

District: Town of Marblehead
 School Name: Elbridge Gerry Elementary School
 Recommended Category: Project Scope and Budget
 Date: February 6, 2019

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 Marblehead (the “District”) to replace the existing Elbridge Gerry Elementary School, the L.H. Coffin School, and the Upper and Lower Malcolm L. Bell Schools with a new PK-3 elementary school facility on the existing Bell Elementary School site.

Further, based on the timing of the District’s annual Town Meeting, which will be held on May 6, 2019 and the subsequent debt exclusion vote to be held mid-June, the District has requested a 15-day extension to its 120-day deadline to appropriate its full project funds. Based on the information provided, MSBA staff support an extension of 15 days beyond the initial 120-day deadline, in furtherance of the District’s efforts to secure local authorization for the proposed project.

District Information	
District Name	Town of Marblehead
Elementary School(s)	Elbridge Gerry Elementary School (K-1) L.H. Coffin School (2-3) Glover School (PK-3) Malcolm L. Bell Upper and Lower Schools (Upper 1-3 and Lower K) Village School (4-6)
Middle School(s)	Marblehead Veterans Middle School (7-8)
High School(s)	Marblehead High School (9-12)
Priority School Name	Elbridge Gerry Elementary School
Type of School	Elementary School
Grades Served	K-1
Year Opened	1906
Existing Square Footage	17,000
Additions	N/A
Acreage of Site	1.15 acres
Building Issues	The District identified deficiencies in the following areas: <ul style="list-style-type: none"> - Mechanical and electrical systems - Plumbing systems - Envelope - Windows - Roof - Accessibility
Original Design Capacity	Unknown
2017-2018 Enrollment	138
Agreed Upon Enrollment	450

District Information	
Enrollment Specifics	The Town and MSBA have mutually agreed upon a design enrollment of 450 students in grades K-3, which consolidates the enrollments of the Gerry, Coffin, and Bell Elementary Schools for a project that will serve grades PK-3.
Total Project Budget – Debt Exclusion Anticipated	Yes

MSBA Board Votes	
Invitation to Eligibility Period	January 27, 2016
Invitation to Feasibility Study	February 15, 2017
Preferred Schematic Authorization	October 31, 2018
Project Scope & Budget Authorization	On February 13, 2019 Board agenda
Reimbursement Rate Before Incentives	33.95%
Incentive Points	1.61 – Maintenance 1.00 – CM @ Risk ¹ 2.00 – Energy Efficiency – “Green Schools” ¹
Total Reimbursement Rate ¹	38.56%

¹Subject to the approval of the Office of the Inspector General for the District’s use of the Construction Manager at Risk construction delivery method for the Proposed Project and that the District actually uses that construction delivery method for the Proposed Project, the MSBA has provisionally included one (1) incentive point. In addition, subject to the District’s intention to meet certain energy efficiency sustainability requirements for the Proposed Project, the MSBA has also provisionally included two (2) incentive points. If the District does not ultimately qualify for some or all of these incentive points the MSBA will adjust the District’s reimbursement rate, accordingly.

Consultants	
Owner’s Project Manager (the “OPM”)	Leftfield, LLC
Designer	Raymond Design 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 \$55,594,767, which includes an estimated construction cost of \$43,786,426 (\$534/sq. ft.). The Estimated Basis of Total Facilities Grant would be \$36,304,090, which excludes: Legal fees; OPM fees in excess of 3.5% of construction costs and fees associated with ineligible Health and Physical Education areas beyond guidelines; Designer fees associated with ineligible Health and Physical Education areas beyond guidelines; ineligible costs associated with abatement of asbestos-containing floor materials; site costs in excess of 8% of total building cost; construction costs associated with ineligible Health and Physical Education areas beyond guidelines; costs associated with ineligible square footage in Art and Music, Medical, Administration and Guidance, and Custodial and Maintenance space beyond guidelines; cost associated with the commissioning of ineligible square footage; construction costs in excess of \$333/sq. ft. plus eligible demolition and abatement; costs associated with 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, and owner’s and construction contingency costs.

Project Scope and Budget Agreement	
Enrollment: 450 Proposed Total Square Feet: 81,935	District's Proposed Project Budget
Project Budget ¹	\$53,550,661
Scope Exclusions/Ineligible Costs	-\$17,246,571
Estimated Basis of Total Facilities Grant	\$36,304,090
Reimbursement Rate	38.56%
Estimated Maximum Total Facilities Grant before Cost Recovery ²	\$13,998,857
Cost Recovery	-\$1,669
Estimated Maximum Total Facilities Grant ²	\$13,997,188
Potentially Eligible Owner's and Construction Contingencies	\$730,513
Potential Additional Grant Funds for Eligible Owner's and Construction Contingency Expenditures	\$281,686
Total Project Budget	\$55,594,767
Maximum Total Facilities Grant ^{3,4}	\$14,278,874

¹Does not include Owner's or Construction Contingencies.

²Does not include any grant funds for potentially eligible Owner's or Construction Contingency Expenditures; subject to MSBA review and audit.

³Includes 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 the current Grant Cap, and in part to future available Grant Cap space.

MSBA staff recommends an Estimated Maximum Total Facilities Grant of \$13,997,188; however, the District may be eligible for up to an additional \$281,686 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 \$14,278,874 for the Project Scope and Budget Agreement and Project Funding Agreement to replace the existing Elbridge Gerry Elementary School, L.H. Coffin School, and the Upper and Lower Malcolm L. Bell Schools with a new PK-3 elementary school facility on the existing Bell Elementary School site.