

District: City of Worcester
 School Name: Nelson Place School
 Recommended Category: Project Scope and Budget
 Date: January 7, 2015

Recommendation

That the Executive Director be authorized to enter into a Project Scope and Budget Agreement and a Project Funding Agreement with the City of Worcester to replace the existing Nelson Place School with a new facility on the existing site with additional land. As a condition for approval of the project, the City must secure full control and ownership of the additional land within 120 days of approval of the Project Scope and Budget by the MSBA Board of Directors.

District Information	
District Name	City of Worcester
Elementary Schools	7 (PK-6) 26 (K-6)
Middle Schools	4 (7-8)
High Schools	2 (7-12) 5 (9-12)
Priority School Name	Nelson Place School
Type of School	Elementary School
Grades Served	PK-6
Year Opened	1927
Existing Square Footage	55,400
Additions	1952: Classrooms and administrative spaces were added 1968: A gymnasium was added 1992: The original building was rehabilitated
Acreage of Site	9.69 acres existing land; 11.99 acres with additional land
Building Issues	The District identified deficiencies in the following areas: <ul style="list-style-type: none"> - Structural integrity - Mechanical systems - Electrical systems - Envelope In addition to the physical plant issues, the District reported that the existing facility does not support the delivery of its educational program.
Original Design Capacity	Unknown
2014-2015 Enrollment	490
Agreed Upon Enrollment	600
Enrollment Specifics	The City and MSBA have mutually agreed upon a design enrollment of 600 students for grades K-6, for a project that will serve grades PK-6.

MSBA Board Votes	
Invitation to Eligibility Period	June 6, 2012
Invitation to Feasibility Study	April 3, 2013
Preferred Schematic Authorization	July 30, 2014

Project Scope & Budget Authorization	On January 14, 2015 Board agenda
Reimbursement Rate Before Incentives	78.95%
Incentive Points	1.48 – Maintenance 1.00 – Construction Manager at Risk 2.00 – Energy Efficiency – “Green Schools” ¹
Total Reimbursement Rate ¹	80.00%

¹ By statute, 80% is the maximum reimbursement rate. Here, the City’s reimbursement rate is 80% before applying an incentive point for the Construction Manager at Risk construction delivery method or two incentive points for the Energy Efficiency – “Green Schools” category. If the City does not qualify for these incentive points, 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 or the Energy Efficiency – “Green Schools” incentive points.

Consultants	
Owner’s Project Manager	Tishman Construction Corporation of MA
Designer	Lamoureux Pagano & Associates, Inc.

Discussion

MSBA staff reviewed the documents provided by the District and met with the District and its consultants to discuss scope and budget. The District has provided a Total Project Budget of \$58,216,750, which includes an estimated construction cost of \$46,546,300 (\$418/sf). The basis of the Estimated Basis of Total Facilities Grant would be \$42,146,891, which excludes ineligible costs associated with land acquisition, ineligible costs associated with abatement of asbestos-containing floor materials and hazardous materials outside the building, site costs in excess of 8% of total building cost, construction costs in excess of \$287/sf plus eligible demolition and abatement, costs associated with mailing and moving, FFE in excess of \$2,400/student, and owner’s and construction contingency costs.

Project Scope and Budget Agreement	
Enrollment: 600	District’s Proposed
Total Square Feet: 111,256	Project Budget
Project Budget ¹	\$55,874,750
Scope Exclusions/Ineligible Costs	-\$13,727,859
Estimated Basis of Total Facilities Grant	\$42,146,891
Reimbursement Rate	80.00%
Estimated Maximum Total Facilities Grant ²	\$33,717,513
Potentially eligible owner’s and construction contingencies	\$1,307,463
Potential additional grant funds for eligible owner’s and construction contingency expenditures	\$1,045,970
Total Project Budget	\$58,216,750
Maximum Total Facilities Grant ³	\$34,763,483

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 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 \$33,717,513; however, the District may be eligible for up to an additional \$1,307,463 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 \$34,763,483 for the Project Scope and Budget Agreement and Project Funding Agreement to replace the existing Nelson Place Elementary School with a new facility on the existing site with additional land. As a condition for approval of the project, the City must secure full control and ownership of the additional land within 120 days of approval of the Project Scope and Budget by the MSBA Board of Directors.