

District: Essex North Shore Agricultural & Technical School District  
School Name: Essex North Shore Agricultural & Technical High School  
Category: Project Scope and Budget Agreement

Recommendation:

That the Executive Director be authorized to enter into a Project Scope and Budget Agreement with the Essex North Shore Agricultural & Technical School District to build a new Essex North Shore Agricultural and Technical High School.

Background:

On August 8, 2008, the MSBA Board of Directors accepted staff's recommendation to invite the District to conduct a feasibility study of the proposed merger of the Essex Agricultural School and North Shore Regional Vocational Technical School, contingent upon the appropriation and expenditure of state funds through DCAM of \$60 million. Subsequent to a site visit by the MSBA and DCAM, it was agreed that the design configurations previously studied would be reviewed and that all parties would seek an affordable, efficient design for this project. The MSBA and DCAM worked with the Essex North Shore Temporary Oversight Board to study a career academy model design for the combined schools and further defined and refined the educational program to bring it within MSBA guidelines.

As presented at the January MSBA Board meeting, two options were proposed by the Designer and further considered by the Temporary Oversight Board. Option 1 included the re-use of the existing facility by renovating the existing buildings with some additions and renovations on the south side of Route 62 for the Life and Natural Sciences Academy and building the three remaining academies in all-new construction on the north side of Route 62. Option 1 at 363,600 square feet was estimated at a cost of \$129,292,412. Option 2 only retained the central district administration facilities on the south side of Route 62 in Smith Hall while building all four learning academies in all-new construction on the north side of Route 62. Option 2 at 353,100 square feet was estimated at a cost of \$132,241,704.

Despite a slightly higher cost, the Temporary Oversight Board had voted "unanimously to adopt Option 2, recognizing that the Oversight Board has done due diligence evaluating renovation vs. new construction, operating costs, safety and security" as the preferred alternative for a unified Essex North Shore Agricultural and Technical High School. The reasons cited for the Temporary Oversight Board's selection of Option 2 include that it provides the best learning environment possible, most efficient long-term operating costs, highest student safety and overall security.

Subsequent to the review and discussion of the preliminary estimates with the MSBA and DCAM and progression of the preferred schematic option, a revised estimated total project budget of \$124,862,470, (337,000 sq ft) has been proposed. Based on this information, the MSBA Board voted at its January 2009 Board meeting that the Essex North Shore Agricultural and Technical High School should proceed into schematic design for the construction of a new school with a design enrollment of either 1,230 or 1,440 students on the existing site based upon the following conditions:

- 1) A total project budget not to exceed \$125,000,000.
- 2) The appropriation and expenditure of state funds through DCAM of \$60 million.
- 3) Confirmation of the enrollment numbers.
- 4) MSBA review of the District's operating budget and whether the budget can support the expanded program and enrollment;
- 5) Continued refinement of the educational program to bring it in line with MSBA guidelines.

Discussion:

Since the January 2009 Board meeting, discussions have continued with the MSBA and DCAM in regard to the project parameters. Both MSBA and DCAM have reviewed the materials submitted by the Temporary Oversight Board to support a final design enrollment, an operating budget and the educational program. DCAM has also reviewed and is satisfied with these submissions. However, a final decision regarding the amount of state funds available for this project is still pending.

Based on MSBA's review, staff recommends that the Board authorize a project scope and budget agreement for a new Essex North Shore Agricultural & Technical High School with an enrollment of 1,440 students in an amount not to exceed \$125,000,000. The Temporary Oversight Board and the consultants have advanced the design to such a state that it is now necessary to seek community support and the local funding needed to proceed to the next step in the process. MSBA recognizes the challenges that the unique nature of this project brings and that the Temporary Oversight Board will have to seek approval from 17 member communities at separate council and town meetings. Recognizing the importance of this project to so many communities, MSBA is prepared to offer a Total Facilities Grant representing 62% of the \$125,000,000 for a total maximum grant amount of \$77,500,000. MSBA believes that this commitment of funds is not only timely but critical for the further development of this unique educational facility given the current bidding climate.

Upon approval of the MSBA Board of Directors, the Temporary Oversight Board will be subject to all MSBA regulations and guidelines and subject to all provisions of the Project Scope and Budget and Project Funding Agreement. In addition, the Temporary Oversight Board will have 120 days from MSBA Board authorization to obtain the local appropriations for the project from the 17 member communities. Any forthcoming state funds received by the Temporary Oversight Board would offset the Districts' \$48 million share of the project.

Based on this information, MSBA staff recommends a Project Scope and Budget Agreement and Project Funding Agreement for the new construction of the Essex North Shore Agricultural and Technical High School.