



# Town of Uxbridge, Massachusetts Finance Committee Meeting Minutes

Date: October 23, 2008

Place: Selectmen's Room

Present:

Ed Maharay	P	Howard Fortner	P	Peter DeMers	P
Christine Horwath		Rick Young	PL	Mark Andrews	P

Call to Order: 7:00 PM

1. Minutes

**None**

2. Public Hearing for Fall Annual Town Meeting

**MSDV**

Motion	Motion to reopen the FATM Finance Committee Public Hearing				
1st	MWA	2nd	HF	Vote	4-0

a. Article 15 School Committee

**ARTICLE XV: APPROPRIATION TO FUND FEASIBILITY STUDY TO DETERMINE COSTS ASSOCIATED WITH THE CONSTRUCTION OF A NEW HIGH SCHOOL AS REQUIRED BY THE MASSACHUSETTS SCHOOL BUILDING AUTHORITY**

The Superintendent of Schools handed out a document covering Article 15. (see attached).

The SOS reviewed the purpose of the article and proposed need to address issues at the High School. The Chair of the SBC then reviewed the MSBA process necessary to begin the process of obtaining funding. The School Business Manager then reviewed the finances behind the feasibility study and building of a new high school.

There were questions and discussions from the committee.

### **Public Questions**

There was a question on the wording of the article – building of a new high school. The answer was that was what the Statement of Interest reflected, however, the MSBA would require all options to be part of the feasibility study.

There was a question on reimbursement. Once the article is passed we would use funds as needed. The reimbursements will come in as we spend funds. This would include BAN's when necessary to fund the Towns portion.

These minutes are a summary of the proceedings of the Uxbridge Finance Committee. All Meeting are taped and copies are available from the Town Clerks office or via the Cable Access Coordinator.

There was a question whether this should be funded as specified in the Article or via a debt exclusion which would require a ballot vote. There was a discussion between this and the fact people know when the Town Meeting is and they can come down and vote.

Do unexpended funds go in general fund. Answer – should not be any because we only pay as we spend. A special fund will be used.

Does school choice include BVT & Agricultural School? No – they are not included.

After discussion it was recommended they change the commentary of the article to include that the scope will include a look at renovations and leasing as well as building a new school.

**MSDV**

Motion	Motion to continue the FATM Finance Committee Public Hearing until Tuesday October 28 <sup>th</sup> .				
1st	MWA	2nd	RY	Vote	5-0

3. Old Business

Discussion on Finance Policy. (Attached)

**MSDV**

Motion	Motion to endorse the Financial Management Policy and Objectives BOS Policy No. 2008-0 dated 10/08/08				
1st	PD	2nd	RY	Vote	4-1

Dave will provide a quarterly Investment report.

4. New Business

None

5. ADJOURNMENT

**Finance Committee Action Items**

Number	Responsible	Description	Status
102308-1	DG	Quarterly Investment Report	

**Minutes Accepted:**



## Town of Uxbridge, Massachusetts Finance Committee Action Items

Date: October 14, 2008

### Finance Committee Action Items

Number	Responsible	Description	Status
102308-1	DG	Quarterly Investment Report	IP
101408-1	EM	Obtain memo explaining Teacher raise and health care savings.	IP
101408-2	EM	Set up second meeting with the School Committee: suggested topics: Year-end Report, Indirect Costs , School Committee policies re: Finances	IP
92908-1	MD	Checklist on what is needed for Road Acceptance to help FinCom when reviewing articles.	Done
92908-2	EM	Ed will update FATM request.	Done

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Uxbridge  
Public Schools



**Fall 2008  
Annual Town Meeting**

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**Article XV:**

**APPROPRIATION TO FUND  
FEASIBILITY STUDY**



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## **High School Construction Project Overview**

Over the past ten years, several School Building Committees, former and current School Committee Members, former and current School Administration, the New England Association of Schools & Colleges, the Massachusetts School Building Authority and the Uxbridge Community at large have identified the critical need to address the educational space in the Uxbridge Public Schools.

While support for what the community and members of the different committees and boards perceived as the correct solution may have varied, one sign of consensus was the identification that an unresolved problem exists and a resolution was in order evidenced by the acquisition of school land, purchase of school designs, and the submission of the Statement of Interest that was subsequently accepted by the Massachusetts School Business Authority. In addition, the four major considerations that continue to support a resolution are as follows:

### **New England Association of Schools & Colleges - noted in 10 Year Review (October 3, 2007)**

The current Uxbridge High School site and plant do not adequately support all aspects of the educational program and support services for student learning in a High School setting. Uxbridge High School has made significant improvements over the past five years to increase storage, make more efficient use of space, and resolve ventilation issues within the facility.

Auditorium seating, the use of classrooms without windows and proper ventilation, and limited storage space for educational equipment continue to pose problems for the faculty and staff as they strive to serve the needs of a high school population of students. Though improvements have been made to the facility, there are still major deficiencies that impede and hinder student learning specifically related to high school curriculum and department needs.

The town of Uxbridge is currently planning and developing a new high school complex, pending town approval. It is hoped that the culmination of this project will have a number of beneficial results: the removal of NEASC probationary status, ample space for educational concerns, updated infrastructure, and the return of students and school choice monies. The administration, faculty, and staff hope that the construction of a new high school will also begin to mend the ongoing differences between the school community and various town factions.

### **Massachusetts School Building Authority noted in Facilities Evaluation (November 14, 2007)**

District Goal for Uxbridge: Uxbridge High School, as well as the other district schools is suffering from the financial, social and cultural impact from 248 students exercising the choice out option of the Uxbridge School System; one-third of these relate to the high school. The District wishes to build a replacement high school with 750-850 seats suitable for the future needs of the high school population on a 16 acre parcel along the Quaker Highway. Off site replacement construction would prevent phasing issues. A feasibility study was completed in 2000 that investigated a variety of options. The town is reported to be supportive of building a new high school. The existing high school would become a middle school for 6 – 8 grades.

**MSBA Recommendation from Senior Study: A feasibility study is recommended for Uxbridge to determine how the school can best address learning environment, plant deficiencies, and the student choice out issues.**

## Local Financial Impact

### Leased Educational Facilities

Uxbridge is currently in its seventh year leasing the Good Shepherd Church facility as the Uxbridge Early Learning Center servicing approximately 200 Pre-K and Kindergarten Students. Annual lease appropriation totals \$120,000 per year.

The facility cannot accommodate full-day kindergarten for all Uxbridge students.

Along with the Good Shepherd Church lease, the Uxbridge Public School District leases three (3) additional facilities.

### School Choice Out Trend FY1996 – FY2010 projected

	<u>FTE Pupils</u>	<u>School Choice Out \$</u>
FY96	37.0	\$ 125,695
FY97	31.7	\$ 95,379
FY98	43.8	\$ 173,686
FY99	46.6	\$ 170,108
FY00	45.5	\$ 187,005
FY01	53.9	\$ 218,633
FY02	81.1	\$ 355,984
FY03	107.9	\$ 525,903
FY04	147.5	\$ 718,351
FY05	231.9	\$ 1,136,083
FY06	245.1	\$ 1,268,596
FY07	247.5	\$ 1,333,315
FY08	223.8	\$ 1,184,223
FY09		\$ 1,231,076
<i>FY10 Projected</i>		<u>\$ 982,379</u>

## **Required Project Process Steps-to-Date**

<b><u>Step:</u></b>	<b><u>Completed</u></b>
Statement of Interest (SOI)	November 22, 2006
Initial Compliance Certification	Complete
Local School Building Committee	Accepted by MSBA
District Facilities Assessment	Complete
Senior Study	November 14, 2007
Pre-Study Review Meeting (see below)	February 8, 2008
Feasibility Study	<i>Next Step</i>

### **963 CMR: MASSACHUSETTS SCHOOL BUILDING AUTHORITY 2.10: Application and Approval Procedures**

#### **(7) Pre-study Review Meeting.**

(a) If an Eligible Applicant has properly submitted the:

1. Statement of Interest;
2. the Initial Compliance Certification;
3. the Design and Educational Program;
4. the Budget Statement for Educational Objectives;
5. a copy of the educational facilities master plan; and
6. any other materials which the Authority may require

and a Facilities Assessment by the Authority has been completed, if applicable, the Authority and the Eligible Applicant shall meet jointly to discuss the facility deficiencies as identified by the Eligible Applicant in the Statement of Interest and to discuss any further action in which the Authority may participate. The Eligible Applicant, or his agent, shall invite members of the public to attend said meeting and said meeting shall be at a location and in a format determined by the Authority, however, the provisions of M.G.L. c. 30A, § 11A½ and M.G.L. c. 39, § 23b shall not apply. The Pre-study Review Meeting may be attended by representatives of the Eligible Applicant including, but not limited to: one or more representatives of the school committee, one or more members of the building committee, where applicable, a representative of the office or body authorized by law to construct school buildings in that city, town or regional school district, or for the independent agricultural and technical school, the superintendent of schools or his designee, other local officials or representatives at the discretion of the Authority.

(b) After the Pre-study Review Meeting, the Authority may determine that the Application does not warrant further consideration at that time, pursuant to the priority criteria established in M.G.L. c. 70B, including but not limited to M.G.L. c. 70B, §§ 6, 8, and 9(a).

**(c) If the Authority determines that a Pre-study Review Meeting has been held to the Authority's satisfaction and the Authority determines that the Application warrants further consideration, the Authority may require that a Feasibility Study be conducted.**

On February 8<sup>th</sup>, 2008, the "Pre-study Review Meeting" was conducted and determined to the "Authority's satisfaction".

**Statements of Interest**<sup>1</sup>

On April 2, 2008, the MSBA Board of Directors voted to move 19 Statements of Interest to the next phase in the process for potential funding. This action follows the Board's decision on November 28, 2007 to move 83 Statement of Interest (SOI) to the Feasibility Study, Repair Assessment and Project Scope and Budget phases and place 79 SOIs in the Hold, Planning, Regionalization Assessment and Regional Vocational Technical High School categories.

The MSBA received 423 SOIs from 162 different school districts. Based on lessons learned from the Waiting List, the MSBA then asked each district that submitted multiple SOIs to prioritize one SOI. The MSBA has been focusing on the 162 district-priorities, analyzing the SOI, visiting schools to assess overcrowding, conducting facility assessments and senior studies with teams of architects and engineers, reviewing enrollment trends and forecasts, reviewing educational programs, and meeting with local officials to help determine which school facilities are in most need of attention. The above-referenced categorizations of these SOIs are the culmination of this due diligence and analysis by the MSBA to determine which school facilities across the Commonwealth are in most need of capital investment.

In making these determinations, the MSBA considered the following assessment criteria:

- **Building Condition** – whether the building exhibits signs of moderate to severe deficiencies in multiple building systems, such as roofing system, windows and doors, heating and ventilation systems
- **Building Capacity** – whether the building exhibits signs of moderate to severe overcrowding including excessive class sizes, inadequate number of classrooms, and conversion of non-educational space to educational uses
- **Educational Program** – whether the ability to support the required educational program is adversely affected by the building's condition and/or capacity
- **Structural Deficiency** – whether the building has clearly documented structural deficiencies that pose an immediate risk to health and safety of building occupants

*(The Statement of Interest for Uxbridge High School submitted on 11/22/2006 was included in those projects approved by the MSBA to be moved to the next level in the following categories.)*

District Name	2005 - 2006 Enrollment	District 10YR Enroll Trend	District 3YR Enroll Trend	Category	----- Facility Concerns -----			
					Building Condition	Building Capacity	Educational Program	Structural Deficiency
Uxbridge HS 09 - 12	520	+4.93%	-10.72%	Feasibility Invitation	√		√	

<sup>1</sup> Source: Massachusetts School Building Authority ([http://www.massschoolbuildings.org/main\\_ektid434.aspx](http://www.massschoolbuildings.org/main_ektid434.aspx))

## **Purpose of Feasibility Study**

### **963 CMR: MASSACHUSETTS SCHOOL BUILDING AUTHORITY**

#### **2.10: Application and Approval Procedures**

##### **(8) Feasibility Study.**

**(d) The purpose of the Feasibility Study** is to investigate potential options and solutions, including cost estimates in a format prescribed by the Authority, for the deficiencies and issues identified in the Facilities Assessment, if any assessment was performed, the Design and Educational Program, the Educational Facilities Master Plan, the Enrollment Projection, and in the properly submitted Statement of Interest by an Eligible Applicant. The Feasibility Study shall be conducted in accordance with the guidelines established by the Authority. Said guidelines may require Authority participation in the execution the Feasibility Study as well as include multiple steps requiring Authority approval at the conclusion of each step.

**(e) The Feasibility Study shall include**, but not be limited to:

1. an examination and identification of potential alternatives to construction or renovation of a facility whether or not such alternatives are eligible for Authority reimbursement;
2. one of the alternatives shall be an analysis of a no-build or *status quo* option, to be used as a benchmark for comparative analysis of all other alternatives;
3. an analysis of school district student school assignment practices and an analysis of available space in other school facilities in the district;
4. the utilization of under-utilized or vacant facilities potentially available for the proposed use for the Proposed Project;
5. the lease, rental or acquisition of existing buildings that could be made available for school use pursuant to M.G.L. c. 70B, § 8;
6. the use of regionalizing or tuition agreements with adjacent school districts pursuant to M.G.L. c. 70B, § 8;
7. a detailed and itemized cost estimate for each alternative;
8. an evaluation of the environmental and cost impact of construction phasing on students and staff occupying a renovated building, and any relocation options or off-hour construction that may be required for each alternative;
9. an evaluation of the existing conditions at no more than three sites, unless otherwise determined by the Authority, that shall include, but not be limited to, a geotechnical evaluation and soils exploration, a Phase I Initial Site Investigation conforming to 310 CMR 40.00, performed by a licensed site professional. Unless otherwise required by law or regulation, the Authority may require, at its sole discretion, subsequent environmental testing be performed at a site agreed upon by the Authority and the Eligible Applicant. Said subsequent environmental testing shall, when required or appropriate, include the regulatory authority or authorities having jurisdiction or be in accordance with the requirements of said appropriate regulatory authority or authorities.

## **Feasibility Study – Frequently Asked Questions**<sup>2</sup>

**Q: My district was one of the 83 districts that the MSBA moved forward to the next phase of its process. When will our district receive funding?**

A: The invitation to collaborate on a Feasibility Study, Repair Assessment or Project Scope is not an approval of a project, but it is the next phase in the MSBA's multiphase approval process. The approval process has several phases that require collaboration with the MSBA. To be eligible for project approval and funding, districts must follow the process as established in the MSBA's statute and regulations which require MSBA collaboration and approval at each step of the process. Districts that move ahead without the approval of the MSBA will be ineligible for funding.

**Q: If we've already completed a Feasibility Study, do we have to do it over again?**

A: It is likely that previously completed studies will need to be enhanced given that feasibility studies performed in partnership with the MSBA will be much more robust than most studies that were done in the past. Also, much of the design criteria, code evaluations and other information generated in the Feasibility Study process are time-sensitive; therefore, studies that were performed some time ago will likely be out-dated and need to be revised.

**Q: Will the MSBA share in the cost of a feasibility study?**

A: Yes, the MSBA will reimburse a portion of the eligible costs of feasibility studies done in collaboration with the MSBA, based on a reimbursement rate determined by the MSBA.

**Q: How long will the MSBA approval process take?**

A: That depends on the district, the extent and urgency of the problems, the number of potential solutions that may need to be explored, the ability of the MSBA and the local district to agree upon an educationally and financially sound solution, the ability of the local district to fund their portion of the agreed upon solution, and many other factors that all could impact timing. The MSBA remains committed to collaborating with all districts and working as diligently as possible through all phases of project approval, design and construction

<sup>2</sup> Source: Massachusetts School Building Authority ([http://www.massschoolbuildings.org/faqs\\_ektid106.aspx](http://www.massschoolbuildings.org/faqs_ektid106.aspx))

## **MSBA Feasibility Study Process**

**The current MSBA Feasibility Study is developed jointly with the Uxbridge School Building Committee and replaces the standard Schematic Design Phase normally used in standard Construction Design practices. The Feasibility Study shall include:**

1. Extensive updated look at potential options and solutions for the deficiencies and issues identified in the "Facilities Assessment" to include renovation of existing buildings, lease of available space in the Town or build a new building.
2. Reuse of existing (High School) building plans and other feasibility studies, the MSBA has stated it does not want Uxbridge to have to repeat any previous efforts. All provided documents shall be updated to today's standards in the design phase of the project.
3. The use of current Enrollment Projections to include School Choice Out numbers.
4. A review of the Districts operational and capital budget, Budget Statement for Educational Objectives and an analysis of the ability of the District to support the operational and capital cost of each alternative.
5. The hiring of an Owner Project Manager (OPM) is required.
  - a. Responsibility of the town to solicit (Open Solicitations) and hire utilizing MSBA guidelines and MSBA approval.
  - b. The cost for the OPM is included in the Feasibility Study budget and eventually the overall project budget.
  - c. MSBA has developed criteria, qualification based, one of which will be MCCPO Certified (procurement law).
6. The first step for the OPM in collaboration with the School Building Committee and the MSBA is to review the current School Building Construction Regulations as one criteria to explore the possibilities of renovation, leasing, or building a new facility and make a final determination of what the project and project scope will be.
7. Once the project scope has been determined and agreed upon by the Town and the MSBA, a Designer Selection Panel will be formed consisting of a fifteen member panel to include 12 permanent members (appointed by the MSBA) and three community members to include a local business person, a School Committee member and a School Building Committee member.
8. The Designer Selection Committee shall choose a design group for the Feasibility Study which may include the possibility of hiring the design group who originally developed the drawings and program manual in 2001.
9. Environmental geotechnical testing and other types of testing normally included in the Schematic Design Phase for the land if a new building is agreed on.
10. Provide a Project Scope and Budget Conference open to the public.
11. MSBA reimbursement rate shall be set within the Feasibility Study.
12. MSBA will provide specific vote language to be used for the Town Meeting Article.

**Prepared By: Uxbridge School Building Committee**

	<b>Feasibility Study Steps</b>	<b>MSBA Feasibility Study Phase</b>	<b>Previous Feasibility Studies</b>
1	Extensive updated look at potential options and solutions for deficiencies and issues identified in the Facilities Assessment to include renovation of existing buildings, lease of available space in the Town or build a new building.	<b>YES</b>	<b>YES</b>
2	The Feasibility Study is developed jointly and replaces the standard Schematic Design Phase normally used in standard Construction Design practices.	<b>YES</b>	<b>NO</b>
3	Reuse of existing (High School) building plans and other feasibility studies, the MSBA has stated it does not want Uxbridge to have to repeat any previous efforts and they do not want to make us duplicate efforts.	<b>YES</b>	<b>NO</b>
4	The hiring of an Owner Project Manager.	<b>YES</b>	<b>NO</b>
5	The cost for the OPM is included in the Feasibility Study budget and eventually the overall project budget.	<b>YES</b>	<b>NO</b>
6	Use current Enrollment Projections to include School Choice Out numbers	<b>YES</b>	<b>NO</b>
7	Study shall include a review of the Districts operational and capital budget, Budget Statement for Educational Objectives and an analysis of the ability of the District to support the operational and capital cost of each alternative.	<b>YES</b>	<b>NO</b>
8	Determine what the project and project scope will be.	<b>YES</b>	<b>YES</b>
9	Form a Designer Selection Committee and choose a design group for the FS which may include the possibility of hiring the design group who originally developed the drawings and program manual in 2001.	<b>YES</b>	<b>NO</b>
10	MSBA Feasibility Study shall include Geo testing and other types of testing normally included in the Schematic Design Phase.	<b>YES</b>	<b>NO</b>
11	The MSBA and town to work together to develop a total budget cost for the project.	<b>YES</b>	<b>YES</b>
12	MSBA reimbursement rate shall be set within the Feasibility Study.	<b>YES</b>	<b>NO</b>
13	Provide a Project Scope and Budget Conference open to the public.	<b>YES</b>	<b>NO</b>
14	MSBA will provide specific vote language to be used to Town Meeting Article.	<b>YES</b>	<b>NO</b>

## **2.10: Application and Approval Procedures**

### (8) Feasibility Study.

(a) The Authority may determine that a Feasibility Study is necessary to understand the extent of deficiencies identified in the Statement of Interest or the Facilities Assessment, if one was performed, and to begin to explore the formulation of a solution to those deficiencies as outlined in the Eligible Applicant's Statement of Interest. The Authority may require the Eligible Applicant to conduct a Feasibility Study of the facility addressed in the Statement of Interest and/or any other facilities relevant to the facility addressed in the Statement of Interest. The Design and Educational Program reviewed and approved by the Authority in the Pre-study Review Meeting shall, in part, provide the criteria for the scope of the Feasibility Study.

(b) The Feasibility Study shall be performed at a time and in a format and manner prescribed by the Authority and the Authority may reimburse the Eligible Applicant for a portion of the costs of conducting such Feasibility Study, provided that the Eligible Applicant fully cooperates with the Authority in conducting such Feasibility Study. Feasibility Studies conducted unilaterally by the Eligible Applicant, or without the prior written acknowledgement and concurrence of the Authority, or in a manner or format not acceptable to the Authority, or that, in the discretion of the Authority, do not contain the required information or were not conducted in a manner and format consistent with guidelines developed by the Authority, may, in the sole discretion of the Authority, be nonreimbursable and will be entirely at the expense of the Eligible Applicant and the results of any such Feasibility Study may not be accepted by the Authority, all in its sole discretion. The Eligible Applicant shall provide complete access to its school facilities for purposes of conducting a Feasibility Study. In the event that the Eligible Applicant does not cooperate with the Authority in conducting a Feasibility Study, which, in the reasonable judgment of the Authority results in a delay of the Feasibility Study or a delay in the application process, or conducts a Feasibility Study that is unacceptable to the Authority, the Authority may decline further consideration of the Eligible Applicant's Application, decline to reimburse the Eligible Applicant for any costs associated with the Feasibility Study and/or deduct a portion or all of the cost of the Feasibility Study from any Total Facilities Grant which the Eligible Applicant may receive approval from the Authority or from any other funds provided to the Eligible Applicant from the Authority. The Authority reserves the right to require an Eligible Applicant to revise a Feasibility Study, or conduct a new Feasibility Study.

(c) The Eligible Applicant shall submit to the Authority progress reports, draft copies, documentation and/or other information on the Feasibility Study at predetermined benchmarks while said Study is being conducted.

(d) The purpose of the Feasibility Study is to investigate potential options and solutions, including cost estimates in a format prescribed by the Authority, for the deficiencies and issues identified in the Facilities Assessment, if any assessment was performed, the Design and Educational Program, the Educational Facilities Master Plan, the Enrollment Projection, and in the properly submitted Statement of Interest by an Eligible Applicant. The Feasibility Study shall be conducted in accordance with the guidelines established by the Authority. Said guidelines may require Authority participation in the execution the Feasibility Study as well as include multiple steps requiring Authority approval at the conclusion of each step.

(e) The Feasibility Study shall include, but not be limited to:

1. an examination and identification of potential alternatives to construction or renovation of a facility whether or not such alternatives are eligible for Authority reimbursement;
2. one of the alternatives shall be an analysis of a no-build or *status quo* option, to be used as a benchmark for comparative analysis of all other alternatives;
3. an analysis of school district student school assignment practices and an analysis of available space in other school facilities in the district;
4. the utilization of under-utilized or vacant facilities potentially available for the proposed use for the Proposed Project;

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### 2.10: Application and Approval Procedures

#### (8) Feasibility Study. (continued)

5. the lease, rental or acquisition of existing buildings that could be made available for school use pursuant to M.G.L. c. 70B, § 8;
6. the use of regionalizing or tuition agreements with adjacent school districts pursuant to M.G.L. c. 70B, § 8;
7. a detailed and itemized cost estimate for each alternative;
8. an evaluation of the environmental and cost impact of construction phasing on students and staff occupying a renovated building, and any relocation options or off-hour construction that may be required for each alternative;
9. an evaluation of the existing conditions at no more than three sites, unless otherwise determined by the Authority, that shall include, but not be limited to, a geotechnical evaluation and soils exploration, a Phase I Initial Site Investigation conforming to 310 CMR 40.00, performed by a licensed site professional. Unless otherwise required by law or regulation, the Authority may require, at its sole discretion, subsequent environmental testing be performed at a site agreed upon by the Authority and the Eligible Applicant. Said subsequent environmental testing shall, when required or appropriate, include the regulatory authority or authorities having jurisdiction or be in accordance with the requirements of said appropriate regulatory authority or authorities.

(f) The Feasibility Study shall include a review of the District's operational and capital budget and said review shall include, but not be limited to:

1. a review and analysis of the Budget Statement for Educational Objectives;
2. a review and analysis of the District's operating and capital budget;
3. an analysis of the ability of the District to support the operating and capital costs of each alternative, including the increased costs of instructional, utilities, maintenance and transportation support and any debt service associated with each alternative, which may be in addition to costs already being incurred.

The Study shall include a plan for each alternative studied showing how the district intends to fund all costs associated with that alternative. Said review and analysis shall be in format determined by the Authority.

(g) The Authority, in its sole discretion, may share in a portion of the costs associated with the Feasibility Study provided that the Eligible Applicant has cooperated in all aspects of the Study and the Application process. The Authority reserves the right to approve all costs associated with any Feasibility Study for which an Eligible Applicant is seeking reimbursement from the Authority and no Eligible Applicant shall enter into a contract for the provision of services related to the Feasibility Study without prior written approval from the Authority. The Eligible Applicant shall use the standard contracts developed by the Authority. The Authority shall use the grant percentage formula established pursuant to M.G.L. c. 70B, § 10 in determining the portion of the Authority approved costs of a Feasibility Study that may be reimbursable by the Authority.

(h) In the event that the Authority determines there are extraordinary or non-customary costs that are not warranted, the Authority may require the Eligible Applicant to fund all said extraordinary or non-customary costs and the Authority may determine that all costs associated with the Feasibility Study are non-reimbursable and that the Eligible Applicant fund all costs associated with the Feasibility Study.

(i) The Authority may require the Eligible Applicant to fully fund certain environmental or geotechnical site testing costs beyond initial investigatory costs.

(j) The Eligible Applicant shall provide the Authority with the results of environmental assessment or assessments, if any, which the Eligible Applicant shall also make available for public review and shall provide a reasonable opportunity for public comment thereon.

**2.10: Application and Approval Procedures**

(8) Feasibility Study. (continued)

The Eligible Applicant shall submit to the Authority a summary of the public comments, in a format determined by the Authority, prior to the Project Scope and Budget Conference.

(k) The Authority shall bear no responsibility for the results of any Feasibility Study, environmental assessment, geotechnical site testing, nor for any site remediation, clean-up or other site remediation services. By requiring an Eligible Applicant to undertake a Feasibility Study, the Authority is in no way assuming any duty to ensure that a site of a Project is not contaminated or environmentally unsafe. Nothing stated herein shall preclude an Eligible Applicant from holding public forums, meetings, or discussions regarding any elements of an application or project.

(l) The final Feasibility Study Report shall be in the format prescribed by the Authority and shall include, but not be limited to, a detailed scope of the Proposed Project, architectural and site drawings as required to convey a successful organization of spaces that will satisfy the special and organizational requirements of the approved Design and Educational Program, a description of the major building construction systems which are proposed for the Proposed Project, a budget cost estimate using the Uniformat II Elemental Classification format (Level 3) in as much detail as determined by the Authority, a projected cash-flow, permitting requirements, a proposed project design and construction schedule including consideration of phasing of the Proposed Project, sustainable design goals including minimization of environmental and transportation impacts, and ways the Proposed Project can meet those goals, and elements of construction or demolition waste that would be recyclable.

(m) At the conclusion of the Feasibility Study, the Authority may determine that the Application does not warrant further consideration at that time, pursuant to the priority criteria established in M.G.L. c. 70B, including but not limited to M.G.L. c. 70B, §§ 6, 8, and 9(a).

**Feasibility Study Cost Determination**

At the “Pre-study Review Meeting” held on February 8<sup>th</sup>, 2008, the MSBA outlined the following determination of projected costs to conduct a Feasibility Study based on their standard MSBA project finance model and specific to the Town of Uxbridge as follows:

***IMPORTANT:*** It is important to note that the project size, costs, reimbursement percentages, debt service shown below were provided by the Massachusetts School Building Authority, calculated through the MSBA’s standard modeling formula (unless specifically denoted) and do not reflect the final construction costs and/or reimbursement points. The data shown is used MSBA’s determination for the Feasibility Study phase of the construction project.

- 1) Determination of Projected Construction Cost using MSBA formulas:

<b><u>Criteria:</u></b>	<b><u>Total</u></b>
Total Students:	500
General Square Footage per Student:	205 ft <sup>2</sup>
Total Square Footage:	102,500 ft <sup>2</sup>
Construction Cost \$:	\$325 ft <sup>2</sup>
Total Project Cost \$:	\$33.3 million
MSBA Reimbursement % (see #3 below):	58.53%
Local Shared Cost \$:	\$13.8 million

- 2) Feasibility Study Projected Costs using MSBA formulas:

	<b><u>Total \$</u></b>
Design Cost \$ (10% of Total Construction Cost Projection):	\$3.3 million
Feasibility Study \$ (15% of Total Design Cost Projection):	\$500,000

- 3) Uxbridge Reimbursement Percentage determination:

	<b><u>Total</u></b>
Baseline % for All School Projects:	31.00%
Community Income Factor % (Uxbridge):	6.32%
Community Wealth Factor % (Uxbridge):	16.21%
Community Poverty Factor % (Uxbridge):	0.00%
<u>Incentive % (minimum used for all Project Cost Forecasts):</u>	<u>5.00%</u>
Total used for Cost Determination:	58.53%

4) Projected Tax Impact and Annual Debt Service:

	<b>Total</b>
Project Bond Total \$:	\$13.3 million
Project Bond Life:	20 Years
Bond Interest % (Uxbridge):	4.25%
Annual Debt Service \$ (Uxbridge):	\$1.01 million
Average Annual Taxpayer Impact \$ (Uxbridge):	\$211 /year

**963 CMR: MASSACHUSETTS SCHOOL BUILDING AUTHORITY**

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**2.18: Grant Percentage Formula**

(1) General.

(a) The Total Facilities Grant for an Approved Project shall be determined by the Authority based on the grant percentage formula established pursuant to M.G.L. c. 70B, § 10, the Project Scope and Budget Agreement, and the cost of the Approved Project as agreed to by the Eligible Applicant and the Authority in the Project Funding Agreement.

(b) In addition to the base percentage, community income factor, community wealth factor and community poverty factor for the most recent available year applicable to the Eligible Applicant under the determinations made in M.G.L. c. 70B, § 10, an Eligible Applicant may seek incentive percentage points at the discretion of the Authority. There is no entitlement to the allocation of any incentive percentage points and the Authority reserves the right in its sole discretion to determine the allocation of incentive percentage points for an Approved Project, if any. Any Eligible Applicant seeking incentive points must notify the Authority in writing 30 calendar days prior to the Project Scope and Budget Agreement Meeting of the specific incentive points which are being requested and provide the documentation to support such request. If at any time the Authority determines that the Eligible Applicant has not met the eligibility requirements necessary to receive the incentive percentage points, the Authority reserves the right to rescind any grant amounts related to the allocation of the incentive percentage points and recover any funds that may have been paid to the Eligible Applicant.

(2) Innovative Community Use. Innovative Community Use incentive percentage points may be allocated to an Approved Project at an amount up to 3% where the Authority makes a determination that elements of an Approved Project demonstrate truly innovative use of a facility, and may be allocated for an Eligible Applicant's plan to utilize other community resources which directly result in the reduction of cost or scope to the Approved Project. The Authority, in its sole discretion, may allocate up to 1% for an Approved Project in a community that has adopted an overlay zoning district pursuant to the provisions of M.G.L. c.40R and c.40S. The Authority may allocate up to an additional ½% for an Approved Project where the M.G.L. c. 40R overlay zoning district provides for either 100 units or more of housing in one, two or three family structures; or in which 50% or more of the total number of allowed housing units in M.G.L. c. 40R overlay zoning district are designated for such structures. The Authority may establish guidelines for the distribution of Innovative Community Use incentive percentage points.

(3) Energy Efficiency. Energy Efficiency incentive percentage points may be allocated to an Approved Project in an amount up to 2% where the Authority makes a determination that elements of an Approved Project meet the threshold established in the Green Schools Guidelines for the allocation of Energy Efficiency incentive points.

**2.18: Grant Percentage Formula (continued)**

(4) Maintenance Rating.

(a) Maintenance Rating incentive percentage points may be allocated to an Approved Project in an amount up to 8%, including any incentive percentage points awarded for the establishment of a "School Facility Maintenance Trust" where the Authority makes a determination that the Eligible Applicant has exhibited best practices for maintenance and upkeep of facilities, including the establishment of long term capital improvement plans, the establishment of segregated local funds dedicated for the capital maintenance of school facilities, the use of facility maintenance manuals, and practices that standardize preventative and routine maintenance procedures, or other practices as determined by the Authority. An Eligible Applicant's maintenance practices shall be reviewed as part of the Facilities Assessment and the information collected during said review shall be used as part of the assessment of incentive percentage points for maintenance ratings.

(b) An Eligible Applicant may receive a cash grant in excess of the Total Facilities Grant in an amount up to 1% for the establishment of a local "School Facility Maintenance Trust" which shall be a segregated local fund used solely for the preventative maintenance and upkeep of an Eligible Applicant's school facilities. To be eligible to receive "School Facility Maintenance Trust" match, the Eligible Applicant must provide a local one-for-one match for any funds deposited in the Trust by the Eligible Applicant. Proceeds from said Trust shall not be used for operating or recurring costs, salaries, purchase of routine maintenance supplies, other expenses which the Authority deems to violate the spirit of the Trust, or to supplant any maintenance funding already being expended by the Eligible Applicant.

(5) Private Match. Private Match incentive percentage points may be allocated at a rate of ½% for every 1% of Approved Project cost raised for the capital construction of the facility from non-public sources, which may include private fundraising, in-kind grants, bequests, land grants, mechanical equipment, or other non-public donations presented by the Eligible Applicant, in the discretion of the Authority.

(6) Alternatives to Construction. Alternatives to Construction incentive percentage points may be allocated to an Approved Project in an amount up to 4%, in the discretion of the Authority. The Authority may allocate up to 1% from this category for Approved Projects utilizing the Construction Management at Risk construction delivery method as certified by the Inspector General of the Commonwealth and pursuant to the Construction Manager at Risk Guidelines established by the Authority. The Authority may establish guidelines for the distribution of Alternatives to Construction incentive percentage points.

**Feasibility Study – Funding at Fall Annual Town Meeting**

ARTICLE XV: APPROPRIATION TO FUND FEASIBILITY STUDY TO DETERMINE COSTS ASSOCIATED WITH THE CONSTRUCTION OF A NEW HIGH SCHOOL AS REQUIRED BY THE MASSACHUSETTS SCHOOL BUILDING AUTHORITY

To see if the Town will vote to appropriate a sum of money, said sum to be expended under the direction of the School Building Committee, for the cost of architectural and/or engineering services for a feasibility study relating to the construction of a new high school on town-owned land at 246 – 270 Quaker Highway, for which feasibility study the Town may be eligible for a grant from the Massachusetts School Building Authority’s (“MSBA”); the MSBA's grant program is a non-entitlement, discretionary program based on need, as determined by the MSBA, and any costs the Town incurs in excess of any grant approved by and received from the MSBA shall be the sole responsibility of the Town; to determine whether this appropriation shall be raised by borrowing or otherwise; or take any other action relative thereto.

SPONSOR: School Committee

*Commentary: At a meeting held on September 9, 2008, the School Committee voted unanimously to include this article in the warrant. It is anticipated that the funding in the amount of \$465,000 will be borrowed under M.G.L. c.44, G.L. c.70B, or any other enabling authority. Town Meeting previously authorized the appropriation and transfer of ~\$35K in the Spring for the same purpose. With the passage of this Article, a total of \$500,000 will be available to appropriate for the Feasibility Study.*

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**Q: Will the MSBA share in the cost of a feasibility study?**

A: Yes, the MSBA will reimburse a portion of the eligible costs of feasibility studies done in collaboration with the MSBA, based on a reimbursement rate determined by the MSBA.

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**Funding Method**

In a memo to the School Committee, David Genereux, Town of Uxbridge Finance Director, offered possible funding methods to fund the Feasibility Study and made his recommendation.

**“Funding through debt service:** This method assumes that the Town would obtain a borrowing authorization for the study at the Fall Annual Town Meeting. Please note that this method funds the study through the current levy; not subjecting it to a debt exclusion vote. The Town would not actually bond the costs until the final school vote was taken. We would issue bond anticipation notes (BANs) annually until the vote, at an estimated cost of \$20,000 per BAN. This amount would have to be funded in the debt service account. After the study is concluded, assuming that the MSBA issues a positive decision, the high school construction costs would be subject to a debt exclusion vote. If the vote is in the affirmative, we would fold the cost of the study into the school debt exclusion (allowable per Bond Counsel), and bond the entire authorization after state aid for up to twenty five years.

If the project is approved and funded, the feasibility study will be taken care of without the diversion of funds from stabilization, free cash or departmental operating funds. However, if the project does not pass, the Town will have a total of five years from the date of the first BAN to pay

for the cost of the feasibility study, net of any state reimbursement. The following costs assume a one year BAN, followed by a four year debt schedule at four percent. The overall final cost of the study would be \$570,600, with average annual debt service of \$110,120. This figure drops if \$250,000 is borrowed, with final expenditure of \$295,400 with average annual debt service of \$68,850.

**Recommendation:** I recommend that the School Committee seek a borrowing authorization within the tax levy for the feasibility study as detailed in Option #2 above. It would allow the study to be commenced within weeks of approval of the authorization. It allows departmental operating budgets, free cash, and stabilization to remain unaffected. It also avoids the scenario of multiple ballot questions for the high school.

If the high school is approved, the debt service for the study would be funded as part of the overall debt-excluded project. If the high school was not approved, the Town could rescind or reduce the borrowing authorization; as it would not yet be permanent, and explore any of the remaining options listed in this memorandum in order to reduce the impact of the short payoff time upon the levy.

I have had Bond Counsel prepare the following warrant article and motion, for the School Committee's consideration. "

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The warrant article language approved by the Bond Counsel for the Town of Uxbridge was then submitted to the MSBA Legal Department which must approve ALL Town Meeting article language. The language was approved by the MSBA.

Once approved the by both Bond Counsel and the MSBA, the Uxbridge School Committee took formal action and approved by a vote of 7-0 to submit the Article to fund the Feasibility Study to the Board of Selectman for inclusion into the Fall Annual Town Meeting Warrant.

### **Current Economic Climate Impact on MSBA Funding**

In a conference call held on October 22<sup>nd</sup>, 2008, which included Representatives of the Massachusetts School Building Authority and Representatives from the Town of Uxbridge (Finance Committee Chairman, School Building Committee Chairman, and School Business Manager), the following questions was posed:

**"Given the current economic conditions and the fact that the MSBA is funded through the state sales tax, if there is downturn in projected sales tax revenue, has the Town of Uxbridge used taxpayer monies to fund a Feasibility Study when the construction project itself cannot be realized?"**

MSBA response to this question was as follows:

**"The Massachusetts School Building Authority has sufficient funds in reserve for projects currently in the MSBA Capital Pipeline which includes Uxbridge."**