



Deborah B. Goldberg
Chair, State Treasurer

James A. MacDonald
Chief Executive Officer

Mary L. Pichetti
Executive Director / Deputy CEO

January 12, 2024

Mr. Bernard Greene, Chair
Brookline Select Board
Brookline Town Hall
333 Washington Street
Brookline, MA 02445

RE: Town of Brookline's First Amendment to the Project Funding Agreement
Pierce Elementary School (MSBA Project No. 201800460040)

Dear Mr. Greene,

Attached please find the First Amendment to the Project Funding Agreement between the Massachusetts School Building Authority ("MSBA") and the Town of Brookline ("Town") for the Project at the Pierce Elementary School. This First Amendment reflects the supplemental grant that the MSBA Board of Directors has approved for the Project.

The Town must mail one original signed copy of the Amendment and the revised Exhibit A to the MSBA, a copy of which will be returned to the Town after it has been signed by the MSBA's Executive Director. If the Town would like an executed Amendment with original signatures, please return two originals to the MSBA. Also, the Town may email a scanned copy of the signed Amendment and Exhibit A to the MSBA in advance of the hard copy original; however, the Town must also mail the original hard copy to the MSBA. **Please return all required documentation to the MSBA within 10 business days.**

Please reference the Town's Certification of Legal Counsel that was submitted with the Project Funding Agreement to determine which Town governmental officer(s) and/or governmental body has the full legal authority to sign this Amendment to the Project Funding Agreement. If necessary, please consult with local legal counsel to update the Certification of Legal Counsel.

After all documentation has been properly completed and submitted to the MSBA, and the Amendment has been fully executed, the Town must enter the amended budget for the Project into the MSBA's ProPay System. The MSBA will include instructions for entering the project budget with the transmittal of the fully executed PFA Amendment. Once the Town has entered the amended PFA budget for the Project and the budget has been accepted by the MSBA, then the Town can resume submitting requests for reimbursement to the MSBA. The MSBA may suspend the processing of reimbursement requests until the PFA Amendment has been fully executed, the amended budget has been entered and accepted in the MSBA's ProPay System, and all requirements have been satisfied.


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Pierce Elementary School

The required documents should be mailed to my attention at the address below:

Massachusetts School Building Authority
40 Broad Street, Suite 500
Boston, MA 02109

If you have any questions, please contact me at Christine.Nolan@MassSchoolBuildings.org

Regards,



Christine E. Nolan
General Counsel

cc: Legislative Delegation
Charles Carey, Brookline Town Administrator
David A. Pearlman, Chair, Brookline School Committee
Dr. Linus J. Guillory Jr., Superintendent, Brookline Public Schools
Jamie Yadoff, John R. Pierce School Principal, Brookline Public Schools
Jim Rogers, Owner's Project Manager, Leftfield LLC
Jen Carlson, Owner's Project Manager, Leftfield LLC
Will Spears, Designer, Miller Dyer Spears, Inc.
File: 10.2 Letters (Region 4)

**FIRST AMENDMENT
TO THE PROJECT FUNDING AGREEMENT
BETWEEN THE TOWN OF BROOKLINE AND THE MASSACHUSETTS
SCHOOL BUILDING AUTHORITY**

Effective as of November 11, 2023 (“Effective Date”), this First Amendment to the Project Funding Agreement between the Town of Brookline (“District”) and the Massachusetts School Building Authority (“Authority”), including all Exhibits and other documents attached hereto and incorporated by reference herein (“Amendment”), hereby amends the Project Funding Agreement between the District and the Authority for the Project at the John R. Pierce School which Agreement has an effective date of November 11, 2023 (hereinafter “Agreement”), as more particularly described below. This Amendment contains all of the terms and conditions agreed upon by the District and the Authority (collectively, “Parties”) as amendments to the original Agreement. No other understandings or representations, oral or otherwise, regarding amendments to the original Agreement shall be deemed to exist or bind the Parties.

The Agreement is hereby amended as follows:

1. The following Whereas clauses are hereby inserted as the 13th Whereas clause and the 14th Whereas clause on page two of the Agreement:

“13. Whereas, pursuant to the October 25, 2023 vote of the Authority's Board of Directors, which vote and corresponding memorandum are attached as Exhibit A1, the Authority has implemented a supplemental grant process to provide additional grant funding for a limited number of projects that received project scope and budget approval by the Board of the Authority between October 1, 2022 and October 1, 2023; and

14. Whereas, the District is eligible to receive a supplemental grant in the amount of \$7,563,948 for the John R. Pierce School project, which supplemental grant amount is reflected in the Estimated Maximum Total Facilities Grant and the Maximum Total Facilities Grant amounts specified in Exhibit A and in Section 2.1 of this Project Funding Agreement, as amended; and”

2. Section 2.1 of the original Agreement, is hereby deleted in its entirety.

Inserted in place thereof is the following language:

“2.1 As of the Effective Date and subject to the satisfaction of or compliance with, as reasonably determined by the Authority: (a) all of the terms and conditions of this Project Funding Agreement, (b) the applicable provisions of Chapter 70B, Chapters 208 and 210 of the Acts of 2004, and 963 CMR 2.00 *et seq.*, and (c) any other rule, regulation, policy, guideline, approval, or directive of the Authority, the Authority hereby approves the following Estimated Maximum Total Facilities Grant for the Project: an amount that, except as specifically provided in this Section 2.1, shall under no circumstances exceed the lesser of (i) 35.55% of the final approved, total eligible Project costs, as determined by the Authority, (“Reimbursement Rate”) or (ii) \$43,611,497.00 (“Estimated Total Facilities Grant”). Notwithstanding the foregoing, the Authority may determine, in its sole discretion, and subject to the limitations set forth in Section 2.3 of this Agreement, that expenditures from the owner’s contingency and construction contingency line items of the Total Project Budget, so-called, are eligible for reimbursement, and in the event of any such determination, the Authority may adjust the above-stated Estimated Maximum Total Facilities Grant amount to account for the eligible, approved owner’s and construction contingency expenditures up to a Maximum Total Facilities Grant of \$45,403,459.00. In no event shall the final, Maximum Total Facilities Grant, including any eligible owner’s and construction contingency amounts, exceed \$45,403,459.00. The Parties hereby acknowledge and agree that the Estimated Maximum Total Facilities Grant and Maximum Total Facilities Grant amounts set forth in this Section 2.1, are maximum amounts of funding that the District may receive from the Authority for the Project, and that the final amount of the Total Facilities Grant may equal an amount less than either of the aforesaid amounts, as determined by an audit conducted by the Authority. Any costs and expenditures that are determined by the Authority to be either in excess of the above-stated Total Facilities Grant or ineligible for payment by the Authority shall be the sole responsibility of the District. The Reimbursement Rate set forth above, and as more fully described in the reimbursement rate summary, attached hereto as Exhibit “I”, includes incentive reimbursement points pursuant to G.L. c. 70B, § 10(a)(C). Any incentive reimbursement points for green/energy efficiency and CM at Risk that may be included in this Agreement have been provisionally assigned and are subject to a final determination by the Authority as to the District’s eligibility to receive such incentive reimbursement points. The Reimbursement Rate set forth above and the Total Facilities Grant shall be subject to a decrease, as provided in Section 2.4 of this Agreement, if the Authority determines, in its sole discretion, that the District is ineligible to receive any portion of the incentive reimbursement points that have been provisionally assigned, as described herein, or such other incentive reimbursement points that may be assigned by the Authority.”

3. Exhibit A to the original Agreement is deleted in its entirety. Inserted in place thereof is a new Exhibit A, which is dated 12/6/2023 and attached hereto and incorporated by reference herein.
4. Exhibit A1, which is dated October 25, 2023, is hereby added as a new Exhibit, and attached hereto and incorporated by reference herein.

All other terms and conditions of the original Agreement, including Exhibits attached thereto or incorporated by reference therein, that are not hereby deleted or otherwise amended shall remain in full force and effect. The District warrants and represents that it has read and understands this Amendment. The District further warrants and represents that its undersigned officer or representative has full legal authority to enter into this Amendment on behalf of the District and to bind the District to its terms and conditions.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment in duplicate originals by their duly authorized officers or representatives as of the Effective Date written above.

MASSACHUSETTS SCHOOL BUILDING AUTHORITY
By,

Mary L. Pichetti
Executive Director

Signature Date

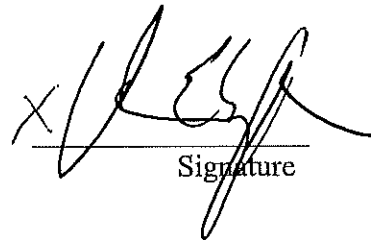
TOWN OF BROOKLINE
By,

FEB. 1, 2024

Date

CHARLES CARBY
Name (Type/Print)

Town Administrator
Title/Office (Type/Print)


Signature

PFA Exhibit A - 12/6/2023

Town of Brookline
John R. Pierce School

12/6/2023

Total Project Budget: All costs associated with the project are subject to 963 CMR 2.16(5)	Estimated Budget	Scope Items Excluded from the Estimated Basis of Maximum Facilities Grant or Otherwise Ineligible	Estimated Basis of Maximum Total Facilities Grant ¹	Estimated Maximum Total Facilities Grant ¹
Feasibility Study Agreement				
OPM Feasibility Study	\$345,884	\$0	\$345,884	
A&E Feasibility Study	\$1,458,913	\$0	\$1,458,913	
Environmental & Site	\$150,000	\$0	\$150,000	
Other	\$45,203	\$0	\$45,203	
Feasibility Study Agreement Subtotal	\$2,000,000	\$0	\$2,000,000	\$711,000
Administration				
Legal Fees	\$0	\$0	\$0	\$0
Owner's Project Manager				
Design Development	\$700,000	\$0	\$700,000	
Construction Contract Documents	\$1,045,000	\$5,212	\$1,039,788	
Bidding	\$175,000	\$0	\$175,000	
Construction Contract Administration	\$5,000,000	\$2,702,804	\$2,297,196	
Closeout	\$180,000	\$0	\$180,000	
Extra Services	\$0	\$0	\$0	
Reimbursable & Other Services	\$35,000	\$0	\$35,000	
Cost Estimates	\$80,000	\$0	\$80,000	
Advertising	\$35,000	\$0	\$35,000	
Permitting	\$0	\$0	\$0	
Owner's Insurance	\$175,000	\$0	\$175,000	
Other Administrative Costs	\$150,000	\$150,000	\$0	
Administration Subtotal	\$7,555,000	\$2,858,016	\$4,696,984	\$1,669,778
Architecture and Engineering				
Basic Services				
Design Development	\$3,705,919	\$0	\$3,705,919	
Construction Contract Documents	\$6,229,098	\$12,060	\$6,217,038	
Bidding	\$394,247	\$0	\$394,247	
Construction Contract Administration	\$5,046,358	\$3,679,957	\$1,366,401	
Closeout	\$394,247	\$0	\$394,247	
Other Basic Services	\$0	\$0	\$0	
Basic Services Subtotal	\$15,769,869	\$3,692,017	\$12,077,852	
Reimbursable Services				
Construction Testing	\$0	\$0	\$0	
Printing (over minimum)	\$75,000	\$0	\$75,000	
Other Reimbursable Costs	\$850,000	\$0	\$850,000	
Hazardous Materials	\$750,000	\$0	\$750,000	
Geotechnical & Geo-Environmental	\$750,000	\$0	\$750,000	
Site Survey	\$75,000	\$0	\$75,000	
Wetlands	\$0	\$0	\$0	
Traffic Studies	\$20,000	\$0	\$20,000	
Architectural/Engineering Subtotal	\$18,289,869	\$3,692,017	\$14,597,852	\$5,189,536
CM at Risk Pre-Construction Services				
Pre-Construction Services	\$300,000	\$0	\$300,000	\$106,650
Site Acquisition				
Land / Building Purchase	\$0	\$0	\$0	
Appraisal Fees	\$0	\$0	\$0	
Recording fees	\$0	\$0	\$0	
Site Acquisition Subtotal	\$0	\$0	\$0	\$0
Construction Costs				
SUBSTRUCTURE				
Foundations	\$9,368,529			
Basement Construction	\$0			
SHELL				
Super Structure	\$14,743,712			
Exterior Closure	\$0			
Exterior Walls	\$8,392,717			
Exterior Windows	\$4,174,984			
Exterior Doors	\$313,522			
Roofing	\$3,313,474			
INTERIORS				
Interior Construction	\$8,557,123			
Staircases	\$1,153,216			
Interior Finishes	\$6,383,382			
SERVICES				
Conveying Systems	\$669,000			
Plumbing	\$3,370,580			
HVAC	\$17,471,392			
Fire Protection	\$1,492,580			
Electrical	\$10,818,300			
EQUIPMENT & FURNISHINGS				
Equipment	\$1,218,896			
Furnishings	\$2,013,861			
SPECIAL CONSTRUCTION & DEMOLITION				
Special Construction	\$0			
Existing Building Demolition	\$3,267,836	\$0		
In-Building Hazardous Material Abatement	\$3,847,980	\$0		
Asbestos Containing Floor Material / Ceiling Tile Abatement	\$1,402,020	\$1,402,020		
Other Hazardous Material Abatement	\$0	\$0		
BUILDING SITE WORK				
Site Preparation	\$4,729,888	\$0		
Site Improvements	\$5,771,419	\$0		
Site Civil / Mechanical Utilities	\$820,288	\$0		

Site Electrical Utilities	\$1,012,536	\$0		
Scope Excluded Site Work	\$0	\$0		
Construction Trades Subtotal	\$114,107,215	\$1,402,020		
Contingencies (Design and Pricing)	\$11,410,721	\$625,973		
Sub-Contractor Bonds	\$2,729,974	\$149,762		
D/B/B Insurance	\$0	\$0		
General Conditions	\$14,218,000	\$779,976		
D/B/B Overhead & Profit	\$0	\$0		
GMP Insurance	\$2,746,272	\$150,856		
GMP Fee	\$3,929,836	\$215,584		
GMP Contingency	\$3,360,453	\$184,349		
Escalation to Mid-Point of Construction	\$15,520,189	\$851,412		
Construction Cost over Funding Cap		\$64,816,938		
Construction Budget	\$168,022,660	\$68,976,670	\$99,045,990	\$35,210,849
Alternates				
Ineligible Work Included in the Base Project	\$0	\$0	\$0	
Alternates Included in the Total Project Budget	\$0	\$0	\$0	
Alternates Excluded from the Total Project Budget	\$2,640,000		\$2,640,000	
Subtotal to be included in Total Project Budget	\$0	\$0	\$0	\$0
Miscellaneous Project Costs				
Utility Company Fees	\$200,000	\$0	\$200,000	
Testing Services	\$300,000	\$0	\$300,000	
Swing Space / Modulars	\$1,500,000	\$1,500,000	\$0	
Other Project Costs (Mailing & Moving)	\$1,000,000	\$1,000,000	\$0	
Miscellaneous Project Costs Subtotal	\$3,000,000	\$2,500,000	\$500,000	\$177,750
Furnishings and Equipment				
Furniture, Fixtures & Equipment	\$1,850,000	\$980,000	\$870,000	
Technology	\$1,517,069	\$647,069	\$870,000	
FF&E Subtotal	\$3,367,069	\$1,627,069	\$1,740,000	\$618,570
Soft Costs that exceed 20% of Construction Cost		\$0	\$0	
Project Budget	\$202,534,598	\$79,653,772	\$122,880,826	\$43,684,134

Board Authorization	
Design Enrollment	725
Total Building Gross Floor Area (GSF)	246,123
Total Project Budget (excluding Contingencies)	\$202,534,598
Scope Items Excluded or Otherwise Ineligible	-\$79,653,772
Third Party Funding (Ineligible)	-\$0
Estimated Basis of Maximum Total Facilities Grant ¹	\$122,880,826
Reimbursement Rate ³	35.55%
Est. Max. Total Facilities Grant (before recovery) ¹	\$43,684,134
Cx Costs associated with Ineligible Building Area ⁴	-\$72,637
Cost Recovery associated with Prior Projects ⁴	-\$0
Estimated Maximum Total Facilities Grant ¹	\$43,611,497

31.00 Reimbursement Rate Before Incentive Points
4.55 Total Incentive Points³
35.55% MSBA Reimbursement Rate

NOTES
This document was prepared by the MSBA based on a preliminary review of information and estimates provided by the Town of Brookline for the John R. Pierce School project. Based on this preliminary review, certain budget, cost and scope items have been determined to be ineligible for reimbursement, however, this document does not contain a final, exhaustive list of all budget, cost and scope items which may be ineligible for reimbursement by the MSBA. Nor is it intended to be a final determination of which budget, cost and scope items may be eligible for reimbursement by the MSBA. All project budget, cost and scope items shall be subject to review and audit by the Authority, and the Authority shall determine, in its sole discretion whether any such budget, cost and scope items are eligible for reimbursement. The MSBA may determine that certain additional budget, cost and scope items are ineligible for reimbursement.

- 1 - The Estimated Basis of Total Facilities Grant and Estimated Maximum Facilities Grant amounts do not include any potentially eligible contingency funds and are subject to review and audit by the MSBA.
- 2 - Pursuant to Section 3.21 of the Project Funding Agreement and the applicable policies and guidelines of the Authority, any project costs associated with the reallocation or transfer of funds from either the Owner's contingency or the Construction contingency to other budget line items shall be subject to review by the Authority to determine whether any such costs are eligible for reimbursement by the Authority. All costs are subject to review and audit by the MSBA.
- 3 - The MSBA has provisionally included two (2) incentive points for energy efficiency, subject to the District meeting certain sustainability requirements for the project. If the District does not meet the requirements for the energy efficiency, the District will not qualify for these incentive points and the MSBA will adjust the reimbursement rate accordingly.
- 4 - Costs associated with the commissioning of ineligible building area will result in the recovery of a portion of the overall commissioning cost. The MSBA has calculated this recovery of funds to be \$72,637 and this amount has been deducted from the Estimated Total Facilities Grant and the Maximum Total Facilities Grant.

Construction Contingency ²	\$7,701,133
Ineligible Construction Contingency ²	\$4,340,680
"Potentially Eligible" Construction Contingency ²	\$3,360,453
Owner's Contingency ²	\$1,680,227
Ineligible Owner's Contingency ²	\$0
"Potentially Eligible" Owner's Contingency ²	\$1,680,227
Total Potentially Eligible Contingency ²	\$5,040,680
Reimbursement Rate ³	35.55%
Potential Additional Contingency Grant Funds ²	\$1,791,962
Maximum Total Facilities Grant	\$45,403,459
Total Project Budget	\$211,915,958

By signing this Total Project Budget, I hereby certify that I have read and understand the form and further certify, to the best of my knowledge and belief, that the information supplied by the District in the table above is true, accurate, and complete.

By signing this Total Project Budget, I hereby certify that I have read and understand the form and further certify, to the best of my knowledge and belief, that the information supplied by the District in the table above is true, accurate, and complete.

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By signing this Total Project Budget, I hereby certify that I have read and understand the form and further certify, to the best of my knowledge and belief, that the information supplied by the District in the table above is true, accurate, and complete.

By:
Title: Chair of School Building Committee

By:
Title: Chief Executive Officer

By:
Title: Superintendent of Schools

By:
Title: Chair of the School Committee

Date: _____

Date: _____

Date: _____

Date: _____

TO: Board of Directors, Massachusetts School Building Authority
FROM: James A. MacDonald, First Deputy Treasurer, Chief Executive Officer
Mary L. Pichetti, Executive Director/Deputy Chief Executive Officer
SUBJECT: Approved Legislation, Commonwealth of Massachusetts FY 24 Budget
Recommendation to Approve Supplemental Grants
DATE: October 18, 2023

The purpose of this memorandum is to seek approval by the Board of Directors to adjust the Maximum Total Facilities Grant for projects that:

- a) received Project Scope and Budget approval by the MSBA's Board of Directors prior to October 1, 2022 and have accepted or will accept bids on or after January 1, 2022, per the approved legislation in the Commonwealth's Fiscal Year 2024 Budget, as shown in Attachment A. Staff recommend adjustments commensurate with the positive funding limits approved by the Board of Directors on December 21, 2022 for these projects, as shown in Attachment B.
- b) received Project Scope and Budget approval by the MSBA's Board of Directors after October 1, 2022 and prior to October 1, 2023, as shown in Attachment C. Based on the approved legislation increasing the Annual Cap in fiscal year 2023 ("FY23") to \$1.2 billion, staff recommend project funding limit adjustments to align the increase to projects described in section a) above (shown in Attachment B) with the increase anticipated for projects receiving Project Scope and Budget approval after October 1, 2023. (See "Recommendation to Revise MSBA Project Funding Limits Policy", October 18, 2023).

Background

This memorandum addresses, in part, the legislation regarding supplemental grants for school construction projects previously approved by the MSBA (See Attachment A) and provides staff's recommendations on implementation for the Board's consideration. Working in conjunction with its legislative partners, the MSBA previously provided information regarding projects that have been significantly affected by unanticipated cost escalations. This legislation, along with the increase in the Annual Cap effective in FY23, has provided the MSBA with resources and flexibility to further assist school construction projects partnering with the MSBA.

The legislation defines the eligibility for supplemental grants as follows:

- Supplemental grants "*shall be made available in addition to amounts previously approved by the authority's board of directors for certain cities, towns and school districts with core program school facility projects in the authority's capital pipeline that have been impacted by unanticipated cost escalations*"; and,
- Supplemental grants "*shall be used to assist school districts with escalations incurred in connection with school facility construction projects that received project scope and*

funding agreement approval by the authority's board of directors prior to October 1, 2022 and have accepted or will accept bids on or after January 1, 2022”.

In addition, the legislation provides guidance on the implementation of the supplemental grants as follows:

- The MSBA “*shall establish the rules and policies related to said program and the criteria for determining a project’s eligibility and an appropriate supplemental grant amount*”;
- The MSBA will partner with districts to ensure that they “*submit budget and project documentation to the authority in a form prescribed by the authority to be eligible to receive grants from this item*”;
- The MSBA, “*with the approval of its board of directors, may waive certain cost cap limits or other grant limits that have been established as part of the grant program funded under this item*”; and,
- The amount of the supplemental grants distributed to cities, towns and school districts from these supplemental grants shall not be included within the Annual Cap limit in section 7 of Chapter 70B of the General Laws.

Discussion

Based on review of the legislation, MSBA staff have two recommendations to adjust previously approved grants.

First, for the projects that meet the timeline identified in the legislation and shown in Attachment B, staff recommend that the previously approved Maximum Total Facilities Grant be increased using the project funding limits approved by the Board of Directors on December 21, 2022 (“Recommendation to Revise MSBA Project Funding Limits Policy”, December 14, 2022). Only the funding limits that result in an increase to the previously approved grant amounts would be applied for these projects. No funding limit that is more restrictive than the funding limit on which the project’s grant was initially established would be applied. Per the approved legislation, the amount of these supplemental grants will not apply to the Annual Cap.

Funding limits for these projects incorporate two different approved levels of MSBA project funding limits: \$333/sf effective for districts receiving an approval of a Project Scope and Budget on or after January 1, 2018 and \$360 effective for districts receiving an approval of a Project Scope and Budget on or after June 1, 2021. The information in the table below shows the two levels of funding limits and each funding limit category. Columns 2 and 3 represent the two levels used at the time the original grants were approved and Columns 4 and 5 show the recommended project funding limits approved December 21, 2022 for comparison and recommended implementation.

MSBA Project Funding Limits	Approved Projects Eligible for Supplemental Grants >1/1/2018	Approved Projects Eligible for Supplemental Grants >6/1/2021	Project Funding Limits Approved December 21, 2022 >10/1/2022	December 21, 2022 Project Funding Limits to be Applied (Yes or No)
Building Cost	\$333/sf	\$360/sf	\$393/sf	Yes
Sitework Cost	Included above	Included above	\$39/sf (10% of above)	Yes
Total Funding Limit for Building Cost and Sitework Cost	\$333/sf	\$360/sf	\$432/sf	Yes
OPM Fee	3.5% of construction budget	3.5% of \$500/sf	3.5% of \$550/sf	No, not applied for projects >1/1/18. Yes, applied for projects >6/1/21 to increase from \$500/sf to \$550/sf.
Designer Fee	10.0% of construction budget	10% of \$500/sf	10% of \$550/sf	No, not applied for projects >1/1/18. Yes, applied for projects >6/1/21 to increase from \$500/sf to \$550/sf.
Owner's Contingency	No limit	0.5% of construction budget for new construction and 1.0% of construction budget for addition/renovation	0.5% of construction budget for new construction and 1.0% of construction budget for addition/renovation	No, not applied for projects >1/1/18. No, no change required for projects >6/1/21.

Second, staff are also recommending an increase to the previously approved Maximum Total Facilities Grant for projects shown on Attachment C that received Project Scope and Budget approval between October 1, 2022 and October 1, 2023. This recommendation is made to bring the project funding limits for the projects during this period in alignment with the project funding

limits for the projects noted above in Attachment B and the proposed project funding limits, which are subject to the Board’s approval at the October 25, 2023 meeting, for projects that seek Project Scope and Budget approval after October 1, 2023.

Staff base this recommendation on the following: 1) if approved by the Board, the projects noted above (See Attachment B) who bid in an earlier year would otherwise now have the same project funding limits as those projects approved for Project Scope and Budget approval between October 1, 2022 and October 1, 2023; 2) the approved legislation increased the Annual Cap to \$1.2 billion in FY23; and 3) the project funding limits for the projects in this period would be much lower than those proposed for projects submitting on or after October 1, 2023. Therefore, staff recommend that the projects approved for Project Scope and Budget approval between October 1, 2022 and October 1, 2023, as shown in Attachment C, receive an increase up to the project funding limit levels noted in the table below.

MSBA Project Funding Limits	Projects Approved for Project Scope and Budget between 10/1/22 and 10/1/23	Project Funding Limit Recommended
Building Cost	\$393/sf	\$516/sf
Sitework	\$39/sf (10% of above)	\$52/sf (10% of above)
Total Funding Limit for Building Cost and Sitework Costs	\$432/sf	\$568/sf

Next Steps

Based on an initial review of existing funding agreements, MSBA staff estimate that the supplemental grants for the projects identified in the timeline approved in the legislation and as shown in Attachment B will total approximately \$270 million, which will not apply to the MSBA’s Annual Cap. The Commonwealth’s FY24 Budget provides \$100 million to the MSBA in support of the supplemental grants. To commence reimbursement at the higher funding limits and capitalize on the \$100 million appropriation in the FY24 budget, MSBA staff will need to receive the \$100 million from the Commonwealth in accordance with an agreed upon allocation, work expeditiously with each district to process new funding agreement amendments, update the MSBA’s Propay system, and develop the process to issue and track payments in accordance with the reimbursements submitted. The MSBA is currently working with the Comptroller’s office and the Executive Office of Education to define and finalize the process for receiving the funds.

For the projects identified in Attachment C, MSBA staff estimate that the increases will total approximately \$110 million, which will apply to the MSBA’s Annual Cap. MSBA staff will work with each district to make the necessary adjustments to the project funding agreements. The actual adjusted amounts for each project in Attachment B and C will only be known once

the district submits the required budget and project information and partners with the MSBA to apply revised project funding limits to each project.

Per the legislation, the MSBA will be required to submit a report to the Legislature no later than May 31, 2024, detailing grant award recipients and the amount received for each project. MSBA staff will provide an informational update to the MSBA Board of Directors at each Board meeting until all project adjustments have been finalized.

Recommendation

That the Board authorizes the Executive Director to adjust the Maximum Total Facilities Grants for the previously approved projects identified in Attachments B and C to provide supplemental grant assistance in accordance with the parameters set forth in this memorandum and in the amounts that MSBA staff calculate by applying the metrics set forth in this memorandum, and that the Board further authorizes the Executive Director to take steps necessary and reasonable to provide such supplemental grant assistance without additional Board approval, and to execute and deliver any and all documents and agreements, and expend funds as deemed appropriate by the Executive Director to assist the Projects identified in Attachments B and C, taking such actions without additional Board authorization

1596-2431 MSBA Capital Supports

Approved by the Governor

For supplemental grants for school construction projects previously approved for financing by the Massachusetts School Building Authority; provided, that notwithstanding any general or special law to the contrary, said program shall be made available in addition to amounts previously approved by the authority's board of directors for certain cities, towns and school districts with core program school facility projects in the authority's capital pipeline that have been impacted by unanticipated cost escalations; provided further, that said program shall be used to assist school districts with escalations incurred in connection with school facility construction projects that received project scope and funding agreement approval by the authority's board of directors prior to October 1, 2022 and have accepted or will accept bids on or after January 1, 2022; provided further, that notwithstanding any general or special law to the contrary, the authority shall establish the rules and policies related to said program and the criteria for determining a project's eligibility and an appropriate supplemental grant amount; provided further, that cities, towns and school districts shall submit budget and project documentation to the authority in a form prescribed by the authority to be eligible to receive grants from this item; provided further, that the authority, with the approval of its board of directors, may waive certain cost cap limits or other grant limits that have been established as part of the grant program funded under this item; provided further, that the amounts distributed to cities, towns and school districts from this item shall not be calculated as part of the limit in **section 7 of chapter 70B** of the General Laws on the estimated amount of grants approved by the authority during a fiscal year; and provided further, that not later than May 31, 2024, the authority shall submit a report to the executive office for administration and finance, the joint committee on education and the house and senate committees on ways and means detailing grant award recipients and the amount received for each project

Education and Transportation Fund \$100 million



Deborah B. Goldberg
Chair, State Treasurer

James A. MacDonald
Chief Executive Officer

Mary L. Pichetti
Executive Director / Deputy CEO

Massachusetts School Building Authority
40 Broad Street, Boston, MA 02109
Meeting of the Board of Directors
October 25, 2023

Approval of Massachusetts School Building Authority's Recommendation to Provide Supplemental Grants to Certain Approved Projects

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

VOTED: That the Board of Directors of the Massachusetts School Building Authority hereby authorizes the Executive Director to adjust the Maximum Total Facilities Grants for previously approved projects, as identified and further described in the materials presented to the Board and incorporated by reference herein, to provide supplemental grant assistance in accordance with the parameters set forth in the incorporated memorandum and in the amounts that Authority staff calculate by applying the metrics set forth in the incorporated materials, and hereby further authorizes the Executive Director to execute and deliver any and all documents and agreements, and expend funds as deemed necessary or appropriate by the Executive Director to assist the projects identified in the memorandum titled Approved Legislation, Commonwealth of Massachusetts FY 24 Budget Recommendation to Approve Supplemental Grants and the associated Attachments B and C, taking such actions without further approval of the Board of Directors.

By a vote of 6 votes for and 0 against, with 0 abstaining.

Attachment B

“school facility construction projects that received project scope and funding agreement approval by the authority’s board of directors prior to October 1, 2022 and have accepted or will accept bids on or after January 1, 2022”

<i>District</i>	<i>School</i>	<i>Project Scope and Budget Approval</i>	<i>General Bids / Guaranteed Maximum Price (Received / Anticipated)</i>
<i>Andover</i>	<i>West Elementary School</i>	<i>4/14/2021</i>	<i>12/12/2022</i>
<i>Ashland</i>	<i>David Mindess Elementary School</i>	<i>10/28/2020</i>	<i>3/8/2022</i>
<i>Boston</i>	<i>William E. Carter School</i>	<i>8/25/2021</i>	<i>11/17/2023</i>
<i>Boston</i>	<i>Josiah Quincy Upper School</i>	<i>10/28/2020</i>	<i>11/15/2022</i>
<i>Bristol-Plymouth Regional Vocational Technical School District</i>	<i>Bristol-Plymouth Regional Vocational Technical High School</i>	<i>10/27/2021</i>	<i>8/31/2023</i>
<i>Fitchburg</i>	<i>Crocker Elementary School</i>	<i>6/23/2021</i>	<i>2/14/2023</i>
<i>Gloucester</i>	<i>East Gloucester Elementary School</i>	<i>8/26/2020</i>	<i>2/23/2022</i>
<i>Greater Fall River Vocational School District</i>	<i>Diman Regional Vocational Technical High School</i>	<i>12/15/2021</i>	<i>2/1/2024</i>
<i>Groton-Dunstable Regional School District</i>	<i>Florence Roche Elementary School</i>	<i>2/11/2021</i>	<i>6/29/2023</i>
<i>Hingham</i>	<i>William L. Foster Elementary School</i>	<i>8/31/2022</i>	<i>5/16/2023</i>
<i>Lawrence</i>	<i>Francis M. Leahy Elementary School</i>	<i>10/27/2021</i>	<i>5/24/2023</i>
<i>Lawrence</i>	<i>Oliver Partnership School</i>	<i>2/11/2021</i>	<i>11/9/2022</i>
<i>Lowell</i>	<i>Lowell High School</i>	<i>4/10/2019</i>	<i>10/4/2022</i>
<i>Nauset Regional School District</i>	<i>Nauset Regional High School</i>	<i>2/13/2020</i>	<i>10/19/2022</i>
<i>Northeast Metropolitan Regional Vocational School District</i>	<i>Northeast Metropolitan Regional Vocational Technical High School</i>	<i>8/25/2021</i>	<i>11/24/2023</i>
<i>Norwood</i>	<i>Dr. Philip O. Coakley Middle School</i>	<i>3/2/2022</i>	<i>6/12/2023</i>

<i>District</i>	<i>School</i>	<i>Project Scope and Budget Approval</i>	<i>General Bids / Guaranteed Maximum Price (Received / Anticipated)</i>
<i>Peabody</i>	<i>William A. Welch Elementary School</i>	<i>10/27/2021</i>	<i>12/1/2022</i>
<i>Randolph</i>	<i>Elizabeth G. Lyons Elementary School</i>	<i>10/27/2021</i>	<i>1/25/2023</i>
<i>Somerset</i>	<i>Somerset Middle School</i>	<i>4/14/2021</i>	<i>3/6/2023</i>
<i>Spencer-East Brookfield Regional School District</i>	<i>David Prouty High School</i>	<i>6/22/2022</i>	<i>11/15/2023</i>
<i>Stoneham</i>	<i>Stoneham High School</i>	<i>8/25/2021</i>	<i>1/23/2023</i>
<i>Swampscott</i>	<i>Hadley Elementary School</i>	<i>6/23/2021</i>	<i>10/25/2022</i>
<i>Tyngsborough</i>	<i>Tyngsborough Middle School</i>	<i>4/27/2022</i>	<i>12/13/2023</i>
<i>Walpole</i>	<i>Bird Middle School</i>	<i>8/25/2021</i>	<i>2/14/2023</i>
<i>Watertown</i>	<i>Watertown High School</i>	<i>3/2/2022</i>	<i>5/10/2023</i>
<i>Webster</i>	<i>Bartlett High School</i>	<i>3/2/2022</i>	<i>10/19/2023</i>
<i>Wellesley</i>	<i>John D. Hardy (fka Ernest F. Upham) Elementary School</i>	<i>8/25/2021</i>	<i>4/13/2023</i>
<i>Westfield</i>	<i>Franklin Avenue Elementary School</i>	<i>10/27/2021</i>	<i>3/21/2023</i>
<i>Westwood</i>	<i>Paul R. Hanlon Elementary School</i>	<i>4/14/2021</i>	<i>6/22/2022</i>
<i>Worcester</i>	<i>Doherty Memorial High School</i>	<i>8/26/2020</i>	<i>6/15/2022</i>

Attachment C

Projects approved for project scope and budget approval between October 1, 2022 and October 1, 2023

District	School	Project Scope and Budget Approval
<i>Haverhill</i>	<i>Consentino Middle School</i>	<i>10/26/22</i>
<i>Winchester</i>	<i>Lynch Elementary School</i>	<i>10/26/22</i>
<i>Brookline</i>	<i>Pierce K-8</i>	<i>12/21/22</i>
<i>Wakefield</i>	<i>Wakefield High School</i>	<i>12/21/22</i>
<i>Amherst</i>	<i>Fort River Elementary School</i>	<i>4/26/23</i>
<i>Holyoke</i>	<i>Peck Middle School</i>	<i>6/21/23</i>
<i>Maynard</i>	<i>Green Meadow ES</i>	<i>6/21/23</i>
<i>Nashoba</i>	<i>Nashoba Regional High School</i>	<i>8/30/23</i>
<i>Tri-County</i>	<i>Tri-County Regional Vocational Technical High School</i>	<i>8/30/23</i>