

The August 26, 2020 Board Meeting minutes were approved by the MSBA's Board of Directors at the October 28, 2020 meeting.

**Massachusetts School Building Authority
Board Meeting Minutes of August 26, 2020**

A meeting of the Massachusetts School Building Authority (the “Authority” or “MSBA”) was held on August 26, 2020. The meeting was held remotely via Zoom.

Members Present: Deborah Goldberg, State Treasurer and Chair; Sean Cronin, Designee of the Secretary of Administration and Finance; Matt Deninger, Designee of the Commissioner of Education; Anne Brockelman, appointed member; Terry Kwan, appointed member; Greg Sullivan, appointed member; and Sheila Vanderhoef, appointed member.

Others Present: James MacDonald, Chief Executive Officer; Jack McCarthy, Executive Director/Deputy Chief Executive Officer; Mary Pichetti; Laura Guadagno; Christine Nolan; Matt Donovan; Maria Puopolo; Stacy Patino; Barbara Hansberry; Brian Kelley; Colleen Smith; Mike Bergquist; Siobhan Tolman; municipal representatives; legislative representatives; local elected officials; and other members of the MSBA and the public.

Call to Order

The Chair called the meeting to order at 10:05 a.m. and asked if anyone is recording the meeting. No one announced that they were recording the meeting.

She then explained that the meeting is being held under an “Order Suspending Certain Provisions of the Open Meeting Law” that was issued by Governor Baker on March 12, 2020, which permits remote participation by all Board members and allows the MSBA to use adequate alternative means, such as a conference call line, to ensure public access to the deliberations of the Board.

Next, the Chair provided a brief overview of the items on the agenda for the meeting. She explained that the Board will be voting to: approve the minutes from the June 24, 2020 and June 30, 2020 Board meetings; remove one project from the MSBA Capital Pipeline; execute a Project Funding Agreement for one project in the Accelerated Repair Program, with an Estimated Maximum Total Facilities Grant of \$1.3 million; authorize two proposed projects to proceed into Preferred Schematic Design with a combined estimated \$246,250,331 million in total project costs; and invite two districts to enter into a Project Scope and Budget Agreement with a Combined Estimated Maximum Total Facilities Grant of approximately \$150,052,267 million. The Board will also be voting to approve thirteen final audits from eight districts with a combined Final Total Facilities Grant of approximately \$74,176,202 million. Finally, the Board will receive project updates from Capital Planning staff and updates from the Finance team.

Acceptance of the June 24, 2020 Minutes

The Chair asked for a motion to accept the minutes of the June 24, 2020 Board Meeting. A motion was made by Mr. Sullivan and seconded by Mr. Deninger:

Approval of the Minutes of the June 24, 2020 Board Meeting

VOTED: That the Board of Directors of the Massachusetts School Building Authority hereby approves the Minutes of the June 24, 2020 Board meeting as revised.

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Ms. Kwan commented that she has one revision to the minutes on page ten relating to her comments on the Springfield project.

There being no more Board discussion, the Chair asked for a roll call vote of the Board.

Roll Call Vote:

Anne Brockelman – Yes
Terry Kwan – Yes
Sheila Vanderhoef – Yes
Sean Cronin – Yes
Matt Deninger – Yes
Greg Sullivan – Yes
Deborah Goldberg – Yes

The motion passed – 7 in favor, 0 against, 0 abstaining.

Acceptance of the June 30, 2020 Minutes

The Chair asked for a motion to accept the minutes of the June 30, 2020 Board Meeting. A motion was made by Mr. Deninger and seconded by Mr. Sullivan:

Approval of the Minutes of the June 30, 2020 Board Meeting

VOTED: That the Board of Directors of the Massachusetts School Building Authority hereby approves the Minutes of the June 30, 2020 Board meeting.

There being no Board discussion, the Chair asked for a roll call vote of the Board.

Roll Call Vote:

Anne Brockelman – Yes
Terry Kwan – Yes
Sheila Vanderhoef – Yes
Sean Cronin – Yes
Matt Deninger – Yes
Greg Sullivan – Yes
Deborah Goldberg – Yes

The motion passed – 7 in favor, 0 against, 0 abstaining.

Project

Project Removal from Capital Pipeline

The MSBA's Director of Capital Planning, Mary Pichetti, thanked the MSBA's Capital Planning team for their continued efforts in supporting districts, as well as their assistance and support preparing for the Board meeting. She then explained that the Town of Hull submitted a Statement of Interest (SOI) for the Hull Memorial Middle School and was invited into the Eligibility Period on

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December 12, 2018. The invitation was specific to the deficiencies as identified by the Town in the SOI for the middle school only and related to HVAC, windows, doors, masonry and envelope issues. The Town was invited into Feasibility Study on October 30, 2019, following the Town's completion of the Eligibility Period requirements.

Since that time, the Town has had the opportunity to reflect upon its invitation and based on its analysis of its existing facilities has concluded that the building's envelope is its primary concern and it may consider pausing on additional scope while it looks more closely at the District's enrollment and existing facilities. In May, the Town successfully sought an appropriation of \$1.6 million to address the repairs at the middle school without MSBA assistance.

The Town has submitted its Declaration of Removal for the Hull Memorial Middle School, which is included with the Board vote for consideration.

The Chair asked for a motion, and the following motion was made by Ms. Kwan and seconded by Ms. Vanderhoef:

**Vote on Removing the Town of Hull's Statement of Interest
from the MSBA Capital Pipeline**

VOTED: That, whereas, on October 30, 2019, the Board voted to invite the Town of Hull to collaborate with the MSBA to conduct a Feasibility Study for the Hull Memorial Middle School; and, whereas, as described in the materials attached hereto as Exhibit A, the Town of Hull has notified the MSBA that it has decided not to further pursue its Statement of Interest or Feasibility Study invitation for the Hull Memorial Middle School, the Board hereby removes the Town of Hull's Statement of Interest for the Hull Memorial Middle School from the MSBA's Capital Pipeline and authorizes the Executive Director to do all acts necessary and execute and deliver any and all documents and agreements in connection with such removal.

The Chair commented that it is always difficult to remove a project from the pipeline, but it seems to be the right move for the Town.

There being no more discussion, the Chair asked for a roll call vote of the Board.

Roll Call Vote:

Anne Brockelman – Yes
Terry Kwan – Yes
Sheila Vanderhoef – Yes
Sean Cronin – Yes
Matt Deninger – Yes
Greg Sullivan – Yes
Deborah Goldberg – Yes

The motion passed – 7 in favor, 0 against, 0 abstaining.

Accelerated Repair Program Project Funding Agreement Authorization

The MSBA's Director of Capital Planning explained that she will provide an informational update on the funding vote extensions for the Accelerated Repair Program. Since the last Board meeting, extensions to the 90-day funding requirement for the Accelerated Repair Program have been requested by Kingston and Westport. The Town of Kingston successfully appropriated funds for its elementary school project on August 8, 2020. The Town of Westport has requested an extension of 120 days and anticipates holding a Town vote on November 3, 2020.

Next, the Director of Capital Planning explained that prior to today's Board meeting, MSBA staff received the remaining Schematic Design submission from the 2019 Accelerated Repair Program invitations. The Town of Acushnet is seeking a partial roof replacement project at the Acushnet Elementary School. MSBA staff have reviewed the existing conditions analysis and proposed schedule provided by the District and have discussed the scope and budget with the District and its consultants. The District has provided a Total Project Budget of approximately \$2.5 million, which includes a construction estimate of approximately \$1.9 million. The Estimated Maximum Total Facilities Grant is \$1,334,232. Including potentially eligible project contingencies, the Maximum Facilities Grant is \$1,395,490.

The Chair asked for a motion, and the following motion was made by Ms. Kwan and seconded by Mr. Deninger:

Vote to Authorize the Executive Director to Execute a Project Funding Agreement for the Proposed Accelerated Repair Project

VOTED: That the Board of Directors hereby approves the Proposed Accelerated Repair Project, as set forth below and as further described in the materials presented to the Board and attached hereto, and as such the Proposed Project shall be further defined in the Project Funding Agreement, and authorizes the Executive Director to take all steps necessary to execute and deliver a Project Funding Agreement with the District set forth below, in such forms as he may determine to be acceptable, and expend funds in accordance with such Project Funding Agreement, in accordance with the following:

District	School	Scope	Total Project Budget	Estimated Maximum Total Facilities Grant	Maximum Total Facilities Grant
Acushnet	Acushnet Elementary School	Partial Roof	\$2,570,759	\$1,334,232	\$1,395,490
Totals			\$2,570,759	\$1,334,232	\$1,395,490

There being no Board discussion, the Chair asked for a roll call vote of the Board.

Roll Call Vote:

Anne Brockelman – Yes

Terry Kwan – Yes

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Sheila Vanderhoef – Yes

Sean Cronin – Yes

Matt Deninger – Yes

Greg Sullivan – Yes

Deborah Goldberg – Yes

The motion passed – 7 in favor, 0 against, 0 abstaining.

Recommendation for Preferred Schematic

The Director of Capital Planning explained that the Board is being asked to approve the preferred schematic designs for the West Elementary School in the Town of Andover and the Paul R. Hanlon Elementary School in the Town of Westwood.

The first recommendation is for the Town of Andover to replace the existing West Elementary School on the existing site. The proposed project is designed to serve 925 students in grades K-5, with spaces for Pre-K, and has an estimated construction budget of approximately \$123 million.

The Chair asked for a motion, and the following motion was made by Mr. Sullivan and seconded by Ms. Kwan:

Vote on Moving the Town of Andover to Schematic Design

VOTED: That the Board of Directors hereby authorizes the Executive Director to do all acts necessary, execute and deliver any and all documents and agreements, and expend funds as deemed appropriate by the Executive Director to assist the Town of Andover with, in concept, the development of schematic designs to replace the existing West Elementary School with a new grades PK-5 facility on the site of the existing West Elementary School, as further described in the materials presented to the Board and attached hereto, in accordance with G.L. c. 70B and 963 CMR 2.00 *et seq.* and all other guidelines and policies of the Authority.

Ms. Kwan commented that the MSBA shares the information that it has learned from its experience on other projects to help districts that are currently in the MSBA Capital Pipeline make cost effective decisions.

The Executive Director noted that State Representative Tram Nguyen, State Representative Frank Moran, and State Senator Barry Finegold sent a letter in support of the proposed project at the West Elementary School in Andover.

Andover Town Manager Andrew Flanagan thanked the Board and MSBA staff for this opportunity.

Andover Superintendent Sheldon Berman thanked the Board and MSBA staff. He commented that he appreciates the advice and assistance from the MSBA.

Mr. Cronin commented that the Town does a great job with long-term planning.

There being no more discussion, the Chair asked for a roll call vote of the Board.

Roll Call Vote:

Anne Brockelman – Yes
Terry Kwan – Yes
Sheila Vanderhoef – Yes
Sean Cronin – Yes
Matt Deninger – Yes
Greg Sullivan – Yes
Deborah Goldberg – Yes

The motion passed – 7 in favor, 0 against, 0 abstaining.

The Director of Capital Planning presented the next recommendation for the Town of Westwood to replace the existing Paul R. Hanlon Elementary School and the existing Deerfield Elementary School with a new facility on the existing site of the Paul R. Hanlon Elementary School. The proposed project is designed to serve 560 students in grades K-5 and has an estimated construction budget of approximately \$72 million.

The Chair asked for a motion, and the following motion was made by Mr. Sullivan and seconded by Mr. Deninger:

Vote on Moving the Town of Westwood to Schematic Design

VOTED: That the Board of Directors hereby authorizes the Executive Director to do all acts necessary, execute and deliver any and all documents and agreements, and expend funds as deemed appropriate by the Executive Director to assist the Town of Westwood with, in concept, the development of schematic designs to replace the existing Paul R. Hanlon Elementary School and the existing Deerfield Elementary School with a new grades K-5 facility on the site of the existing Paul R. Hanlon Elementary School, as further described in the materials presented to the Board and attached hereto, in accordance with G.L. c. 70B and 963 CMR 2.00 *et seq.* and all other guidelines and policies of the Authority.

The Executive Director noted that State Representative Paul McMurtry sent a letter in support of the proposed project at the Paul R. Hanlon Elementary School in Westwood.

Westwood Select Board member, Nancy Hyde, thanked the Board and MSBA. She commented that the Town is pleased to be at this stage in the process. She noted that the Town has a tremendous School Building Committee. She commented that the Superintendent and School Building Committee are also present at the meeting and she wants to thank them for their dedication to the process. She thanked the Board for its support.

The Chair noted that State Senator Michael Rush sent a letter in support of the proposed project at the Paul R. Hanlon Elementary School in Westwood.

There being no more discussion, the Chair asked for a roll call vote of the Board.

Roll Call Vote:

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Anne Brockelman – Yes

Terry Kwan – Yes

Sheila Vanderhoef – Yes

Sean Cronin – Yes

Matt Deninger – Yes

Greg Sullivan – Yes

Deborah Goldberg – Yes

The motion passed – 7 in favor, 0 against, 0 abstaining.

Approval of Project Scope and Budget Agreement and Authorization for Project Funding Agreement

The Director of Capital Planning explained that the Board is now being asked to approve a Project Scope and Budget Agreement and to authorize the MSBA to enter into a Project Funding Agreement for a project at the East Gloucester Elementary School in the City of Gloucester. The recommendation is to replace the existing East Gloucester Elementary School and Veterans Memorial School with a new combined facility serving grades K-5 on the site of the existing Veterans Memorial School. The proposed project has a design enrollment of 440 students. The District provided a Total Project Budget of \$66.7 million, which includes an estimated construction cost of \$51.9 million (\$574/sf). The approval is contingent upon the District obtaining full ownership, control, and exclusive use of the proposed project site.

The Chair asked for a motion, and the following motion was made by Ms. Vanderhoef and seconded by Ms. Kwan:

Vote to Authorize the Executive Director to Execute a Project Scope and Budget Agreement and Project Funding Agreement with the City of Gloucester

VOTED: That the Board of Directors of the Massachusetts School Building Authority hereby approves the Potential Project to replace the existing East Gloucester Elementary School and Veterans Memorial School with a new combined facility serving grades K-5 on the site of the existing Veterans Memorial School, contingent upon the District gaining full ownership, control, and exclusive use of the proposed site, as further described in the materials presented to the Board and attached hereto and as such Proposed Project shall be further defined in the Project Scope and Budget Agreement, and authorizes the Executive Director to take all steps necessary to execute and deliver a Project Scope and Budget Agreement and Project Funding Agreement with the City of Gloucester, in such forms as he may determine to be acceptable, for the East Gloucester Elementary School project at a reimbursement rate of sixty-four and sixty-five hundredths percent (64.65%) of approved, eligible costs, up to an Estimated Maximum Total Facilities Grant of \$25,496,634, which shall not include any funds for owner's or construction contingency expenditures; that the Board of Directors hereby further authorizes the Executive Director to increase the Estimated Maximum Total Facilities Grant up to a Maximum Total Facilities Grant of \$26,942,022, in the event that the MSBA determines, in its sole discretion, that any owner's and/or construction contingency expenditures are eligible for reimbursement pursuant to MSBA regulations, guidelines, or policies; that the

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Board of Directors hereby further authorizes the Executive Director to expend funds in accordance with such Project Funding Agreement.

State Representative Ann-Margaret Ferrante thanked the Board for its consideration. She commented that the project is very important for the students in the City of Gloucester. She added that she is excited to move forward with the project.

Former Gloucester Superintendent Dr. Richard Safier thanked the Board for its consideration. He commented that he knows that the MSBA process works well because of the City's previous project at the West Parish School in the City of Gloucester.

The Chair noted that State Senator Bruce Tarr sent a letter in support of the project at the East Gloucester Elementary School.

Ms. Kwan asked what steps the District is taking to ensure that the professional development plans that were put into place under the recently retired Superintendent will continue.

Gloucester Mayor Sefatia Romeo Theken commented that the new Superintendent is up to date with everything that is going on with the project. She explained that he is experienced and is familiar with the project and the community. She noted that Dr. Safier and Superintendent Lummis are working closely together.

Gloucester Superintendent Ben Lummis commented that he is on the call and available to address any questions.

State Senator Bruce Tarr commented that he sent a letter of support but also wanted to speak today in support of the project. He commented that the project at the East Gloucester Elementary School is complex. He noted that the Mayor, Superintendent, and School Committee have done a spectacular job navigating the project given all the constraints. He commented that there is a strong partnership with the local officials. He added that he is pleased that this project is before the Board for consideration today.

Board member, Mr. Sullivan commented that State Representative Ann-Margaret Ferrante and State Senator Bruce Tarr are statewide leaders. He commented that he wants to acknowledge that their leadership goes beyond their local districts and he wants to commend them.

Gloucester Mayor Sefatia Romeo Theken commented that the City Council is also in support of the project at the East Gloucester Elementary School.

There being no more discussion, the Chair asked for a roll call vote of the Board.

Roll Call Vote:

Anne Brockelman – Yes

Terry Kwan – Yes

Sheila Vanderhoef – Yes

Sean Cronin – Yes

Matt Deninger – Yes

Greg Sullivan – Yes

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Deborah Goldberg – Yes

The motion passed – 7 in favor, 0 against, 0 abstaining.

Next, the Director of Capital Planning explained that the Board is now being asked to approve a Project Scope and Budget Agreement and to authorize the MSBA to enter into a Project Funding Agreement for a project at the Doherty Memorial High School in the City of Worcester. The recommendation is to replace the existing Doherty Memorial High School with a new grades 9-12 facility on the existing Doherty High School site. The proposed project has a design enrollment of 1,670 students. The District provided a Total Project Budget of approximately \$293.4 million, which includes an estimated construction cost of \$238.9 million (\$566/sf).

The Chair asked for a motion, and the following motion was made by Ms. Vanderhoef and seconded by Mr. Deninger:

Vote to Authorize the Executive Director to Execute a Project Scope and Budget Agreement and Project Funding Agreement with the City of Worcester

VOTED: That the Board of Directors of the Massachusetts School Building Authority hereby approves the Potential Project to replace the existing Doherty Memorial High School with a new grades 9-12 facility on the site of the existing Doherty Memorial High School, as further described in the materials presented to the Board and attached hereto and as such Proposed Project shall be further defined in the Project Scope and Budget Agreement, and authorizes the Executive Director to take all steps necessary to execute and deliver a Project Scope and Budget Agreement and Project Funding Agreement with the City of Worcester, in such forms as he may determine to be acceptable, for the Doherty Memorial High School project at a reimbursement rate of eighty percent (80.00%) of approved, eligible costs, up to an Estimated Maximum Total Facilities Grant of \$124,555,633, which shall not include any funds for owner's or construction contingency expenditures; that the Board of Directors hereby further authorizes the Executive Director to increase the Estimated Maximum Total Facilities Grant up to a Maximum Total Facilities Grant of \$135,241,024, in the event that the MSBA determines, in its sole discretion, that any owner's and/or construction contingency expenditures are eligible for reimbursement pursuant to MSBA regulations, guidelines, or policies; that the Board of Directors hereby further authorizes the Executive Director to expend funds in accordance with such Project Funding Agreement.

The Chair commented that she toured the school and the school is in need of improvements.

Worcester Superintendent Maureen Binienda thanked the Chair and the Board for their support and for touring the Doherty Memorial High School. She commented that she is excited to be at this point with the project. She noted that she wants to recognize the MSBA team for guiding the City throughout the process. She thanked the MSBA for its support and assistance. She also commented that the Mayor is a strong supporter of the project.

Mr. Sullivan inquired about the reimbursement rate and the price per square foot for the project.

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The Director of Capital Planning explained that the estimated price per square foot for the project is \$566 per square foot and the estimated grant is \$124 million. She added that the project has a high amount of ineligible costs.

Mr. Sullivan commented that it seems the City is responsible for a large portion of the project costs.

The Director of Capital Planning explained that the reimbursement rate for the City is 80%, but when applied to eligible costs, the effective rate is approximately 46%.

Mr. Cronin commented that the City is not planning on having a debt exclusion. He asked how the City is planning to fund the project without a debt exclusion.

Worcester Superintendent Maureen Binienda commented that she has met with the City Manager and the Mayor to discuss funding the project.

The Executive Director recommended setting up a meeting to further discuss local funding for the project at the Doherty Memorial High School.

Ms. Kwan commented that parts of the project are non-reimbursable, and this was discussed at the Facilities Assessment Subcommittee meeting. She commented that she urges the City to be more aggressive in encouraging local colleges to help contribute to the school's programs.

The Chair commented that she has found the surrounding colleges to be very engaged.

Worcester Superintendent Maureen Binienda commented that she believes there was a letter from the City regarding the financial plan for the project included with the schematic design submission for the project.

The Director of Capital Planning commented that staff will review the letter.

There being no more discussion, the Chair asked for a roll call vote of the Board.

Roll Call Vote:

Anne Brockelman – Yes

Terry Kwan – Yes

Sheila Vanderhoef – Yes

Sean Cronin – Yes

Matt Deninger – Yes

Greg Sullivan – Yes

Deborah Goldberg – Yes

The motion passed – 7 in favor, 0 against, 0 abstaining.

Audit

The MSBA's Chief Financial Officer, Laura Guadagno, thanked the Audit team for their hard work. She began her audit update by explaining that the MSBA has completed final audits for 540 Capital

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Pipeline Program projects plus the thirteen projects that are being presented for final approval to the Board today, all together representing approximately \$6.3 billion in submitted and audited costs.

She continued, explaining that the MSBA has also audited approximately \$3.5 billion in submitted costs for the 234 projects currently submitting monthly requests for reimbursement. Based on the Total Project Budget information and submitted costs to date of approved projects, the MSBA estimates that approximately \$3.8 billion in additional costs will be submitted for audit for these projects.

The Chief Financial Officer then explained that monthly submitted costs have averaged \$103.2 million over the 12 months preceding this Board meeting, and the total amount submitted and audited in this 12-month period equals approximately \$1.2 billion.

Approval of Audits, New Program

The Chief Financial Officer explained that the Board is being asked to approve thirteen Capital Pipeline Program audits listed on Exhibit B. She explained that the total combined grant amount for these thirteen projects is \$74,176,202.

The Chair asked for a motion, and the following motion was made by Ms. Vanderhoef and seconded by Mr. Deninger:

Approval of Audit Costs for Several Projects

VOTED: That the Board of Directors of the Massachusetts School Building Authority hereby approves the final audited approved grant amounts for the projects listed in the spreadsheet attached hereto as Exhibit B and authorizes the Executive Director to make payments consistent with this vote.

There being no Board discussion, the Chair asked for a roll call vote of the Board.

Roll Call Vote:

Anne Brockelman – Yes
Terry Kwan – Yes
Sheila Vanderhoef – Yes
Sean Cronin – Yes
Matt Deninger – Yes
Greg Sullivan – Yes
Deborah Goldberg – Yes

The motion passed – 7 in favor, 0 against, 0 abstaining.

MSBA Updates

Executive Director's Report

The Executive Director began his report by thanking MSBA staff members for their hard work in preparing for the Board meeting, especially during the current health crisis. He noted that, since the

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June 24, 2020 Board meeting, the MSBA has visited or had meetings with individuals from 27 projects and, as of August 21, 2020, three districts have voted affirmatively to appropriate Feasibility Study or full project funds. He commented that the MSBA has received a few extension requests from districts and noted that it will be a busy fall with many local votes occurring. He explained that the MSBA anticipates 30 project visits or meetings in September and October, and then presented a list of upcoming district outreach plans as part of his PowerPoint presentation. He further explained that since the last Board meeting, the MSBA has participated in multiple project milestone ceremonies, including a groundbreaking ceremony at the Maria Weston Chapman Middle School in Weymouth, and topping off ceremonies at the Minot Forest Elementary School in Wareham, Attleboro High School, and Wahconah Regional High School in the Central Berkshire Regional School District.

Next, the Executive Director explained that, due to COVID-19, the MSBA has not been able to conduct its traditional due diligence for the Statements of Interest (SOIs) but the MSBA is reworking its processes. He noted that staff hope to present the Accelerated Repair Program recommendations at the October Board meeting and that staff are still working on a schedule for the Core Program SOIs.

The Executive Director then spoke about MSBA staffing. He explained that MSBA staff are working remotely combined with a 25% capacity rotating schedule in the office. He noted that the Executive team is monitoring the COVID-19 data to inform any changes to the in-office schedule.

Next, the Executive Director welcomed the MSBA's new hires: Chizoba Ezeigwe (Assistant Project Manager), Gayathri Kankipati (Web Application Developer), Jessica Simpson (Project Coordinator), and Emma Parish (Project Coordinator).

He then congratulated the following employees on their promotions: Jennifer Flynn on her promotion to Senior Project Coordinator, Ashley Smith on her promotion to Project Manager II, Kevin Collins on his promotion to Project Manager II, Jeremy Moore on his promotion to Technical Systems Analyst, Noelle Neumyer on her promotion to Senior Financial Analyst, and Norvalett Payne on her promotion to Executive HR Generalist.

Next, the Executive Director congratulated Hernica Jean-Charles on winning Miss Black Massachusetts USA 2020. He then offered his congratulations to Becca Whidden and her husband Chris on the birth of their daughter Kate Rogers born on July 9, 2020.

Mr. Sullivan commented that he received a call from a reporter regarding HVAC systems in schools.

Ms. Vanderhoef asked if there is any funding available for HVAC improvements in schools.

The Executive Director explained that he has been meeting with architects to look at the best way to address HVAC issues. He commented that it is very challenging, noting that 75% of buildings only have partial air conditioning and it is in the administrative part of the buildings because the schools are closed for the summer. The Executive Director added that construction in the state is continuing.

Mr. Deninger commented that DESE has issued general guidance regarding air quality in schools. He noted that the CARES Act provides districts with some resources. He then explained that DESE issued a pre-approved list of vendors who can help schools with HVAC improvements.

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Ms. Kwan spoke about disinfecting personal protective equipment with UVC light, noting that the science labs in some schools already have this technology in place for disinfecting goggles.

Mr. Deninger commented that DESE has issued guidance on using UVC light and has had conversations with districts.

The Chair noted that people have to take the necessary safety measures when using UVC light.

James MacDonald, Chief Executive Officer, commented that the MSBA is looking into all of these suggestions. He then explained that the MSBA has a limit to what it can fund despite the MSBA's funding cap being raised.

Project Status Updates

The Director of Capital Planning explained that staff have informed the Board earlier in today's meeting of two new extension requests in the Accelerated Repair Program. No additional requests have been processed since the June Board meeting for the Core Program. She explained that staff have included a new section in the Project Overview Report on page 27 that summarizes the COVID-19 related postponements and extensions.

Next, the Director of Capital Planning explained that for the 45 projects in design development and construction, the majority are currently not reporting any delays. One project (Belmont) in construction is currently reviewing schedule impacts of less than a month.

Seven projects (Boston, Bristol County Agricultural, Framingham, Middleborough, Somerville, Taunton, and Tewksbury) are in construction and are currently reviewing schedule impacts greater than a month.

Four of the project delays are considered all COVID-19 related (Bristol County Agricultural, Framingham, Somerville, and Taunton).

Nine projects are scheduled to achieve substantial completion in 2020. Of the nine, three have met substantial completion (Lexington, Marlborough, and Saugus), three are reporting delays (Braintree, Somerville, and Taunton), one is reporting early completion (Cape Cod), and two had been reporting early completion and are now reporting completing within the contractual substantial completion date (Middleborough and Natick).

The Director of Capital Planning then commented that staff are also pleased to note that the Project Overview Report for this Board meeting includes a full complement of attachments including the cost chart and bid schedules. She thanked Matt Donovan, Sharon George and the entire IT team, with special thanks to Radhika Pragada, Christy Murray, and Patrick DeAngelo for rebuilding the charts and including them in this month's report.

Project Overview Report

The Director of Capital Planning presented a PowerPoint, including a bid summary for the Core Program. She summarized available data for anticipated Sub-Bids in August, September, and October and anticipated DBB Bids or GMP Executions in August, September, and October.

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Then, the Director of Capital Planning presented a PowerPoint, including a summary of bid results for the Core Program. She reported that of the 22 Core Program projects scheduled to receive sub-bids in 2019, twenty have reported DBB bids or GMP executions to date. Nineteen of the reported bids came in within the estimated budget. She then reported that of the sixteen Core Program projects scheduled to receive sub-bids in 2020, two have reported DBB bids or GMP executions to date. One of the two reported bids came in within the estimated budget. Staff anticipate reporting bid amounts for eight additional projects at the October Board meeting. She then provided bid data for the MSBA's Accelerated Repair Program. She explained that for the 2018 Accelerated Repair Program, no additional projects have bid since the June Board meeting. She reported that 25 of the 28 reported projects bid within the estimated budget and an additional two projects are anticipated to bid by the December Board of Directors meeting. For the 2019 Accelerated Repair Program, there are five additional bid results since reported at the June Board meeting. All ten of the reported projects so far have bid within the estimated budget. An additional thirteen projects are anticipated to bid by the October Board of Directors meeting.

The Chair thanked the Director of Capital Planning for her presentation.

Finance

Sales Tax Collection Update

The Chief Financial Officer thanked her team and Sarah Przybylowicz for her help with the PowerPoint slides. She then presented a PowerPoint and provided an FY2020 SMART Collections update. The FY 2020 Revenue Estimate of \$954 million would represent growth of 8.2% over the FY 2019 Revenue Estimate of \$882 million. The FY 2020 unaudited collections for July 2019 through June 2020 are \$24.2 million (2.70%) higher than FY2019 audited collections for the same period.

She presented a slide with a graphical depiction of FY2016 – FY2020 Monthly SMART collections, and then year-to-date SMART collections by year from FY2016 – FY2020, as well as quarterly SMART collections.

Grant Payments Update

Then, the Chief Financial Officer thanked the MSBA's Treasurer, Gianpiero Tirella, for his hard work and provided an update regarding MSBA grant payments for projects, noting that the MSBA has made \$52,141,814 in grant payments to date in Fiscal Year 2021. This is for 66 Capital Pipeline Program projects in 57 districts.

Final FY20 Results/FY21 Budget Update

Next, the Chief Financial Officer thanked the MSBA's Director of Budget and Finance Administration, Julie Leonard, and provided the Board with the final FY20 budget results and a FY2021 budget update. She presented a PowerPoint with the final Fiscal Year 2020 Expenditure Charts. She also provided a final Fiscal Year 2020 budget update on salaries and benefits, administrative expenses, and grant program expenditures. Then, she reviewed Fiscal Year 2021 Year to Date Spending.

The August 26, 2020 Board Meeting minutes were approved by the MSBA's Board of Directors at the October 28, 2020 meeting.

Update 2020A/B Bond Issues

The Chief Financial Officer explained that at the February 13, 2020 Board meeting, the Board authorized the issuance of up to \$500 million in new money to fund capital grants and up to \$1.5 billion of refunding bonds. On June 30, 2020, the MSBA issued \$350 million in new money bonds, and approximately \$1.1 billion in taxable advance refunding bonds. Both transactions were pursuant to the MSBA's Senior Lien and closed July 15, 2020. Additionally, the 2020 Series A and B Bonds were designated as "Social Bonds."

The MSBA issued \$350 million in par amount and received approximately \$440.5 million in proceeds available for grant payments to districts in FY21. The MSBA also issued \$1,094,915,000 of Taxable Advance Refunding Bonds to refund approximately \$302 million of its 2012 Series A Bonds, \$591 million of its 2012 Series B Bonds and \$96.2 million of its 2013 Series A Bonds. The MSBA realized net present value savings of approximately \$200 million, which is a net present value percentage savings of over 20%.

There was a brief discussion regarding the finance deal.

The Chair asked for a motion to adjourn the meeting. A motion was made by Ms. Vanderhoef and seconded by Mr. Deninger.

Ms. Kwan thanked everyone at the MSBA for their hard work. Mr. Sullivan commented that he would like to second the comment.

James MacDonald, Chief Executive Officer, thanked the Board members for their comments. He commented that the MSBA is ten weeks into the 25% capacity in-office schedule. He thanked the MSBA staff and the Board for their continued support and understanding.

The Chair commented that it is amazing how well the MSBA and Treasury offices are doing while working remotely. She noted that it is a challenge, but staff are getting the job done.

There being no more discussion, the Chair asked for a roll call vote of the Board.

Roll Call Vote:

Anne Brockelman – Yes
Terry Kwan – Yes
Sheila Vanderhoef – Yes
Sean Cronin – Yes
Matt Deninger – Yes
Greg Sullivan – Yes
Deborah Goldberg – Yes

The motion passed – 7 in favor, 0 against, 0 abstaining.

The meeting was adjourned at 11:48 a.m.

List of documents and exhibits used at the meeting:

The August 26, 2020 Board Meeting minutes were approved by the MSBA's Board of Directors at the October 28, 2020 meeting.

- PowerPoint Presentation
- June 24, 2020 Board Meeting Minutes
- June 30, 2020 Board Meeting Minutes
- Project Removal from Capital Pipeline
- Project Funding Agreement Recommendation for the Accelerated Repair Program
- Recommendations for Preferred Schematic Design
- Invitations to Project Scope and Budget
- Audit Status Report
- Recommendation for Approval of Final Audits, Capital Pipeline Program
- Executive Director Report
- Project Overview Report
- Sales Tax Collection Update
- Grant Payments Update
- Final FY20 Results/FY21 Budget Update
- Update 2020A/B Bond Issues