

District: Town of Arlington
 School Name: Arlington High School
 Recommended Category: Project Scope and Budget
 Date: April 3, 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 Arlington (the “District”) to replace the existing facility with a new Arlington High School on the existing site.

District Information	
District Name	Town of Arlington
Elementary School(s)	John A. Bishop Elementary School (K-5) Brackett Elementary School (K-5) Cyrus E. Dallin Elementary School (K-5) Hardy Elementary School (K-5) Peirce Elementary School (K-5) M. Norcross Stratton Elementary School (K-5) Thompson Elementary School (K-5)
Middle School(s)	Ottoson Middle School (6-8)
High School(s)	Arlington High School (9-12)
Priority School Name	Arlington High School
Type of School	High School
Grades Served	9-12
Year Opened	1913
Existing Square Footage	378,620
Additions	1938, Main Office section, Collomb House 1960s, Lowe Auditorium, Blue Gym, Offices, Cafeteria, Downs House 1981, Renovation of buildings, addition of Red Gym and Links Building
Acreage of Site	23 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 as well as existing and projected overcrowding.
Original Design Capacity	Unknown
2018-2019 Enrollment	1,325

District Information	
Agreed Upon Enrollment	1,755
Enrollment Specifics	The District and MSBA have mutually agreed upon a design enrollment of 1,755 students serving grades 9-12.
Total Project Budget – Debt Exclusion Anticipated	Yes

MSBA Board Votes	
Invitation to Eligibility Period	May 25, 2016
Invitation to Feasibility Study	February 15, 2017
Preferred Schematic Authorization	August 29, 2018
Project Scope & Budget Authorization	On April 10, 2019 Board agenda
Reimbursement Rate Before Incentives	45.11%
Incentive Points	1.61 – Maintenance 1.00 – CM @ Risk 2.00 – Energy Efficiency – “Green Schools” ¹
Total Reimbursement Rate ¹	49.72%

¹Subject to the approval of the Office of the Inspector General for the District’s use of the Construction Manager at Risk (CMR) construction delivery method for the Proposed Project and that the District actually uses the 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”)	Skanska USA Building, Inc.
Designer	HMFH Architects, Inc.

Discussion

MSBA staff reviewed the documents provided by the District and met with the District and its consultants to discuss the project’s scope and budget. Staff met with the District and its consultants to discuss and resolve concerns over the proposed grossing factor and opportunities to enhance the design while maintaining compliance with the MSBA’s regulatory limit of a grossing factor of up to 1.50. The design team confirmed that while there are no additional opportunities to adjust program or the grossing factor to enhance the design, the grossing factor will not exceed 1.50 throughout the life of the project. Based on this confirmation, staff is recommending the proposed project for consideration by the MSBA Board of Directors.

The District has provided a Total Project Budget of \$290,851,820, which includes an estimated construction cost of \$235,286,827 (\$576/sq. ft.). The Estimated Basis of Total Facilities Grant would be \$167,950,192, which excludes legal fees; OPM and Designer fees associated with ineligible auditorium, gymnasium, and town space square footage; ineligible costs associated with abatement of flooring materials containing asbestos; costs associated with the abatement of contaminated site materials and scope excluded site items; construction costs associated with ineligible auditorium, gymnasium, and town space areas beyond guidelines; costs associated with ineligible square footage in Art & Music, Media Center, and Custodial & Maintenance space that are beyond guidelines; 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 costs associated with the commissioning for ineligible square footage.

Project Scope and Budget Agreement	
Enrollment: 1,755 Proposed Total Square Feet: 408,590	District's Proposed Project Budget
Project Budget ¹	\$281,006,272
Scope Exclusions/Ineligible Costs	-\$113,056,080
Estimated Basis of Total Facilities Grant	\$167,950,192
Reimbursement Rate	49.72%
Estimated Maximum Total Facilities Grant before Cost Recovery ²	\$83,504,835
Cost Recovery	-\$32,184
Estimated Maximum Total Facilities Grant ²	\$83,472,651
Potentially Eligible Owner's and Construction Contingencies	\$5,122,675
Potential Additional Grant Funds for Eligible Owner's and Construction Contingency Expenditures	\$2,546,994
Total Project Budget	\$290,851,820
Maximum Total Facilities Grant ^{3,4}	\$86,019,645

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 \$83,472,651; however, the District may be eligible for up to an additional \$2,546,994 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 \$86,019,645 for the Project Scope and Budget Agreement and Project Funding Agreement to replace the existing facility with a new Arlington High School on the existing site.