The motion passed – 6 in favor, 0 against, 0 abstaining.**

**Re-Categorization of Previous Board Invitation from Feasibility Study to Eligibility Period**

The Director of Project Management explained that staff are recommending that the Board vote to re-categorize the SOI for the Greylock Elementary School in the City of North Adams from Feasibility Study to Eligibility Period to revisit enrollment based on a preliminary comparison of space requirements to the capacity of the existing facilities. The MSBA anticipates reestablishing a mutually agreeable enrollment and recommending a re-invitation to Feasibility Study at the March 2023 Board meeting, after which the City will continue the work of its feasibility study and selection of a preferred solution for the Board's consideration at the August 2023 Board Meeting.

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

**Vote to Re-categorize the Statement of Interest for the City of North Adams from Feasibility Study to Eligibility Period**

VOTED: That the Executive Director is hereby authorized to re-categorize the Statement of Interest for the Greylock Elementary School in the City of North Adams from Invitation to Feasibility Study to Eligibility Period, which shall include a 270-day period during which the Eligible Applicant must complete all requirements to the satisfaction of the MSBA, which are described in the materials presented to the Board and in the MSBA's policies and guidelines; that the Executive Director is hereby further authorized to remove any Statement of Interest from the Eligibility Period if the Eligible Applicant fails to complete those requirements within the 270-day period; and, that the Executive Director is hereby further authorized to do all acts, to execute and deliver any and all documents and agreements, and to expend funds necessary or desirable in connection with re-categorizing this Statement of Interest to the Eligibility Period.

North Adams Superintendent Dr. Barbara Malkas thanked the Board and the MSBA.

Former North Adams Mayor and School Committee and School Building Committee member Richard Alcombright thanked the Board and the MSBA for their support.

There being no more discussion, the Chair asked for a roll call vote of the Board.

**Roll Call Vote:**

Anne Brockelman – Yes  
Terry Kwan – Yes  
Sheila Vanderhoef – Yes  
Sean Cronin – Yes  
Matt Deninger – Yes  
Deborah Goldberg – Yes

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**The motion passed – 6 in favor, 0 against, 0 abstaining.**

### **Accelerated Repair Program Project Funding Agreement Authorization**

Next, Project Manager Evan Levesque explained that prior to today's Board meeting, MSBA staff received Schematic Design submissions from two districts representing five schools. The school projects combine for one roof replacement project, two window and door replacement projects and two 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 combined Total Project Budgets of approximately \$29 million, which include total construction estimates of approximately \$22.7 million. The combined Estimated Maximum Total Facilities Grants for these projects are \$15,135,537. Including potentially eligible project contingencies, the combined Maximum Facilities Grants are \$15,827,071.

At the October 27, 2021 Board of Directors meeting, the City of Boston received invitation to the Accelerated Repair Program for four potential projects, including a potential partial boiler replacement project at the Dr. William W. Henderson K-12 Inclusion Upper School based on the information provided in their Statement of Interest. At the time of invitation, staff understood the building to have two distinct and separate heating systems resulting in the invitation of Boiler Section 1 and not Boiler Section 2. Following review of the Schematic Design submission, staff understand that Boiler Section 1 is the only boiler section in the building. The existence of only Boiler Section 1 was memorialized in the 2022 Statement of Interest for the Dr. William W. Henderson K-12 Inclusion Upper School, which received invitation for a roof replacement project at the October 26, 2022 Board of Directors meeting. Consequently, the recommendation is for a boiler replacement project based on the confirmed Boiler Section 1.

Lastly, the Town of Westford has requested an additional 15 days beyond the requisite 90 days to appropriate funding for the project. Staff is recommending 105 days for the Town of Westford to secure funding for a Project Funding Agreement.

In conclusion, staff recommend that the two districts, representing five schools, receive authorization to enter into Project Funding Agreements with the MSBA.

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 Project Funding Agreements for the 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 the 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:

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<b>District</b>	<b>School</b>	<b>Scope</b>	<b>Total Project Budget</b>	<b>Estimated Maximum Total Facilities Grant</b>	<b>Maximum Total Facilities Grant</b>
Boston	Boston Day and Evening Academy	Windows/Doors	\$7,286,315	\$3,981,037	\$4,170,622
	Dr. William W. Henderson K-12 Inclusion Upper School	Boiler	\$4,527,987	\$2,472,256	\$2,588,653
	Rafael Hernández K-8 School	Windows/Doors	\$6,420,016	\$3,398,104	\$3,539,692
	William E. Russell Elementary School	Boiler	\$4,346,228	\$2,343,236	\$2,440,871
Westford	Blanchard Middle School	Roof	\$6,425,043	\$2,940,904	\$3,087,233
<b>Total</b>			<b>\$29,005,589</b>	<b>\$15,135,537</b>	<b>\$15,827,071</b>

Boston Director of Public Facilities Department Kerrie Griffin thanked the Board and the MSBA for their collaborative efforts.

Westford Director of Facilities Jeff Goodwin thanked the Board and the MSBA.

There being no more discussion, the Chair asked for a roll call vote of the Board.

**Roll Call Vote:**

- Anne Brockelman – Yes
- Terry Kwan – Yes
- Sheila Vanderhoef – Yes
- Sean Cronin – Yes
- Matt Deninger – Yes
- Deborah Goldberg – Yes

**The motion passed – 6 in favor, 0 against, 0 abstaining.**

**Recommendation for Preferred Schematic Design**

Next, the Director of Project Management explained that the Board is being asked to approve the Preferred Schematic Design for the Nashoba High School in the Nashoba Regional School District. The recommendation is to replace the existing Nashoba Regional High School with a new facility on the existing site for 925 students in grades 9-12. The proposed project is approximately 202,000 square feet, with an estimated total project cost of \$223 million and an estimated total construction cost of \$183 million.

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

**Vote on Moving the Nashoba 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 Nashoba Regional School District with, in concept, the development of schematic designs to replace the existing Nashoba Regional High School with a new facility serving grades 9-12 on the site of the existing school, 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.

Ms. Kwan commented that the educational plan submitted by the Nashoba Regional School District is a great example of how smaller communities can benefit from combining into a regional school district. She noted that the District submitted a wonderful educational plan that would not have been accessible to students in individual communities otherwise.

Nashoba Regional School District Superintendent Kirk Downing thanked Ms. Kwan for the compliment. He thanked the Board and the MSBA for their partnership.

There being no more discussion, the Chair asked for a roll call vote of the Board.

**Roll Call Vote:**

Anne Brockelman – Yes  
Terry Kwan – Yes  
Sheila Vanderhoef – Yes  
Sean Cronin – Yes  
Matt Deninger – Yes  
Deborah Goldberg – Yes

**The motion passed – 6 in favor, 0 against, 0 abstaining.**

Ms. Vanderhoef left the meeting.

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

Next, the MSBA's 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 John Pierce School in Brookline. The proposed project is primarily a new building, built over a new garage, with renovations and additions to the existing historic Pierce School building and existing garage. The proposed project has a design enrollment of 725 students in kindergarten through grade 8, plus pre-kindergarten.

The proposed project includes a Total Project Budget of approximately \$211.9 million, which includes an estimated construction cost of approximately \$168 million.

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MSBA staff also recommend the Executive Director be authorized to allow the District 160 days to appropriate funds, effectively extending the typical 120-day target date of April 20, 2023 to May 30, 2023.

The 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 Town of Brookline**

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 John R. Pierce School serving grades PK-8 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 Brookline, in such forms as he may determine to be acceptable, for the John R. Pierce School project at a reimbursement rate of thirty-five and fifty-five hundredths percent (35.55%) of approved, eligible costs, up to an Estimated Maximum Total Facilities Grant of \$36,047,549, 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 \$37,839,511, 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.

Ms. Kwan commented that she wants to disclose that she is a resident of Brookline.

State Representative Tommy Vitolo thanked the Board and the MSBA.

Brookline Superintendent Dr. Linus Guillory thanked the Board, the MSBA, the project team and the Brookline representatives.

There being no more discussion, the Chair asked for a roll call vote of the Board.

**Roll Call Vote:**

Anne Brockelman – Yes  
Terry Kwan – Yes  
Sean Cronin – Yes  
Matt Deninger – Yes  
Deborah Goldberg – Yes

**The motion passed – 5 in favor, 0 against, 0 abstaining.**

*The December 21, 2022 Board Meeting minutes were approved by the MSBA's Board of Directors at the March 1, 2023 meeting.*

Next, the Design Director 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 Wakefield Memorial High School in Wakefield. The recommendation is to replace the Wakefield Memorial High School on the existing site. The proposed 3-story building has a design enrollment of 1,000 students in grades 9-12.

The proposed project includes a Total Project Budget of approximately \$275.2 million, which includes an estimated construction cost of approximately \$220.5 million.

The District has included an alternate project component in the Total Project Budget which is for the Hemlock Road realignment and related roundabout and intersection work. The District has confirmed that the alternate project component would be an enhancement to the Project and is not required to construct or operate the completed Project. The Department of Conservation and Recreation holds an easement over a part of the road that would be a part of the proposed alternate. If the alternate is constructed, the easement would require adjustment which may necessitate an Article 97 land disposition approval.

Board approval of the Project and the Maximum Total Facilities Grant is not contingent upon the District completing the necessary land transfers related to the Hemlock Road alternate in advance of signing a Project Funding Agreement; however, the District shall agree in the Project Funding Agreement that, should the District elect to construct the Hemlock Road alternate, all MSBA land ownership and control requirements shall be satisfied prior to construction of the Hemlock Road alternate.

The 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 Town of Wakefield**

VOTED: That the Board of Directors of the Massachusetts School Building Authority hereby approves the Potential Project to replace the existing Wakefield Memorial High School with a new three-story facility serving grades 9-12 on the existing 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 Town of Wakefield, in such forms as he may determine to be acceptable, for the Wakefield Memorial High School project at a reimbursement rate of fifty-three and fourteen hundredths percent (53.14%) of approved, eligible costs, up to an Estimated Maximum Total Facilities Grant of \$63,227,174, 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 \$64,984,456, 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.

The Executive Director noted that the MSBA received a letter of support from State Senator Jason Lewis and State Representative Kate Lipper-Garabedian for the project at the Wakefield Memorial High School in the Town of Wakefield.

Wakefield Superintendent Dr. Doug Lyons thanked the Board and the MSBA. He commented that he is grateful for this opportunity and for the support for the students and for generations to come.

Town Administrator Stephen Maio thanked Sarah Przybylowicz, the Board and the MSBA.

There being no more discussion, the Chair asked for a roll call vote of the Board.

**Roll Call Vote:**

Anne Brockelman – Yes  
Terry Kwan – Yes  
Sean Cronin – Yes  
Matt Deninger – Yes  
Deborah Goldberg – Yes

**The motion passed – 5 in favor, 0 against, 0 abstaining.**

**Audit**

The MSBA's Financial Audit Manager, Wei Xu, thanked the Audit team, in conjunction with the Capital Planning team, for their hard work. He began his audit update by explaining that the MSBA has completed final audits for 630 Capital Pipeline Program projects plus the four projects that are being presented for final approval to the Board today, all together representing approximately \$7.8 billion in submitted and audited costs.

He continued, explaining that the MSBA has also audited approximately \$6.4 billion in submitted costs for the 231 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 \$4.4 billion in additional costs will be submitted for audit for these projects.

The Financial Audit Manager then explained that monthly submitted costs have averaged \$125.7 million over the 12 months preceding this Board meeting, and the total amount submitted and audited in this 12-month period equals approximately \$1.51 billion.

**Approval of Audits, Capital Pipeline Program**

The Financial Audit Manager explained that the Board is being asked to approve four Capital Pipeline Program audits listed on Exhibit C. He explained that the total combined grant amount for these four projects is \$88,025,136.

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

### **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 the projects listed in the spreadsheet attached hereto as Exhibit C and authorizes the Executive Director to make payments consistent with this vote.

Billerica Superintendent Tim Piwowar thanked the MSBA and Board.

Billerica Town Manager John Curran thanked the MSBA and Board.

There being no more discussion, the Chair asked for a roll call vote of the Board.

#### **Roll Call Vote:**

Anne Brockelman – Yes

Terry Kwan – Yes

Sean Cronin – Yes

Matt Deninger – Yes

Deborah Goldberg – Yes

**The motion passed – 5 in favor, 0 against, 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 thanked Sarima Okwu-Wolu for her help with the PowerPoint slides. He noted that, since the October 26, 2022 Board meeting, the MSBA has visited or had meetings with individuals from 18 projects. As of December 21, 2022, seven districts have voted affirmatively to appropriate feasibility study funds or full project funds. He explained that the MSBA anticipates 21 project visits or meetings in January and February and presented a list of the districts as part of his PowerPoint presentation.

The Executive Director noted that since the last Board meeting, the MSBA has participated in one ribbon cutting ceremony, two groundbreakings and one topping off ceremony. He presented photos of the events as part of his PowerPoint presentation.

The Executive Director thanked the SOI team and the Data team for their hard work in preparing for today's meeting.

Next, the Executive Director welcomed the MSBA's new hires, Jessica Claude as an HR Generalist and Craig Hovey as an Assistant Project Manager. He then congratulated the following recipients of the 2022 Performance Recognition Program: Bayron McField, Van Giech and Xiaolei Ji.

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Then, the Executive Director congratulated Samantha Finnigan on her wedding on November 12, 2022.

## **Project Status Updates**

### **MSBA Model School Program Recommendation**

MSBA Capital Program Manager Elena Seiti presented a PowerPoint on the Model School recommendation and an update on the anticipated actions for the next Model School Procurement. She explained that at the conclusion of the Model School procurement completed in 2015-2016, the Board of Directors voted to approve the Quinn Middle School in the Town of Hudson and the Longmeadow High School in the Town of Longmeadow, both by OMR Architects, Inc. for inclusion in the MSBA's Model School Program. Since that time, OMR Architects, Inc. has closed. As a result of this closure, districts would no longer be able to enter into a contract with OMR Architects, Inc., the designer of record for the aforementioned model school designs. Based on these reasons, staff is recommending that these two project designs be removed from the Model School Program.

She then provided a brief overview of the two model school designs as part of her presentation.

Next, the Capital Program Manager explained that in keeping up with the bi-annual procurement schedule for the Model School Program, since the MSBA last completed a procurement in 2021, staff anticipate conducting a Model School procurement in 2023. The tentative schedule includes advertising a Request for Qualifications in late January, receiving responses in May, conducting site visits over the summer and targeting the October Board Meeting for potential recommendations.

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

### **Approval to Remove Certain Designs from the Model School Program**

VOTED: That the Board of Directors of the Massachusetts School Building Authority hereby authorizes the removal of the previously approved model school designs for the Quinn Middle School in the Town of Hudson and the Longmeadow High School in the Town of Longmeadow, both by OMR Architects, Inc., from the Authority's Model School Program, as set forth and further described in the memorandum attached hereto and incorporated by reference herein.

There being no Board discussion, the Chair asked for a roll call vote of the Board.

### **Roll Call Vote:**

Anne Brockelman – Yes  
Terry Kwan – Yes  
Sean Cronin – Yes  
Matt Deninger – Yes  
Deborah Goldberg – Yes

**The motion passed – 5 in favor, 0 against, 0 abstaining.**

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### **Recommendation for Post Occupancy Evaluation House Doctor Services**

The MSBA's Deputy Director of Project Management, Chris Alles, presented the recommendation for Post Occupancy Evaluation House Doctor Services. He explained that the MSBA's Post Occupancy Evaluation program is currently in its second official year since implementation was approved by the Board in April of 2020. Throughout the previous Post Occupancy Pilot, and since the implementation of this Program, the MSBA has relied on the experience of consultants versed in the post occupancy evaluation of buildings and associated data collection. The MSBA's consultants have served as a valuable resource to date and staff seeks to continue having this support over the next several years.

In anticipation of the contract expiration of MSBA's current post occupancy consultant, in October of this year, the MSBA formed a Selection Committee and requested responses from firms and/or individuals interested in supporting the MSBA's Post Occupancy Evaluation program through professional house doctor services. This procurement process resulted in the MSBA receiving a total of two Responses for which the Selection Committee reviewed and evaluated several areas of content, including: Supplier Diversity, Invest in Massachusetts, Demonstrated Experience, Capacity and Organizational Structure, Proposed Overall Approach, and Cost Value.

Based on the review and evaluation of the Selection Committee, staff is recommending that the Executive Director be authorized to enter into a Master Services Agreement with Jacobs Project Management to provide professional House Doctor Services to support the MSBA's Post Occupancy Evaluation Program for an initial term of two years, commencing January 1, 2023, and expiring on December 31, 2024, with the option to extend for up to an additional two years, at the discretion of the MSBA.

Because the combined cost of these services may result in total contract value exceeding \$250,000, pursuant to the MSBA's by-laws, staff is recommending that the Board consider authorizing the Executive Director to enter into an agreement that exceeds this amount.

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

#### **Vote Authorizing Executive Director to Enter into Contracts for Post Occupancy Evaluation House Doctor Services**

VOTED: That the Board of Directors of the Massachusetts School Building Authority hereby authorizes the Executive Director to execute and deliver one or more master services agreements for Post Occupancy Evaluation House Doctor services, the cost of which may exceed \$250,000.00, containing such provisions as he shall deem advisable, the definitive form of such master services agreements to be evidenced conclusively by his execution thereof.

There being no Board discussion, the Chair asked for a roll call vote of the Board.

#### **Roll Call Vote:**

Anne Brockelman – Yes  
Terry Kwan – Yes

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Sean Cronin – Yes

Matt Deninger – Yes

Deborah Goldberg – Yes

**The motion passed – 5 in favor, 0 against, 0 abstaining.**

### **Recommendation for IT Software Development and Support Consulting Services**

The MSBA's Director of Information Technology, Sharon George, presented the recommendation for IT Software Development and Support Consulting Services. She explained that on August 15, 2022 the MSBA issued a Request for Responses ("RFR") seeking firms interested in providing IT Software Development and Support Consulting Services to the MSBA. The MSBA received thirteen (13) Responses prior to the September 9, 2022 response deadline. After completing the Phase One Review of each Response for responsiveness and completeness, MSBA staff advanced twelve (12) responses for Phase Two Review and evaluation. In accordance with the MSBA's procurement policies, a Procurement Management Team (PMT) of three staff members was established to review the Responses. The PMT decided to request virtual presentations from the top five (5) firms.

Following Respondent virtual presentations, the PMT reconvened to discuss the presentations, scoring and the rankings of the Respondents. The PMT unanimously agreed that two firms would provide the best overall value and best meet the business needs of the MSBA. The PMT recommends entering into a Master Services Agreement with Entrision, LLC to perform the work outlined in the RFR at this time and to enter into a Master Services Agreement with Infojini, Inc. in case the need arises for additional services beyond the work being performed by Entrision, LLC. The value of the contracts may each exceed \$250,000 during the term of the proposed agreement. Therefore, pursuant to the MSBA's by-laws, the Board must authorize the Executive Director to enter into agreements that exceed this amount.

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

### **Vote Authorizing Executive Director to Enter into Contracts for IT Software Development and Support Consulting Services**

VOTED: That the Board of Directors of the Massachusetts School Building Authority hereby authorizes the Executive Director to execute and deliver one or more master services agreements for IT Software Development and Support Consulting services, the cost of which may exceed \$250,000.00 per agreement, containing such provisions as he shall deem advisable, the definitive form of such master services agreements to be evidenced conclusively by his execution thereof.

Ms. Kwan asked how the MSBA would work with the two different firms.

Mr. Cronin asked if cybersecurity is included.

The Director of IT explained that the MSBA plans to work with Entrision, LLC at this time and will only work with Infojini, Inc. if the need arises for additional services. She noted that the procurement was mainly a software development procurement.

There being no more discussion, the Chair asked for a roll call vote of the Board.

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### **Roll Call Vote:**

Anne Brockelman – Yes  
Terry Kwan – Yes  
Sean Cronin – Yes  
Matt Deninger – Yes  
Deborah Goldberg – Yes

**The motion passed – 5 in favor, 0 against, 0 abstaining.**

### **Project Overview Report**

Next, the MSBA's Deputy Director of Capital Planning, Mike McGurl, provided an update for substantially completed projects. For 2021, the MSBA has received the final certificate of substantial completion (Bristol County).

For 2022, fifteen projects remain scheduled to achieve substantial completion. The MSBA has received eleven certificates of substantial completion from Easthampton, Pentucket Regional, Millbury, Attleboro, Weymouth, West Springfield, and since the October Board, Acton-Boxborough, Boston Arts Academy, Gardner, Tewksbury and Easton.

Sharon has declared substantial completion with the certificate pending. The remaining three projects include Bridgewater-Raynham, Dennis Yarmouth and Rockland who all anticipate achieving substantial completion in December.

The Deputy Director of Capital Planning then provided bid data for the MSBA's Accelerated Repair Program. For the 2020 program, there are no new projects to report since the October Board meeting. Fourteen of the seventeen reported projects bid within the estimated budget. Four of the remaining five projects are anticipated to report results by the March 1, 2023 Board of Directors meeting while the final result should be available for the April 26, 2023 meeting.

Then, the Deputy Director of Capital Planning explained that before moving onto the Core Program, he would like to provide some context to the bid results staff have been able to report for the 2020 projects, which received funding approval between June 2021 and March 2022. The first 2020 Program project was bid in August 2021. Since the first Program year in 2012, on an annual basis, between 73% and 97% of projects in a given year have bid within budget. For the 2020 Program, fourteen of seventeen projects represents 82%.

Meanwhile, if you combined the construction budget estimates for all the projects from the same Program year and compared the sum to the combined bid values, the Program has seen collective bid savings between 15% and 34%. For the seventeen projects reported for the 2020 Program, there has been a 20% bid savings, or approximately \$10.7 million.

Next, Assistant Project Manager Erin Sullivan presented slides for bidding information regarding MSBA projects. She explained that the MSBA is currently tracking 25 projects for filed sub bidding through 2024. This includes all projects that have been approved for Preferred Schematic Design prior to today's meeting. The 25 projects have a total estimated construction budget of approximately \$2.9 billion.

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2023 now has nineteen projects with an estimated construction budget of approximately \$1.9 billion. Boston Carter, Randolph, Fitchburg, Walpole, and Groton-Dunstable are now shown in 2023 following their decision to bid next year, and they will be among the first projects to bid in 2023.

2024 continues to track six projects as there were no Preferred Schematic Design approvals at the October Board meeting. The six projects have a total estimated construction budget of approximately \$972 million. The project count will continue to increase following today's Board meeting.

Next, the Deputy Director of Capital Planning explained that in the three month lookahead, there are no additional sub-bids scheduled for December. In January, sub-bids are scheduled for Randolph's Elizabeth G. Lyons Elementary School, Fitchburg's Crocker Elementary School, Walpole Bird Middle School, and Groton-Dunstable's Florence Roche School. In February, sub-bids are scheduled for Westfield's Franklin Ave.

In December, Andover is anticipating its Guaranteed Maximum Price. In January, Guaranteed Maximum Prices are scheduled for Stoneham and Walpole while general contractor bids are scheduled for Randolph and Fitchburg. In February, general contractor bids are scheduled for Westfield.

Then, the Deputy Director of Capital Planning presented a PowerPoint, including a summary of bid results for the Core Program for 2022. He reported that eleven projects are scheduled to receive sub-bids in 2022. Nine of eleven projects have now reported bids along with their next steps. Seven have confirmed that they are proceeding with bids exceeding the PFA Construction Budget and are reflected in the table. One is in the process of redesigning and rebidding while one is seeking additional local funding before proceeding.

Since the October Board, Swampscott Hadley Elementary School and Boston Josiah Quincy Upper School have been added to the 2022 table. The nine projects consist of five Construction Manager at Risk projects and four Design-Bid-Build projects. In square foot cost, the 2022 results range from \$456/sf for the Peabody William A. Welch Sr. Elementary School to \$1,002/sf for the Boston Josiah Quincy Upper School.

For comparison, prior to the December Board, the high was \$725/sf for Lawrence Oliver Partnership School. Swampscott Hadley Elementary School was bid at \$525/sf.

As previously reported at the August and October Board meetings, the Town of Somerset received bids at the end of July for their Middle School. The bids resulted in an average of 9.35%. The Town tried to move forward with a Special Town Meeting vote on August 22<sup>nd</sup> for \$9.9 million but was unsuccessful. The Town has since voted to change from a Design-Bid-Build methodology to Construction Manager at Risk and is now under contract with their selected Construction Manager. The Town is looking to rebid in Spring 2023.

Also at the October Board meeting, the MSBA reported that Nauset received two bids for the Regional High School with the lower bid being approximately 28% over the construction estimate. The MSBA can now report that an additional funding vote among the four member towns has been scheduled for January 10<sup>th</sup>.

*The December 21, 2022 Board Meeting minutes were approved by the MSBA's Board of Directors at the March 1, 2023 meeting.*

In summary, for those districts bidding in 2022 along with the previously reported Lowell High School project, 9 of the 12 have successfully appropriated additional funds or approved transfers of other funds, while 2 others have additional funding votes scheduled in January.

Next, the Deputy Director of Capital Planning presented a PowerPoint, including an additional funding update for the Core Program. He explained that for each Board meeting, the MSBA issues a Project Overview Report. The final section of the Project Overview Report addresses Project Variances, which provides the list of 29 Core Program projects that have seen increases to their Total Project Budgets as part of an amendment to the Project Funding Agreement or the result of the final audit analysis. In no event has the increase in a budget resulted in an increase to the Maximum Total Facilities Grant, as authorized by the Board.

In the Project Overview Report for today's Board meeting, the Project Variance section was expanded to reflect Core Program projects that have reported recent additional funding increases. These projects have received Project Scope and Budget approval from the Board but have not yet executed an amendment to their Project Funding Agreement.

As of today, twelve projects have reported additional funding. Of the twelve, eight projects have reported their bid results. The remaining four projects, Andover, Groton-Dunstable, Fitchburg, and Stoneham were all identified in the three-month lookahead for bidding. In future Project Overview Reports, as these projects execute Project Funding Agreement amendments, they will join the previous 29 projects that were captured in prior Reports.

## **Finance**

### **Sales Tax Collections Update**

The MSBA's Treasurer, Gianpiero Tirella, presented a PowerPoint and provided an FY2023 SMART Collections update. The FY2023 collections through October are \$38.9 million (10.24%) higher than the same period of FY2022.

He presented a slide with a graphical depiction of FY2019 – FY2023 Monthly SMART collections, and then year-to-date SMART collections by year from FY2019 – FY2023.

### **Grant Payments Update**

Next, the Treasurer provided an update regarding MSBA grant payments for projects, noting that the MSBA has made \$300,550,605 in grant payments to date in Fiscal Year 2023. This is for 119 projects in 90 districts.

### **FY23 Budget Update**

Next, the MSBA's Director of Budget and Finance Administration, Julie Leonard, provided the Board with an FY23 budget update. She presented a PowerPoint with the FY2023 budget compared to the actuals for the Total Operating and Capital Budget, Administrative Expenses, Capital Pipeline Support Services, Operating Expenses, and the Grant Program.

*The December 21, 2022 Board Meeting minutes were approved by the MSBA's Board of Directors at the March 1, 2023 meeting.*

### **Investment Management Policy**

The MSBA's Chief Financial Officer, Laura Guadagno, provided an update and recommendation for the MSBA's Investment Management Policy. She explained that the State Finance Governance Board requires the MSBA to file an investment management policy every two years. She explained that staff have reviewed the current policy and policies of other issuers. At this time, staff feel that the current policy meets the overall needs of the MSBA but is proposing revisions to the current investment management policy to more clearly define the types of MSBA funds (i.e. those subject to its Trust Agreement and other funds and revenues received by the MSBA such as from the Smart Fund and other sources not held in trust by its Trustee). The recommended draft policy also better reflects the MSBA's primary investment objectives as well as includes updated language with respect to Standards of Care, the role and certifications for Investment Advisors and better aligns the MSBA's investment process with specific types of investments permitted pursuant to its Investment Management Policy.

The Chief Financial Officer explained that staff will continue to review the MSBA's Investment Management Policy on an annual basis to ensure that the policy continues to include key aspects of effective investment management, as well as stays up to date with changes in regulations, best practices and the like.

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

### **Approval of Massachusetts School Building Authority's Investment Management Policy**

VOTED: That the Board hereby approves the MSBA Investment Management Policy in substantially the form attached hereto and authorizes the Executive Director to do all acts necessary to comply with this Policy and to establish any additional policies and procedures for the management of the Authority's investments as he may deem appropriate or necessary.

There being no Board discussion, the Chair asked for a roll call vote of the Board.

### **Roll Call Vote:**

Anne Brockelman – Yes  
Terry Kwan – Yes  
Sean Cronin – Yes  
Matt Deninger – Yes  
Deborah Goldberg – Yes

**The motion passed – 5 in favor, 0 against, 0 abstaining.**

### **FY22 Audited Financial Statements**

The Chief Financial Officer thanked the Audit team and the Finance team for their hard work on the audit. She explained that as a result of the FY2022 audit, RSM has issued an unmodified (clean) opinion dated December 15, 2022.

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She explained that there were no audit adjustments identified that would be required for the financial statements to be considered fairly stated in all material aspects. There were no matters identified that are immaterial to the financial statements that would be required to be reported as uncorrected misstatements. Based on the independent testing and the procedures performed, the estimates of Net OPEB Liability were deemed reasonable. Then, she reviewed the auditors' required communications.

Mr. Cronin congratulated the team for the clean audit.

The Chair concurred.

The Chair asked for a motion to adjourn the meeting. A motion was made by Ms. Kwan and seconded by Mr. Deninger.

There being no discussion, the Chair asked for a roll call vote of the Board.

**Roll Call Vote:**

Anne Brockelman – Yes

Terry Kwan – Yes

Sean Cronin – Yes

Matt Deninger – Yes

Deborah Goldberg – Yes

**The motion passed – 5 in favor, 0 against, 0 abstaining.**

The meeting was adjourned at 12:28 p.m.

List of documents and exhibits used at the meeting:

- PowerPoint Presentation
- October 26, 2022 Board Meeting Minutes
- Recommendation to Revise the MSBA Project Funding Limits
- Invitation to Eligibility Period
- Invitation to Feasibility Study
- Re-categorization of Previous Board Invitation from Feasibility Study to Eligibility Period
- Authorization to Execute Project Funding Agreements – Accelerated Repair Program
- Recommendation for Preferred Schematic Design
- Invitation to Project Scope and Budget
- Audit Status Report
- Recommendation for Approval of Final Audits, Capital Pipeline Program
- MSBA Model School Program Recommendation
- Recommendation for Post Occupancy Evaluation House Doctor Services
- Recommendation for IT Software Development and Support Consulting Services
- Project Overview Report
- Sales Tax Collections Update
- Grant Payments Update
- FY23 Budget Update

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- Investment Management Policy
- FY22 Audited Financial Statements