

TO: Board of Directors, Massachusetts School Building Authority
FROM: Maureen G. Valente, Chief Executive Officer
John K. McCarthy, Executive Director, Deputy Chief Executive Officer
SUBJECT: 2016 Statements of Interest – Accelerated Repair Program
Status, Process and Next Steps
DATE: March 9, 2016

This memorandum provides a status update on the 2016 Statement of Interest (“SOI”) process for Accelerated Repair Program (“ARP”) SOIs and Core Program SOIs. It also provides information on the review process and next steps for ARP SOIs.

Overall Status of the 2016 Statements of Interest

The Statement of Interest filing period for calendar year 2016 opened on January 8, 2016. The closing dates for districts submitting for consideration are as follows:

For the Accelerated Repair Program – Closed on Friday, February 12, 2016
For the Core Program – Closes on Friday, April 8, 2016

The following is a summary of activity as of March 4, 2016:

(73) SOIs have been submitted:

- (61) Accelerated Repair Program SOIs
- (2) Potential New School SOIs
- (2) Potential Renovation/Addition SOIs
- (8) Potential Repair SOIs

Process and Next Steps for the review of SOIs for the Accelerated Repair Program

Of the 73 SOIs received to date, 67 SOIs from 35 districts for 67 schools were filed for the Accelerated Repair Program as shown in Attachment A. In accordance with the SOI Overview Process for ARP, as outlined in Attachment B, Massachusetts School Building Authority (“MSBA”) staff have commenced the due diligence process for all ARP SOIs. This is a 4-phase process, which includes:

1. Review SOI submissions for completeness;
2. Review SOI submissions and accompanying documents for content;
3. Conduct staff study visits, if required; and
4. Recommend SOIs for invitation into the Accelerated Repair Program.

Staff anticipate completing the first two phases for completeness and content by mid-March and making recommendations for staff study visits to the Chief Executive Officer and Executive Director by the end of March. As a project would not qualify for the ARP, a district would not be recommended for a staff study visit if:

- the roof/boiler/windows/doors are less than twenty years old;
- the proposed project cost is projected as less than \$250,000;
- the school is judged by the district to be over-crowded;

- the primary use of the building is for non-educational purposes;
- the SOI itself seeks construction beyond roofs, windows/doors, and/or boilers;
- the SOI itself seeks boiler construction, excluding heating fuel storage and/or delivery, beyond the physical limits of the existing boiler room(s); or
- the district plans a future construction project for MSBA participation going beyond roofs, windows/doors, and boilers for the school.

In addition, staff may not recommend a staff study visit if the MSBA has sufficient information to assess the SOI either through a recent visit to the school or from some other source.

Once reviewed and approved by the Chief Executive Officer and the Executive Director, staff study visits would commence as soon as the beginning of April. As noted in the February 24, 2016 Facilities Assessment Subcommittee memorandum, contingent upon how many as well as how quickly the staff study visits can be scheduled and accomplished, recommendations for invitation to the Accelerated Repair Program would be presented at the May 4, 2016 Facilities Assessment Subcommittee meeting, with the final recommendations for invitation into the ARP presented to the Board of Directors at either the May or July 2016 Board meeting.

Attachment A

2016 Statements of Interest under review for the Accelerated Repair Program

The list of districts and schools that have filed an SOI for the Accelerated Repair Program on or before February 12, 2016:

District	School	Filing
Agawam	Agawam Middle School	Accelerated Repair
Auburn	Pakachoag	Accelerated Repair
Boston	Boston Latin	Accelerated Repair
Boston	Jackson Mann	Accelerated Repair
Boston	James Condon Elem	Accelerated Repair
Boston	John W McCormack	Accelerated Repair
Boston	Paul A Dever	Accelerated Repair
Boston	Urban Science Academy	Accelerated Repair
Boston	William Ellery Channing	Accelerated Repair
Boxford	Spofford Pond	Accelerated Repair
Cambridge	Fletcher/Maynard Academy	Accelerated Repair
Canton	Lt Peter M Hansen	Accelerated Repair
Carver	Carver Middle/High School	Accelerated Repair
Chesterfield-Goshen	New Hingham Regional Elem	Accelerated Repair
Chicopee	Bowe	Accelerated Repair
Chicopee	Selser	Accelerated Repair
Dartmouth	Dartmouth Middle	Accelerated Repair
Duxbury	Alden School	Accelerated Repair
Gloucester	Gloucester High	Accelerated Repair
Halifax	Halifax Elementary	Accelerated Repair
Holyoke	William R. Peck School	Accelerated Repair

District	School	Filing
Holyoke	Kelly Elem	Accelerated Repair
Holyoke	Lt Clayre Sullivan Elem	Accelerated Repair
Holyoke	Lt Elmer J McMahon Elem	Accelerated Repair
Holyoke	Maurice A Donahue Elem	Accelerated Repair
Holyoke	Morgan Elem	Accelerated Repair
Lawrence	Arlington	Accelerated Repair
Lawrence	High School Learning Center	Accelerated Repair
Marshfield	Furnace Brook Middle	Accelerated Repair
Marshfield	Martinson Elementary	Accelerated Repair
Mashpee	Quashnet School	Accelerated Repair
Mohawk Trail	Mohawk Trail Reg High	Repair Project
Mohawk Trail	Sanderson Academy	Repair Project
New Bedford	John Avery Parker	Accelerated Repair
Norfolk County Agriculture	Norfolk County Agr	Accelerated Repair
North Brookfield	North Brookfield Elem	Accelerated Repair
North Middlesex	Hawthorne Brook	Accelerated Repair
North Middlesex	Squannacook	Accelerated Repair
North Middlesex	Varnum Brook	Accelerated Repair
Northampton	Bridge Street	Accelerated Repair
Northampton	Leeds	Accelerated Repair
Quaboag Regional	Quaboag Regional High	Accelerated Repair
Quaboag Regional	Warren Elementary	Accelerated Repair
Quincy	Atherton Hough	Accelerated Repair
Quincy	Beechwood Knoll Elem	Accelerated Repair
Quincy	Merrymount	Accelerated Repair
Quincy	Wollaston School	Accelerated Repair
Revere	Garfield Middle School	Accelerated Repair

District	School	Filing
Sharon	Heights Elementary	Accelerated Repair
Somerville	Winter Hill Community	Accelerated Repair
Springfield	Alfred G Zanetti	Accelerated Repair
Springfield	Arthur T Talmadge	Accelerated Repair
Springfield	Balliet Elementary School	Accelerated Repair
Springfield	Balliet Middle School	Accelerated Repair
Springfield	Hiram L Dorman	Accelerated Repair
Springfield	Kensington Avenue	Accelerated Repair
Springfield	M Marcus Kiley Middle	Accelerated Repair
Springfield	Mary M Lynch	Accelerated Repair
Swansea	Elizabeth S Brown	Accelerated Repair
Topsfield	Proctor Elementary	Accelerated Repair
Topsfield	Steward Elementary	Accelerated Repair
Wayland	Loker School	Accelerated Repair
Whitman-Hanson	John H Duval	Accelerated Repair
Worcester	Belmont Street Community	Repair Project
Worcester	Chandler Elem Community	Repair Project
Worcester	Gerald Creamer Center	Repair Project
Worcester	Wawecus Road School	Repair Project

Attachment B

Statement of Interest for Accelerated Repair Program

Introduction

The Massachusetts School Building Authority's (the "MSBA") grant program is a non-entitlement, competitive program, and its grants are distributed by the MSBA Board of Directors, based on need and urgency, as expressed by the district and validated by the MSBA. The MSBA completes a review of available information for all districts that submit a Statement of Interest ("SOI") for the Accelerated Repair Program ("ARP") each year. The MSBA encourages all interested districts to submit an SOI to the MSBA, but the ARP is not appropriate for all potential projects. The ARP is for the partial or full replacement of roofs, windows/doors, and/or boilers.

The following information provides an overview of the SOI process from initial opening of the SOI period each January until the Board of Directors votes to authorize invitations at a subsequent late spring/summer Board meeting.

The SOI Filing Period

The MSBA opens its Statement of Interest system annually for districts to file one or more SOIs for either the Core Program or the Accelerated Repair Program. The SOI is the process districts follow to identify the deficiencies and/or programmatic issues that exist in their facilities.

Districts should submit one SOI per school for each school that they believe requires a project. An SOI should only be filed for a facility where a district has the ability to fund a project in the next two years. Over the last several years, the SOI system has opened in early January. SOIs are typically due for the Accelerated Repair Program in early February and for the Core Program in early April.

Historically, the MSBA has invited approximately 40 to 50 SOIs to participate in the Accelerated Repair Program annually. The number of invitations that the Board is able to authorize each year varies. Among the factors the MSBA may consider should it be required to limit the number of projects due to its annual statutory budget cap, are the degree of the disrepair of the systems to be replaced and the frequency with which issues associated with that disrepair arise. As a project would not qualify for the Program, a district should not file an SOI for the Program if:

- the roof/boiler/windows/doors are less than twenty years old;
- the proposed project cost is projected as less than \$250,000;
- the school is judged by the District to be over-crowded;
- the primary use of the building is for non-educational purposes;
- the SOI itself seeks construction beyond roofs, windows/doors, or boilers;
- the SOI itself seeks boiler construction, excluding heating fuel storage and/or delivery, beyond the physical limits of the existing boiler room(s);
- or the District plans a future construction project for MSBA participation going beyond roofs, windows/doors, and boilers for the school.

The Funding Cap

The Commonwealth irrevocably dedicated a 1% statewide sales tax, known as the School Modernization Trust fund ('SMART Fund'), to the MSBA's capital program. The sales tax collection informs the amount of the annual funding cap to which the MSBA can obligate funds for projects. The enabling legislation limits increases or decreases annually thereafter by the lesser of four and one half percent (4.5%) of the limit for the prior fiscal year or the percentage increase or decrease of the dedicated sales tax revenue amount over the prior fiscal year.

The SOI Due Diligence Process

The SOI process involves the filing of an electronic and print version of an SOI with the MSBA by the dates established, with MSBA staff readily available to address concerns, questions and issues during the filing period. Once the filing period has closed, MSBA staff commence the due diligence process for all SOIs.

This 4-phase process includes:

1. Review SOI submissions for completeness;
2. Review SOI submissions and accompanying documents for content;
3. Conduct staff study visits, if required; and
4. Recommend SOIs for invitation into the Accelerated Repair Program

During this process, the MSBA may seek to obtain additional or clarifying information from districts. As the MSBA reviews the entire cohort of SOIs received, it will determine the appropriate level of due diligence that will be required for each SOI and will notify districts of next steps accordingly.

1. Review SOI submission for completeness:

Once the SOI system has closed, MSBA staff review each submission to check that all of the required materials have been received. The MSBA works with districts throughout the filing period to ensure that the SOI is complete.

For all SOI submissions, the district needs to provide:

- A hard copy of the SOI with the required signatures; there are two separate certifications locations in each SOI where district officials need to sign;
- A hard copy of the closed schools information with the required signatures;
- Hard copies of the required local vote documentation that is detailed in the SOI; and
- Any supporting materials required to be submitted with the SOI.

Districts are expected to submit the hard copies of the materials and have them post-marked on or before the due date for the Program submission deadline. The district and the MSBA should discuss in advance of the filing date any extenuating circumstances or requests for exceptions to receipt of the hard copy material.

2. Review each SOI submission and accompanying documents for content:

Once an SOI is determined to be complete, MSBA staff review the information and any additional documents submitted by the district. MSBA staff then compile the data necessary to assess which SOIs filed in that calendar year may qualify for the Accelerated Repair Program. Evaluating the qualifying factors relies on many different data sources. MSBA staff use the SOI, the MSBA project management system, the MSBA's 2010 Needs Survey, as well as information from the Department of Elementary and Secondary Education ("DESE") website. There are many factors that can impact the assessment of an SOI, such as overcrowding, building condition, general environment and program deficiencies. As such, it is important to assemble as much data as possible so that staff may gain a thorough understanding of the issues identified in the SOI. An analysis of the qualifying factors produces a group of SOIs for further consideration. This further review may or may not require a staff study visit.

3. Conduct Staff Study Visits, if required:

If MSBA staff determine that a staff study visit is needed to complete the due diligence process, MSBA staff will visit the facility identified in the SOI. The staff study visit lasts approximately one hour and is an opportunity for the MSBA to further understand the issues identified in the district's SOI. MSBA staff request that the district have someone familiar with the facilities and systems present for the visit. The district is requested to provide a copy of the facility floor plans (emergency/evacuation plans are sufficient) ahead of the MSBA's visit.

The staff study visit starts with a meeting to review the SOI and the MSBA process, and then hear district concerns. The discussion is followed by a tour of the main areas of the school, as well as typical general classrooms and specialty spaces. If the district's SOI includes the replacement of the roof, then access to the roof should be provided to MSBA staff.

Dependent upon the number of staff study visits that are required, this phase can take approximately 4 to 6 weeks, with visits typically scheduled from March through April.

4. Recommend SOIs for Invitation into the Accelerated Repair Program:

Once the content review and staff study visits have been completed, MSBA staff once again review the factors, noted above, that can impact the assessment of the SOIs. As stated above, due to the statutory cap, the MSBA may be constrained to limit the number of ARP projects in a given year. Among the factors that MSBA may consider should it be required to limit the number of ARP projects, are the degree of the disrepair of the systems to be replaced and the frequency with which issues associated with the disrepair arise.

MSBA staff then provide their findings to the Chief Executive Officer, Executive Director/Deputy Chief Executive Officer, and the MSBA's Facilities Assessment Subcommittee. Once the recommendations have been accepted, MSBA staff presents the recommended SOIs to the Board of Directors for a vote to receive an invitation into the Accelerated Repair Program.