

District: Manchester Essex Regional School District
 School Name: Manchester Memorial Elementary School
 Recommended Category: Project Scope and Budget
 Date: August 22, 2018

Recommendation

That the Executive Director be authorized to enter into a Project Scope and Budget Agreement and a Project Funding Agreement with the Manchester Essex Regional School District to replace the existing Manchester Memorial Elementary School facility with a new PK-5 facility on the existing site.

District Information	
District Name	Manchester Essex Regional School District
Elementary School(s)	Manchester Memorial Elementary School (PK-5) Essex Elementary School (K-5)
Middle School(s)	Manchester Essex Regional Middle School (6-8)
High School(s)	Manchester Essex Regional High School (9-12)
Priority School Name	Manchester Memorial Elementary School
Type of School	Elementary School
Grades Served	PK-5
Year Opened	1951
Existing Square Footage	66,573
Additions	1954-Addition 1965-Addition
Acreage of Site	11 acres
Building Issues	The District identified deficiencies in the following areas: <ul style="list-style-type: none"> - Mechanical systems - Electrical systems - HVAC - 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 as well as existing overcrowding.
Original Design Capacity	Unknown
2017-2018 Enrollment	343
Agreed Upon Enrollment	335
Enrollment Specifics	The District and MSBA have mutually agreed upon a design enrollment of 335 students for grades K-5, for a project that will serve grades PK-5.
Total Project Budget – Debt Exclusion Anticipated	Yes

MSBA Board Votes	
Invitation to Eligibility Period	January 27, 2016
Invitation to Feasibility Study	September 28, 2016
Preferred Schematic Authorization	April 10, 2018
Project Scope & Budget Authorization	On August 29, 2018 Board agenda
Reimbursement Rate Before Incentives	31.00%
Incentive Points	1.93 – Maintenance 1.00 – CM @ Risk (Received IG Approval on April 4, 2018) 2.00 – Energy Efficiency – “Green Schools” ¹
Total Reimbursement Rate ¹	35.93%

¹The 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”)	Dore and Whittier Management Partners
Designer	JCJ Architecture

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 \$52,232,925, which includes an estimated construction cost of \$41,142,104 (\$534/sq. ft.). The Estimated Basis of Total Facilities Grant would be \$34,186,607, which excludes legal fees, OPM fees in excess of 3.5% of construction costs, design fees in excess of 10% of construction costs, ineligible costs associated with abatement of asbestos-containing floor materials, 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 temporary swing space, 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, owner’s and construction contingency costs, and cost associated with the commissioning of ineligible square footage.

Project Scope and Budget Agreement	
Enrollment: 335 Proposed Total Square Feet: 77,102	District’s Proposed Project Budget
Project Budget ¹	\$50,175,820
Scope Exclusions/Ineligible Costs	-\$15,989,213
Estimated Basis of Total Facilities Grant	\$34,186,607
Reimbursement Rate	35.93%
Estimated Maximum Total Facilities Grant before Cost Recovery ²	\$12,283,248
Cost Recovery	-\$3,782
Estimated Maximum Total Facilities Grant ²	\$12,279,466

Potentially eligible owner's and construction contingencies	\$822,842
Potential additional grant funds for eligible owner's and construction contingency expenditures	\$295,647
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Total Project Budget	\$52,232,925
Maximum Total Facilities Grant ^{3,4}	\$12,575,113

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.

⁴Maximum Total Facilities Grant will be allocated in part to FY '19 Grant Cap, and in part to future available Grant Cap Space.

MSBA staff recommends an Estimated Maximum Total Facilities Grant of \$12,279,466; however, the District may be eligible for up to an additional \$295,647 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 \$12,575,113 for the Project Scope and Budget Agreement and Project Funding Agreement to replace the existing Manchester Memorial Elementary School facility with a new PK-5 facility on the existing site.