



TOWN OF BELMONT
OFFICE OF THE BOARD OF SELECTMEN
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BOARD OF SELECTMEN
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JAMES R. WILLIAMS

TOWN ADMINISTRATOR
DAVID J. KALE

ASSISTANT TOWN ADMINISTRATOR
PHYLLIS L. MARSHALL

April 21, 2016

Dear Town Meeting Members:

Enclosed please find the information regarding the Special Town Meeting scheduled for **Wednesday, May 4, 2016 at 7:30pm** in the Belmont High School Auditorium.

- Presentation document prepared by Minuteman Regional Vocational High School Administration regarding the proposed building project under consideration in Article 1 of the Special Town Meeting Warrant.
- Spreadsheets representing allocated costs related to the building project to the District Member Towns.
- Further information for the Minuteman Regional Vocational High School please see the following link: www.minuteman.org

Please be reminded that the Warrant and any additional information can be found in the Town Meeting section of the Town Clerk's web page at www.Belmont-ma.gov.

We look forward to a productive Annual Town Meeting, and thank you for your continued involvement and participation in our Town's legislative process.

Sincerely,

Mark A. Paolillo, Chair
Sami S. Baghdady, Vice Chair
James R. Williams, Selectmen

Enclosures

Presented by:
Minuteman High School
Edward A. Bouquillon, Ph.D.,
Superintendent-Director



MINUTEMAN
A REVOLUTION IN LEARNING

Minuteman High School Building Project

*Giving Students a Competitive Advantage in
Today's Global Economy*

A REVOLUTION IN LEARNING

Your Minuteman High School

- Established in 1970 as a Career and Technical High School to serve member towns
- Rigorous academic courses coupled with high-quality, industry-supported career and technical education
- This powerful combination gives graduates **a competitive advantage in the new global economy**

Your Minuteman High School

- Students have a full range of academic courses: foreign languages, math, science, English, social studies, AP, and other traditional high school offerings.
- Students access athletics, extracurricular activities, and co-op work opportunities.
- 100% Pass Rate on the MCAS

A Vision for Our Future



Features of this Project

- 628 Student Design Enrollment
- 257,745 Total Building Gross Floor Area
- \$119,200,892 Construction Budget
- \$144,922,480 Total Project Budget
- 44.75% Reimbursement of **Eligible Costs**
 - Eligible Costs defined in 963 CMR 2.16 Audit Procedures MSBA School Building Grant Program
- 30% Effective Reimbursement
- \$ 44.1 Million Dollar value of estimated reimbursement
- LEED Silver Certification

Project Goals

- Implement a research based, data driven Academy
- Protect accreditation by addressing multiple outdated building code and access issues
- Provide a facility that motivates students to find their passion and purpose
- Intensify CVTE programming within an innovative educational plan
- Create a *campus* that is attractive, compelling and affordable

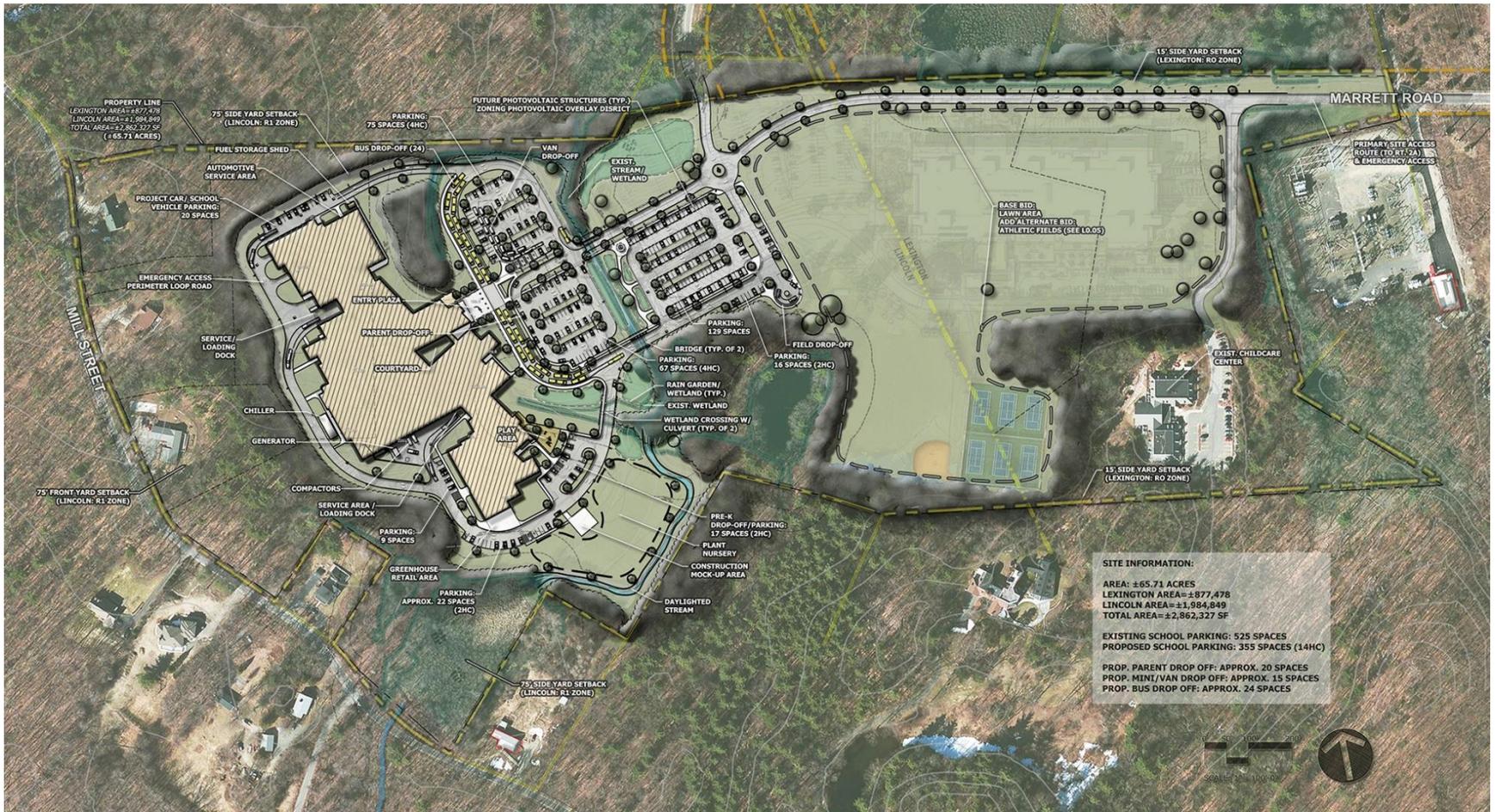
Why Enrollment will increase

- Applications are up 15% from member towns (data)
- Increasing elementary enrollment in member towns (data)
- Increasing interest in Career and Technical Education confirmed by district Guidance staff (survey)
- DAPA Research Survey Shows Support (survey)
- Return on Investment of CVTE becoming clear

A Vision for Our Future



The NEW Minuteman Campus



Engineering, Construction & Trades Academy	Shared Services & Programs	Life Sciences & Services Academy
<p>Advanced Manufacturing & Metal Fabrication 48.0501 / 48.0599</p>	<p>Nursing & Wellness Services Library & Media Center Special Education</p>	
<p>Automotive 47.0604</p>	<p>Common Planning Time</p>	
<p>Carpentry 46.0201</p>	<p>Academic Programs</p>	
<p>Design & Visual Communications 50.0401</p>	<p>Chemistry Science Physics English Language Arts Mathematics Physical Education</p>	<p>Humanities Art & Music Guidance Counseling Career Development Advanced Placement</p>
<p>Electrical 46.0302</p>	<p>Common CVTE Competencies</p>	
<p>Multi-Media Engineering 09.0701</p>	<p>Health & Safety Entrepreneurship Financial Literacy</p>	<p>Digital Literacy Career Guidance Work based Learning Internships & Coop</p>
<p>Plumbing & HVAC 46.0603 / 47.0201</p>	<p>Reading Consultancy Student Portfolios Executive Purpose Project Based Learning</p>	
<p>Programming & Web Development 11.0201</p>	<p>Health Occupations 51.0000</p>	
<p>Robotics Engineering Automation 15.0000 / 15.0403</p>	<p>Culinary Arts & Hospitality 12.0500 / 52.0901</p>	
		<p>Cosmetology 12.0404</p> <p>Early Education & Care 13.1210</p> <p>Environmental Science 15.0507</p> <p>Biotechnology 15.0401</p> <p>Horticulture & Landscaping Tech 1.0601</p>

Supporting Innovation and Learning



Academy Design Considerations

- Small School with Flexible areas
- Similar Curricula Contiguous
- Resources Shared
- Collaborative Applied Learning Spaces
- Practical Sustainability Throughout
- Support Workforce Education Priorities
- “Real World” Project Based Learning
- Enhance Support for ALL Students

Modern Technical Labs



Meeting all Industry Standards



Professional Services Provided



Contemporary State of the Art



Natural Light in all Classrooms



Collaborative & Project Based



Student Managed Restaurant and Public Meeting Spaces



Giving Students Their Space



The Cost of Doing Nothing

- We will lose up to \$44.1 million in state funds.
- We lose millions of dollars in capital fees from non-member towns.
- Our school's accreditation could be lost.
- Uncertainty will hurt enrollment, driving up per pupil costs to member communities.
- We will still need to spend \$106 million in repairs triggered by existing code dependent thresholds.
- We will make these repairs without state dollars.

New Construction

Non MSBA Renovation

30.46% MSBA net reimbursement

\$100M Net Cost offset by Capital Fee

2.5 years of new construction

No displacement of students

A not-to-exceed cost

Right-sized new building

Controlled operating costs resulting from a smaller, more efficient building

Attract NEW member towns

New programs in modern building

Certainty for students, parents and member towns

100% cost to District

\$106M Gross Cost with NO Capital Fee

Up to 10 years of construction

Continual disruption and displacement

Unknown costs and uncertain timeline

Building too large and not adaptable

Uncertain (higher?) operating costs in a 1970s renovated building

Little interest in new members

Building not designed for Academies

Uncertainty

High Quality Career and Technical Vocational High Schools

- These are larger than a traditional high school.
- Vocational technical high schools require more complex and distinctive learning spaces.
- Square footage must include all regular High School spaces PLUS Chapter 74 Career and Technical Education shop areas.
- Cost per SQ FT is higher and this project is comparable.

Project Costs are in Line with Other New Vocational Technical Schools

DATE COMPLETE OR TO BE COMPLETED	TOTAL COST	\$/SQ FT*
Worcester Vocational Technical High School February 2006	\$90,000,000	\$705.00
Putnam (Springfield) Voc-Tech High School July 2012	\$124,000,000	\$567.00
Essex Agricultural and Technical High School June 2014	\$134,501,368	\$477.00
Minuteman Regional Voc-Tech High School Spring 2020	\$144,922,480	\$562.00
		* Today's Dollars

New School: Costs and Tax Impacts

- Total Project: WILL NOT exceed \$144.9M
- State Share: 44.75% of “eligible” costs
- “Net” state reimbursement: 30.46%
- State reimbursement: Up to \$44.1 million
- Annual tax impact on median homeowner:

\$17.50 to \$116.93

Cost Impact FY20 – Belmont

Projected Annual Debt Assessment

\$334,459

Estimated tax impact to the Median
Homeowner

\$ 33.25

Next Steps

- July 2016: Appoint a “Construction Manager at Risk” to prepare construction documents, and put the project out to bid.
- August 2017: Start construction.
(Minuteman students stay in the existing building while the new school is under construction.)
- September 2020: Open new school to students.

Why We Need to Act

- Build a modern facility that meets current building codes and access requirements
- Create an innovative Career Academy model to enhance student learning and meet changing labor market needs
- Preserve a \$44 million construction grant from the MSBA
- Protect the school's accreditation

Our Future



Invest in Our Students' Future

“These schools are a pathway to a brighter future. The skills they teach are widely in demand, and many of them are already well plugged into the job creators in their communities.

In an age when too many people are struggling to find work that pays well, these schools have so much to offer, and we should help them make that happen.”

**Massachusetts Governor Charlie Baker
State of the Commonwealth, January 21, 2016**

BACKUP SLIDES

The Cost of Doing Nothing

- Renovations that exceed 30% of assessed building value within 3 years require entire building be compliant with current ADA code
 - Assessed value = $\$25\text{M} \times 30\% = \7.5M
- Building Sprinkler system is required if renovations exceed \$8.2M
- Renovation Project will require multiple bonding requests from Town Meetings over the next 5 to 7 years

Why use a CM@RISK?

- Construction Management Methodology
- Encouraged by MSBA
- Adds 1% Reimbursement of Eligible Costs
- Flexibility in Bid Schedules likely to save money and time of construction
- Greater collaboration and ability to stay on Budget.

Assumptions and Projections to FY20

- All debt service in 3 bond issues:
 - 30 year term
 - Bond coupon yields 3.81% to 3.93%
- Enrollment Projection:
 - In-District Students – 458
 - Nonresident Students – 170
- Nonresident Student Capital Fee MSBA
\$8,400/student

Process to Renovate 1970's Building

- Would need to begin Feasibility Study for renovation project
 - Disregard current 3 year feasibility study
 - Start over with new design team
- No MSBA funding or Capital Fee - funded 100% by member towns
 - Capital fee for nonresident students only applies to MSBA projects
- Potential cost increases due to unanticipated existing conditions

**Minuteman Regional High School
Projected FY20 Revenue Plan and Assessments
New School Building Project**

<u>Revenue Plan</u>	<u>FY20 PROJECTED</u>	<u>REVISED AGREEMENT</u>	<u>Min. Req. Contribution</u>	<u>Transportation</u>	<u>Other Operating Assessment</u>	<u>Debt/Capital</u>	<u>Total Assessments</u>
Non-Assessment Revenue		Acton	583,156	92,042	296,423	368,113	1,339,734
Chapter 70 State Aid	2,518,090	Arlington	2,073,156	327,216	1,053,802	1,415,962	4,870,136
Transportation Reimbursement	635,907	Belmont	502,945	79,382	255,651	372,613	1,210,591
Non-Member Tuition	3,384,228	Bolton	156,643	24,724	79,623	130,005	390,995
Non-Member Capital Fee	1,440,365	Boxborough	-	-	-	4,956	4,956
E & D Contribution	100,000	Carlisle	-	-	-	4,956	4,956
Total - Non-Assessment Revenue	8,078,590	Concord	338,746	53,466	172,187	311,821	876,220
		Dover	19,820	3,128	10,075	64,579	97,602
Assessment Revenue		Lancaster	637,907	100,684	324,253	387,349	1,450,192
Minimum Required Contribution	6,043,416	Lexington	1,051,635	165,984	534,554	747,048	2,499,221
Transportation	953,860	Lincoln	-	-	-	8,921	8,921
Debt	4,380,968	Needham	434,068	68,511	220,640	344,571	1,067,790
Assessments over Minimum Contribution	3,071,917	Stow	245,340	38,723	124,708	186,372	595,144
Total = Assessment Revenue	14,450,161	Sudbury	-	-	-	21,807	21,807
		Wayland	-	-	-	4,956	4,956
		Weston	-	-	-	6,939	6,939
Total Budget	22,528,751	Total	6,043,416	953,860	3,071,917	4,380,968	14,450,161
		Tax Rate Impact - New School Building Project					
Assumptions:		Member	2014 Census Median	Projected Debt Assessment	Residential Tax Impact	Estimated Tax Impact Per Med. House	Estimated Tax Impact Per \$100,000
Debt Service effective FY20		Town	Home Value				
Projected Enrollment		Acton	502,000	324,179	\$0.0804	\$40.34	\$8.04
(8% annual increase District enrollment - 10/1/17 & 10/1/18)		Arlington	507,200	1,262,192	\$0.1483	\$75.19	\$14.83
In-District	458	Belmont	656,000	334,459	\$0.0507	\$33.25	\$5.07
Out-of-District	170	Bolton	470,800	118,443	\$0.1267	\$59.66	\$12.67
	628	Concord	688,300	285,229	\$0.0488	\$33.61	\$4.88
Inflation Rate - 2% Annually (FY18 to FY20)		Dover	945,100	63,423	\$0.0268	\$25.33	\$2.68
For Foundation Budget, Transportation & Operating Assessment		Lancaster	288,400	341,102	\$0.4055	\$116.93	\$40.55
Transportation Reimbursement = 60%		Lexington	710,600	665,537	\$0.0518	\$36.84	\$5.18
		Needham	668,900	312,198	\$0.0262	\$17.50	\$2.62
		Stow	444,700	167,874	\$0.1400	\$62.24	\$14.00
		Total - Debt		3,874,635			
<i>This model uses the formulas as required in the Revised Agreement and valid within the assumptions as disclosed.</i>							
<i>This is prepared in response to requested information by member towns and the assumptions used must be considered when analyzing projected future costs to each member town.</i>							
<i>Five year model used to align with expected enrollment and debt planning. Subject to change as required.</i>							

**Minuteman Regional High School
Capital Assessment Model
Revised Agreement
New School Building Project**

CONTINUING DEBT OBLIGATIONS			50% ENROLLMENT - 34% CHAPTER 70 COMBINED EFFORT - 1% EACH MEMBER CAPITAL BASE CONTRIBUTION												
Town	Projected Enrollment for Current Method Debt/Capital Assessment	Enrollment Method Debt/Capital Assessment Share	ESCO Lease Current Method* \$506,333	Enrollment Basis				Chapter 70 - Combined Effort Basis			Capital Base Contribution Basis			Capital Assessment - Revised Formula	Total Capital Assessment - Revised Agreement
				Enrollment Debt/Capital Assessment	Debt/Capital Assessment Share	Enrollment - 4 year rolling Average	Per Pupil Cost 4 Yr. Rolling Ave.	Combined Effort Capital Assessment Share	Chapter 70 - Combined Effort	Per Pupil Cost - 4 Yr. Rolling Ave.	Capital Base Contribution	Per Pupil Cost - 4 Yr. Rolling Ave.			
Acton	44.3	8.68%	\$43,935	38.6	9.65%	\$186,940	\$4,844	6.35%	\$98,492	\$2,552	\$38,746	\$1,004	\$324,179	\$368,113	
Arlington	155.1	30.37%	\$153,771	137.2	34.30%	\$664,585	\$4,844	36.06%	\$558,861	\$4,074	\$38,746	\$282	\$1,262,192	\$1,415,962	
Belmont	38.5	7.54%	\$38,154	33.3	8.32%	\$161,227	\$4,844	8.68%	\$134,486	\$4,041	\$38,746	\$1,164	\$334,459	\$372,613	
Bolton	11.7	2.28%	\$11,562	10.4	2.59%	\$50,215	\$4,844	1.90%	\$29,482	\$2,844	\$38,746	\$3,738	\$118,443	\$130,005	
Boxborough	5.0	0.98%	\$4,956	0.0	0.00%	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$4,956	
Carlisle	5.0	0.98%	\$4,956	0.0	0.00%	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$4,956	
Concord	26.8	5.25%	\$26,592	22.4	5.61%	\$108,591	\$4,844	8.90%	\$137,892	\$6,151	\$38,746	\$1,728	\$285,229	\$311,821	
Dover	1.2	0.23%	\$1,156	1.3	0.33%	\$6,354	\$4,844	1.18%	\$18,323	\$13,970	\$38,746	\$29,541	\$63,423	\$64,579	
Lancaster	46.7	9.13%	\$46,247	42.2	10.56%	\$204,492	\$4,844	6.31%	\$97,864	\$2,318	\$38,746	\$918	\$341,102	\$387,349	
Lexington	82.2	16.10%	\$81,510	69.6	17.40%	\$337,119	\$4,844	18.69%	\$289,672	\$4,162	\$38,746	\$557	\$665,537	\$747,048	
Lincoln	9.0	1.76%	\$8,921	0.0	0.00%	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$8,921	
Needham	32.7	6.39%	\$32,373	28.7	7.18%	\$139,148	\$4,844	8.67%	\$134,304	\$4,676	\$38,746	\$1,349	\$312,198	\$344,571	
Stow	18.7	3.65%	\$18,499	16.2	4.06%	\$78,648	\$4,844	3.26%	\$50,479	\$3,109	\$38,746	\$2,387	\$167,874	\$186,372	
Sudbury	22.0	4.31%	\$21,807	0.0	0.00%	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$21,807	
Wayland	5.0	0.98%	\$4,956	0.0	0.00%	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$4,956	
Weston	7.0	1.37%	\$6,939	0.0	0.00%	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$6,939	
Total	510.8	100.00%	\$506,333	399.9	100.00%	\$1,937,318		100.00%	\$1,549,854		\$387,464		\$3,874,635	\$4,380,968	
					50%				40%		10%				
Capital Allocation				Capital Fee Calculation											
Debt Service - Yr. 1	Enrollment	Combined Effort	Capital Base Con.	Enrollment Capacity			Enrollment Capacity			Enrollment Capacity			Enrollment Capacity		
Old Formula:				Projected In-District Enrollment			Projected In-District Enrollment			Projected In-District Enrollment			Projected In-District Enrollment		
ESCO Debt	\$506,333			Debt & Capital - Per Pupil Cost			Debt & Capital - Per Pupil Cost			Debt & Capital - Per Pupil Cost			Debt & Capital - Per Pupil Cost		
	50.0%	40.0%	10.0%	Out-of-District Debt allocation			Out-of-District Debt allocation			Out-of-District Debt allocation			Out-of-District Debt allocation		
New Formula:				Assumptions			Assumptions			Assumptions			Assumptions		
Bldg. project				* ESCO Project outstanding Debt Service calculated based on enrollment only (with 5 student minimum)			* ESCO Project outstanding Debt Service calculated based on enrollment only (with 5 student minimum)			* ESCO Project outstanding Debt Service calculated based on enrollment only (with 5 student minimum)			* ESCO Project outstanding Debt Service calculated based on enrollment only (with 5 student minimum)		
Debt Service Yr. 1	\$5,315,000	\$2,657,500	\$2,126,000	Project based on a 30 year pay back, 44.75% reimbursement on eligible cost			Project based on a 30 year pay back, 44.75% reimbursement on eligible cost			Project based on a 30 year pay back, 44.75% reimbursement on eligible cost			Project based on a 30 year pay back, 44.75% reimbursement on eligible cost		
OOD Capital Fee	(\$1,440,365)	(\$720,183)	(\$576,146)	Average coupon yield on 3 Bond issues to range from 3.81% to 3.93%			Average coupon yield on 3 Bond issues to range from 3.81% to 3.93%			Average coupon yield on 3 Bond issues to range from 3.81% to 3.93%			Average coupon yield on 3 Bond issues to range from 3.81% to 3.93%		
Debt Service Yr. 1	\$3,874,635	\$1,937,318	\$1,549,854	Estimated reimbursement on total project cost - 30.46%			Estimated reimbursement on total project cost - 30.46%			Estimated reimbursement on total project cost - 30.46%			Estimated reimbursement on total project cost - 30.46%		
Total Net Debt	\$4,380,968			Combined Effort based on FY17 Preliminary Ch. 70 data (1/27/16)			Combined Effort based on FY17 Preliminary Ch. 70 data (1/27/16)			Combined Effort based on FY17 Preliminary Ch. 70 data (1/27/16)			Combined Effort based on FY17 Preliminary Ch. 70 data (1/27/16)		
				Calculation Factor - Capital Base Contribution			Calculation Factor - Capital Base Contribution			Calculation Factor - Capital Base Contribution			Calculation Factor - Capital Base Contribution		
				1.00%			1.00%			1.00%			1.00%		
				Per Community			Per Community			Per Community			Per Community		
Enrollment- Based on 4 year Rolling Average				Min Of 1				Calculation Factor - Ch. 70 Combined Effort Capital Allocation							
	Projected Enrollment Count as of October 2018	Projected Enrollment Count as of October 2017	Projected Enrollment Count as of October 2016	Enrollment Count as of October 2015	Total Enrollment Based on 4 Year Rolling Average	Total Enrollment Based on 4 Year Rolling Average	Percent of Enrollment	Enrollment 4 year Rolling Average	FY17 Total Foundation Enrollment	MM Enrollment + Community Foundation Enrollment	FY17 Total Combined Effort Yield	TOTAL - Combined Effort Yield @ Minuteman	Combined Effort Capital Assessment Share		
Acton	44.3	41.0	38.0	31.0	38.6	38.6	9.65%	Acton	38.6	4,691	0.82%	34,001,035	279,712	6.35%	
Arlington	155.1	143.6	133.0	117.0	137.2	137.2	34.30%	Arlington	137.2	5,522	2.48%	63,881,802	1,587,128	36.06%	
Belmont	38.5	35.6	33.0	26.0	33.3	33.3	8.32%	Belmont	33.3	4,283	0.78%	49,148,749	381,930	8.68%	
Bolton	11.7	10.8	10.0	9.0	10.4	10.4	2.59%	Bolton	10.4	1,039	1.00%	8,392,213	83,728	1.90%	
Concord	26.8	24.8	23.0	15.0	22.4	22.4	5.61%	Concord	22.4	3,016	0.74%	52,687,145	391,604	8.90%	
Dover	1.2	1.1	1.0	2.0	1.3	1.3	0.33%	Dover	1.3	672	0.20%	26,660,202	52,035	1.18%	
Lancaster	46.7	43.2	40.0	39.0	42.2	42.2	10.56%	Lancaster	42.2	1,043	4.05%	6,866,877	277,927	6.31%	
Lexington	82.2	76.1	70.5	49.5	69.6	69.6	17.40%	Lexington	69.6	7,024	0.99%	83,030,076	822,650	18.69%	
Needham	32.7	30.2	28.0	24.0	28.7	28.7	7.18%	Needham	28.7	5,443	0.53%	72,273,279	381,414	8.67%	
Stow	18.7	17.3	16.0	13.0	16.2	16.2	4.06%	Stow	16.2	1,285	1.26%	11,346,359	143,358	3.26%	
Total	457.8	423.9	392.5	325.5	399.9	399.9	100.00%	Total	399.9	34,018	12.85%	408,287,737	4,401,487	100.00%	