

Massachusetts School Building Authority

Steven Grossman
Chairman, State Treasurer

John K. McCarthy
Executive Director



Board Meeting

September 24, 2014



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Project Visits

- Since the July 30, 2014 Board meeting, the MSBA has visited 41 projects.

| Project Visits | | |
|---|---|--|
| <p>Andover Assabet Valley RSD Auburn Ayer Shirley RSD Concord-Carlisle RSD Douglas Dracut Essex-North Shore RVT Franklin Georgetown Greater Lowell RSD Greater New Bedford RVT Greenfield Hingham Lexington</p> | <p>Lynn Marshfield Monomoy RSD Newburyport (Bresnahan) Newburyport (Nock/Molin) Norfolk County Agricultural North Adams North Reading Revere Somerset-Berkley RSD Southwick-Tolland-Granville RSD (Regional High School) Southwick-Tolland-Granville RSD (Woodland) Southwick-Tolland-Granville RSD (Powder Mill)</p> | <p>Springfield (Central) Springfield (Brookings) Southern Worcester County RVT Stoneham South Hadley Sutton Wakefield Webster West Bridgewater West Springfield Weston Williamsburg Wilmington</p> |



Project Milestones

Since the July 30, 2014 Board meeting, the MSBA has attended 14 project milestone celebrations.

Groundbreaking Ceremonies

- J. Henry Higgins Middle School (*Peabody*)
- West Parish Elementary School (*Gloucester*)
- Mountview Middle School (*Wachusett RSD*)

Topping Off Ceremony

- Auburn Middle School (*Auburn*)

Opening Ceremony

- Field Elementary School (*Weston*)

Ribbon Cutting Ceremonies

- Marshfield High School (*Marshfield*)
- Methuen High School (*Methuen*)
- Hingham Middle School (*Hingham*)
- Monomoy Regional High School (*Monomoy RSD*)
- Somerset-Berkley Regional High School (*Somerset-Berkley RSD*)
- Duxbury Middle/High School (*Duxbury*)
- Anne T. Dunphy Elementary School (*Williamsburg*)
- North Reading High School (*North Reading*)
- Franklin High School (*Franklin*)



Project Visits

Upcoming site visits anticipated in October and November:

Project Visits

Andover
Assabet Valley RSD
Auburn
Ayer Shirley RSD
Concord-Carlisle RSD
Franklin
Georgetown
Gloucester
Greater Lowell RSD
Greater New Bedford RVT
Greenfield

Lynn
Marshfield
Monomoy RSD
Newburyport (Bresnahan)
Newburyport (Nock/Molin)
North Adams
North Reading
Revere
Somerset-Berkley RSD
Southern Worcester County RVT

Southwick-Tolland-Granville RSD
(Regional High School)
Southwick-Tolland-Granville RSD
(Woodland)
Southwick-Tolland-Granville RSD
(Powder Mill)
Springfield (Brookings)
Springfield (Central)
Sutton
Wakefield
Webster
Weston



Project Removal from Accelerated Repair Program | **Vote**

| District | School | Invitation Date |
|--|--------------------------------|-----------------|
| Hampden-Wilbraham Regional School District | Thornton Burgess Middle School | June 4, 2014 |



Invitation to Feasibility Study | **Vote**

| District | School |
|----------|-----------------------------|
| Amherst | Wildwood Elementary School |
| Hanover | Sylvester Elementary School |



Project Scope and Budget | **Vote**

| District | School | Project Scope | Total Project Budget | Estimated Maximum Total Facilities Grant |
|---------------|----------------------------|---------------|----------------------|--|
| Abington | Frolio Middle School | New | \$96,400,000 | \$48,528,486 |
| Chelsea | Clark Avenue Middle School | New | \$57,332,407 | \$36,093,628 |
| Totals | | | \$153,732,407 | \$84,622,114 |

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



Project Scope and Budget | Abington

Frolio Middle School

- Year Opened: 1937
- Current Grade Configuration: 7-8
- Agreed Upon Grade Configuration: PK, 5-12
- Agreed Upon Enrollment: 1,115
- Scope of Project: New co-located facility on the existing Abington High School site
- Existing Square Footage: 51,729
- Proposed Square Footage: 235,370
- District Total Project Budget: \$96,400,000
- Estimated Basis Total Facilities Grant: \$82,293,516
- Reimbursement Rate*: 58.97%
- Estimated Maximum Total Facilities Grant: \$48,528,486

*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 | Chelsea

Clark Avenue Middle School

- Year Opened: 1926
- Current Grade Configuration: 5-8
- Agreed Upon Grade Configuration: 5-8
- Agreed Upon Enrollment: 670
- Scope of Project: New
- Existing Square Footage: 238,000
- Proposed Square Footage: 115,235
- District Total Project Budget: \$57,332,407
- Estimated Basis Total Facilities Grant: \$45,117,035
- Reimbursement Rate*: 80.00%
- Estimated Maximum Total Facilities Grant: \$36,093,628

*By statute, 80% is the maximum reimbursement rate. Here, the City's base reimbursement rate is 80% before applying an incentive point for the Construction Manager at Risk construction delivery method. If the City does not qualify for this incentive point, its reimbursement rate of 80% will not be affected because the reimbursement rate is the maximum rate of 80% prior to application of the Construction Manager at Risk construction delivery method incentive point.



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 | 9 | 7,170 | \$600.9 M | \$467.1 M |
| Grand Total | 26 | 21,515 | \$1.54 B | \$1.20 B |

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

- Anticipated Bids in 2014:
 - September – No Bids Expected



Core Program

Construction Estimate vs. 2014 Bid Amount

- 10 bids received in 2014.
- Of the 10, seven bids came in within the estimated budget.

| District | School | Scope | Project Type | Bid Date | Construction Estimate ** | Bid Amount ** | Variance from Construction Estimate | Reimbursement Rate | Potential Grant Variance * |
|------------------|---------------------|--------------|--------------|----------|--------------------------|---------------|-------------------------------------|--------------------|----------------------------|
| | | | | Total | \$363,676,747 | \$345,309,391 | \$18,367,356 | - | \$11,889,863 |
| 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 |
| Wachusett | 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 |
| Auburn | Auburn MS | New | CMR | May-14 | \$35,474,676 | \$33,559,242 | \$1,915,434 | 58.61% | \$1,122,636 |
| Greater Lawrence | GLRVTHS | Major Repair | DBB | May-14 | \$4,361,641 | \$3,484,000 | \$877,641 | 78.95% | \$692,898 |
| Peabody | 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, 36 bids have been reported
 - Of the 36 projects, 31 bids came within the estimated budget
- **2013 Accelerated Repair Program**
 - Out of 45 projects, 40 bids have been received
 - Out of 40 projects, 29 bids have been reported
 - Of the 29 projects, 27 bids came within the estimated budget



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 | \$252 million of costs submitted and audited | Approx. \$13.3 million of costs to be submitted* |

→ \$1.4 billion in audit savings to date

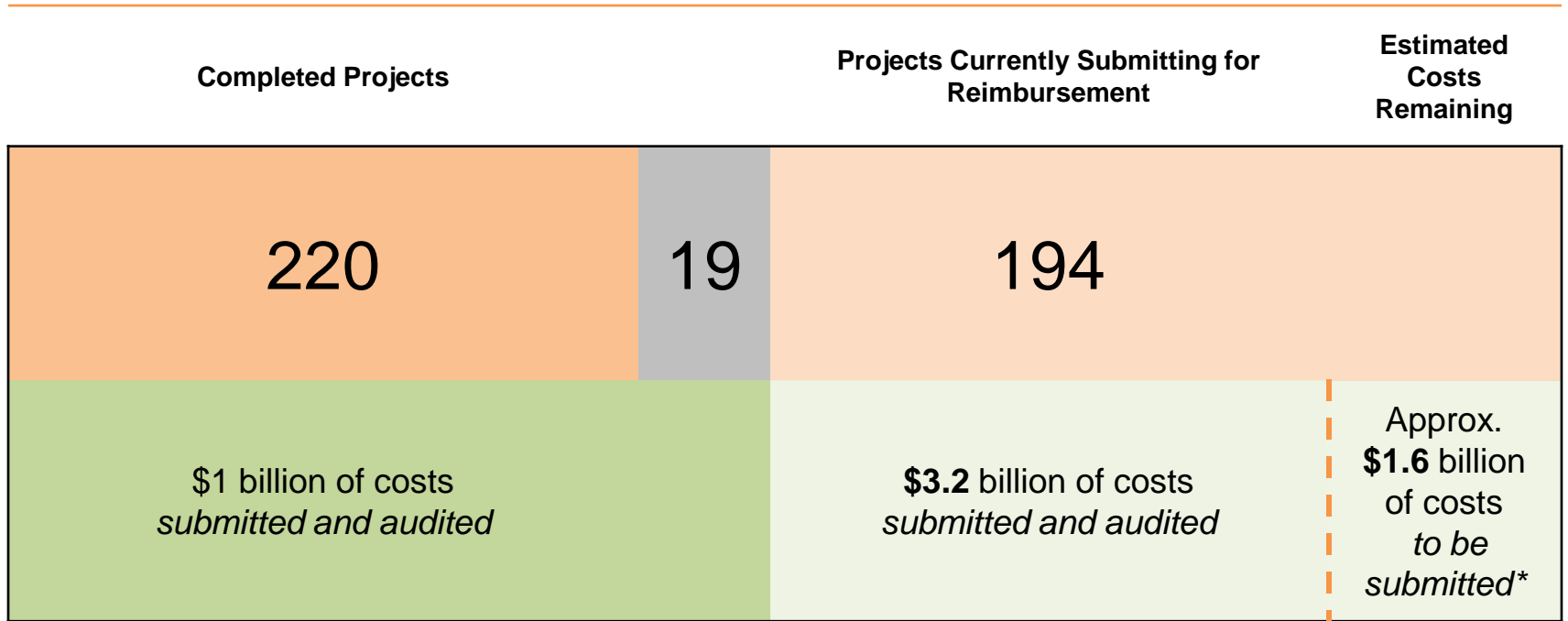
*Estimated based on Total Project Budgets from executed funding and submitted costs as of September 15, 2014.



Audit Status Update

New Program

■ Today's Vote

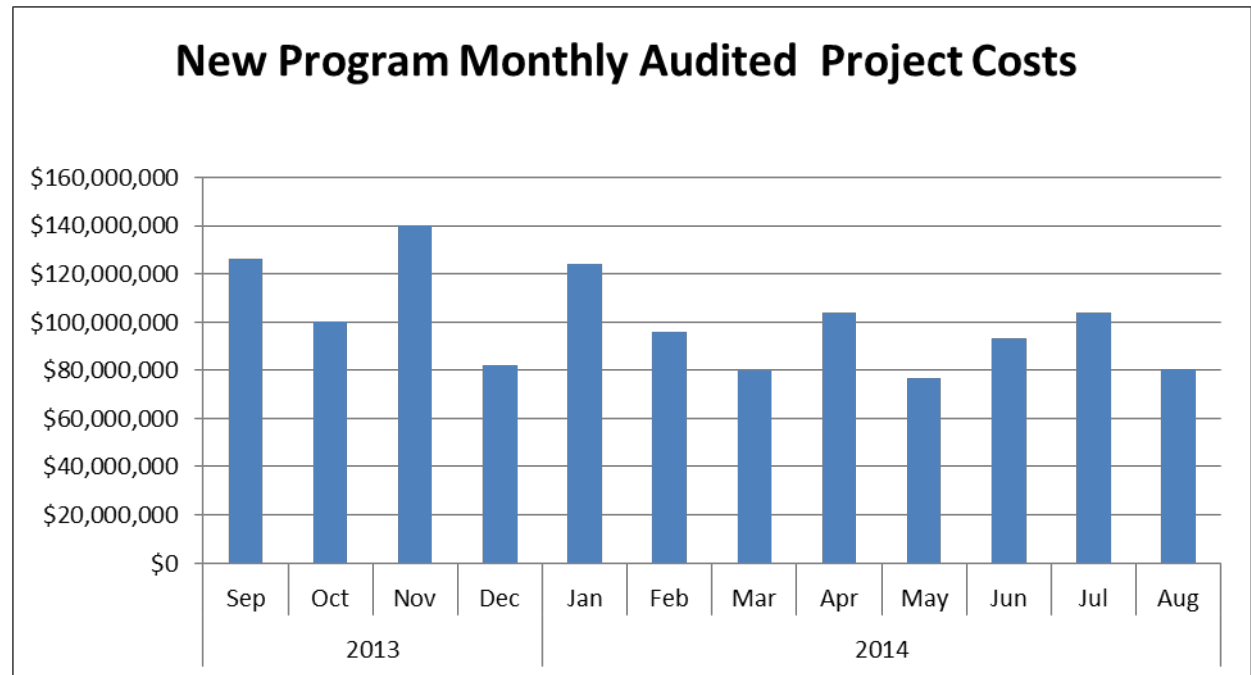


*Estimated based on Total Project Budgets from executed funding agreements and submitted costs as of September 16, 2014.



New Program: Monthly Audited Project Costs

- Rolling 12 month submitted costs monthly average of \$101 million
- Total 12 Month Audited Costs = \$1.2 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 |
|-------------------------|-------------------------|---------|-------------|----------------------|-----------------------|--|------------------------------|
| Carlisle | Carlisle School | X | 40.00% | \$19,707,881 | \$19,656,313 | \$15,938,671 | \$6,375,468 |
| Leominster | Fall Brook | X | 73.38% | \$982,300 | \$931,150 | \$876,984 | \$643,531 |
| Leominster | Southeast School | X | 73.38% | \$2,553,640 | \$2,369,532 | \$2,339,525 | \$1,716,743 |
| Lowell | Moody Elem | X | 80.00% | \$2,329,799 | \$2,040,295 | \$1,751,463 | \$1,401,170 |
| Lowell | Washington | X | 80.00% | \$2,238,316 | \$2,054,426 | \$1,641,564 | \$1,313,251 |
| Lynnfield | Lynnfield High | X | 43.94% | \$4,445,224 | \$4,576,022 | \$3,935,976 | \$1,729,468 |
| Needham | Newman Elem | x | 40.00% | \$27,412,131 | \$28,155,479 | \$18,814,606 | \$7,525,842 |
| North Attleborough | North Attleboro High | X | 52.06% | \$6,101,811 | \$6,073,437 | \$5,721,760 | \$2,978,748 |
| Old Colony Reg Voc Tech | Old Colony Reg Voc Tech | X | 54.16% | \$2,711,016 | \$2,418,029 | \$2,405,279 | \$1,302,699 |



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 |
|------------------|-----------------------|---------|-------------|----------------------|-----------------------|--|------------------------------|
| Quabbin | Ruggles Lane | X | 57.74% | \$2,809,540 | \$2,694,339 | \$2,668,288 | \$1,540,669 |
| Quaboag Regional | Warren Elementary | X | 68.34% | \$269,356 | \$251,922 | \$251,792 | \$172,075 |
| Springfield | Arthur T Talmadge | X | 80.00% | \$63,669 | \$64,494 | \$63,669 | \$50,935 |
| Springfield | Frank H Freedman | X | 80.00% | \$1,675,168 | \$1,628,117 | \$1,616,502 | \$1,293,202 |
| Springfield | Glickman Elementary | X | 80.00% | \$1,486,902 | \$1,389,486 | \$1,387,488 | \$1,109,990 |
| Springfield | John J Duggan Middle | X | 80.00% | \$5,220,014 | \$5,219,779 | \$5,180,917 | \$4,144,734 |
| Springfield | M Marcus Kiley Middle | X | 80.00% | \$2,478,567 | \$2,379,830 | \$2,378,196 | \$1,902,557 |
| Springfield | Margaret C Ells | X | 80.00% | \$1,341,047 | \$1,334,244 | \$1,308,425 | \$1,046,740 |
| Springfield | Mary M Lynch | X | 80.00% | \$990,659 | \$1,000,558 | \$978,039 | \$782,431 |
| Weymouth | William Seach | X | 54.16% | \$549,796 | \$520,776 | \$486,731 | \$263,614 |
| | TOTAL | | | \$85,366,836 | \$84,758,228 | \$69,745,875 | \$37,293,868 |

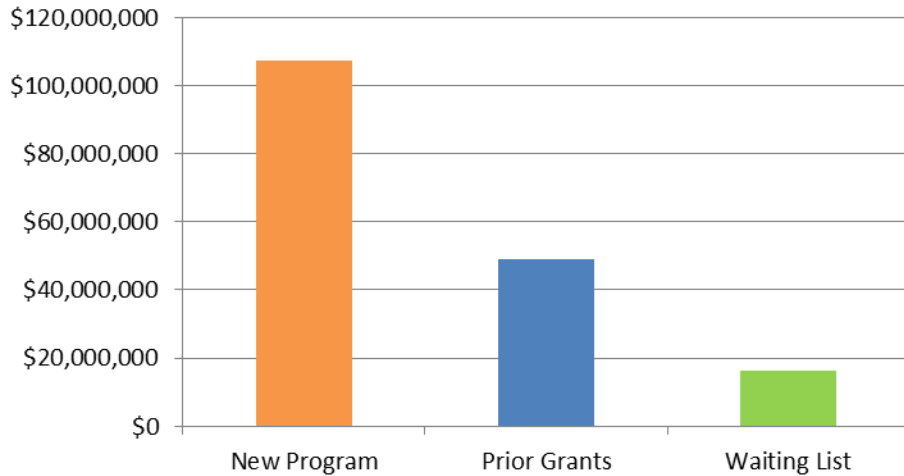


Grant Payments – FY2015 YTD Update

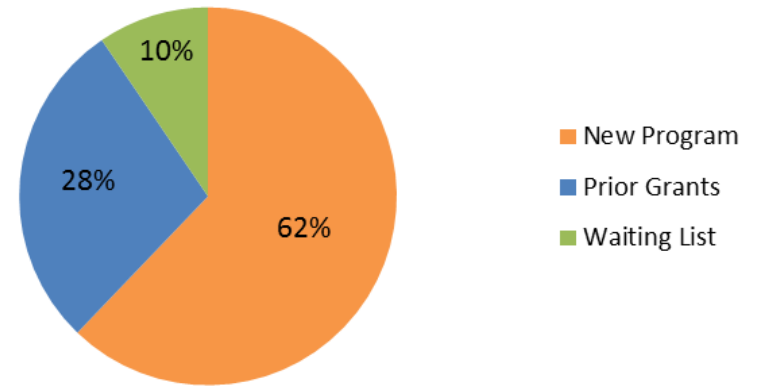
*FY2015 YTD Grant Payments Summary**

| Program | Grant Payments | # Projects | # Districts |
|----------------|-----------------------|-------------------|--------------------|
| New Program | 107,212,128 | 103 | 82 |
| Prior Grants | 48,850,018 | 73 | 58 |
| Waiting List | 16,399,490 | 28 | 21 |
| | 172,461,636 | 204 | 140 |

FY2015 Grant Payments - YTD by Program



FY2015 Grant Payments - YTD % by Program



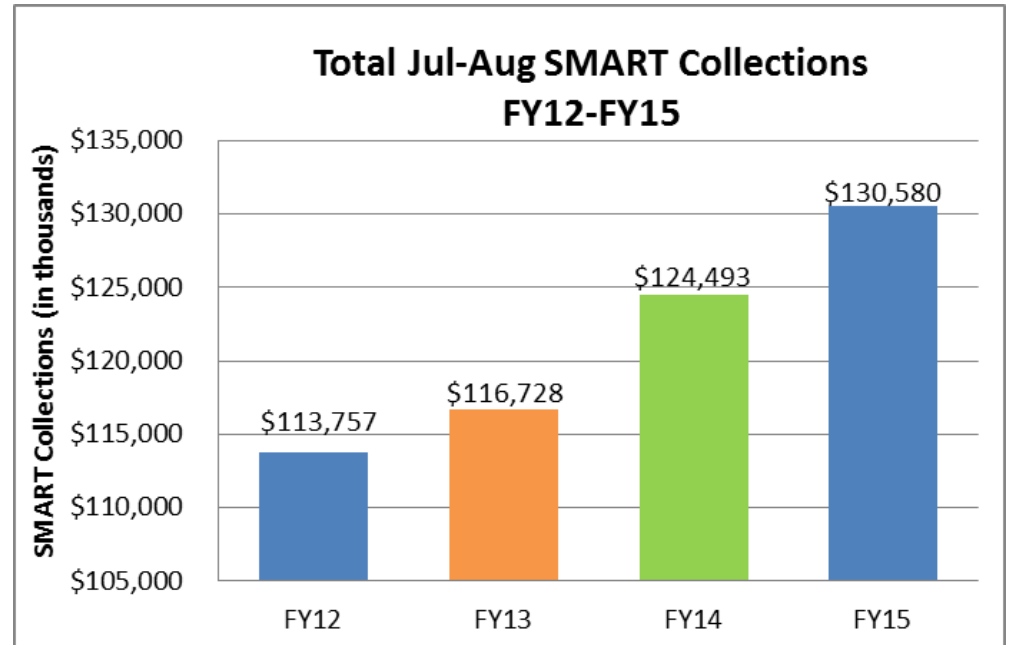
* Reflects grant payments as of September 16, 2014.



SMART Collections Update

- FY15 SMART collections through August were approximately \$6.1 million (4.9%) greater than FY14 collections during the same period
- Collections through August for each of the most recent three fiscal years have exhibited average year-over-year growth in excess of 4.7%

| | Jul | Aug | Total |
|------------------------------------|--------|--------|---------|
| FY14 Collections (\$ 000) | 64,231 | 60,261 | 124,493 |
| FY15 Collections (\$ 000) * | 68,214 | 62,366 | 130,580 |
| Change (\$ 000) | 3,983 | 2,105 | 6,088 |
| % Change | 6.2% | 3.5% | 4.9% |



* August 2014 collections are based on preliminary data provided by the Department of Revenue.