

**Massachusetts School Building Authority
Board Meeting Minutes of February 14, 2018**

A meeting of the Massachusetts School Building Authority (the “Authority” or “MSBA”) was held on February 14, 2018 at 40 Broad Street, Boston, Massachusetts.

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

Others Present: James MacDonald, First Deputy Treasurer and Chief Executive Officer; Jack McCarthy, Executive Director/Deputy Chief Executive Officer; Dennis Ryan; Jennifer Gonzalez; Diane Sullivan; Tamia Buckingham; Ken Wissman; Gianpiero Tirella; Julie Leonard; Mary Pichetti; John Jumpe; Karl Brown; Mike McGurl; Brian Kelley; Colleen Smith; Siobhan Tolman; Katie DeCristofaro; Katie Loeffler; Matt Donovan; Maria Puopolo; Rachel O’Brien; Sarah Andrews; members of the press; municipal representatives; legislative representatives; local elected officials; and other members of the public. A sign-in sheet is on file at the MSBA.

Call to Order

The Chairman 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.

Next, the Chairman provided a brief overview of the items on the agenda for the meeting. She explained that the Board will be voting to: remove one project from the MSBA Capital Pipeline; invite six districts into Feasibility Study; remove one project from the Accelerated Repair Program; and authorize the MSBA to enter into Project Funding Agreements for ten Accelerated Repair projects in six districts with a combined Estimated Maximum Total Facilities Grant of \$21.7 million. The Board will also be voting to: amend Feasibility Study Agreements with both the City of Lowell and City of Waltham; authorize two proposed projects to proceed into Preferred Schematic Design with a combined estimated \$108.7 million in total construction costs; invite six districts to enter into Project Scope and Budget Agreements with a combined Estimated Maximum Total Facilities Grant of approximately \$409 million; and approve eleven final audits from eight districts with a combined Final Total Facilities Grant amount of \$150.9 million. Finally, the Board will be voting on the MSBA’s Debt Management Policy.

Acceptance of the December 13, 2017 Minutes

The Chairman asked for a motion to accept the minutes of the December 13, 2017 Board Meeting. The following motion was made by Ms. Kwan and seconded by Mr. Cronin:

Approval of the Minutes of the December 13, 2017 Board Meeting

VOTED: That the Board of Directors of the Massachusetts School Building Authority hereby approves the Minutes of the December 13, 2017 Board meeting.

VOTE: *There being no further questions or comments, the Board approved the Motion to approve the Minutes of the December 13, 2017 Board Meeting by majority – 7 in favor, 0 abstaining.*

The Chairman commented that a few local officials will be speaking out of order of the agenda. She welcomed Fall River Mayor Jasiel Correia to the meeting.

Mayor Jasiel Correia thanked the Board and MSBA staff for their support. He commented that the City will have a debt exclusion vote on March 6, 2018, adding that the Community is excited for the project at the B.M.C. Durfee High School. He commented that he is thrilled about the design of the school and thanked his finance team, design team, and Building Committee.

Next, the Chairman welcomed Lynn Mayor Thomas McGee to the meeting.

Mayor Thomas McGee introduced other local officials that were present at the meeting. He commented that he is proud of the work of the MSBA and proud of the legislation that created the MSBA. He noted that the Thurgood Marshall School is on the agenda today for an approval of final audit and the Lynn School Committee also voted to submit a Statement of Interest for the Pickering School. He thanked the Board and MSBA staff for all of their support and hard work, adding that he looks forward to working together to address the many challenges with the schools in the City. He thanked Superintendent Catherine Latham and announced that she is retiring this year. He commented that she has been a great advocate for the students and the Lynn community.

Project

Project Removal from Capital Pipeline

Capital Program Manager Katie DeCristofaro explained that the Board is being asked to vote to remove the Statement of Interest for the Clarksburg Elementary School in the Town of Clarksburg from the MSBA Capital Pipeline. She explained that the Board approved the Town's proposed project at the August 23, 2017 Board meeting for an addition and renovation project at the Clarksburg Elementary School, to serve grades PK-8. The Town was unable to secure the local authorization necessary to fund the project on two occasions: on September 27, 2017 a Special Town meeting was held, which failed to receive the required 2/3 majority by one vote; and, on November 18, 2017, a Special Town meeting was held, which again failed to receive the required 2/3 majority vote. After the second attempt, and based upon further analysis and community discussions during the months of November and December 2017, the Town elected not to proceed. The District has submitted its Declaration of Removal indicating agreement with removing this SOI from the Capital Pipeline.

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

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

VOTED: That, whereas, on November 18, 2015, the Board voted to invite the Town of Clarksburg to collaborate with the MSBA to conduct a Feasibility Study for the Clarksburg Elementary School; and, whereas, on September 28, 2016, the Board voted to approve a Proposed Project for an for an addition and renovation project at the Clarksburg Elementary School and authorize the Executive Director to execute a Project Scope and Budget Agreement and Project Funding Agreement with the Town

of Clarksburg for the Proposed Project; and, whereas, as described in the materials attached hereto, the Town of Clarksburg has notified the MSBA that it has decided not to further pursue its Statement of Interest, Feasibility Study invitation, or approval of a Proposed Project for the Clarksburg Elementary School, the Board hereby removes the Town of Clarksburg's Statement of Interest for the Clarksburg Elementary 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.

Ms. Kwan commented that it is always concerning when a project cannot move forward in the MSBA's process. The Chairman echoed these sentiments.

VOTE: *There being no questions or comments, the Board approved the Motion to Remove the Town of Clarksburg's Statement of Interest from the MSBA Capital Pipeline by majority – 7 in favor, 0 abstaining.*

Invitation to Feasibility Study

MSBA Capital Program Managers Katie DeCristofaro and Katie Loeffler explained that staff is recommending that the Board vote to invite the following districts to collaborate with the MSBA to conduct a Feasibility Study: the Acton-Boxborough Regional School District for the CT Douglas Elementary School, the City of Gloucester for the East Gloucester Elementary School, the City of Lawrence for the Oliver Partnership School, the Nauset Regional School District for the Nauset Regional High School, the Town of Orange for the Dexter Park School, and the City of Worcester for the Doherty Memorial High School. They provided a brief summary of the deficiencies stated by the districts in their SOIs.

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

Vote on Inviting Communities to Collaborate with the MSBA to Conduct a Feasibility Study

VOTED: That the Executive Director is hereby authorized to invite certain communities to collaborate with the MSBA to conduct and/or review a Feasibility Study, as described in 963 CMR 2.00 *et seq.*, and subject to any conditions set forth in Exhibit A, for each of the schools listed in Exhibit A attached hereto.

VOTED: That the Executive Director is hereby authorized to do all acts, to execute and deliver any and all documents and agreements, and to expend all funds necessary or desirable in connection with conducting and/or reviewing a Feasibility Study for each of the schools listed in Exhibit A.

The Chairman recognized several state and local officials that were present at the meeting and opened the floor to Board member comments and discussion.

Mr. Cronin commented that Lawrence will not need a debt exclusion as stated on the Exhibit A of the Board materials and asked that the Exhibit reflect that correction.

The February 14, 2018 Board Meeting minutes were approved by the MSBA's Board of Directors on April 10, 2018.

Mr. Deninger commented that the educators should be writing the educational plans, and the educational plan should drive the design of the building. He noted that districts should be prepared to be pushed by the MSBA and Board.

Acton Boxborough Regional School District Interim Superintendent William McAlduff thanked the Board and MSBA staff and introduced other local officials present at the meeting. He commented that the District is very excited for the project and well prepared, adding that the funding vote passed almost unanimously. He noted that he appreciates the support and guidance from MSBA staff.

Gloucester Superintendent Dr. Richard Safier thanked the Board and MSBA staff. He commented that the City is very excited for the project and have already begun discussions regarding the educational plan.

Gloucester School Committee Chair Jonathan Pope commented that the City is very grateful and is looking forward to working with the MSBA.

President of Gloucester City Council Paul Lundberg commented that the project at the East Gloucester Elementary School has great support from the community.

A staff member from State Senator Bruce Tarr's office spoke on behalf of the Senator noting that the Senator supports the project at the East Gloucester Elementary School in Gloucester.

The Chairman read a letter on behalf of State Representative Ann-Margaret Ferrante which offered her support for the project at the East Gloucester Elementary School in Gloucester.

Lawrence Chief Operating Officer Anne Marie Stronach commented that both the Mayor and the Superintendent are enthusiastic and supportive of the project at the Oliver Partnership School. She thanked the Board and MSBA staff, adding that she is excited to move into the next phase of the process. She commented that enrollment is a concern for the City and the City would not be able work on the infrastructure without the help of the MSBA.

Lawrence Chief Financial Officer Christine Bufagna thanked the Board and MSBA staff for their support.

Nauset Regional School District Superintendent Tom Conrad thanked the Board and MSBA staff for their support, specifically Allison Jones.

A staff member from State Representative Sarah Peake's office spoke on behalf of the Representative noting that the Representative supports the project at the Nauset Regional High School.

Orange Director of Finance and Operations Daniel Haynes commented that he appreciates this opportunity for the Town. He thanked Jack McCarthy, Diane Sullivan, and Katie DeCristofaro for all their help. He noted that this is the Town's second attempt for the project at the Dexter Park School, adding that this time the vote for the project passed overwhelmingly in the Town.

Orange School Building Committee Chair Bruce Shearer thanked the Board and MSBA staff for their support.

The February 14, 2018 Board Meeting minutes were approved by the MSBA's Board of Directors on April 10, 2018.

Ms. Kwan commented that she has made site visits to western Massachusetts and that this part of the state has a lot to offer. She also noted the importance of having good schools to encourage people to settle in the area and that also offer programs that are needed to strengthen the local economy.

Worcester Mayor Joseph Petty thanked the Board and the MSBA for their partnership. He commented that the City has worked on other projects with the MSBA and he looks forward to continuing the partnership.

Worcester Superintendent Maureen Binienda thanked the Board and MSBA staff.

***VOTE:** There being no further questions or comments, the Board approved the Motion to invite several communities to collaborate with the MSBA to conduct a Feasibility Study by majority – 7 in favor, 0 abstaining.*

Accelerated Repair Program Project Removal

Mike McGurl, MSBA Senior Project Manager, explained that the Board is being asked to remove the Statement of Interest for the James P. Timilty Middle School in the City of Boston from the Accelerated Repair Program. The City of Boston received Board authorization for the invitation of seven schools into the Accelerated Repair Program at the June 28, 2017 Board of Directors Meeting. When reviewing the existing conditions at the James P. Timilty Middle School, the District's consultants determined that the boilers did not meet the thirty years of service required for the 2017 Accelerated Repair Program. The District has executed a Declaration of Removal of a Statement of Interest so that the James P. Timilty Middle School may be authorized for removal from the Accelerated Repair Program. Meanwhile, the District continues to study the invited scope at the remaining six schools and will seek authorization for a Project Funding Agreement at the April 10, 2018 Board of Directors Meeting.

Mr. Sullivan asked the Executive Director for an explanation regarding the age requirement for systems to qualify for the Accelerated Repair Program. The Executive Director explained that, in prior years, systems needed to be at least 20 years old before the District Owner could participate in the ARP Program. The MSBA changed the age requirement of systems to 30 years in 2017 in order to target districts that need the repairs the most. For 2018, the qualifying system age requirement for roofs and boilers is 20 years and the qualifying system age requirement for windows/doors is 30 years.

The following motion was made by Mr. Sullivan and seconded by Ms. Kwan:

Vote on Removing Boston's Accelerated Repair Statement of Interest from the MSBA Accelerated Repair Program

VOTED: That, whereas, on June 28, 2017, the Board voted to invite the City of Boston to participate in the MSBA's Accelerated Repair Program for the James P. Timilty Middle School; and, whereas, as described in the materials attached hereto, the City of Boston has notified the MSBA that it has decided not to further pursue its Accelerated Repair Statement of Interest or Accelerated Repair Program invitation for the James P. Timilty Middle School, the Board hereby removes the City of Boston's Accelerated Repair Statement of Interest for the James P. Timilty Middle School from the MSBA Accelerated Repair Program 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.

VOTE: There being no questions or comments, the Board approved the motion to remove the James P. Timilty Middle School Statement of Interest from the MSBA Accelerated Repair Program by majority – 7 in favor, 0 abstaining.

Accelerated Repair Program Project Funding Agreement Authorization

MSBA Senior Project Manager Mike McGurl explained that MSBA staff has received a Schematic Design submission from six districts for Accelerated Repair projects at ten schools. The proposed projects combined include three roof replacements, seven window and door replacements, and four boiler replacements. The districts have provided a combined Total Project Budget of \$34,205,328 which includes a total combined construction estimate of \$26,488,917. The combined Estimated Maximum Total Facilities Grant for these ten projects is \$21,771,518. Including potentially eligible project contingencies, the combined Maximum Facilities Grant is \$22,771,456.

The Chairman 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 Project Funding Agreements for Several Proposed Accelerated Repair Projects

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

District	School	Scope	Total Project Budget	Estimated Maximum Total Facilities Grant	Maximum Total Facilities Grant
Athol-Royalston Regional School District	Athol High School	Roof; Boiler; Window/Door	\$10,016,786	\$7,259,839	\$7,614,398
East Longmeadow	Meadow Brook	Window/Door	\$2,796,805	\$1,402,452	\$1,460,645
Quincy	North Quincy High School	Partial Roof	\$1,774,617	\$1,010,658	\$1,052,440
Randolph	Margaret L. Donovan Elementary School	Boiler; Window/Door	\$5,258,935	\$3,542,671	\$3,705,116
	Martin E. Young Elementary School	Window/Door	\$2,602,045	\$1,686,143	\$1,763,425

Weymouth	Thomas W. Hamilton Primary School	Boiler	\$1,185,006	\$556,378	\$579,462
	Wessagusset Primary School	Boiler	\$1,176,706	\$552,531	\$575,404
Worcester	Elm Park Community School	Window/Door	\$3,179,270	\$2,156,406	\$2,258,929
	Lincoln Street Elementary School	Partial Roof ; Window/Door	\$3,706,563	\$1,951,883	\$2,032,874
	Thorndyke Road Elementary School	Partial Window/Door	\$2,508,595	\$1,652,557	\$1,728,763
		Totals	\$34,205,328	\$21,771,518	\$22,771,456

Mr. Cronin inquired about the high project costs for the projects in the Athol-Royalston Regional School District and the Town of Randolph.

MSBA Senior Project Manager Mike McGurl explained that the Athol High School project includes all three categories of scope: roof, boiler, and window/door. He further explained that the Town of Randolph has two school projects combined which caused a higher total project budget.

East Longmeadow Superintendent Gordon Smith thanked the Board and MSBA staff, commenting that he looks forward to continuing to work with the MSBA.

Quincy Director of Public Buildings Walter MacDonald thanked the Board and MSBA staff on behalf of the Mayor, City Solicitor, and Superintendent. He commented that is a pleasure to be in front of the Board today, adding that the City is fortunate to be invited into the program. He noted that the City has had a project with the MSBA before and he is thankful for the relationship and support of the MSBA.

A staff member from State Senator Walter Timilty's office spoke on behalf of the Senator noting that the Senator supports the project at the Margaret L. Donovan Elementary School in Randolph.

A staff member from State Representative William Driscoll's office spoke on behalf of the Representative noting that the Representative supports the project at the Margaret L. Donovan Elementary School and the Martin E. Young Elementary School in Randolph.

A staff member from State Representative James Murphy's office spoke on behalf of the Representative noting that the Representative supports the project at the Thomas W. Hamilton School in Weymouth and looks forward to working together.

The Chairman commented that Worcester's Mayor and Superintendent were at the meeting earlier to show their support for the Accelerated Repair projects in the City of Worcester. Then, the Chairman read a letter on behalf of State Representative Mary Keefe which offered her support for the Accelerated Repair projects in the City of Worcester.

VOTE: *There being no further questions or comments, the Board approved the Motion to execute Project Funding Agreements for several Accelerated Repair Projects by majority – 7 in favor, 0 abstaining.*

Next, MSBA Senior Project Manager Mike McGurl explained that subsequent to the December 13, 2017 Board of Directors Meeting, the Town of Westford has requested additional days beyond the requisite 90 days to receive appropriations for its project. Staff is recommending an extension of 30 days for a total of 120 days for the Town to secure funding for its Project Funding Agreement.

Amendment to Feasibility Study Agreements

The Director of Capital Planning Mary Pichetti explained that the Board is being asked to vote to amend the Feasibility Study Agreement for the Lowell High School in the City of Lowell. On November 18, 2015 the Board of Directors' invited the City to conduct a Feasibility Study.

After being made aware that a significant community-wide dispute had arisen regarding the choice of a project site and that litigation between the City Council and the School Committee arising out of that dispute was imminent, on August 23, 2017 the Board voted to table any action to move the City into Schematic Design for a project until the dispute could be resolved.

On November 14, 2017 the City Solicitor wrote to the MSBA, advising that the City Council was considering changing their preferred site from the Cawley option to the Downtown option. On January 5, 2018, the City asked the MSBA for an extension to the Feasibility Study Agreement to give the City time to complete its new evaluation. Based on discussions with the City, MSBA staff recommends that the Board vote to authorize an extension until August 31, 2019. This will allow the City the time needed to complete its Feasibility Study and Schematic Design work for the proposed Lowell High School project.

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

Vote to Extend the Term of the Feasibility Study for the City of Lowell

VOTED: Whereas, the City of Lowell requires additional time to complete the phases of the grant program through Project Scope and Budget, the Board of Directors hereby authorizes the Executive Director to extend the termination date of the Feasibility Study Agreement between the MSBA and the City of Lowell, as part of its Invitation to Feasibility Study for the Lowell High School, from May 19, 2018 to August 31, 2019, and the Executive Director is hereby authorized to do all acts and things, to execute and deliver any and all documents and agreements, and to expend all funds necessary or desirable in connection with conducting and/or reviewing this Feasibility Study for the Lowell High School.

***VOTE:** There being no further questions or comments, the Board approved the Motion to extend the term of the Feasibility Study for the City of Lowell by majority – 7 in favor, 0 abstaining.*

The Director of Capital Planning Mary Pichetti explained that the Board is being asked to vote to amend the Feasibility Study Agreement for the Waltham High School in the City of Waltham. On September 30, 2015 the Board of Directors' invited the City to conduct a Feasibility Study. The City has requested an extension to the termination date of the Feasibility Study Agreement from March 31, 2018 to October 31, 2018 in order to select a site and complete its Feasibility Study and Schematic Design work for the proposed Waltham High School Project. MSBA staff recommends that the Board vote to authorize an extension of time for the City of Waltham to complete its

Feasibility Study and Schematic Design work for the proposed Waltham High School project from March 31, 2018 through October 31, 2018.

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

Vote to Extend the Term of the Feasibility Study for the City of Waltham

VOTED: Whereas, the City of Waltham requires additional time to complete the phases of the grant program through Project Scope and Budget, the Board of Directors hereby authorizes the Executive Director to extend the termination date of the Feasibility Study Agreement between the MSBA and the City of Waltham, as part of its Invitation to Feasibility Study for the Waltham High School, from March 31, 2018 to October 31, 2018, and the Executive Director is hereby authorized to do all acts and things, to execute and deliver any and all documents and agreements, and to expend all funds necessary or desirable in connection with conducting and/or reviewing this Feasibility Study for the Waltham High School.

Waltham Mayor Jeannette McCarthy thanked the Board and MSBA staff for their support.

VOTE: There being no further questions or comments, the Board approved the Motion to extend the term of the Feasibility Study for the City of Waltham by majority – 7 in favor, 0 abstaining.

Recommendation for Preferred Schematic

The MSBA's Director of Project Management John Jumpe explained that the Board is being asked to approve the preferred schematic designs for the Mabelle M. Burrell Elementary School located in the Town of Foxborough and the W. Edward Balmer Elementary School located in the Town of Northbridge.

The Town of Foxborough is proposing an addition and renovation project to the Mabelle M. Burrell Elementary School. This proposed project will serve an agreed upon enrollment of 270 students for grades K-4, for a project that will serve grades PK-4. The proposed project has an estimated construction cost of \$27,270,321.

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

Vote on Moving the Town of Foxborough 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 Foxborough with, in concept, the development of schematic designs for an addition and renovation project to the Mabelle M. Burrell Elementary School, serving grades PK-4, 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.

Foxborough School Business Administrator/Building Committee Chair Bill Yukna commented that the Superintendent apologizes for not being able to attend the meeting today. He thanked the Board and MSBA staff, especially Elena Seiti and Chris Alles, for their help and guidance through the process. He commented that the project at the Mabelle M. Burrell Elementary School has strong support from the community.

State Representative Jay Barrows, who represents Foxborough, thanked the Board and MSBA staff for their support, and commented that there is great support in the Town.

VOTE: *There being no further questions or comments, the Board approved the Motion to move the Town of Foxborough to Schematic Design by majority – 7 in favor, 0 abstaining.*

The Town of Northbridge is proposing to replace the existing W. Edward Balmer and the Northbridge Elementary Schools, with a new facility that serves grades PK-5 on the existing site of the W. Edward Balmer Elementary School. This proposed project will serve an agreed upon enrollment of 1,030 students for grades K-5, for a project that will serve grades PK-5. The proposed project has an estimated construction cost of \$81,453,196.

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

Vote on Moving the Town of Northbridge 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 Northbridge with, in concept, the development of schematic designs to replace the existing W. Edward Balmer and the Northbridge Elementary Schools, with a new facility that serves grades PK-5 on the existing site of the W. Edward Balmer 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.

There was a brief discussion regarding the hiring of consultants to examine and report on construction costs in the state. The Executive Director shared that the MSBA would be sending out a Request for Responses (“RFR”). Ms. Kwan commented that at FAS subcommittee meetings, the subcommittee members give suggestions to the Districts regarding how to reduce the scope and cost of projects. Mr. Sullivan commented that he would like to be involved in the RFR process as well, and that he appreciates that the MSBA has made it a priority to look into rising construction costs.

Northbridge Superintendent Catherine Stickney thanked the Board for consideration.

Then, Senator Timilty, who represents Randolph, arrived at the meeting. He commented that Randolph is a community on the rise and that the two Randolph schools before the Board today for ARP will do great things with the resources provided.

VOTE: *There being no further questions or comments, the Board approved the Motion to move the Town of Northbridge to Schematic Design by majority – 7 in favor, 0 abstaining.*

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

MSBA Director of Project Management John Junpe 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 Attleboro High School located in the City of Attleboro. He presented a PowerPoint and provided a brief summary of the proposed project. He explained that the proposed project is to replace the existing Attleboro High School with a new facility on the existing site.

The District submitted a total project budget of \$259,918,180. As shown in the PowerPoint presentation, the basis of the MSBA grant would be \$188,285,149, and the proposed Estimated Maximum Total Facilities Grant would be \$124,276,563 with the District's 66.65% reimbursement rate.

The Chairman 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 Attleboro

VOTED: That the Board of Directors of the Massachusetts School Building Authority hereby approves the Potential Project to replace the existing Attleboro High School with a new facility on the existing 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 Attleboro, in such forms as he may determine to be acceptable, for the Attleboro High School project at a reimbursement rate of sixty-six and sixty-five hundredths percent (66.65%) of approved, eligible costs, up to an Estimated Maximum Total Facilities Grant of \$124,276,563, 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 \$126,543,252, 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.

Attleboro Superintendent Dave Sawyer thanked the Board and MSBA staff for consideration and commented that it is an honor and pleasure to participate in the program. He shared that the Mayor was sick and unable to attend the meeting.

Attleboro School Building Committee Vice Chair John Jacobi thanked the Board and MSBA staff and commented that this is an exciting process.

Principal of Attleboro High School Bill Runey thanked the Board and MSBA staff and commented that he is excited for this opportunity for the City.

VOTE: *There being no further questions or comments, the Board approved the Motion to Execute a Project Scope and Budget Agreement and Project Funding Agreement with the City of Attleboro by majority – 7 in favor, 0 abstaining.*

MSBA Director of Project Management John Jumpe 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 B.M.C. Durfee High School located in the City of Fall River. He presented a PowerPoint and provided a brief summary of the proposed project. He explained that the proposed project is to replace the existing B.M.C. Durfee High School on the existing site while maintaining and renovating the existing high school athletic complex.

The District submitted a total project budget of \$255,028,465. As shown in the PowerPoint presentation, the basis of the MSBA grant would be \$263,494,125, and the proposed Estimated Maximum Total Facilities Grant would be \$165,084,900 with the District's 80.00% reimbursement rate.

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

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

VOTED: That the Board of Directors of the Massachusetts School Building Authority hereby approves the Potential Project to replace the existing B.M.C. Durfee High School on the existing site while maintaining and renovating the existing high school athletic complex, 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 Fall River, in such forms as he may determine to be acceptable, for the B.M.C. Durfee 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 \$165,084,900, 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 \$170,285,470, 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.

Fall River Superintendent Matt Malone commented that he is proud to be here today. He commented that the City has been working hard for several months to figure out the funding for the project. He commented that the building is working against them every day, adding that this is an important project for the City. He thanked the Board for consideration.

The February 14, 2018 Board Meeting minutes were approved by the MSBA's Board of Directors on April 10, 2018.

B.M.C. Durfee High School Principal Matthew Desmarais commented that he appreciates the guidance of the MSBA throughout the process and thanked the Board for consideration.

VOTE: *There being no further questions or comments, the Board approved the Motion to Execute a Project Scope and Budget Agreement and Project Funding Agreement with the City of Fall River by majority – 7 in favor, 0 abstaining.*

MSBA Director of Project Management John Junpe 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 Chapin Street Elementary School located in the Town of Ludlow. He presented a PowerPoint and provided a brief summary of the proposed project. He explained that the proposed project is 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.

The District submitted a total project budget of \$57,451,421. As shown in the PowerPoint presentation, the basis of the MSBA grant would be \$44,701,858, and the proposed Estimated Maximum Total Facilities Grant would be \$27,522,934 with the District's 61.57% reimbursement rate.

The Chairman asked for a motion, and the following motion was made by Mr. Deninger 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 Town of Ludlow

VOTED: That the Board of Directors of the Massachusetts School Building Authority hereby approves the Potential Project 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, 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 Town of Ludlow, in such forms as he may determine to be acceptable, for the Chapin Street Elementary School project at a reimbursement rate of sixty-one and fifty-seven hundredths percent (61.57%) of approved, eligible costs, up to an Estimated Maximum Total Facilities Grant of \$27,522,934, 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 \$27,945,116, 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.

Dr. Erica Faginski-Stark, Ludlow Curriculum Director and member of the School Building Committee, thanked the Board and MSBA staff on behalf of the Superintendent.

Evan Warner, Ludlow's OPM from STV/DPM thanked the Board and MSBA staff.

VOTE: *There being no further questions or comments, the Board approved the Motion to Execute a Project Scope and Budget Agreement and Project Funding Agreement with the Town of Ludlow by majority – 7 in favor, 0 abstaining.*

MSBA Director of Project Management John Jumpe 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 John F. Kennedy Middle School located in the Town of Natick. He presented a PowerPoint and provided a brief summary of the proposed project. He explained that the proposed project is to replace the existing John F. Kennedy Middle School with a new grades 5-8 facility on the existing site.

The District submitted a total project budget of \$109,560,000. As shown in the PowerPoint presentation, the basis of the MSBA grant would be \$76,049,527, and the proposed Estimated Maximum Total Facilities Grant would be \$36,650,548 with the District's 48.21% reimbursement rate.

The Chairman 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 Town of Natick

VOTED: That the Board of Directors of the Massachusetts School Building Authority hereby approves the Potential Project to replace the existing John F. Kennedy Middle School with a new grades 5-8 facility on the existing 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 Town of Natick, in such forms as he may determine to be acceptable, for the John F. Kennedy Middle School project at a reimbursement rate of forty-eight and twenty-one hundredths percent (48.21%) of approved, eligible costs, up to an Estimated Maximum Total Facilities Grant of \$36,650,548, 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 \$37,313,724, 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.

State Representative David Linsky, who represents Natick, thanked the Board and MSBA staff, adding that the project at the John F. Kennedy Middle School is important for the Town. He noted that the community and Board of Selectmen are supportive of the project and commented that he appreciates the support.

Natick Superintendent Peter Sanchioni introduced other local officials who were present at the meeting and thanked the Board and MSBA staff.

Chair of the Natick Board of Selectmen Jon Freedman commented that Natick has been successful working with the MSBA in the past on school projects and thanked the MSBA for this opportunity.

VOTE: *There being no further questions or comments, the Board approved the Motion to Execute a Project Scope and Budget Agreement and Project Funding Agreement with the Town of Natick by majority – 7 in favor, 0 abstaining.*

MSBA Director of Project Management John Junpe 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 James L. Mulcahey Elementary School located in the City of Taunton. He presented a PowerPoint and provided a brief summary of the proposed project. He explained that the proposed project is to replace the existing James L. Mulcahey Elementary School and Hopewell Elementary School with a new grades PK-4 facility on the existing James L. Mulcahey Elementary School site.

The District submitted a total project budget of \$64,971,831. As shown in the PowerPoint presentation, the basis of the MSBA grant would be \$50,568,301, and the proposed Estimated Maximum Total Facilities Grant would be \$40,454,641 with the District's 80.00% reimbursement rate.

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

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

VOTED: That the Board of Directors of the Massachusetts School Building Authority hereby approves the Potential Project to replace the existing James L. Mulcahey Elementary School and Hopewell Elementary School with a new grades PK-4 facility on the existing James L. Mulcahey Elementary School 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 Taunton, in such forms as he may determine to be acceptable, for the James L. Mulcahey Elementary School project at a reimbursement rate of eighty percent (80.00%) of approved, eligible costs, up to an Estimated Maximum Total Facilities Grant of \$40,454,641, 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 \$42,343,177, 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

Taunton Mayor Thomas Hoyer thanked the Board and the MSBA staff. He commented that the MSBA has been very helpful and he is thrilled to be in front of the Board today.

Taunton Assistant Superintendent John Cabral commented that the Superintendent is unable to attend the meeting today. He thanked the Board and MSBA staff, commenting that this project will make a difference for the students in the City of Taunton.

VOTE: *There being no further questions or comments, the Board approved the Motion to Execute a Project Scope and Budget Agreement and Project Funding Agreement with the City of Taunton by majority – 7 in favor, 0 abstaining.*

Then, the Chairman stepped out of the meeting briefly and her designee, Sarah Kim, presided over a brief portion of the meeting.

MSBA Director of Project Management John Junpe 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 Tisbury School located in the Town of Tisbury. He presented a PowerPoint and provided a brief summary of the proposed project. He explained that the proposed project is to replace the existing Tisbury School on the existing site.

The District submitted a total project budget of \$48,682,795. As shown in the PowerPoint presentation, the basis of the MSBA grant would be \$32,669,431, and the proposed Estimated Maximum Total Facilities Grant would be \$14,792,718 with the District's 45.28% reimbursement rate.

The Chairman's designee asked for a motion, and the following motion was made by Mr. Deninger 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 Town of Tisbury

VOTED: That the Board of Directors of the Massachusetts School Building Authority hereby approves the Potential Project to replace the existing Tisbury School on the existing 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 Town of Tisbury, in such forms as he may determine to be acceptable, for the Tisbury School project at a reimbursement rate of forty-five and twenty-eight hundredths percent (45.28%) of approved, eligible costs, up to an Estimated Maximum Total Facilities Grant of \$14,792,718, 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 \$15,108,348, 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.

There was a brief discussion among Board members and MSBA staff regarding incentive points for the project and the final reimbursement rate for the District. Mr. Ryan directed the Board Members to a note on P. 2 of the Board Memorandum and advised that the MSBA has provisionally included incentive points in the Reimbursement Rate for the anticipated use of a Construction Manager at Risk contracting method and for achieving targeted energy efficiency performance standards. If the District fails to capture either or both of these provisional incentives, the District's Reimbursement Rate will be reduced, accordingly.

Tisbury Superintendent Matthew D'Andrea thanked the Board and MSBA for their support, adding that this is an exciting opportunity for the Town.

***VOTE:** There being no further questions or comments, the Board approved the Motion to Execute a Project Scope and Budget Agreement and Project Funding Agreement with the Town of Tisbury by majority – 7 in favor, 0 abstaining.*

The Chairman returned and continued to preside over the meeting.

Mr. Cronin stepped out of the meeting briefly.

Audit

Tamia Buckingham, MSBA Director of Audit, began her audit update by explaining that the MSBA has approved 788 former program audits and there are two remaining grant conversion projects to close out. To date, the MSBA has audited \$15.7 billion in costs for Waiting List and prior grant projects.

The Director of Audit then explained that the MSBA has completed final audits for 424 Capital Pipeline Program projects plus 11 projects that are being presented for final approval to the Board today, all together representing approximately \$4.7 billion in submitted and audited costs.

She continued, explaining that the MSBA has also audited approximately \$3.2 billion in submitted costs for the 233 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 \$1.7 billion in additional costs will be submitted for audit for these projects.

The Director of Audit then explained that monthly submitted costs have averaged \$68.7 million over the 12 months preceding this Board meeting, and the total amount submitted and audited in this 12 month period equals approximately \$825 million.

Approval of Audits, New Program

The Director of Audit explained that the Board is being asked to approve eleven Capital Pipeline Program audits listed on the Audit Exhibit. She explained that the total combined grant amount for these eleven projects is \$150,902,982.

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

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 each of the projects listed in the spreadsheet attached hereto as Exhibit B and authorizes the Executive Director to make payments consistent with this vote.

VOTE: *There being no additional questions or comments, the Board approved the Motion by majority – 6 in favor, 0 abstaining.*

MSBA Updates

Executive Director's Report

The Executive Director began his report by thanking the MSBA staff members for their hard work in preparing for the Board. He noted that since the December 13, 2017 Board meeting, the MSBA has visited 18 projects and five districts have voted affirmatively to appropriate full project funds or feasibility study funds. He explained that the MSBA anticipates making 15 project visits in March and April and presented a list of the upcoming district visits and milestone ceremonies as part of his PowerPoint presentation. He explained that since the last Board meeting, MSBA staff have engaged in outreach with multiple school districts, and have attended several meetings where they have participated as presenters and as stakeholders. He also shared that the City of Marlborough had selected a Model School design for their proposed new elementary school project.

Next, the Executive Director congratulated Sharon George on her promotion to Interim Director of Information Technology and welcomed new employee Sarah Andrews as a Project Assistant in Capital Planning.

Mr. Cronin returned to the meeting.

Accelerated Repair Program – Consultant Procurement

Karl Brown, MSBA Senior Architect, and Mike McGurl, Senior Project Manager, spoke about the consultant procurement process for the Accelerated Repair Program. The MSBA issued separate Requests for Responses for Owner's Project Managers and Designers in order to select a pool of qualified Owner's Project Managers and Designers that the MSBA will assign to districts that have been invited to participate in the Accelerated Repair Program.

Senior Architect Karl Brown explained that the MSBA received 49 applications in response to the Request for Responses ("RFR") for Designers. MSBA staff presented recommendations to the Designer Selection Panel at the December 19, 2017 meeting. The Designer Selection Panel determined that the following design firms submitted the strongest applications and best met the requirements for providing services in the Accelerated Repair Program.

For Roof and Exterior Windows/Doors Projects: Baker Wohl Architects, Inc.; CGKV Architects, Inc.; Civitects Architecture; CSS Architects, Inc.; Dietz & Co. Architects, Inc.; EDM; Gale

Associates, Inc.; Habeeb & Associates Architects, Inc.; HAKS Engineers; Icon Architecture, Inc.; Johnson Roberts Associates, Inc.; Kaestle Boos Associates, Inc.; Mount Vernon Group; Next Phase Studios; RDA Architects; Russo Barr Associates, Inc.; RGB Architects; Simpson Gumpertz & Heger; The S/L/A/M Collaborative; Tai Soo Kim Partners, LLC; Tighe & Bond, Inc.; and Turowski2 Architecture, Inc.

For Boiler Projects: Architectural Engineers, Inc.; Baker Wohl Architects, Inc.; CGKV Architects, Inc.; CSS Architects, Inc.; EDM; Habeeb & Associates Architects, Inc.; Johnson Roberts Associates, Inc.; RDA Architects; RDK Engineers; Shekar & Associates, Inc.; The S/L/A/M Collaborative; Tighe & Bond, Inc.; and Turowski2 Architecture, Inc.

Next, Senior Project Manager Mike McGurl explained that the MSBA received 19 applications in response to the Request for Responses for Owner's Project Managers. MSBA staff presented recommendations to the OPM Panel at the January OPM meeting. MSBA staff determined that the following project management firms submitted the strongest responses and best meet the requirements for providing services in the Accelerated Repair Program: Arcadis U.S., Inc.; Architectural Consulting Group, LLC; Atlantic Construction & Management, Inc.; Colliers International; D.A. Sullivan & Sons Inc.; exPERTcon, Inc.; Hill International, Inc.; Jacobs; Left Field, LLC; Municipal Building Consultants, Inc.; NETCO Construction Project Managers, Inc.; NV5; P-Three, Inc.; PCA 360; Pinck & Co., Inc.; PMA Consultants LLC; and The Vertex Companies, Inc.

Mr. Sullivan asked the Executive Director about the procurement process for OPMs and Designers. The Executive Director explained the differences between the procedures that are used to approve the funding, design and construction of Core Projects and Accelerated Repair Projects. He explained that Accelerated Repair Projects are intentionally limited in scope and that the random assignment processes used to approve funding, design and construction for those projects is structured to allow for the completion of all work during summer break.

Project Overview Report

Next, the Director of Capital Planning presented a PowerPoint, including a summary of bid data. She summarized available data for anticipated bids for the 2017 and 2018 calendar years noting that this information is preliminary. She explained that she did not have any bid data for projects in the Capital Pipeline at this time. She then provided bid data for the MSBA's Accelerated Repair Program. She explained that for the 2016 Accelerated Repair Program, 29 of the 39 reported projects came in within the estimated budget. She explained that the nine remaining projects will bid by late February 2018.

Finance

Sales Tax Collection Update

MSBA Financial Administration Manager Julie Leonard presented a PowerPoint and provided a SMART Fund updated FY 18 Consensus Revenue Estimate of \$846.6 million which represents growth of 3.65% over the FY 17 amount. FY 18 collections through December 2017 are \$14.294 million (3.54%) higher than FY17 collections during the same period. FY 19 Consensus Revenue Estimate of \$859.9 million would represent growth of 1.45% over the FY 18 estimated amount.

She presented a slide with a graphical depiction of FY 15 - FY 18 monthly SMART fund collections, and then quarterly SMART collections from FY 13 - FY 18, followed by year-to-date SMART collections by year from FY 13 - FY 18.

Grant Payments Update

MSBA Treasurer Gianpiero Tirella provided an update regarding MSBA grant payments for projects, noting that the MSBA has made \$329,897,099 in grant payments to date in Fiscal Year 2018. This is for 273 Capital Pipeline Program, Prior Grant, and Waiting List projects in 159 districts.

Mr. Cronin left the meeting.

Debt Management Policy

The MSBA's Chief Financial Advisor Ken Wissman spoke about the MSBA's Debt Management Policy and explained that the State Finance Governance Board ("SFGB") regulations require certain Massachusetts entities issuing debt to periodically approve and file a debt management policy with the SFGB. The regulations require that the governing board of the issuer formally adopt the policy every two years. He explained that the proposed changes to the Debt Management Policy address the potential impact that changes to the US Tax Code may have on Municipal Bond Issuers, particularly the inability, going forward, to manage debt through the issuance of tax exempt Advance Refunding Bonds.

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

Approval of Massachusetts School Building Authority's Debt Management Policy

VOTED: That the Board hereby approves the MSBA Debt Management Policy in substantially the form attached hereto and authorizes the Executive Director to do all acts necessary to comply with this Policy and to establish any additional policies and procedures for the management of the Authority's debt as he may deem appropriate or necessary.

There was a brief discussion among Board members regarding the collective impact of changes to the tax law.

VOTE: There being no additional questions or comments, the Board approved the Motion by majority – 6 in favor, 0 abstaining.

Guidelines for Use of Unrestricted Funds

Jennifer Gonzalez, the MSBA's Chief Financial Officer, spoke about the MSBA's updated Guidelines for Use of Unrestricted Funds, which were presented at the October 25, 2017 Board meeting. She explained that MSBA staff prepared these Guidelines to provide a framework for the scope of and priorities for current expenditures and potential new initiatives. The Guidelines informed the recommendations for the FY 17 and FY 18 financing plans and budget recommendations. The Guidelines will also be a resource for FY 19 and beyond.

The February 14, 2018 Board Meeting minutes were approved by the MSBA's Board of Directors on April 10, 2018.

The guidelines were used in the development of the recommendation that \$50 million be authorized in FY 17 and FY 18 to fund lump sum payments to Districts that are planning a refunding of projects that are receiving Prior Grant or Annual Waiting List payments. The MSBA anticipates recommending \$40 million be allocated in the FY 19 budget for lump sum payments on Prior Grant projects.

Results for Takeout of Commercial Paper

Ken Wissman, the MSBA's Chief Financial Advisor, spoke about the results for the takeout of the commercial paper program. He explained that on January 24, 2018 the MSBA sold \$395 million of 2018 Series A Bonds ("Bonds") and the purpose of the bond issue was to raise funds to retire three series of commercial paper. The Bonds include features that were not included in prior MSBA bond issues to address issues arising out of the changes in federal tax law. As an example, Bonds with maturities in years 2025 through 2038 included six year call dates. This will allow the MSBA to call those Bonds four (4) years earlier than the traditional ten (10) year call period.

The MSBA's next debt issue is not expected until Summer 2018.

FY 18 Budget Update

MSBA Chief Financial Officer Jennifer Gonzalez provided the Board with a FY 18 year-to-date budget update. She presented a PowerPoint and provided a summary of the Administrative, Operations and Grant Programs Budgets and the Capital Pipeline Professional Support Services Budget for FY 18 with a summary of expenditures to date. She presented a chart with information regarding debt service paid and sinking fund deposits.

The meeting was adjourned at 12:20 p.m.

List of documents and exhibits used at the meeting:

- PowerPoint Presentation
- December 13, 2017 Board Meeting Minutes
- Capital Pipeline Project Removal
- Invitation to Feasibility Study
- Accelerated Repair Project Removal
- Project Funding Agreement Recommendations for the Accelerated Repair Program
- Amendment to Feasibility Study Agreements
- Preferred Schematic Design Recommendations
- Project Scope and Budget Phase Recommendations
- Audit Status Report
- Recommendation for Approval of Final Audits, Capital Pipeline Program
- Executive Director Report
- Accelerated Repair Program Consultant Procurement Update
- Project Overview Report
- Sales Tax Collection Update
- Grant Payments Update
- Authorization of the MSBA Debt Management Policy

The February 14, 2018 Board Meeting minutes were approved by the MSBA's Board of Directors on April 10, 2018.

- Guidelines for Use of Unrestricted Funds
- Results of Takeout of Commercial Paper
- FY18 Budget Update