

District: Town of Ludlow
 School Name: Chapin Street Elementary School
 Recommended Category: Project Scope and Budget
 Date: February 7, 2018

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 Ludlow to replace the existing Chapin Street and Veterans Park Elementary Schools with a new facility on the existing site of the Chapin Street Elementary School.

District Information	
District Name	Town of Ludlow
Elementary Schools	East Street Elementary School (PK-1) Chapin Street Elementary School (2-3) Veterans Park Elementary School (4-5)
Middle School	Paul R. Baird Middle School (6-8)
High School	Ludlow Senior High School (9-12)
Priority School Name	Chapin Street Elementary School
Type of School	Elementary School
Grades Served	2-3
Year Opened	1959
Existing Square Footage	42,672
Additions	1964, Single Story Classroom Addition
Acreage of Site	13.8 Acres
Building Issues	The District identified deficiencies in the following areas: – Structural – Mechanical systems – Electrical systems – Envelope – HVAC – Windows – Accessibility In addition to the physical plant issues, the District reported that the existing facility does not support the delivery of its educational program as well as existing and projected overcrowding.
Original Design Capacity	Unknown
2015-2016 Enrollment	346
Agreed Upon Enrollment	630
Enrollment Specifics	The District and MSBA have mutually agreed upon a design enrollment of 630 students serving grades 2-5.
Total Project Budget – Debt Exclusion Anticipated	Yes

MSBA Board Votes	
Invitation to Eligibility Period	January 27, 2016
Invitation to Feasibility Study	November 9, 2016
Preferred Schematic Authorization	December 13, 2017
Project Scope & Budget Authorization	On February 14, 2018 Board agenda
Reimbursement Rate Before Incentives	58.37%
Incentive Points	1.20 – Maintenance 2.00 – Energy Efficiency – “Green Schools” ¹
Total Reimbursement Rate ¹	61.57%

1. *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.*

Consultants	
Owner’s Project Manager (the “OPM”)	STV/DPM
Designer	Mount Vernon Group

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 \$57,451,421, which includes an estimated construction cost of \$45,754,614 (\$431/sq. ft.). The Estimated Basis of Total Facilities Grant would be \$44,701,858, which excludes legal fees, Designer fees in excess of 10% of construction costs, ineligible costs associated with abatement of asbestos-containing floor materials, costs associated with removal of existing fuel tanks, site costs in excess of 8% of total building cost, construction costs in excess of \$333/sq. ft. plus eligible demolition and abatement; costs associated with mailing and moving, costs in excess of the \$1,200 per student allowance for fixtures, furniture, and equipment; costs in excess of the \$1,200 per student allowance for technology, and owner’s and construction contingency costs.

The proposed project includes \$2,500,000 for construction of District offices as an alternate to be accepted if bid savings are sufficient to cover the cost. Please note that all costs associated with the district administration space are ineligible for reimbursement.

Project Scope and Budget Agreement	
Enrollment: 630 Proposed Total Square Feet: 106,250	District’s Proposed Project Budget
Project Budget ¹	\$54,373,574
Scope Exclusions/Ineligible Costs	-\$9,671,716
Estimated Basis of Total Facilities Grant	\$44,701,858
Reimbursement Rate	61.57%
Estimated Maximum Total Facilities Grant ²	\$27,522,934
Potentially eligible owner’s and construction contingencies	\$685,694

Project Scope and Budget Agreement	
Potential additional grant funds for eligible owner's and construction contingency expenditures	\$422,182
Total Project Budget	
	\$57,451,421
Maximum Total Facilities Grant³	\$27,945,116

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 \$27,522,934; however, the District may be eligible for up to an additional \$422,182 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 \$27,945,116 for the Project Scope and Budget Agreement and Project Funding Agreement to replace the existing Chapin Street and Veterans Park Elementary Schools with a new facility on the existing site of the Chapin Street Elementary School.