

District: Town of Saugus
 School Name: Saugus High School
 Recommended Category: Project Scope and Budget
 Date: June 21, 2017

Recommendation

That the Executive Director be authorized to enter into a Project Scope and Budget Agreement and a Project Funding Agreement with the Town of Saugus to replace the existing Saugus High School with a new grades 6-12 middle/high school on the existing site.

District Information	
District Name	Town of Saugus
Elementary School(s)	Ballard School (PK) Douglas Waybright Elementary School (K-5) Lynnhurst Elementary School (K-5) Oaklandvale Elementary School (K-5) Veterans Memorial Elementary School (K-5)
Middle School(s)	Belmonte Middle School (6-8)
High School(s)	Saugus High School (9-12)
Priority School Name	Saugus High School
Type of School	High School
Grades Served	9-12
Year Opened	1954
Existing Square Footage	193,200
Additions	1960 addition 1972 addition
Acreage of Site	21.74 acres
Building Issues	The District identified deficiencies in the following areas: <ul style="list-style-type: none"> - Structural integrity - Mechanical systems - Electrical systems - Plumbing systems - Envelope - Windows - Roof - Accessibility 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
2016-2017 Enrollment	715
Agreed Upon Enrollment	1,360
Enrollment Specifics	The District and MSBA have mutually agreed upon a design enrollment of 1,360 students serving grades 6-12.

MSBA Board Votes	
Invitation to Eligibility Period	January 14, 2015
Invitation to Feasibility Study	August 6, 2015
Preferred Schematic Authorization	February 15, 2017
Project Scope & Budget Authorization	On June 28, 2017 Board agenda
Reimbursement Rate Before Incentives	53.32%
Incentive Points	1.40 – Maintenance 1.00 – CM @ Risk ¹ 2.00 – Energy Efficiency – “Green Schools” ¹
Total Reimbursement Rate ¹	57.72%

¹. 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. The MSBA also 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 receive approval for the Construction Manager at Risk delivery method and/or does not meet the requirements for the energy efficiency, the District will not qualify for these incentive points, respectively, and the MSBA will adjust the reimbursement rate accordingly.

Consultants	
Owner’s Project Manager (the “OPM”)	PMA Consultants, LLC
Designer	HMFH Architects

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 \$160,720,553, which includes an estimated construction cost of \$127,685,356 (\$475/sq. ft.). The Estimated Basis of Total Facilities Grant would be \$113,546,524, which excludes: ineligible costs associated with the Feasibility Study Agreement; legal fees; costs associated with the abatement of asbestos-containing floor materials; costs associated with the removal of fuel storage tanks and associated contaminated soil; costs associated with the proposed athletic facilities; site costs in excess of 8% of the total building cost; construction costs in excess of \$312/sq. ft. plus eligible demolition and abatement; costs associated with mailing and moving; costs in excess of the \$2,400 per student allowance for fixtures, furniture, and equipment; and owner’s and construction contingency costs.

Additionally, the proposed reuse of the Belmonte Middle School as an elementary school will result in the MSBA recovering a portion of state funds previously paid to the District for the Belmonte Middle School Repair project completed in September 2013. The MSBA has calculated this recovery of funds to be \$1,740,669 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: 1,360	District’s Proposed
Proposed Total Square Feet: 269,070	Project Budget
Project Budget ¹	\$152,706,198
Scope Exclusions/Ineligible Costs	-\$39,159,674
Estimated Basis of Total Facilities Grant	\$113,546,524

Reimbursement Rate	57.72%
Estimated Maximum Total Facilities Grant before Cost Recovery ²	\$65,539,054
Cost Recovery	-\$1,740,669
Estimated Maximum Total Facilities Grant ²	\$63,798,385
Potentially eligible owner's and construction contingencies	\$2,245,088
Potential additional grant funds for eligible owner's and construction contingency expenditures	\$1,295,865
Total Project Budget	\$160,720,553
Maximum Total Facilities Grant ³	\$65,094,250

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 \$63,798,385; however, the District may be eligible for up to an additional \$1,295,865 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 \$65,094,250 for the Project Scope and Budget Agreement and Project Funding Agreement to replace the existing Saugus High School with a new grades 6-12 middle/high school on the existing site.