Massachusetts School Building Authority

Steven Grossman
Chairman, State Treasurer

John K. McCarthy
Executive Director



Board Meeting

July 30, 2014

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Project Visits & Local Votes

- Since the June 4, 2014 Board meeting, the MSBA has visited 36 projects.
- One District has voted affirmatively to appropriate feasibility funds.
- One District has voted affirmatively to appropriate full project funds.

Project Visits			Local Votes
Andover Assabet Valley RSD Auburn Ayer Shirley RSD Concord-Carlisle RSD Douglas Dracut Duxbury East Bridgewater Essex-North Shore RVT Franklin Georgetown Greater Lowell RSD	Greater New Bedford RVT Greenfield Lexington Marshfield Methuen Monomoy RSD Newburyport (Bresnahan) Newburyport (Nock/Molin) Norfolk County Agricultural North Reading Revere Somerset-Berkley RSD	Southwick-Tolland-Granville RSD Springfield (Central) Springfield (Brookings) Southern Worcester County RVT Stoneham Sutton Wakefield Webster West Springfield Weston Wilmington	Carver Haverhill

Project Milestones

Since the June 4, 2014 Board meeting, the MSBA has attended seven project milestone celebrations.

Groundbreaking Ceremonies

- Thurgood Marshall Middle School *(Lynn)*
- Winthrop Middle High School *(Winthrop)*
- Dearborn STEM Early College Academy *(Boston)*
- Winchester High School *(Winchester)*
- Chicopee Middle School *(Chicopee)*

Topping Off Ceremony

- Staff Sergeant James J. Hill School *(Revere)*

Dedication Ceremony

- Glover School *(Marblehead)*



Dearborn STEM Early College Academy, Boston

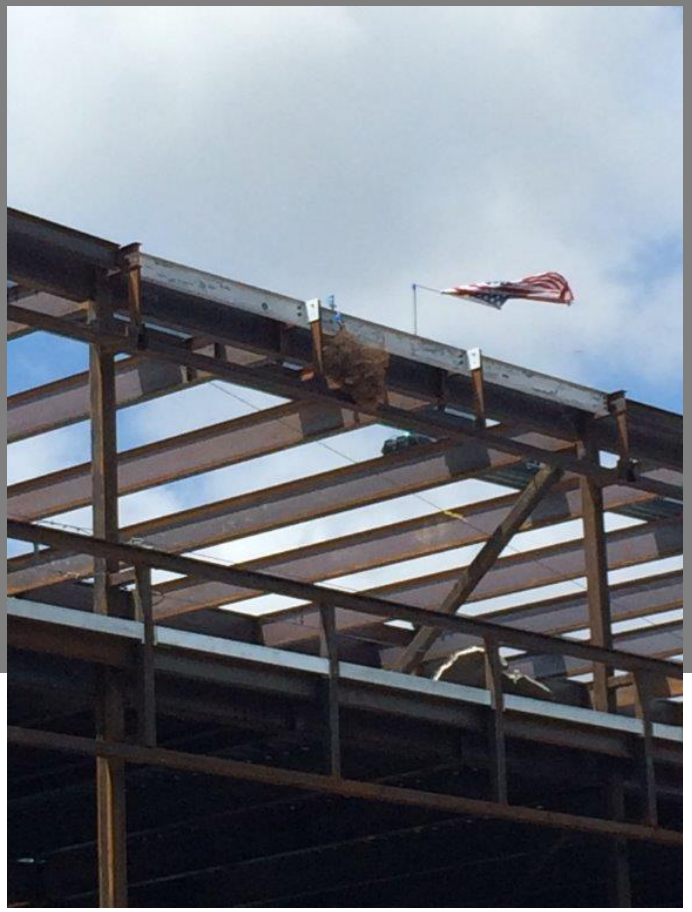
Executive Director Jack McCarthy, State Treasurer Steve Grossman and Mayor Marty Walsh stand with project supporters and participants



Winchester High School Groundbreaking

(Left to Right) Senator Pat Jehlen; Senator Jason Lewis; School Committee Vice Chair Cindy Bohne; Jasmine Jalinous, WHS Class of 2015; MSBA Executive Director Jack McCarthy; State Treasurer and MSBA Chair Steve Grossman; EFPBC Chair Robert Deering; Principal Sean Kiley; Jennifer Wilson, Chair, Board of Selectman; and Superintendent Bill McAlduff.

Update | Revere: Staff Sergeant James J. Hill School



The flag and pine tree from the “Topping Off” ceremony on July 14, 2014 survived Monday’s tornado in Revere.

Project Visits

Upcoming site visits anticipated in August and September:

Project Visits		
Andover Assabet Valley RSD Ayer Shirley RSD Concord-Carlisle RSD Douglas Duxbury Essex-North Shore RVT Franklin Georgetown Greater Lowell RSD Greater New Bedford RVT Greenfield	Hingham Lexington Marshfield Monomoy RSD Newburyport (Bresnahan) Newburyport (Nock/Molin) Norfolk County Agricultural North Reading Revere Somerset-Berkley RSD Southern Worcester County RVT	Southwick-Tolland-Granville RSD Springfield (Brookings) Stoneham Sutton Wakefield Webster West Bridgewater West Springfield Weston Williamsburg Wilmington

8th Annual “My Ideal School” Contest



(top L to R) State Representative Kevin Kuros, Representative Keiko Orrall, Santander's SVP Director of Government Banking Pat Packard, State Treasurer Steve Grossman, Santander's Managing Director of Specialty and Government Banking Juan Davila, State Senator Jim Welch, and State Representative Tim Madden, stand with the 8 regional winners and their drawings for the "My Ideal School" Contest



Anahi Gutierrez, first grader at East Somerville Community School in Somerville, the Grand Prize Winner of the 8th Annual "My Ideal School" Contest stands with her winning drawing, which will be featured on the 2014 MSBA Annual Report

Project Removal for Capital Pipeline | Vote

District	School	Invitation Date
Whitman-Hanson Regional School District	Maquan Elementary School	March 25, 2009

Invitation to Feasibility Study | Vote

District	School
Carver	Carver Elementary School
Mount Greylock Regional School District	Mount Greylock Regional High School
Needham	Hillside Elementary School
Provincetown	Provincetown Schools
Stoughton	Stoughton High School

Preferred Schematic Design | Vote

District	School	Project Scope	Total Project Budget	Estimated Total Project Cost
Scituate	Gates Intermediate School	New	$56,200,000	$69,400,000
Westborough	Sarah W. Gibbons Middle School	Repair	$15,337,650	$18,061,946
Worcester	Nelson Place School	New	$40,552,818	$54,563,818
		Totals	**$112,090,468**	**$142,025,764**

Preferred Schematic Design | Scituate

Gates Intermediate School

- Year Opened: 1917
- Current Grades: 7-8
- Agreed Upon Grade Configuration: 6-8
- Agreed Upon Enrollment: 710
- Proposed Scope of Project: New co-located middle school connected to the existing Scituate High School
- Existing Square Footage: 102,000
- Proposed Square Footage: 139,517
- Estimated Construction Cost of Preferred Schematic: $56,200,000

Preferred Schematic Design | Westborough

Sarah W. Gibbons Middle School

- Year Opened: 1956
- Current Grade Configuration: 7-8
- Agreed Upon Grade Configuration: 7-8
- Agreed Upon Enrollment: 550
- Proposed Scope of Project: Limited renovation and repair
- Existing Square Footage: 110,000
- Proposed Square Footage: 110,000
- Estimated Construction Cost of Preferred Schematic: $15,337,650

Preferred Schematic Design | Worcester

Nelson Place School

- Year Opened: 1927
- Current Grades: PK-6
- Agreed Upon Grade Configuration: PK-6
- Agreed Upon Enrollment: 600
- Proposed Scope of Project: New school on the existing site with additional land
- Existing Square Footage: 55,400
- Proposed Square Footage: 110,000
- Estimated Construction Cost of Preferred Schematic: $40,552,818

Project Scope and Budget | Vote

District	School	Project Scope	Total Project Budget	Estimated Maximum Total Facilities Grant
Holbrook	Holbrook Junior-Senior High School	New	$102,967,198	$54,644,960
Plymouth	Plymouth South High School	New	$107,800,000	$46,241,232
Swampscott	Hadley Elementary School	New	$52,644,414	$16,855,623
		Totals	**$263,411,612**	**$117,741,815**

*See district specific slides for conditional reimbursement rate incentive point information.

Project Scope and Budget | Holbrook

Holbrook Junior-Senior High School

- Year Opened: 1956
- Current Grade Configuration: 7-12
- Agreed Upon Grade Configuration: PK-12
- Agreed Upon Enrollment: 1,095
- Scope of Project: Replace the existing Holbrook Junior-Senior High School with a new K-12 facility on the existing site
- Existing Square Footage: 96,440
- Proposed Square Footage: 217,353
- District Total Project Budget: $102,967,198
- Estimated Basis Total Facilities Grant: $79,058,102
- Reimbursement Rate*: 69.12%
- Estimated Maximum Total Facilities Grant: $54,644,960

*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 energy efficiency, the District will not qualify for these incentive points, and the MSBA will adjust the reimbursement rate accordingly. The MSBA has provisionally included one (1) incentive point for the Construction Manager at Risk construction delivery method, subject to the District receiving approval from the Office of the Inspector General to utilize this method.

Project Scope and Budget | Plymouth

Plymouth South High School

- Year Opened: 1985
- Current Grade Configuration: 9-12
- Agreed Upon Grade Configuration: 9-12
- Agreed Upon Enrollment: 1,005
- Scope of Project: New
- Existing Square Footage: 221,026
- Proposed Square Footage: 248,081
- District Total Project Budget: $107,800,000
- Estimated Basis Total Facilities Grant: $86,642,742
- Reimbursement Rate*: 53.37%
- Estimated Maximum Total Facilities Grant: $46,241,232

*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 energy efficiency, the District will not qualify for these incentive points, and the MSBA will adjust the reimbursement rate accordingly.

Project Scope and Budget | Swampscott

Hadley Elementary School

- Year Opened: 1911
- Current Grade Configuration: K-4
- Agreed Upon Grade Configuration: 1-4
- Agreed Upon Enrollment: 635
- Scope of Project: Consolidate the existing Hadley Elementary School, Clarke Elementary School, and Stanley Elementary School into a new elementary school, adjacent to the existing middle school
- Existing Square Footage: 46,600
- Proposed Square Footage: 99,994
- District Total Project Budget: $52,644,414
- Estimated Basis Total Facilities Grant: $35,673,276
- Reimbursement Rate*: 47.25%
- Estimated Maximum Total Facilities Grant: $16,855,623

*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 energy efficiency, the District will not qualify for these incentive points, and the MSBA will adjust the reimbursement rate accordingly.

Summary of Bid Data

Year	Number of Projects	Design Basis for Enrollment	Project Budget	Construction Budget
2014	17	14,345	$935.0 M	$731.9 M
2015	4	2,830	$203.0 M	$154.8 M
Grand Total	21	17,175	$1.14 B	$886.7 M

Note: These numbers are based on preliminary information received from the District and are subject to further review and calculation.

- Anticipated Bids in 2014:
  - July – No Activity
  - August – No Activity

Core Program
Construction Estimate vs. 2014 Bid Amount

- Nine bids received in 2014.
- Of the nine, six bids came in within the estimated budget.

				Total	$328,202,071	$311,750,149	$16,451,922	-	$10,767,228
District	**School**	**Scope**	**Project Type**	**Bid Date**	**Construction Estimate ****	**Bid Amount ****	**Variance from Construction Estimate**	**Reimbursement Rate**	**Potential Grant Variance ***
Revere	William McKinley ES	New	DBB	Jan-14	$33,897,336	$31,575,000	$2,322,336	80.00%	$1,857,869
North Adams	Conte MS	New	DBB	Mar-14	$21,853,267	$21,983,496	-$130,229	80.00%	$0
Ayer Shirley	Ayer Shirley RHS	Add/Reno	CMR	Mar-14	$44,372,576	$44,375,799	-$3,223	70.25%	$0
Greater Lowell	GLRVTHS	Major Repair	CMR	Mar-14	$53,165,631	$52,472,010	$693,621	76.84%	$532,978
South Hadley	Plains ES	New	DBB	May-14	$21,563,821	$21,391,144	$172,677	62.69%	$108,251
Wachusetts	Mountview MS	New	DBB	May-14	$43,122,257	$34,887,000	$8,235,257	57.93%	$4,770,684
Chicopee	Chicopee Academy	Add/Reno	DBB	May-14	$30,776,990	$31,487,000	-$710,010	80.00%	$0
Greater Lawrence	GLRVTHS	Major Repair	DBB	May-14	$4,361,641	$3,484,000	$877,641	78.95%	$692,898
Peaboby	Higgins MS	New	DBB	Jun-14	$75,088,552	$70,094,700	$4,993,852	56.16%	$2,804,547

*These numbers are based on preliminary information received from the district and are subject to further review and calculation.
**The construction estimate and bid amount do not include pre-construction services and alternatives.

Construction Estimate vs. Bid Amount

- 2012 Accelerated Repair Program
  - Out of 36 projects, 36 bids have been received
  - Of the 36, 34 bids have been reported
  - Of the 34 projects, 29 bids came within the estimated budget
- 2013 Accelerated Repair Program
  - Out of 45 projects, 32 bids have been received
  - Out of 32 projects, 18 bids have been reported
  - Of the 18 projects, 18 bids came within the estimated budget

Update on Project Scope and Budget Authorization

- MSBA Board approval on July 31, 2013
- Local Authorization Votes on November 5, 2013
- Project advancement contingent upon two successful ballot questions held on the same day: Question One to approve borrowing of project funding, which requires a simple majority of the aggregate votes from the three member towns of Great Barrington, West Stockbridge and Stockbridge. Question 2 to approve an exclusion from Proposition 2 ½ in each of the towns individually.
- The School District seeks an extension of time to assess the nature and extent of the failed vote, and if community support is evident will conduct votes again.
- The District reported to the MSBA that there is local support to fund the proposed project; therefore the re-vote is under development for fall 2014 Town Meeting.

Staff support an additional extension of time through November 14, 2014, so that the District can conduct a re-vote for the proposed project at a fall 2014 Town Meeting.

Update on Project Scope and Budget Authorization

- MSBA invitation to the District into grant program July 2009
- The District proceeds with efforts to update their Regional Agreement and their current educational program offerings
- District notifies the MSBA it is seeking time to reconsider student enrollment
- MSBA issues invitation into Eligibility Period to allow for reconsideration of proposed student enrollment January 2012
- MSBA's invitation to the District to proceed into Feasibility Study phase of grant program is re-stored June 2012

The Feasibility Study Agreement between the MSBA and the District has expired, with the District seeking an additional extension of time through June 2016 to complete the phases of the grant program through Project Scope and Budget and seek funds at 16 Town Meetings in the spring of 2016.

Audit Status Update

Former Program

Completed Projects	Projects Currently Submitting for Reimbursement	Estimated Costs Remaining
784	4	
$15.3 billion of costs *submitted and audited*	**$251** million of costs *submitted and audited*	Approx. **$13.6** million of costs *to be submitted**

→ $1.4 billion in audit savings to date

**Estimated based on Total Project Budgets from executed funding and submitted costs as of July 18, 2014*

Audit Status Update

New Program

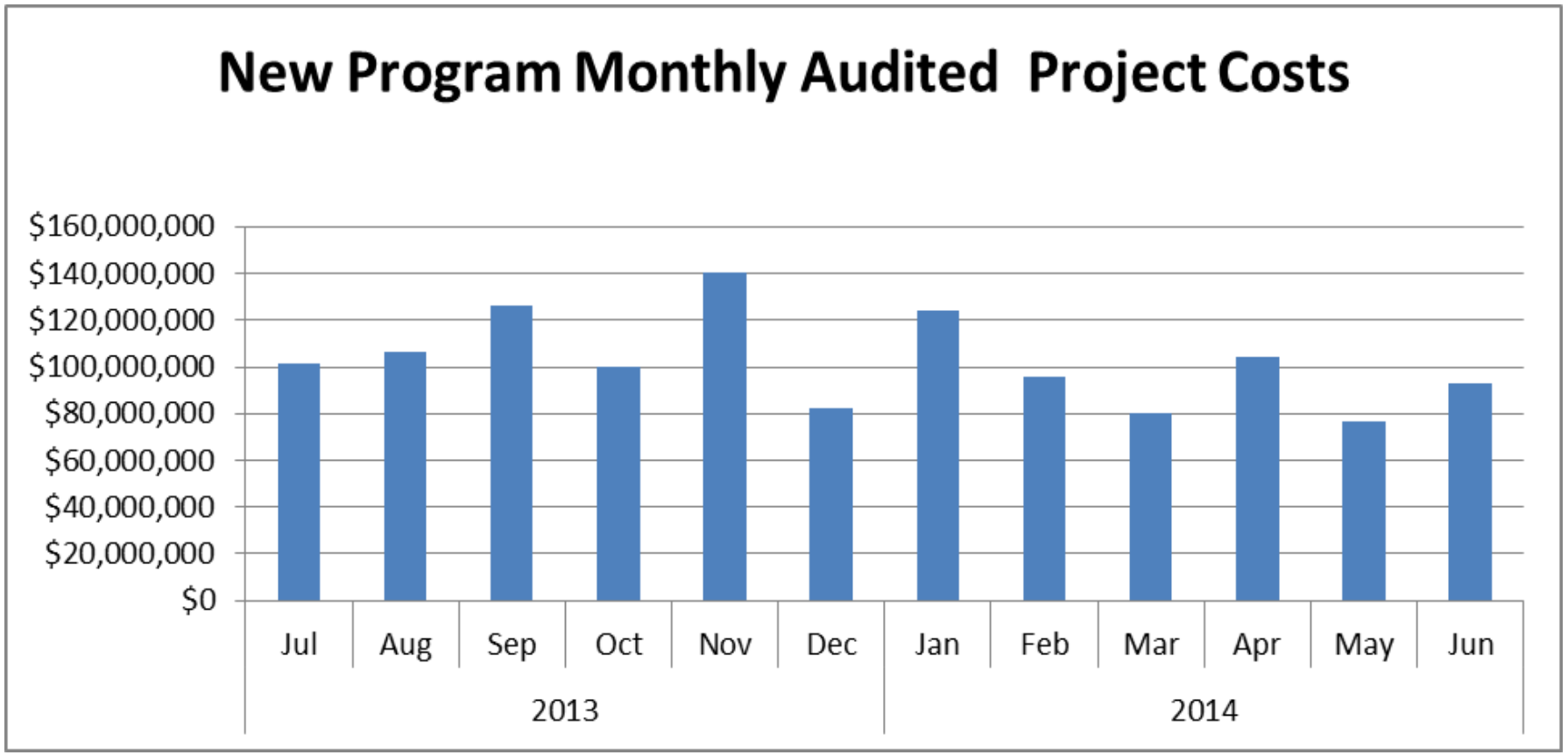
Today's Vote

Completed Projects		Projects Currently Submitting for Reimbursement	Estimated costs remaining
209	11	190	
$1 billion of costs *submitted and audited*		**$3.3** billion of costs *submitted and audited*	Approx. **$1.6** billion of costs *to be submitted**

**Estimated based on Total Project Budgets from executed funding agreements and submitted costs as of July 24, 2014.*

New Program:
Monthly Audited Project Costs

- Rolling 12 month submitted costs, monthly average of $102.5 million
- Total 12 month audited costs = $1.23 billion



New Program: Closeout Audits

Today's Vote: Exhibit D, Approval of Final Audits

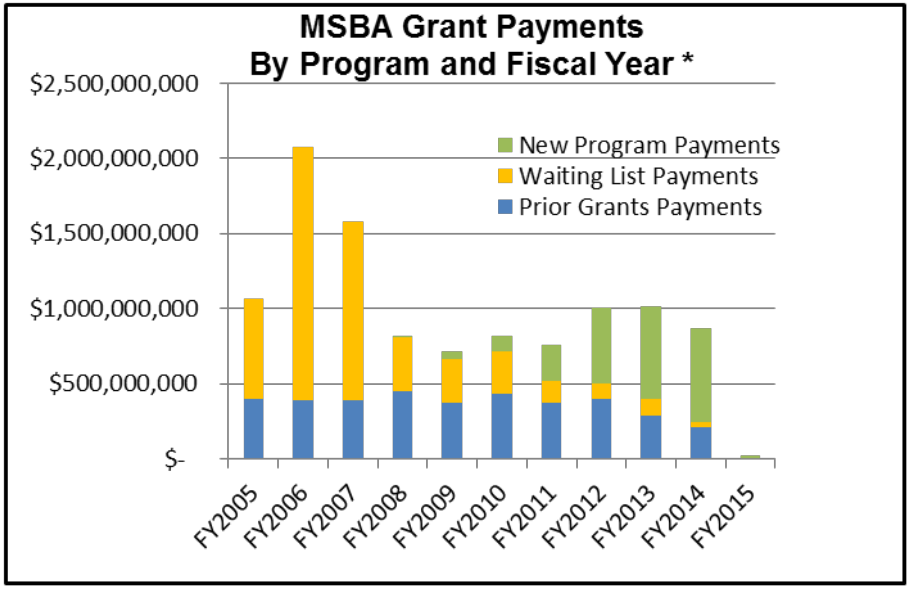
District	School Name	MSBA Cx	Reimb. Rate	Total Project Budget	Final Costs Submitted	Basis for Final Total Facilities Grant	Final Total Facilities Grant
Blackstone Valley RSD	Blackstone Valley RHS	X	53.53%	$964,159	$852,626	$809,685	$433,424
Dedham	Avery Elementary School	X	50.84%	$23,366,740	$24,231,822	$18,913,069	$9,615,404
Natick	Natick High School	X	52.63%	$78,780,366	$81,208,530	$67,012,524	$35,268,691
North Brookfield	North Brookfield Elementary School	X	62.67%	$392,843	$295,980	$271,995	$170,459
Norton	J. C. Solmonese Elementary School	X	55.63%	$1,500,000	$1,226,917	$1,218,238	$677,706
Southbridge	Southbridge High School	X	80.00%	$73,189,829	$68,331,891	$59,765,033	$47,812,026
Tri County RVT	Tri County RVTHS	n/a	50.79%	$1,465,153	$1,307,986	$1,269,896	$644,980
Wachusett RSD	Naquag Elementary School	X	52.89%	$1,111,030	$1,023,668	$1,012,392	$535,454
Wachusett RSD	Paxton Center School	X	52.89%	$1,407,620	$1,302,032	$1,264,832	$668,970
Wachusett RSD	Prince Elementary School	X	52.89%	$2,218,995	$2,180,932	$1,868,885	$988,453
Wayland	Wayland Middle School	X	36.89%	$2,728,412	$2,319,682	$2,274,474	$839,053
				$187,125,147	**$184,282,066**	**$155,681,023**	**$97,654,620**

Grant Payments Update

FY2015 YTD Grant Payments Summary*

Program	Grant Payments	# Projects	# Districts
New Program	17,714,161	25	20
Prior Grants	-	-	-
Waiting List	-	-	-
	17,714,161	**25**	**20**

- MSBA has made $17.7 million grant payments through the first three weeks of project payment processing in FY15
  - All grant payments to date in FY15 have been for New Program projects
- FY15 Q1 Prior Grant and Waiting List annual payments scheduled to be processed during September

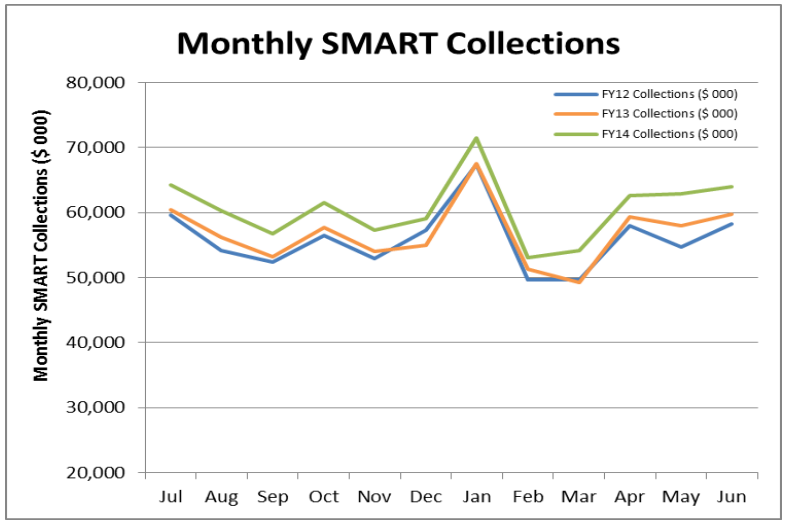


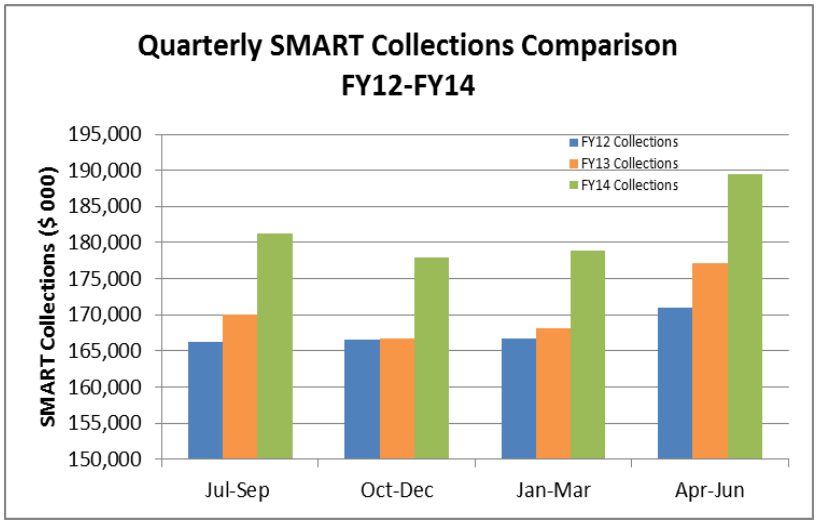
- During FY14, New Program payments of $625.5 million represented 72% of all grant payments made during the fiscal year

* Reflects grant payment data as of July 22, 2014.

SMART Collections Update

Month	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	FY Total
FY13 Collections ($ 000)	60,514	56,214	53,253	57,667	54,031	55,053	67,562	51,348	49,312	59,362	57,964	59,767	682,046
FY14 Collections ($ 000)	64,231	60,261	56,759	61,476	57,320	59,134	71,526	53,144	54,186	62,609	62,875	64,005	727,526
Change ($ 000)	3,717	4,047	3,505	3,809	3,289	4,081	3,964	1,796	4,875	3,247	4,912	4,238	45,480
% Change	6.1%	7.2%	6.6%	6.6%	6.1%	7.4%	5.9%	3.5%	9.9%	5.5%	8.5%	7.1%	6.7%





- Dept. of Revenue data indicates total FY14 SMART collections through June 2014 were more than $45 million (6.7%) greater than collections during FY13

- Quarterly SMART collections during FY14 each demonstrated in excess of 6% actual growth over the same quarter in the previous fiscal year