

Uxbridge
Public Schools



Fall 2008 Annual Town Meeting

Article XV:

Appropriation to Fund
Feasibility Study

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

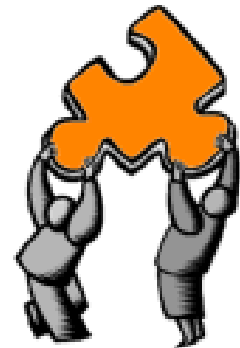
To see if the Town will vote to appropriate a sum of money, said sum to be expended under the direction of the School Building Committee, for the cost of architectural and/or engineering services for a feasibility study relating to the construction of a new high school on town-owned land at 246 – 270 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. Requires 2/3rd Majority Vote for passage.



High School Construction Project Overview

- Past 10+ Years – the need identified by various organizations
- Recent Community Action
- 4 major considerations as follows...

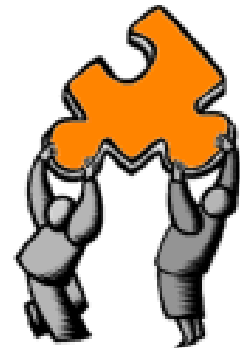


High School Construction Project Overview

New England Association of Schools & Colleges

“...The current Uxbridge High School site and plant do not adequately support all aspects of the education program support services for student learning in a High School setting...”

Source: NEASC 10 Year Review (10/3/07)

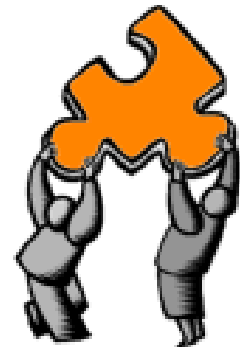


High School Construction Project Overview

Massachusetts School Building Authority

“...A feasibility study is recommended for Uxbridge to determine how the high school can best address learning environment, plant deficiencies, and the student choice out issues...”

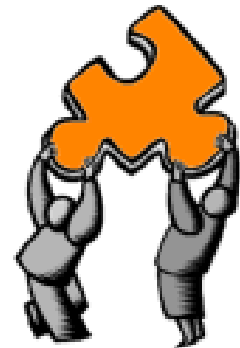
Source: MSBA Senior Study (11/14/07)



High School Construction Project Overview

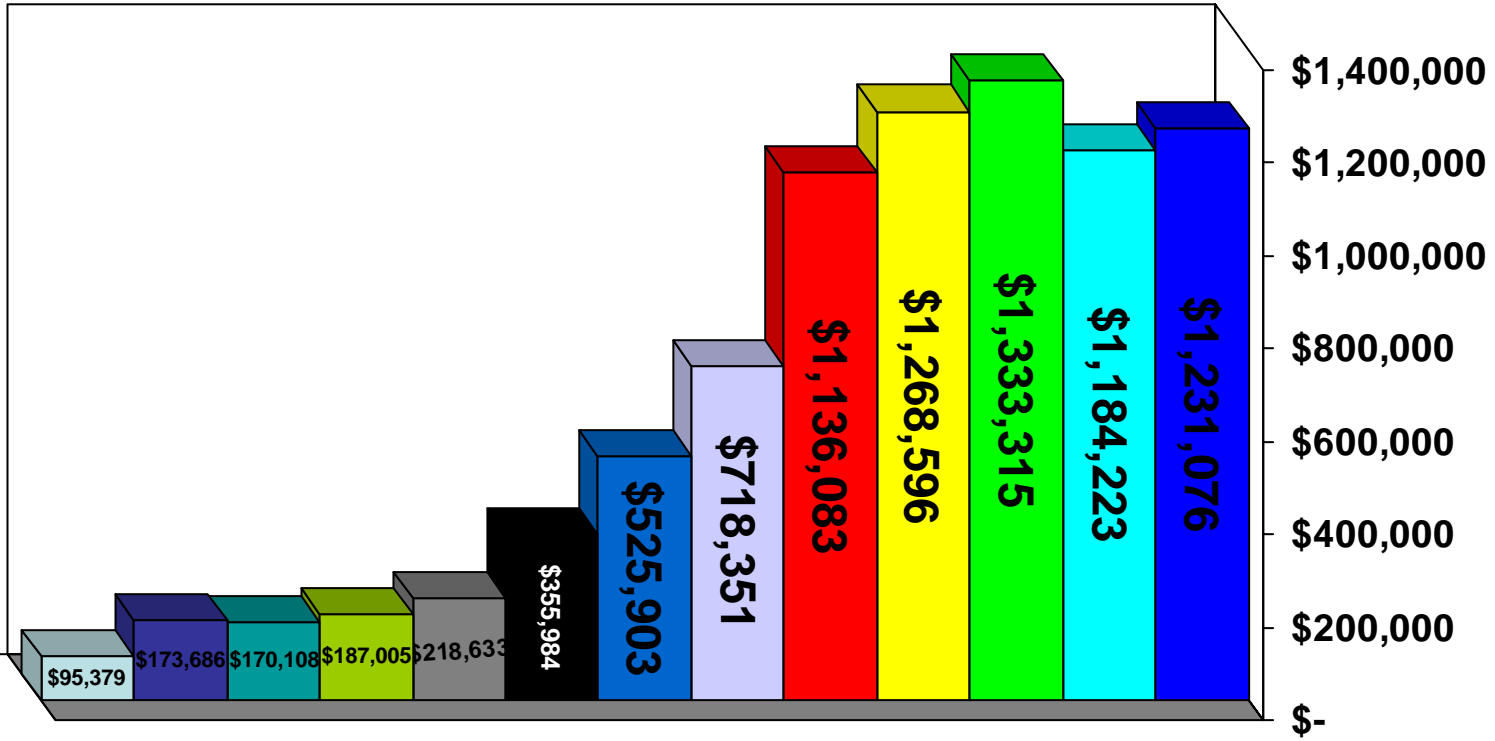
Local Financial Impact – Leased Space

- FY2009 is 7th Year leasing Good Shepherd Church facility as the Early Learning Center (\$120K per year)...
- Waiting Lists for Full-Day Kindergarten resulting in loss tuition and school choice-out...
- 4 total facilities currently leased by Uxbridge Public Schools...



High School Construction Project Overview

School Choice Out \$ Trend

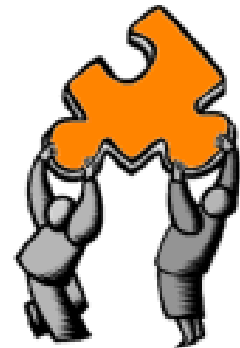


Year -	FY97	FY98	FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09
Students -	32	43	47	46	54	81	108	148	232	245	248	224	Cherry Sheet

What is the MSBA?

Massachusetts School Building Authority

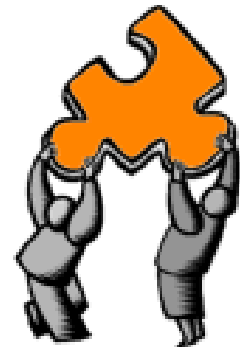
- Chapter 208 of the Acts of 2004 created an independent public Authority, chaired by State Treasurer Tim Cahill, ending the former School Building Assistance Program administered by the Department of Education.
- The Authority is charged with:
 - Succeeding to the powers of the Department of Education, inheriting approximately \$11 Billion in outstanding payments for 1156 projects authorized under the former SBA program
 - Achieving the effective management, planning and financial sustainability of the school building assistance program;
 - Revising regulations for a new program of grants for school renovation and construction projects subject to the availability of funds and a statutory cap, beginning in FY08



What is the MSBA?

Massachusetts School Building Authority

- The Commonwealth has dedicated 1 cent of the statewide 5 cent sales tax to the MSBA for the school renovation and construction grant program
- The 1 cent is phased-in through fiscal year 2011 with a guaranteed minimum amount through fiscal year 2009
- This allows for a \$2.5B New Program, Five Year Capital Pipeline



MSBA's New Process

1. Identify the Problem

- Local community identifies deficiencies in school facilities through the Statement of Interest process, referred to as "SOI"

2. Validate the Problem

- MSBA and local community work together to validate deficiencies identified
- Requires the MSBA and the city, town or regional school district to agree on the problem

3. Evaluation of potential solutions

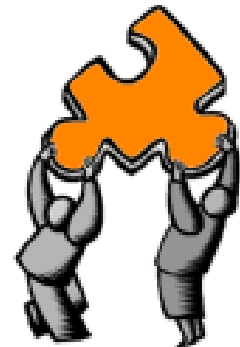
- MSBA and local community work in collaboration to identify potential solutions
- Solution must fit within the MSBA's available funding, long-term capital plan and will be prioritized based on the priorities established in G.L. c.70B s.8

4. Confirm the solution

- MSBA and local community agree on solution and appropriate course of action

5. Implement the agreed upon solution

- MSBA and local community continue collaboration through design and construction



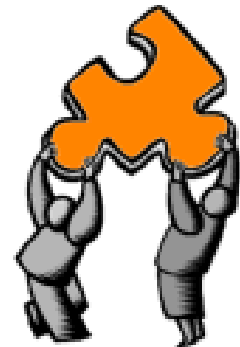
Statement of Interest Overview

Diagnostic analysis by the MSBA includes:

- Review of the SOI
- Meeting with local officials
- Site visits to assess overcrowding
- Facility assessments
- Senior studies
- Review of historical enrollment trends and forecasts
- Review of educational programs

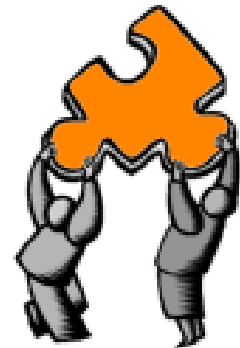
MSBA processing:

- Received 423 SOIs from 162 different school districts
- Completion of assessment, moved 49 SOI's to the Feasibility Study Step



MSBA Assessment Criteria

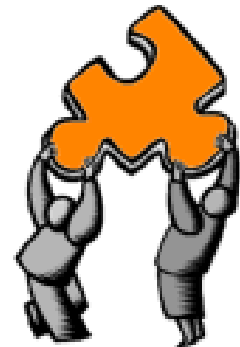
- **Building Condition**
 - Building exhibits signs of moderate to severe deficiencies in multiple building systems such as: roofing system, façade, windows and doors, heating and ventilation systems, and electrical distribution system.
 - These deficiencies adversely impact the school facility's ability to support the delivery of the educational program.
- **Building Capacity**
 - Building exhibits signs of moderate to severe overcrowding including excessive class sizes, inadequate number of classrooms, high number of cafeteria seatings, and conversion of non-educational space to educational uses.
 - These conditions adversely impact the school facility's ability to support the delivery of the educational program.
- **Educational Program**
 - The ability to support the required educational program is adversely impacted by building condition and/or capacity, including use of inadequate spaces for the delivery of educational programs.
- **Structural Deficiency**
 - Building has clearly documented structural deficiencies that pose an immediate risk to health and safety of occupants.



Uxbridge High School

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 (Feasibility Study) in the following categories:

District Name School Name	2005 -2006 Enrollment	Category	Building Condition	----- Facility Concerns -----		
				Building Capacity	Educational Program	Structural Deficiency
Uxbridge HS 09 - 12	520	Feasibility Invitation	√		√	

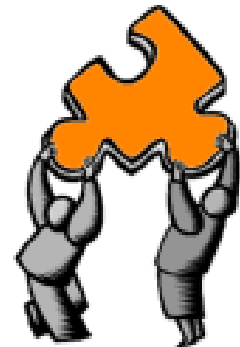


Pre-study Review Meeting

MSBA Regulation 963 - Section 2.10 – 7c

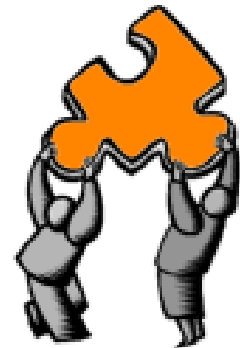
- (c) If the Authority determines that a Pre-study Review Meeting has been held to the Authority's satisfaction and the Authority determines that the Application warrants further consideration, the Authority may require that a Feasibility Study be conducted.

On February 8th, 2008, the “Pre-study Review Meeting” for Uxbridge was conducted and determined to the “Authority's satisfaction”.



Project Process Steps-to-Date

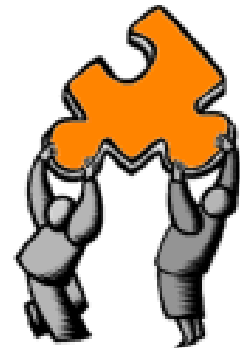
- Statement of Interest
- Initial Compliance Certification
- Local School Building Committee
- District Facilities Assessment
- Senior Study
- Pre-Study Review Meeting
- **Feasibility Study (next step)**



What is a Feasibility Study?

MSBA Regulation 963 - Section 2.10 – 8d

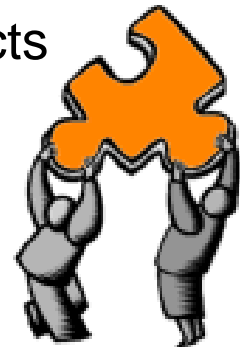
- (d) The purpose of the Feasibility Study is to investigate potential options and solutions, including cost estimates in a format prescribed by the Authority, for the deficiencies and issues identified...



What is a Feasibility Study?

MSBA Regulation 963 - Section 2.10 – 8e

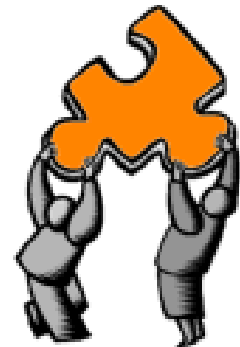
- (e) The Feasibility Study shall include:
- Potential alternatives to construction or renovation
 - Analysis of “no-build” or *status quo* option
 - Analysis of available space in other school buildings
 - Reallocation of educational programming and space
 - Lease or rent of facilities
 - Regionalization with adjacent school districts
 - New Construction
 - Renovations
 - Detailed Cost Estimate for each option



Feasibility Study – FAQ's

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?

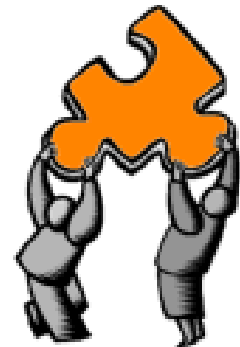
A: The invitation to collaborate on a Feasibility Study, Repair Assessment or Project Scope is not an approval of a project, but it is the next phase in the MSBA's multiphase approval process. The approval process has several phases that require collaboration with the MSBA. To be eligible for project 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.



Feasibility Study – FAQ's

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

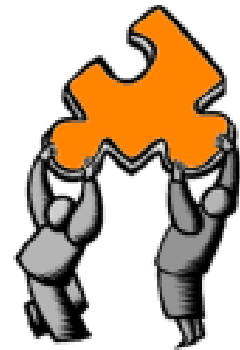
A: It is likely that previously completed studies will need to be enhanced given that feasibility studies performed in partnership with the MSBA will be much more robust than most studies that were done in the past. Also, much of the design criteria, code evaluations and other information generated in 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.



Feasibility Study – FAQ's

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

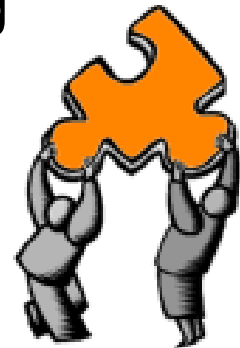
A: Yes, the MSBA will reimburse a portion of the eligible costs of feasibility studies done in collaboration with the MSBA, based on a reimbursement rate determined by the MSBA



Feasibility Study – FAQ's

Q: How long will the MSBA approval process take?

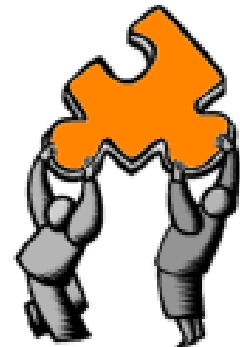
A: That depends on the district, the extent and urgency of the problems, the number of potential solutions that may need to be explored, the ability of the MSBA and the local district to agree upon an educationally and financially sound solution, the ability of the local district to fund their portion 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.



Feasibility Study Cost Determination

At the “Pre-study Review Meeting” held on February 8th, 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

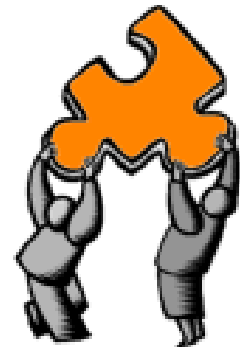
IMPORTANT: project size, costs, reimbursement percentages, debt service shown below were provided by the MSBA, calculated through the MSBA’s standard modeling formula (unless specifically denoted) and do not reflect the final construction costs and/or reimbursement points. The data shown is used in MSBA’s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



Feasibility Study Cost Determination

1) Determination of Projected Construction Cost using MSBA formulas:

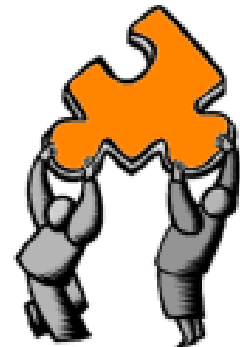
<u>Criteria:</u>	<u>Total</u>
Total Students:	500
General Square Footage per Student:	205 ft²
Total Square Footage:	102,500 ft²
Construction Cost \$:	\$325 million
Total Project Cost \$:	\$33.3 million
MSBA Reimbursement %:	58.53%
Local Shared Cost \$:	\$13.8 million



Feasibility Study Cost Determination

2) Feasibility Study Projected Costs using MSBA formulas:

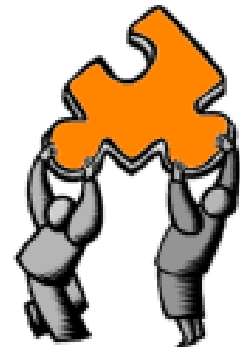
	<u>Total \$</u>
Design Cost \$ (10% of Total Construction Cost Projection):	\$3.3 million
Feasibility Study \$ (15% of Total Design Cost Projection):	\$500,000



Feasibility Study Cost Determination

3) Uxbridge Reimbursement Percentage determination:

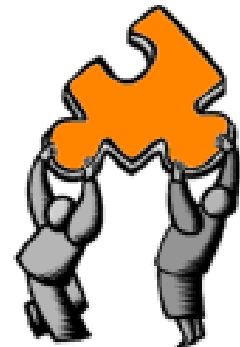
	<u>Total</u>
Baseline % for All School Projects:	31.00%
Community Income Factor % (Uxbridge):	6.32%
Community Wealth Factor % (Uxbridge):	16.21%
Community Poverty Factor % (Uxbridge):	0.00%
<u>Incentive % (minimum used for all Project Cost Forecasts):</u>	<u>5.00%</u>
Total used for Cost Determination: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



Feasibility Study Cost Determination

4) Projected Tax Impact and Annual Debt Service :

	<u>Total</u>
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



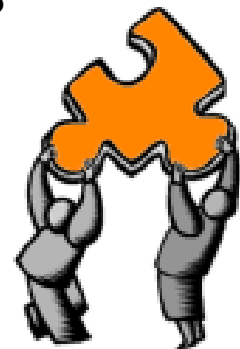
Feasibility Study Warrant Article

Feasibility Study Article Cost

- Fall Town Meeting – November 18th
- Warrant article “up to” / “not to exceed” amount
- Total includes MSBA’s reimburseable share
- Total required by MSBA = \$500K
- Actual cost not known
- Additional \$ require Town Meeting action
- 2/3rd Majority Vote required at Town Meeting
- What if the Town does not do a feasibility study?

MSBA reimbursement:

- If the Feasibility Study costs the full \$500K, Uxbridge share totals approximately \$207K

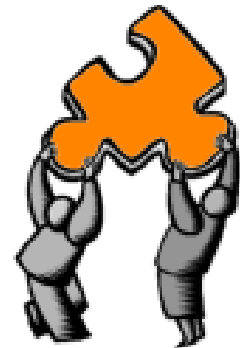


Current Economic Climate's Impact on MSBA Project Funding

“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...

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



Uxbridge
Public Schools



Questions & Comments