

Uxbridge High School Narrative- Part IV

INTRODUCTION

(The Past) In spring 2010 the School Building Committee (SBC) issued a three-part Narrative which provided voters with a solid foundation of known facts on which to base votes at Town Meeting and the ballot box to approve funding for the high school project. In June '10 the town approved funding by the necessary two-thirds majority at Town Meeting and then a majority at the ballot election.

Considering the long struggle to get town approval to fund the high school, the SBC's first priority was to that goal alone. The Mass. School Building Authority (MSBA) agreed to support funding construction including the athletic fields @ \$43 million, but not @ \$48 million estimated by the SBC. It was stated publicly that the fields were listed as additions/alternates; however, in the summer of '10 when Requests for Proposals (RFP) were being prepared, construction bids for new schools elsewhere were routinely running 10-20% less than initial estimated costs. The 'saving', along with contingency funds, was anticipated to generate enough extra money to build some or all fields. It may have been unwise not to ask voters for the difference initially, but it was a calculation worth making, especially when cost was the ultimate concern and when the extra \$5million would likely prove unneeded.

(Spring 2011) Unfortunately, Uxbridge missed the 'savings bubble', and when some March bids came in over estimates the SBC began pursuing a solution to provide for needed athletic fields. State law mandates physical education as an integral part of general 'education' programming throughout the district. The SBC realizes having athletic fields at the new high school also serves a more serious purpose than just 'playing' at physical education or sports, and many would agree the town will be 'poorer' in a broader sense if they remain un-built.

(Present) This Narrative describes the steps taken to address public concerns over the expense of the initial project. It describes the new 'scope' of the project which meets the school district's needs while reducing cost to taxpayers versus the June recommendation to fund a \$5 million project. It describes the implications of increased 'cost' if action is delayed. Further, it concludes procrastination would lead to opening a multi-million dollar high school with no usable athletic fields, not a reasonable option when all factors are considered. Town officials continue to work to minimize the shortfall, and talks are ongoing to secure more funding wherever possible. Meanwhile, we move forward to a Special Town Meeting on 9/24/11 and ballot election on 9/27/11.

"Part IV: Making the Case for Funding the Athletic Fields" represents a collaborative effort between the Board of Selectmen, SBC and Finance Committee. The goal is to provide factual information for the public to use as a basis for decision-making.

FACTS:

1. The fields and infrastructure were included in the overall cost as initially designed, estimated, and 'specified' in Request for Proposals (RFP) for actual bids to build the entire high school project. The initial cost of fields in April was pegged at \$5 million, but the SBC has proposed to scale back the original Scope of the Proposal which reduces costs to \$3.884 million without any negative impact on the fields' design. (See Attachment 'A' for comparison.)

2. Currently, bids due to expire on October 1st include all items noted in the original scope, but with the reduction recommended by the SBC on Aug. 17th and approved by the BOS on Aug. 22nd, the cost is now \$3.884 million. These changes save money without destroying the basic design of the athletic fields which meet the programming needs of 'physical education' and our 'sports' program. According to the Superintendent further reductions to this proposed new scope will have negative impacts, cost implications and are not recommended.

3. The fields were planned to maximize usage for physical education programs, practice and game-playing for all sports. They will be in use constantly by students and also available for community use. Request for Proposals (RFP) was designed accordingly; bids submitted and considered in accordance with MGL 149a (CM-at Risk), meaning the lowest bid was accepted provided all RFP specifications were met.

4. The Board of Selectmen set dates for another Special Town Meeting (STM) on Saturday, September 24th @ 10 AM and Tuesday, September 27th for a new ballot election which meets the October 1st deadline. This allows for contracts to be executed; prices to be locked-in under the Guaranteed Master Price (GMP) agreement; and a construction schedule to meet completion by September 2012 for the multi-purpose field/track and September 2013 for all grass fields.

5. David Krawitz of Joslin, Lesser, Project Manager, warned of additional expenses accruing if work on the athletic fields was not started by early October. His email (see attachment 'B') gives more detail but major points cited include: rising building material costs; extension of contracts with all principal players; construction delay means no usable field in September 2012 with miscellaneous other costs, ex., bussing students to current fields estimated at \$75,000 minimum annually.

Now, the town must weigh the cost of a loss at September's Town Meeting (66% Yes required) or the ballot box (51% Yes required) against the cost of doing nothing or something later at greater expense as indicated.

Also, of concern is a new high school with no serviceable athletic fields will hardly attract the anticipated school choice-in money and likely will occasion another exodus, causing another drain on our treasury to pay for local students to be educated elsewhere.

The BOS directed 'education group' will provide information for the upcoming STM, which has done an exhaustive financial analysis of the cost of building fields now, later or never. Recalling the 10-year debate over whether to build a new high school a repeat scenario with known town-wide negative impact is to be avoided. From a strict dollars-and-cents perspective, the same factors are in play over building the athletic fields- now or later. Taxpayers should review this data closely!

6. As the Superintendent has stated, physical education is a state-mandated part of the curricula. It is as important as 'book learning', and to some students sports are even more essential to their education. As those involved with sports can attest, all fields and their infrastructure will serve not only the high school students but the many youth and adult sports leagues active outside of school hours and days. Indeed, as a community asset the fields could generate revenue which could help offset fixed cost expenses.

7. This information, supplied by David Genereux, Director of Finance, is based on borrowing \$3.884 million to complete the reduced scope of the project @ 4.0 % interest for 20 years. The additional tax of \$.19/thousand translates to \$53.46 annually or \$.19/ day/household with a median value of \$291,588. **NOTE:** If positive action is not taken within one year for the fields 'attach to the high school project' (MGL Chap. 44, Sec. 7, Clause 3, allowing for a 20 year loan) then bond counsel would determine 'they are a separate project' and require bonding for a maximum of 15 years (MGL Chap. 44, Sec. 7, 25) which adds a greater annual tax burden (avg. cost of \$61.05 annually/household).

8. The SBC considers the following as being in the best long-term interest of the town: synthetic turf (vs. grass) allows use of the multi-purpose field and track on Day #1 in September 2012. This choice has proved safer, environmentally 'greener', healthier, and cheaper in terms of maintenance; costs for water, sewer, upkeep and replacement of the fields are factored into future school department budgets.

FICTION:

1. The rumor of a '**double tax whammy**' for the fields is **false**. Financial apocalypse aside, the School Committee, its budget sub-committee, and the administration will seek NO OPERATIONAL OVERRIDE once the new high school is open.

2. The **additional (average) tax** is \$53/year for the scaled-down project, and a **higher sum is false**. **NOTE:** Currently, there are monies available in two contingency funds: Owner's (\$980,000) and Construction (\$120,000). How much will be available at the completion of the entire project is unknown at this time. The SBC will not specify a particular sum now to be applied to the field project as that could be construed later as 'misleading' if unexpected conditions arise.

3. The athletic fields were not forgotten as some have claimed. The full scope was presented to the MSBA and **never included** a swimming pool; stadium-type seating or 'university-like' infrastructure.

ACTION: The following dates are important:

Saturday, Sept. 24th @ 10 AM - Special Town Meeting at which a two-thirds Yes vote must be achieved to approve spending \$3.884 million for the reduced scale of the project. You must be present to have your vote counted. While the exact verbiage of the motion to be made is unavailable at this time, it will be phrased such that the cost will not exceed \$3.884 million and will include the 'scope of the project' as accepted at the joint SBC/BOS meeting on 8/17 and approved at the BOS meeting 8/22.

Tuesday, Sept. 27th for the Ballot Election at which a simple majority Yes vote must be achieved to authorize the Board of Selectmen to borrow 'a sum':

"Shall the Town of Uxbridge be allowed to exempt from the provisions of Prop 2 ½, so called, the amounts required to pay for bonds issued in order to construct and equip athletic fields at the site of the new UHS on Quaker Highway. Yes or No"

NOTES:

1. According to MGL Chapter 59, Sec. 21C (k) (debt exclusion): NO dollar amount is included on the ballot.

2. ABSENTEE BALLOTS may be obtained from the Town Clerk's office and cast in person anytime during normal business hours (Mon. through Thurs.- closed Fri.) until Noon on Monday, September 26th. However, if you request that a ballot be mailed to you allow sufficient time for postal deliveries. To ensure your absentee vote counts (via mail) it should arrive at the Town Clerk's office no later than Monday, September 26th, or it can be returned to election officials at UHS by 8PM on Tuesday, September 27th when polls close.

We hope the citizens of Uxbridge support the reduced scale of the project at \$3.884 million with your votes on **September 24th and September 27th**. The Board of Selectmen, SBC, School and Finance Committees are committed to responding to all questions raised.

(Signed by SBC members)

Approved by SBC 8/17/11; final draft signed 9/14/11 for release to public

"Learning is the art of knowing when to use commonsense to advantage."

Josh Billings

Attachment A

#	Item Name		SBC 6.15.11	SBC 8.17.11	Variance
B.2	Multi Purpose Field	\$	1,200,000	\$ 1,200,000	\$ -
D	Bleachers at MP Field	\$	450,000	\$ 300,000	\$ (150,000)
E	Field Facility Building	\$	400,000	\$ 20,000	\$ (380,000)
F	Lighting at MP Field	\$	200,000	\$ 200,000	\$ -
G	Scoreboard at MP Field	\$	40,000	\$ 24,000	\$ (16,000)
H	Softball and Field Hockey Field	\$	450,000	\$ 432,500	\$ (17,500)
J	Practice Field	\$	225,000	\$ 225,000	\$ -
K	Track and Field Events	\$	750,000	\$ 750,000	\$ -
L	Tennis Courts	\$	425,000	\$ 425,000	\$ -
M	Tennis Courts Lighting	\$	135,000	\$ -	\$ (135,000)
N	Baseball and Soccer Field	\$	725,000	\$ 547,500	\$ (177,500)
	Contingency	Included above	\$	(240,000)	\$ (240,000)
	Totals	\$	5,000,000	\$ 3,884,000	\$ (1,116,000)

The pricing above is based on the Uxbridge High School: Athletic Fields Scope document dated 8/15/2011.

ATTACHMENT 'B'

From: David Krawitz [mailto:DKrawitz@joslinlesser.com]
Sent: Thursday, August 11, 2011 10:34 AM
To: Justin Cole
Cc: David Genereux; Dan Deveau; John Higgins; Don Sawyer; George Zini
Subject: RE: Expiration of Pricing on Add-Alternates

Justin,

We reviewed the question about the cost impact of delayed funding approval for athletic fields at the project meeting yesterday. The issues are complicated, so please allow a brief explanation. If funding is approved in time for work to begin during the fall of 2011 then we believe the field work can be completed during the spring 2011 season without incurring additional costs (beyond the \$5 M package previously presented for Town approval). However, if the funding is delayed beyond October 1st, 2011, then a number of things will change. The bid prices will no longer be guaranteed, and the costs may go up at approximately 5% (per year), but that is market driven and hard to forecast. More importantly though, if we miss the fall 2011 construction season then we will need to continue construction after July 2012 which is the official contract date for substantial completion by Shawmut. That would mean we would need to extend General Conditions for the construction manager and also extend contract administration fees for the design team, testing agencies etc. The project soft costs typically run about 1.25 x construction costs (\$43 M Total Project Budget, \$34.5 M Original Construction Budget) so the exposure for delay would be much higher than just 5% escalation, I would guess somewhere in the 10%-20% range. And of course with delay in construction start the school department would not have use of the fields for the first few years of occupancy and would incur additional busing costs.

It is not possible to put hard numbers on the potential escalation because we cannot forecast the construction market and because we would need to know a precise date for when you anticipate funding approval and then run a schedule scenario based on that and calculate additional overhead costs accordingly. I can state unequivocally that it is in the best interest of the Town to approve funding prior to 10/1/11, any delays beyond that would result in either increased costs to achieve the same scope or a scope reduction within a fixed budget allocation.

I can supply the bid tabs but I do not believe they will shed any light on this question. The sitework is performed mostly by Non-Trade subcontractors, earthwork and landscaping, and those bids were received by Shawmut directly in the early release package (mini GMP).

Thanks,
David

David Krawitz
AIA, LEED AP, MCPPO

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