

District: Town of Lunenburg
 School Name: Lunenburg High School
 Recommended Category: Project Scope and Budget (Second Vote)
 Date: May 28, 2014

Recommendation

That the November 20, 2013 vote of the MSBA Board of Directors to approve a Project Scope and Budget Agreement and a Project Funding Agreement (“PFA”) with the Town of Lunenburg (the “Town”) for the replacement of the existing Lunenburg High School with a new 6-12 facility on the existing site be rescinded and that Executive Director be authorized to enter into a new Project Scope and Budget Agreement and a Project Funding Agreement with the Town of Lunenburg for the replacement of the existing Lunenburg High School with a new 6-12 facility on the existing site (the “Proposed Project”), provided that the Base Reimbursement Rate for the Proposed Project shall remain at the Base Rate of 52.89% that was established in 2013 and approved by the MSBA Board of Directors in the November 20, 2013 vote. All other Guidelines and Policies applicable to the Proposed Project, including, but not limited to, Guidelines and Policies as to allowable costs for change orders, shall be determined without regard to the vote of November 20, 2013.

District Information	
District Name	Town of Lunenburg
Elementary School(s)	Lunenburg Primary School (PK-3) Thomas C. Passios School (currently offline)
Middle School(s)	Turkey Hill Middle School (4-7)
High School(s)	Lunenburg High School (8-12)
Priority School Name	Lunenburg High School
Type of School	High School
Grades Served	8-12
Year Opened	1957
Existing Square Footage	98,000
Additions	1960
Acreage of Site	52 acres
Building Issues	The District identified deficiencies in the following areas: <ul style="list-style-type: none"> - Mechanical - Electrical - Fire Protection - Envelope (windows and roof) - Accessibility <p>In addition to the physical plant issues, the District reported that the existing facility does not support the delivery of its educational program and that there is existing and projected overcrowding.</p>
Original Design Capacity	Unknown
2012-2013 Enrollment	582
Agreed Upon Enrollment	820
Enrollment Specifics	The District and MSBA have mutually agreed upon a design enrollment of 820 students serving grades 6-12.

MSBA Board Votes	
Invitation to Feasibility Study	November 18, 2009
Recategorization from Feasibility Study to Eligibility Period	January 25, 2012
Invitation to Feasibility Study	July 25, 2012
Preferred Schematic Authorization	July 31, 2013
Project Scope & Budget Authorization	November 20, 2013
Vote to Rescind November 20, 2013 Project Scope & Budget Authorization / New Project Scope & Budget Authorization	June 4, 2014
Reimbursement Rate Before Incentives pursuant to November 20, 2013 Project Scope & Budget Authorization	52.89%
Incentive Points	1.72 – Maintenance 1.00 – CM @ Risk (Received IG Approval on June 12, 2013) 1.00 – Overlay Zoning 40R and 40S 0.50 – Overlay Zoning 100 Units or 50% of Units 1, 2, or 3 family structures 2.00 – Energy Efficiency – “Green Schools” ¹
Total Reimbursement Rate ¹	59.11%

¹ *The MSBA has provisionally included two (2) incentive points for energy efficiency, subject to the District meeting certain sustainability requirements for the project.*

Consultants	
Owner’s Project Manager	Joslin, Lesser + Associates, Inc.
Designer	Tappe Associates, Inc.

Background

On November 20, 2013, the MSBA Board of Directors approved a Project Scope and Budget Agreement and a Project Funding Agreement (“PFA”) with the Town of Lunenburg (“Town”) for the replacement of the existing Lunenburg High School with a new 6-12 facility on the existing site. On January 13, 2014, the Town notified the MSBA that it had made changes to the project that was previously submitted for the MSBA’s consideration and Board approval. The MSBA has since learned that these revisions were made subsequent to the Town submitting its schematic design submittal to the MSBA for review yet prior to the November 20, 2013 Board meeting where the Board approved the project that had initially had been presented by the Town without

the subsequent modifications. Therefore, the MSBA required the Town to submit additional materials for MSBA review and to attend an additional Facilities Assessment Subcommittee (“FAS”) Meeting for a review of its new Proposed Project.

Based upon the FAS review of the Town’s actions, the MSBA advised the Town that (1) the vote taken at the November 2013 Board meeting is invalid, (2) the Town does not have an approved Project, and (3) the MSBA will not be able to issue a PFA to the Town until a new approval is received from the MSBA Board of Directors.

Project Status

Through discussions with the Town, the MSBA understands that the Town altered its design in October 2013, without notice to the MSBA, based on community feedback that the building layout provides greater separation between the middle school and high school students. Upon notification that the Town had revised its Board approved project, the MSBA requested a new submittal outlining the changes that were made, which the MSBA has since reviewed. In addition, the Town presented its revised project at the April 30, 2014 FAS Meeting.

The MSBA’s review of the revised Proposed Project indicates the following:

- The total gross square footage has not increased;
- The Town confirmed that the Total Project Budget for the new Proposed Project has not changed;
- The review by the staff and Board members at the FAS meeting finds the changes to the educational program and building layout acceptable; and
- The special education submittal is under review by the Department of Elementary and Secondary Education (“DESE”) and its approval will be a requirement of issuing a PFA.

Discussion

Based on the above, staff recommends that a second vote be taken to rescind the November 20, 2013 vote and authorize the Executive Director to enter into a Project Scope and Budget Agreement and Project Funding Agreement for the revised Proposed Project, as detailed below, with the Town of Lunenburg for the replacement of the existing Lunenburg High School with a new 6-12 facility on the existing site, subject to the following conditions:

- Although this second vote is being taken in 2014 and the 2014 base reimbursement rate is higher than the 2013 base reimbursement rate used in the November 2013 Board recommendation and vote, the Project Scope and Budget Agreement and the PFA that will be issued pursuant to the June 4, 2014 vote will be based upon the 2013 base reimbursement rate of 52.89%.
- All other Guidelines and Policies applicable to the Proposed Project, including, but not limited to, Guidelines and Policies as to allowable costs for change orders, shall be determined without regard to the November 20, 2013 vote date.

The Town has provided a Total Project Budget of \$72,975,321, which includes an estimated construction cost of \$59,570,728 (\$352/sf). The basis of the Estimated Maximum Total Facilities Grant would be \$58,378,108, which excludes Designer fees and construction costs associated with the proposed greenhouse, ineligible costs associated with abatement and removal of asbestos-

containing flooring material, site costs in excess of 8% of total building cost, costs associated with mailing and moving, and owner's and construction contingency costs.

The proposed demolition of the existing Lunenburg High School and discontinuance of the Thomas C. Passios School as a public K-12 facility will result in the MSBA recovering a portion of state funds previously paid to the Town for the renovation project at the existing facilities completed in 2004. The MSBA has calculated this recovery of funds to be \$431,702 and this amount has been deducted from the Estimated Maximum Total Facilities Grant and the Maximum Total Facilities Grant.

Project Scope and Budget Agreement	
Enrollment: 820	
Total Square Feet: 169,018	District's Proposed Project Budget
Project Budget ¹	\$69,396,785
Scope Exclusions/Ineligible Costs	-\$11,018,677
Basis of Estimated Total Facilities Grant	\$58,378,108
Reimbursement Rate	59.11%
Estimated Maximum Total Facilities Grant (before cost recovery) ²	\$34,507,300
Cost Recovery	-\$431,702
Estimated Maximum Total Facilities Grant ²	\$34,075,598
Potentially eligible owner's and construction contingencies	\$1,195,707
Potential additional grant funds for eligible owner's and construction contingency expenditures	\$706,783
Total Project Budget	\$72,975,321
Maximum Total Facilities Grant ³	\$34,782,380

¹ Does not include owner's or construction contingencies.

² Does not include any grant funds for potentially eligible owner's or construction contingency expenditures; subject to MSBA review, approval, and audit.

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

MSBA staff recommends an Estimated Maximum Total Facilities Grant of \$34,075,598; however, the District may be eligible for up to an additional \$706,783 in grant funds, subject to the MSBA's review and audit of the District's owner's and construction contingency expenditures.

Accordingly, staff recommends a Maximum Total Facilities Grant of \$34,782,380 for the Project Scope and Budget Agreement and Project Funding Agreement for the replacement of the existing Lunenburg High School with a new 6-12 facility on the existing site.

Total Project Budget

**Lunenburg
Lunenburg Middle/High School**

5/28/2014

Total Project Budget: All costs associated with the project are subject to 963 CMR 2.16(5)	Estimated Budget	Scope Items Excluded from the Estimated Basis of Maximum Facilities Grant or Otherwise Ineligible	Estimated Basis of Maximum Total Facilities Grant¹	Estimated Maximum Total Facilities Grant¹
Feasibility Study Agreement				
<i>OPM Feasibility Study</i>	\$125,000	\$0	\$125,000	
<i>A&E Feasibility Study</i>	\$400,000	\$0	\$400,000	
<i>Environmental & Site</i>	\$46,057	\$0	\$46,057	
<i>Other</i>	\$48,000	\$0	\$48,000	
Feasibility Study Agreement Subtotal	\$619,057	\$0	\$619,057	\$365,925
Administration				
Legal Fees	\$0	\$0	\$0	\$0
Owner's Project Manager				
<i>Design Development</i>	\$129,000	\$0	\$129,000	
<i>Construction Contract Documents</i>	\$195,000	\$0	\$195,000	
<i>Bidding</i>	\$100,000	\$0	\$100,000	
<i>Construction Contract Administration</i>	\$1,365,000	\$0	\$1,365,000	
<i>Closeout</i>	\$65,000	\$0	\$65,000	
<i>Extra Services</i>	\$0	\$0	\$0	
<i>Reimbursable & Other Services</i>	\$0	\$0	\$0	
<i>Cost Estimates</i>	\$0	\$0	\$0	
<i>Advertising</i>	\$45,000	\$0	\$45,000	
<i>Permitting</i>	\$0	\$0	\$0	
<i>Owner's Insurance</i>	\$0	\$0	\$0	
<i>Other Administrative Costs</i>	\$25,000	\$0	\$25,000	
Administration Subtotal	\$1,924,000	\$0	\$1,924,000	\$1,137,276
Architecture and Engineering				
Basic Services				
<i>Design Development</i>	\$689,250	\$0	\$689,250	
<i>Construction Contract Documents</i>	\$1,608,250	\$15,000	\$1,593,250	
<i>Bidding</i>	\$229,750	\$0	\$229,750	
<i>Construction Contract Administration</i>	\$1,608,250	\$0	\$1,608,250	
<i>Closeout</i>	\$459,500	\$0	\$459,500	
<i>Other Basic Services</i>	\$0	\$0	\$0	
Basic Services Subtotal	\$4,595,000	\$15,000	\$4,580,000	
Reimbursable Services				
<i>Construction Testing</i>	\$0	\$0	\$0	
<i>Printing (over minimum)</i>	\$0	\$0	\$0	
<i>Other Reimbursable Costs</i>	\$15,000	\$0	\$15,000	
<i>Hazardous Materials</i>	\$150,000	\$0	\$150,000	
<i>Geotech & Geo-Env.</i>	\$175,000	\$0	\$175,000	
<i>Site Survey</i>	\$30,000	\$0	\$30,000	
<i>Wetlands</i>	\$10,000	\$0	\$10,000	
<i>Traffic Studies</i>	\$10,000	\$0	\$10,000	
Architectural/Engineering Subtotal	\$4,985,000	\$15,000	\$4,970,000	\$2,937,767
CM & Risk Preconstruction Services				
<i>Pre-Construction Services</i>	\$160,000	\$0	\$160,000	\$94,576
<i>Site Acquisition</i>				
<i>Land / Building Purchase</i>	\$0	\$0	\$0	
<i>Appraisal Fees</i>	\$0	\$0	\$0	
<i>Recording fees</i>	\$0	\$0	\$0	
Site Acquisition Subtotal	\$0	\$0	\$0	\$0
Construction Costs				
SUBSTRUCTURE				
<i>Foundations</i>	\$3,405,171	\$0		
<i>Basement Construction</i>	\$0	\$0		
SHELL				
<i>SuperStructure</i>	\$5,126,402	\$0		
<i>Exterior Closure</i>	\$0	\$0		
<i>Exterior Walls</i>	\$4,129,283	\$0		
<i>Exterior Windows</i>	\$1,351,575	\$0		
<i>Exterior Doors</i>	\$170,457	\$0		
<i>Roofing</i>	\$2,447,335	\$0		
INTERIORS				
<i>Interior Construction</i>	\$6,147,069	\$0		
<i>Staircases</i>	\$178,690	\$0		
<i>Interior Finishes</i>	\$3,566,520	\$0		
SERVICES				
<i>Conveying Systems</i>	\$172,400	\$0		
<i>Plumbing</i>	\$2,051,613	\$0		
<i>HVAC</i>	\$5,148,736	\$0		
<i>Fire Protection</i>	\$647,250	\$0		
<i>Electrical</i>	\$4,515,423	\$0		
EQUIPMENT & FURNISHINGS				
<i>Equipment</i>	\$1,122,499	\$0		
<i>Furnishings</i>	\$1,349,555	\$0		
SPECIAL CONSTRUCTION & DEMOLITION				
<i>Special Construction</i>	\$200,000	\$0		
<i>Existing Building Demolition</i>	\$588,000	\$0		

Total Project Budget

Lunenburg
Lunenburg Middle/High School

5/28/2014

Total Project Budget: All costs associated with the project are subject to 963 CMR 2.16(5)	Estimated Budget	Scope Items Excluded from the Estimated Basis of Maximum Facilities Grant or Otherwise Ineligible	Estimated Basis of Maximum Total Facilities Grant ¹	Estimated Maximum Total Facilities Grant ¹
In-Bldg. Hazardous Material Abatement	\$1,628,200	\$0		
Asbestos Cont'g Floor Mat'l Abatement	\$241,800	\$241,800		
Other Hazardous Material Abatement	\$0	\$0		
BUILDING SITEWORK				
Site Preparation	\$716,284	\$0		
Site Improvements	\$2,847,412	\$0		
Site Civil / Mechanical Utilities	\$1,410,290	\$0		
Site Electrical Utilities	\$430,691	\$0		
Other Site Construction	\$0	\$0		
Scope Excluded Site Cost		\$2,082,279		
Construction Trades Subtotal	\$49,592,655	\$2,324,079		
Contingencies (Design and Pricing)	\$1,603,615	\$75,151		
D/B/B Sub-Contractor Bonds	\$442,500	\$20,737		
D/B/B Insurance	\$0	\$0		
D/B/B General Conditions	\$3,877,307	\$181,704		
D/B/B Overhead & Profit	\$0	\$0		
GMP Insurance	\$649,000	\$30,414		
GMP Fee	\$1,050,000	\$49,207		
GMP Contingency	\$867,871	\$40,671		
Escalation to Mid-Point of Construction	\$1,487,780	\$69,722		
Overall Excluded Construction Cost		\$8,186,992		
Construction Budget	\$59,570,728	\$10,978,677	\$48,592,051	\$28,722,761
Alternates				
Ineligible Work Included in the Base Project	\$0	\$0	\$0	
Alternates Included in the Total Project Budget	\$0	\$0	\$0	
Alternates Excluded from the Total Project Budget	\$0	\$0	\$0	
Subtotal to be included in Total Project Budget	\$0	\$0	\$0	\$0
Miscellaneous Project Costs				
Utility Company Fees	\$25,000	\$0	\$25,000	
Testing Services	\$120,000	\$0	\$120,000	
Swing Space / Modularity	\$0	\$0	\$0	
Other Project Costs (Mailing & Moving)	\$25,000	\$25,000	\$0	
Misc. Project Costs Subtotal	\$170,000	\$25,000	\$145,000	\$85,710
Furnishings and Equipment				
Furnishings	\$984,000	\$0	\$984,000	
Equipment	\$0	\$0	\$0	
Computer Equipment	\$984,000	\$0	\$984,000	
FF&E Subtotal	\$1,968,000	\$0	\$1,968,000	\$1,163,285
Soft Costs that exceed 20% of Construction Cost		\$0		
Project Budget	\$69,396,785	\$11,018,677	\$58,378,108	\$34,507,300

Board Authorization	
Design Enrollment	820
Total Building Gross Floor Area (GSF)	169,018
Total Project Budget (excluding Contingencies)	\$69,396,785
Scope Items Excluded or Otherwise Ineligible	-\$11,018,677
Third Party Funding (Ineligible)	\$0
Estimated Basis of Maximum Total Facilities Grant ¹	\$58,378,108
Reimbursement Rate ^{3,4}	59.11%
Est. Max. Total Facilities Grant (before recovery) ¹	\$34,507,300
Cost Recovery ⁵	-\$431,702
Estimated Maximum Total Facilities Grant ¹	\$34,075,598

52.89 Reimbursement Rate Before Incentive Points
6.22 Total Incentive Points^{3,4}
59.11% MSBA Reimbursement Rate

NOTES

This document was prepared by the MSBA based on a preliminary review of information and estimates provided by the Town of Lunenburg for the Lunenburg Middle/High School project. Based on this preliminary review, certain budget, cost and scope items have been determined to be ineligible for reimbursement, however, this document does not contain a final, exhaustive list of all budget, cost and scope items which may be ineligible for reimbursement by the MSBA. Nor is it intended to be a final determination of which budget, cost and scope items may be eligible for reimbursement by the MSBA. All project budget, cost and scope items shall be subject to review and audit by the Authority, and the Authority shall determine, in its sole discretion whether any such budget, cost and scope items are eligible for reimbursement. The MSBA may determine that certain additional budget, cost and scope items are ineligible for reimbursement.

1 - The Estimated Basis of Total Facilities Grant and Estimated Maximum Facilities Grant amounts appearing in the "MSBA Board Approved Budget" column do not include any potentially eligible contingency funds and are subject to review and audit by the MSBA. The Estimated Basis of Total Facilities Grant, Estimated Maximum Facilities Grant, and Maximum Total Facilities Grant amounts appearing in the "Proposed Revised PFA Budget" column have been adjusted to account for construction bids received in accordance with Section 2.2 of the PFA and any budget revision requests submitted and approved by the MSBA as of the Date noted in the Proposed Revised Budget PFA column of the PFA Amendment. These amounts are also subject to further review and audit by the MSBA.

2 - Pursuant to Section 3.20 of the Project Funding Agreement and the applicable policies and guidelines of the Authority, any project costs associated with the reallocation or transfer of funds from either the Owner's contingency or the Construction contingency to other budget line items shall be subject to review by the Authority to determine whether any such costs are eligible for reimbursement by the Authority. All costs are subject to review and audit by the MSBA.

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

4 - 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. If the District does not receive approval for the Construction Manager at Risk delivery method, the District will not qualify for these incentive points and the MSBA will adjust the reimbursement rate accordingly.

5. The proposed demolition of the Passios Elementary and Lunenburg High School will result in the MSBA recovering a portion of state funds previously paid to the District for the renovation project at the existing facilities

Construction Contingency ²	\$2,978,536
Ineligible Construction Contingency ²	\$2,382,829
"Potentially Eligible" Construction Contingency ²	\$595,707
Owner's Contingency ²	\$600,000
Ineligible Owner's Contingency ²	\$0
"Potentially Eligible" Owner's Contingency ²	\$600,000
Total Potentially Eligible Contingency ²	\$1,195,707
Reimbursement Rate ^{3,4}	59.11%
Potential Additional Contingency Grant Funds ²	\$706,783
Maximum Total Facilities Grant	\$34,782,380

Total Project Budget

**Lunenburg
Lunenburg Middle/High School**

5/28/2014

Total Project Budget: All costs associated with the project are subject to 963 CMR 2.16(5)	Estimated Budget	Scope Items Excluded from the Estimated Basis of Maximum Facilities Grant or Otherwise Ineligible	Estimated Basis of Maximum Total Facilities Grant¹	Estimated Maximum Total Facilities Grant¹
Total Project Budget	\$72,975,321	completed in 2004. The MSBA has calculated this recovery of funds to be \$431,702 and this amount has been deducted from the Estimated Maximum Total Facilities Grant and the Maximum Total Facilities Grant.		

By signing this Total Project Budget, I hereby certify that I have read and understand the form and further certify, to the best of my knowledge and belief, that the information supplied by the District in the table above is true, accurate, and complete.

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By:
Title: Chair of School Building Committee

By:
Title: Chief Executive Officer

By:
Title: Superintendent of Schools

By:
Title: Chair of School Committee

Date: _____

Date: _____

Date: _____

Date: _____