TOWN OF BELMONT

OFFICE OF THE BOARD OF SELECTMEN
455 CONCORD AVENUE
BELMONT, MASSACHUSETTS 02478

Selectmen@belmont-ma.gov

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BOARD OF SELECTMEN
MARK A. PAOLILLO, Chair
SAMI S. BAGHDADY, Vice Chair
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

INDEX OF WARRANT ARTICLES

SPECIAL TOWN MEETING – May 4, 2016

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TOWN OF BELMONT
WARRANT FOR
SPECIAL TOWN MEETING
MAY 4, 2016
COMMONWEALTH OF MASSACHUSETTS

Middlesex, ss.

To either of the Constables in said County:

Greetings:

In the name of the Commonwealth of Massachusetts you are required to notify and warn the Inhabitants of the Town of Belmont, qualified as the law requires to vote in elections and Town Affairs, to meet at the Belmont High School Auditorium on **WEDNESDAY, MAY 4, 2016, at 7:30 P.M.**, and to notify and warn the Town Meeting Members to meet and act at said time and place on the following Articles, viz:

ARTICLE 1: MINUTEMAN REGIONAL VOCATIONAL SCHOOL DISTRICT NEW SCHOOL PROJECT FUNDING AUTHORIZATION BY BORROWING

To see if the Town will vote to approve the amount of $144,922,478 for the purpose of paying costs of designing, constructing and originally equipping a new district school, to be located at 758 Marrett Road, Lexington, MA, and for the payment of all other costs incidental and related thereto (the "Project"), which school facility shall have an anticipated useful life as an educational facility for the instruction of school children of at least 50 years, and for which the District may be eligible for a school construction grant from the Massachusetts School Building Authority ("MSBA"), said amount to be expended at the direction of the School Building Committee. To meet this appropriation, the District is authorized to borrow said amount under and pursuant to Chapter 71, Section 16(d) of the General Laws, and the District Agreement, as amended, or pursuant to any other enabling authority. The District acknowledges that the MSBA's grant program is a non-entitlement, discretionary program based on need as determined by the MSBA, and any Project costs the District incurs in excess of any grant approved by and received from the MSBA shall be the sole responsibility of the District and its member municipalities; provided further that any grant that the District may receive from the MSBA shall not exceed the lesser of (i) forty-four and three quarters percent (44.75%) of eligible, approved Project costs, as determined by the MSBA, or (ii) the total maximum grant amount determined by the MSBA, and that the amount of borrowing authorized pursuant to this vote shall be reduced by any grant amount set forth in the Project Funding Agreement that may be executed between the District and the MSBA, or in any way act thereon.

This article will provide for the Town of Belmont approval of the Minuteman Regional School Committee vote for the appropriation in the amount of $144,922,478 for design, construction and original equipping of the new Minuteman Regional Vocational High School.

Submitted by the Minuteman Regional School Committee

The Warrant Committee, Belmont's Regional School Committee Representative and the Capital Budget Committee will report.

Majority vote required for passage.

ARTICLE 2: **APPROPRIATION FROM PROCEEDS OF SALE OF TOWN OWNED PROPERTY TO FUND BELMONT HIGH SCHOOL PROPOSED PROJECT**

To see if the Town will vote to appropriate the sum of $1,750,000 from sale of Town Owned Property to be expended under the direction of the Belmont High School Building Committee for a feasibility study, including environmental testing and assessment, Owner's Project Manager services, and schematic design of a new or renovated Belmont High School, now located at 221 Concord Avenue, and for the payment of all other costs incidental and related thereto which school facility shall have an anticipated useful life as an educational facility for the instruction of school children of at least 50 years, and for which feasibility study the Town of Belmont may be eligible for a grant from the Massachusetts School Building Authority ("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 connection with the feasibility study in excess of any grant approved by and received from the MSBA shall be the sole responsibility of the Town. The total maximum feasibility grant amount determined by the MSBA shall be applied to the cost of the study as set forth in the Project Funding Agreement that may be executed between the District and the MSBA, or in any way act thereon.

This article authorizes the appropriation of proceeds from the sale of Woodfall Road property for the initial phases of development for the Belmont High School Project such as Feasibility Study, Environmental Testing and Assessment, Owners' Project Manager, and Schematic Design, consistent with MSBA requirements.

The Warrant Committee and Capital Budget Committee will report on this Article.

Majority vote required for passage.

ARTICLE 3: **TRANSFER FROM FREE CASH AND APPROPRIATION TO FUND MODULAR CLASSROOMS AT THE CHENERY MIDDLE SCHOOL**

To see if the Town will vote to transfer and appropriate the sum of $1,450,000 from Free Cash to fund Modular Classrooms at the Chenery Middle School, or in any way act thereon.

This article authorizes the transfer of balances from Free Cash to cover the cost of purchase and installation of Modular Classrooms necessary to meet student enrollment.

The Warrant Committee and Capital Budget Committee will report on this Article.

Majority vote required for passage.

Given under our hands this 6th day of April, **2016**.

BELMONT - BOARD OF SELECTMEN

Sami S. Baghdady

Mark A. Paolillo

James R. Williams

A True Copy, Attest
Ellen O'Brien Ashman
Town Clerk of Belmont, MA

MOTIONS
SPECIAL TOWN MEETING
MAY 4, 2016
DRAFT as of April 4, 2016
(Subject to Change)

PRELIMINARY MOTION **ORDER OF THE ARTICLES**

MOVED: **That the Town Meeting hear the motions in the following order:** *(Majority vote)*

1,2,3

ARTICLE 1: **MINUTEMAN REGIONAL VOCATIONAL SCHOOL DISTRICT NEW SCHOOL PROJECT FUNDING AUTHORIZATION BY BORROWING**

MOVED: That the Town hereby approves the $144,922,478 for the purpose of paying costs of designing, constructing and originally equipping a new district school, to be located at 758 Marrett Road, Lexington, MA, and for the payment of all other costs incidental and related thereto (the "Project"), which school facility shall have an anticipated useful life as an educational facility for the instruction of school children of at least 50 years, and for which the District may be eligible for a school construction grant from the Massachusetts School Building Authority ("MSBA"), said amount to be expended at the direction of the School Building Committee. To meet this appropriation, the District is authorized to borrow said amount under and pursuant to Chapter 71, Section 16(d) of the General Laws, and the District Agreement, as amended, or pursuant to any other enabling authority. The District acknowledges that the MSBA's grant program is a non-entitlement, discretionary program based on need as determined by the MSBA, and any Project costs the District incurs in excess of any grant approved by and received from the MSBA shall be the sole responsibility of the District and its member municipalities; provided further that any grant that the District may receive from the MSBA shall not exceed the lesser of (i) forty-four and three quarters percent (44.75%) of eligible, approved Project costs, as determined by the MSBA, or (ii) the total maximum grant amount determined by the MSBA, and that the amount of borrowing authorized pursuant to this vote shall be reduced by any grant amount set forth in the Project Funding Agreement that may be executed between the District and the MSBA. *(Majority vote)*

Submitted by the Minuteman Regional School Committee

Reporting: Warrant Committee, Belmont's Regional School Committee Representative, Capital Budget Committee

ARTICLE 2: **APPROPRIATION FROM PROCEEDS OF SALE OF TOWN OWNED PROPERTY TO FUND BELMONT HIGH SCHOOL PROPOSED PROJECT**

MOVED: That the Town will vote to appropriate the sum of $1,750,000 from sale of Town Owned Property to be expended under the direction of the Belmont High School Building Committee for a Feasibility Study, including environmental testing and assessment, Owner's Project Manager services, and schematic design of a new or renovated Belmont High School, now located at 221 Concord Avenue, and for the payment of all other costs incidental and related thereto which school facility shall have an anticipated useful life of as an educational facility for the instruction of school children of at least 50 years, and for which the feasibility study the Town of Belmont may be eligible for a grant from the Massachusetts School Building Authority ("MSBA"). The Town of Belmont acknowledges that the MSBA's grant program is a non-entitlement, discretionary program based on need, as determined by the MSBA, and any costs the Town of Belmont incurs in excess of any grant approved by and received from the MSBA shall be the sole responsibility of the Town of Belmont, and that the amount authorized pursuant to this vote shall be reduced by any grant amount set forth in the Feasibility Study Agreement that may be executed between the Town of Belmont and the MSBA. *(Majority vote)*

REPORTING: Warrant Committee and Capital Budget Committee

ARTICLE 3: **TRANSFER FROM FREE CASH AND APPROPRIATION TO FUND MODULAR CLASSROOMS AT THE CHENERY MIDDLE SCHOOL**

MOVED: That the Town will vote to transfer and appropriate the sum of $1,450,000 from Free Cash to fund Modular Classrooms at the Chenery Middle School. *(Majority vote)*

REPORTING: Warrant Committee and Capital Budget Committee

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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**

MINUTEMAN
A REVOLUTION IN LEARNING

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

MINUTEMAN
A REVOLUTION IN LEARNING

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

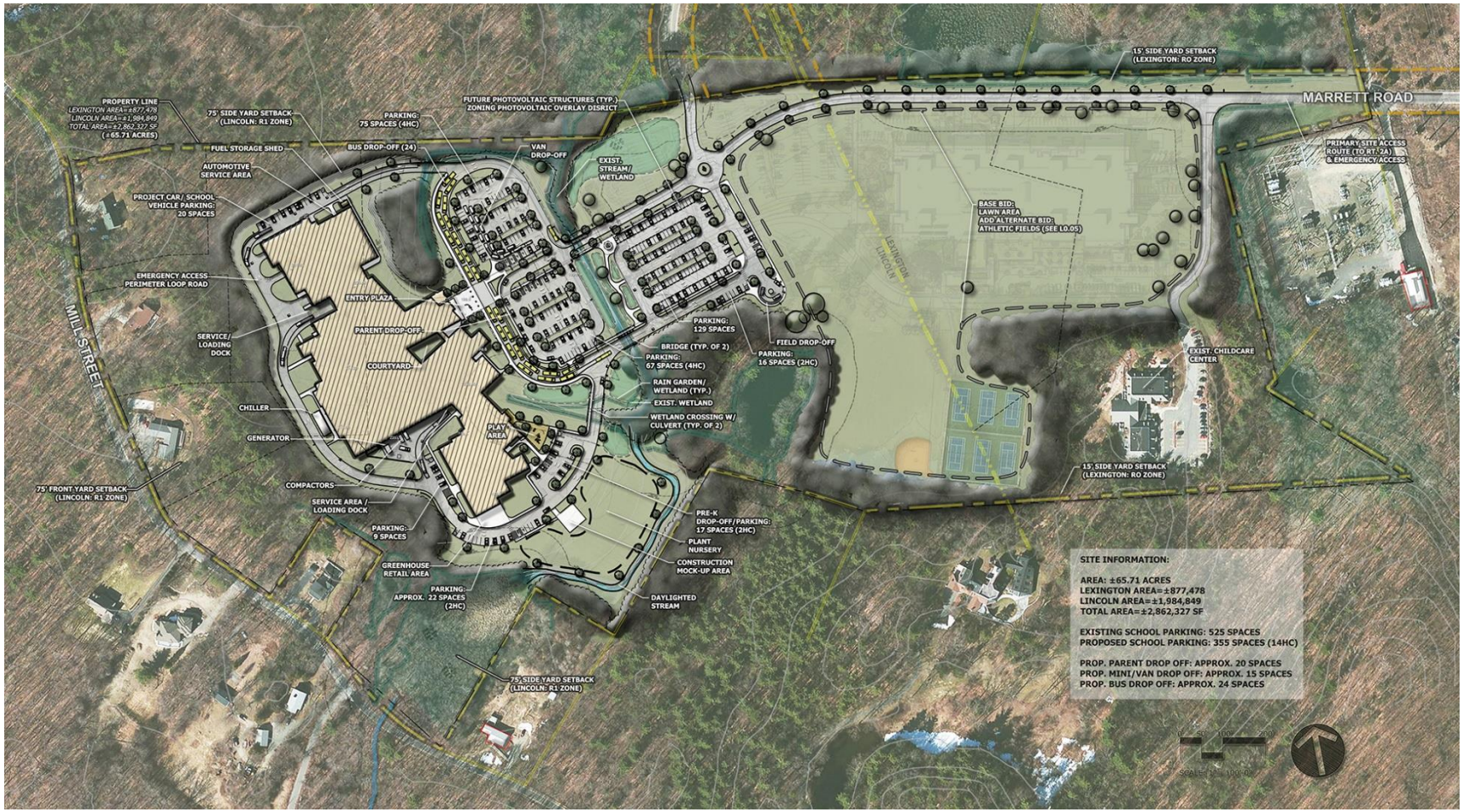
Why Enrollment will increase

- 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

MINUTEMAN
A REVOLUTION IN LEARNING

The NEW Minuteman Campus



MINUTEMAN
A REVOLUTION IN LEARNING

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

4/19/2016

Supporting Innovation and Learning

MINUTEMAN
A REVOLUTION IN LEARNING

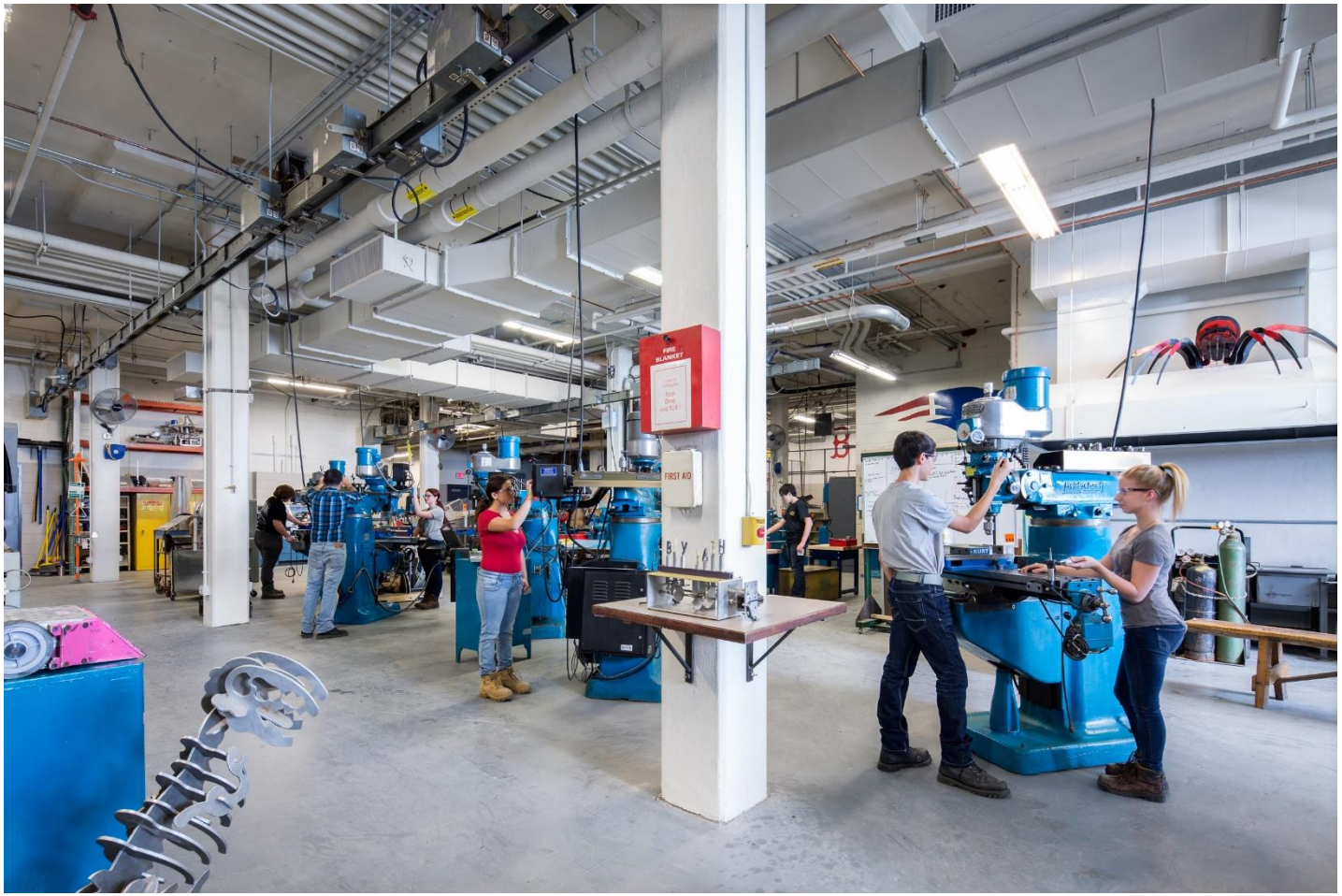
Academy Design Considerations

- 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

MINUTEMAN
A REVOLUTION IN LEARNING

Meeting all Industry Standards



MINUTEMAN
A REVOLUTION IN LEARNING

Professional Services Provided

MINUTEMAN
A REVOLUTION IN LEARNING

Contemporary State of the Art

MINUTEMAN
A REVOLUTION IN LEARNING

Natural Light in all Classrooms

MINUTEMAN
A REVOLUTION IN LEARNING

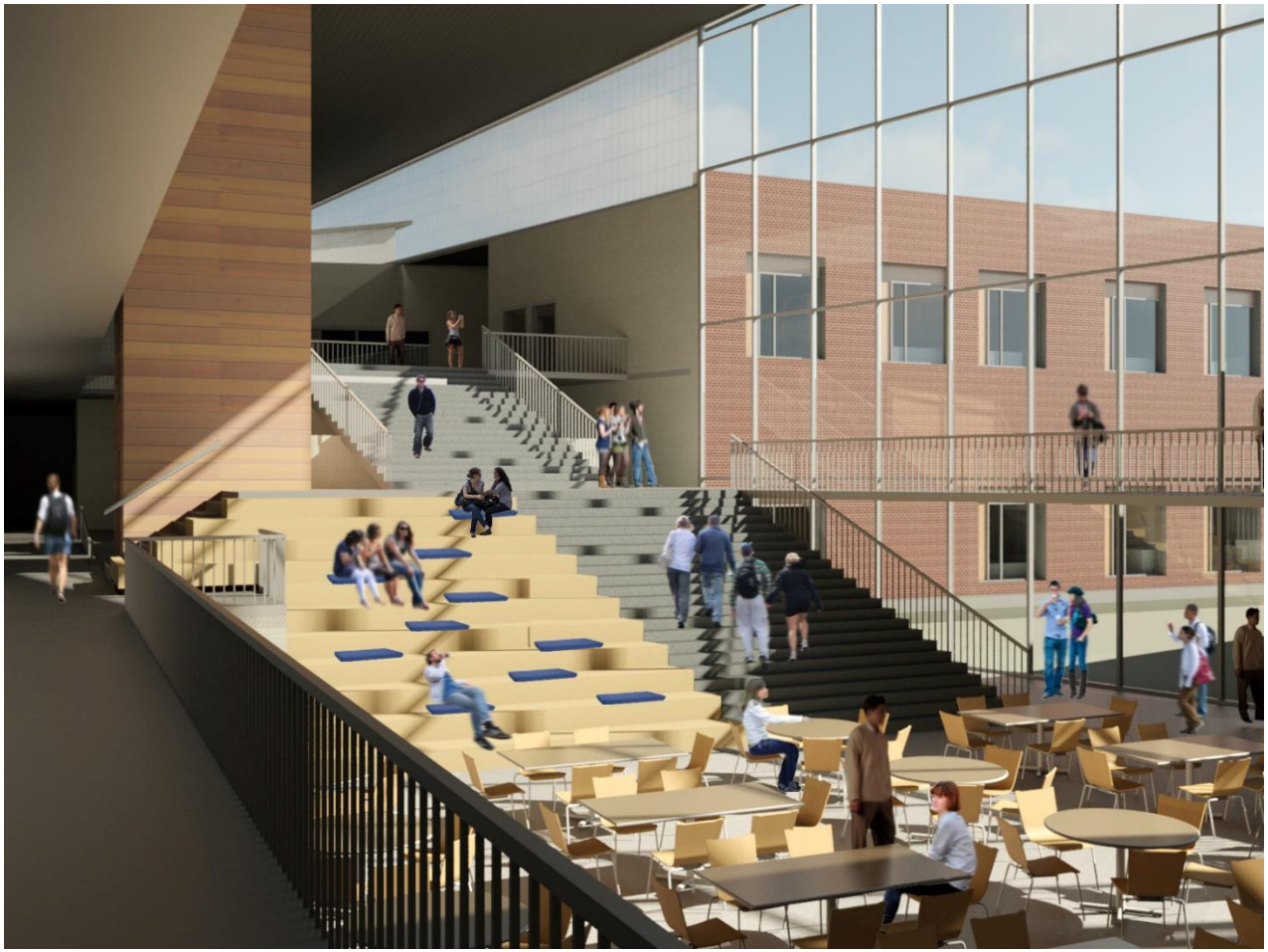
Collaborative & Project Based

MINUTEMAN
A REVOLUTION IN LEARNING

Student Managed Restaurant and Public Meeting Spaces

MINUTEMAN
A REVOLUTION IN LEARNING

Giving Students Their Space



MINUTEMAN
A REVOLUTION IN LEARNING

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	100% cost to District
$100M Net Cost offset by Capital Fee	$106M Gross Cost with NO Capital Fee
2.5 years of new construction	Up to 10 years of construction
No displacement of students	Continual disruption and displacement
A not-to-exceed cost	Unknown costs and uncertain timeline
Right-sized new building	Building too large and not adaptable
Controlled operating costs resulting from a smaller, more efficient building	Uncertain (higher?) operating costs in a 1970s renovated building
Attract NEW member towns	Little interest in new members
New programs in modern building	Building not designed for Academies
Certainty for students, parents and member towns	Uncertainty

MINUTEMAN
A REVOLUTION IN LEARNING

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	$90,000,000	**$705.00**
February 2006		
Putnam (Springfield) Voc-Tech High School	$124,000,000	**$567.00**
July 2012		
Essex Agricultural and Technical High School	$134,501,368	**$477.00**
June 2014		
Minuteman Regional Voc-Tech High School	$144,922,480	**$562.00**
Spring 2020		
		*** Today's Dollars**

MINUTEMAN
A REVOLUTION IN LEARNING

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

MINUTEMAN
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Cost Impact FY20 – Belmont

Projected Annual Debt Assessment

$334,459

Estimated tax impact to the Median Homeowner

$ 33.25

MINUTEMAN
A REVOLUTION IN LEARNING

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

MINUTEMAN
A REVOLUTION IN LEARNING

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 = $25M x 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

Revenue Plan	FY20 PROJECTED
Non-Assessment Revenue	
Chapter 70 State Aid	2,518,090
Transportation Reimbursement	635,907
Non-Member Tuition	3,384,228
Non-Member Capital Fee	1,440,365
E & D Contribution	100,000
Total - Non-Assessment Revenue	**8,078,590**
Assessment Revenue	
Minimum Required Contribution	6,043,416
Transportation	953,860
Debt	4,380,968
Assessments over Minimum Contribution	3,071,917
Total = Assessment Revenue	**14,450,161**
Total Budget	**22,528,751**

REVISED AGREEMENT	Min. Req. Contribution	Transportation	Other Operating Assessment	Debt/Capital	Total Assessments
Acton	583,156	92,042	296,423	368,113	1,339,734
Arlington	2,073,156	327,216	1,053,802	1,415,962	4,870,136
Belmont	502,945	79,382	255,651	372,613	1,210,591
Bolton	156,643	24,724	79,623	130,005	390,995
Boxborough	-	-	-	4,956	4,956
Carlisle	-	-	-	4,956	4,956
Concord	338,746	53,466	172,187	311,821	876,220
Dover	19,820	3,128	10,075	64,579	97,602
Lancaster	637,907	100,684	324,253	387,349	1,450,192
Lexington	1,051,635	165,984	534,554	747,048	2,499,221
Lincoln	-	-	-	8,921	8,921
Needham	434,068	68,511	220,640	344,571	1,067,790
Stow	245,340	38,723	124,708	186,372	595,144
Sudbury	-	-	-	21,807	21,807
Wayland	-	-	-	4,956	4,956
Weston	-	-	-	6,939	6,939
Total	6,043,416	953,860	3,071,917	4,380,968	14,450,161

Assumptions:

Debt Service effective FY20	
Projected Enrollment	
(8% annual increase District enrollment - 10/1/17 & 10/1/18)	
In-District	**458**
Out-of-District	**170**
	628
Inflation Rate - 2% Annually (FY18 to FY20)	
For Foundation Budget, Transportation & Operating Assessment	
Transportation Reimbursement = 60%	

This model uses the formulas as required in the Revised Agreement and valid within the assumptions as disclosed. 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. Five year model used to align with expected enrollment and debt planning. Subject to change as required.

Tax Rate Impact - New School Building Project

Member Town	2014 Census Median Home Value	Projected Debt Assessment	Residental Tax Impact	Estimated Tax Impact Per Med. House	Estimated Tax Impact Per $100,000
Acton	502,000	324,179	$0.0804	$40.34	$8.04
Arlington	507,200	1,262,192	$0.1483	$75.19	$14.83
Belmont	656,000	334,459	$0.0507	$33.25	$5.07
Bolton	470,800	118,443	$0.1267	$59.66	$12.67
Concord	688,300	285,229	$0.0488	$33.61	$4.88
Dover	945,100	63,423	$0.0268	$25.33	$2.68
Lancaster	288,400	341,102	$0.4055	$116.93	$40.55
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			

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										
				Enrollment Basis				Chapter 70 - Combined Effort Basis			Capital Base Contribution Basis			
	Projected Enrollment for Current Method Debt/Capital Assessment	Enrollment Method Debt/Capital Assessment Share	ESCO Lease Current Method* $506,333	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.	Capital Assessment - Revised Formula	Total Capital Assessment - Revised Agreement
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		0.00%	$0		$0		$0	$4,956
Carlisle	5.0	0.98%	$4,956	0.0	0.00%	$0		0.00%	$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		0.00%	$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		0.00%	$0		$0		$0	$21,807
Wayland	5.0	0.98%	$4,956	0.0	0.00%	$0		0.00%	$0		$0		$0	$4,956
Weston	7.0	1.37%	$6,939	0.0	0.00%	$0		0.00%	$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

Debt Service - Yr. 1		Enrollment	Combined Effort	Capital Base Con.	
Old Formula:					
ESCO Debt	$506,333				
		50.0%	40.0%	10.0%	100.0%
New Formula:					
Bldg. project					
Debt Service Yr. 1	$5,315,000	$2,657,500	$2,126,000	$531,500	-
OOD Capital Fee	($1,440,365)	($720,183)	($576,146)	($144,037)	
Debt Service Yr. 1	$3,874,635	$1,937,318	$1,549,854	$387,464	-
Total Net Debt	$4,380,968				

Calculation Factor - Capital Base Contribution	**1.00%**	**(col. N)**
	Per Community	

Capital Fee Calculation

	Enrollment Capacity	628		
Projected	In-District Enrollment	-458	Per Pupil Cost	
	Debt & Capital - Per Pupil Cost		8,463	
Out-of-District Debt allocation		**170**	**8,463**	**1,440,365**

Assumptions

* ESCO Project outstanding Debt Service calculated based on enrollment only (with 5 student minimum)
Project based on a 30 year pay back, 44.75% reimbursement on eligible cost
Average coupon yield on 3 Bond issues to range from 3.81% to 3.93%
Estimated reimbursement on total project cost - 30.46%
Combined Effort based on FY17 Preliminary Ch. 70 data (1/27/16)

Enrollment- Based on 4 year Rolling Average

Min Of 1

	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
Acton	44.3	41.0	38.0	31.0	38.6	38.6	9.65%
Arlington	155.1	143.6	133.0	117.0	137.2	137.2	34.30%
Belmont	38.5	35.6	33.0	26.0	33.3	33.3	8.32%
Bolton	11.7	10.8	10.0	9.0	10.4	10.4	2.59%
Concord	26.8	24.8	23.0	15.0	22.4	22.4	5.61%
Dover	1.2	1.1	1.0	2.0	1.3	1.3	0.33%
Lancaster	46.7	43.2	40.0	39.0	42.2	42.2	10.56%
Lexington	82.2	76.1	70.5	49.5	69.6	69.6	17.40%
Needham	32.7	30.2	28.0	24.0	28.7	28.7	7.18%
Stow	18.7	17.3	16.0	13.0	16.2	16.2	4.06%
Total	457.8	423.9	392.5	325.5	399.9	399.9	100.00%

Calculation Factor - Ch. 70 Combined Effort Capital Allocation

	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	38.6	4,691	0.82%	34,001,035	279,712	6.35%
Arlington	137.2	5,522	2.48%	63,881,802	1,587,128	36.06%
Belmont	33.3	4,283	0.78%	49,148,749	381,930	8.68%
Bolton	10.4	1,039	1.00%	8,392,213	83,728	1.90%
Concord	22.4	3,016	0.74%	52,687,145	391,604	8.90%
Dover	1.3	672	0.20%	26,660,202	52,035	1.18%
Lancaster	42.2	1,043	4.05%	6,866,877	277,927	6.31%
Lexington	69.6	7,024	0.99%	83,030,076	822,650	18.69%
Needham	28.7	5,443	0.53%	72,273,279	381,414	8.67%
Stow	16.2	1,285	1.26%	11,346,359	143,358	3.26%
Total	399.9	34,018	12.85%	408,287,737	4,401,487	100.00%

May 4, 2016

Presented by:
Jack Weis – Belmont
Member, Minuteman School Committee

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Minuteman High School Building Project

Presentation to the Town of Belmont

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Agenda

1. The Revised District Membership
2. The Case for a New Building
3. What Has Been Done to Date
4. Overview of the Proposed Building
5. Financial Assumptions and Projections
6. Conclusions

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1. The Revised District Agreement

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Revised District Membership

- <u>Towns Remaining in the District</u>

Acton	Dover
Arlington	Lancaster
Belmont	Lexington
Bolton	Needham
Concord	Stow

- <u>Departing Towns</u>

Boxborough	Sudbury
Carlisle	Wayland
Lincoln	Weston

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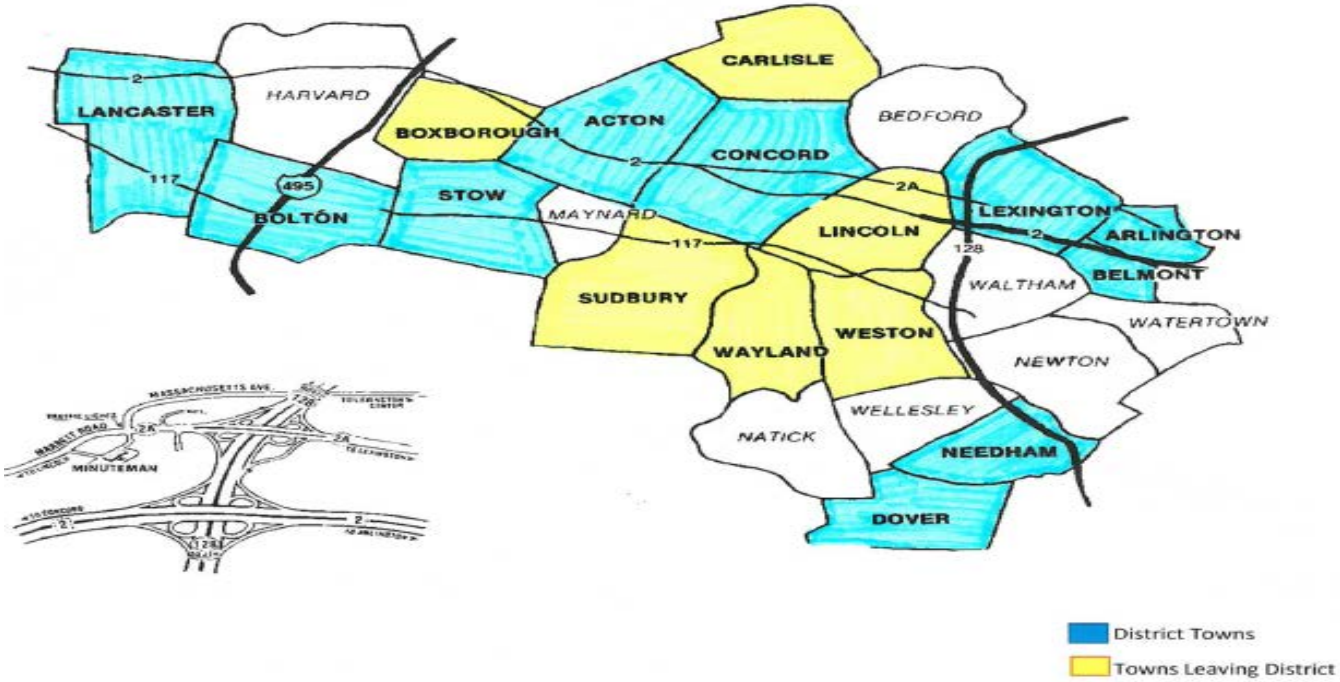
Revised District Membership



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2. The Case for a New Building

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Aging Infrastructure

- The school was built in 1974. Elements have been replaced over the years, but much of the infrastructure is at the end of its useful life.
- Examples:
  - Roof – Previously replaced in 1985, but the current roof has been repeatedly patched and is failing.

Aging Infrastructure

- Examples (continued):
  - o Heating/Air Conditioning – The central heating and cooling plant was replaced in 2009, but the distribution system and temperature controls are original and are in fair to poor condition.
  - o Electrical System – The main switchgear was replaced in 2009, but the distribution system is beyond its useful life.
  - o Cracking throughout exterior and interior masonry veneer.

Roof Issues

- The roof has been a problem for many years and has been patched on multiple occasions.
- The roof was replaced almost 30 years ago.

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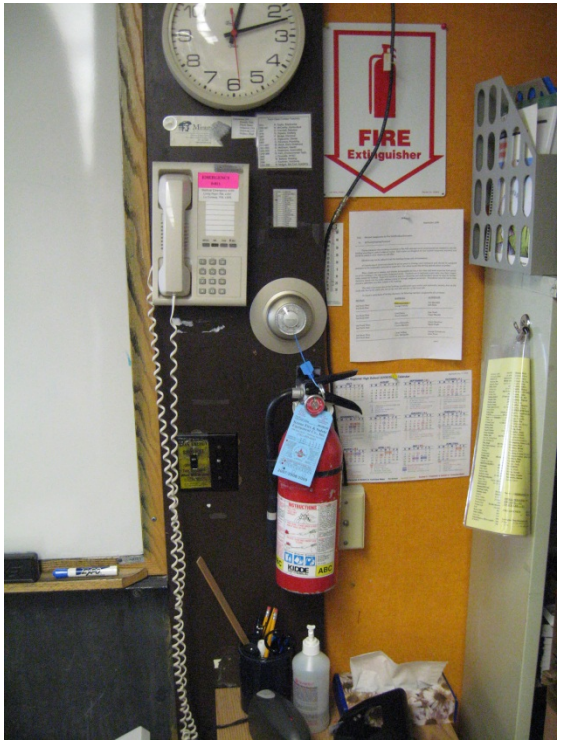
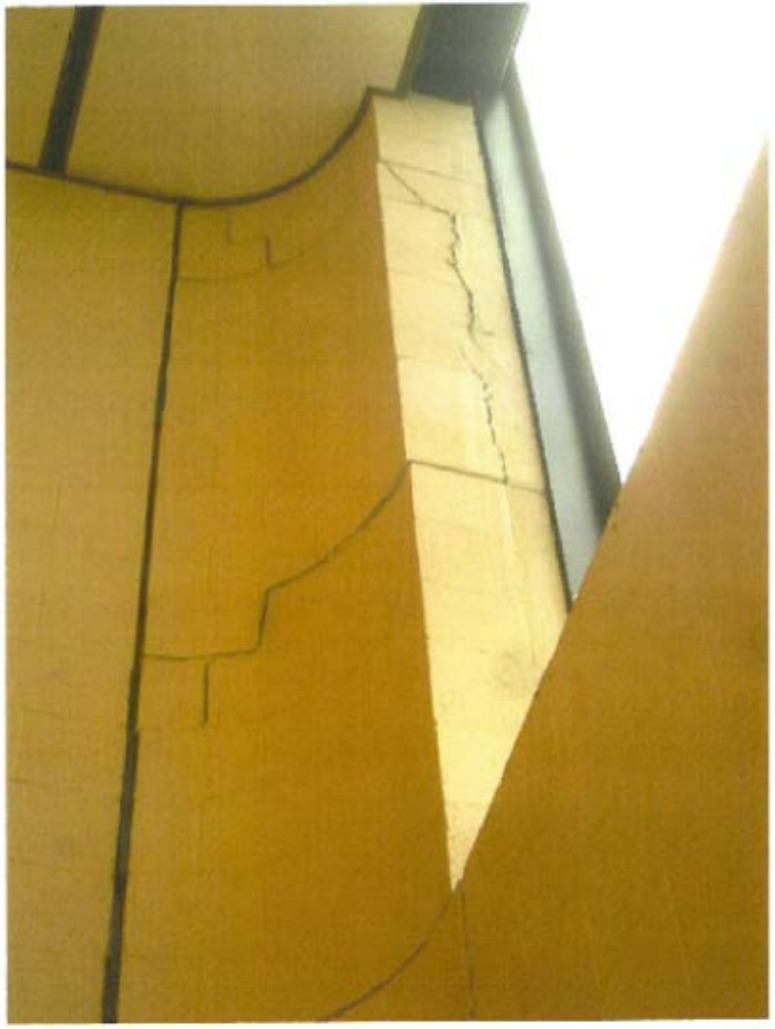
Roof Issues

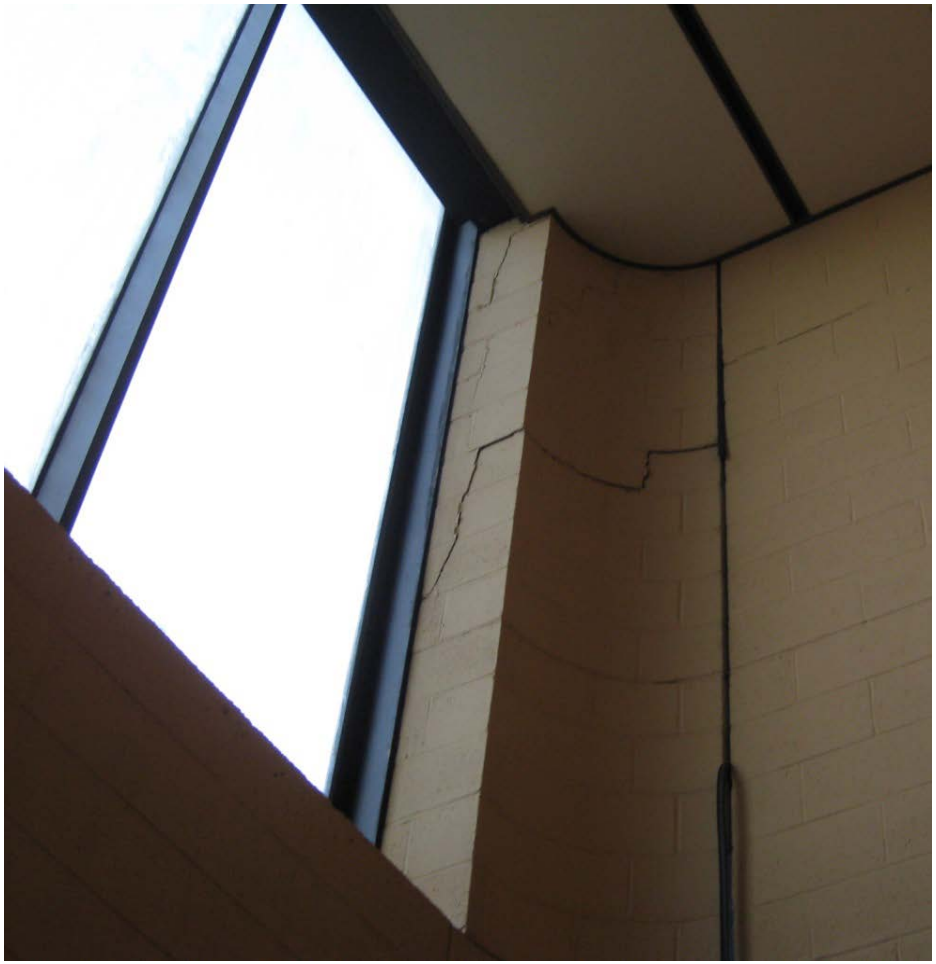
Mechanical, Electrical and Plumbing Issues



Masonry Cracks



Exterior Shell Issues



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Accreditation at Risk

- In 2012, the New England Association of Schools & Colleges (NEASC) placed Minuteman's accreditation on "Warning" status solely due to the condition of the building.

Repairs Can Trigger Need for Upgrades

- When repairs exceed 33% of the structure's assessed value over a 5-year period, they trigger a requirement that 100% of the building be immediately brought into compliance with current life safety codes.
- When repairs exceed 30% of the structure's assessed value over a 3-year period, they trigger a requirement that 100% of the building be immediately brought into compliance with current handicap accessibility codes.

Repairs Can Trigger Need for Upgrades

- Current assessed value of the improvements is $25,000,000
  - 5-year threshold for life safety codes - $8,250,000
  - 3-year threshold for accessibility codes - $7,500,000

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Enhancing the Learning Environment

- The current Trades Hall is based on an “open classroom” design with only partial-height walls separating the various trades programs.
- Most classrooms on the upper level lack natural light.
- Many rooms throughout the building have poor ventilation.

Enhancing the Learning Environment

- The mechanical and electrical infrastructure does not support the school's current technology needs.
- The current building was designed to segregate career/technical programs from academic programs. A new building would allow for adoption of a "Career Academy Model," where vocational and academic spaces are adjacent and integrated.

Existing Trades Hall

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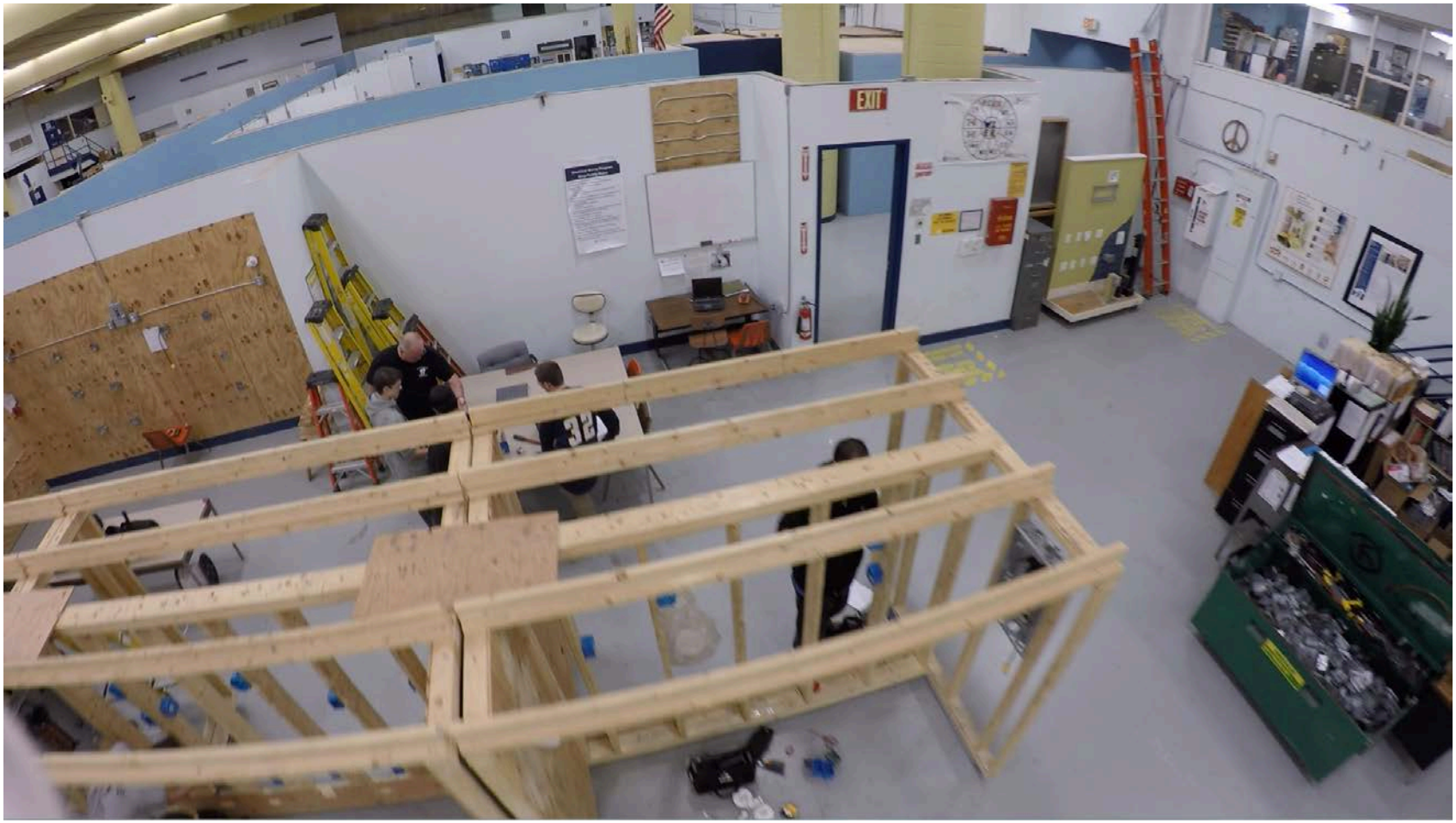
Existing Trades Hall



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3. What Has Been Done to Date

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Feasibility Study – School Sizing

- The Feasibility Study began in 2010.
- In August 2011, MSBA approved a design enrollment for a building of up to 800 students (of which 460 were projected to come from members towns and 320 were projected to come from non-member towns).
- In July 2012, the MSBA directed Minuteman to consider a school of 435 students.
- In May 2014, the Minuteman School Committee voted to focus solely on a school of 628 students.

Feasibility Study – Building Alternatives

- The project design team analyzed three options – renovation of the existing building, renovation of a portion of the building with a new addition and partial demolition, and new construction.
- The projected costs and estimated construction durations of the three alternatives were as follows:
  - Renovation: $176.5 million 5 years
  - Renovation/Addition: $175.3 million 4 years
  - New Construction: $144.9 million 2.75 years

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Feasibility Study – Building Alternatives

- Minuteman concluded – and the MSBA agreed – that constructing a new building was the most cost-effective option.
- MSBA also stated that it would not support a building with a design enrollment of ***less than 600 students***.

Proposed Vocational Program Mix

Engineering, Construction & Trades Academy	Life Sciences and Services Academy
Advanced Manufacturing & Metal Fabrication (new)	Biotechnology
Automotive	Cosmetology
Carpentry	Culinary Arts & Hospitality
Design and Visual Communications	Early Education and Care
Electrical	Environmental Science
Multi-Media Engineering (new)	Health Occupations
Plumbing & HVAC	Horticulture and Landscaping Tech
Programming and Web Development	
Robotics Engineering Automation	

Self-Funded, Non-MSBA Renovation

- Members of the Minuteman School Building Committee developed an estimate in September 2015 that the potential repair and renovation costs to Minuteman if it chooses <u>not</u> to undertake an MSBA-supported new building project could be $105.3 million.

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4. Overview of the Proposed New Building

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Existing School

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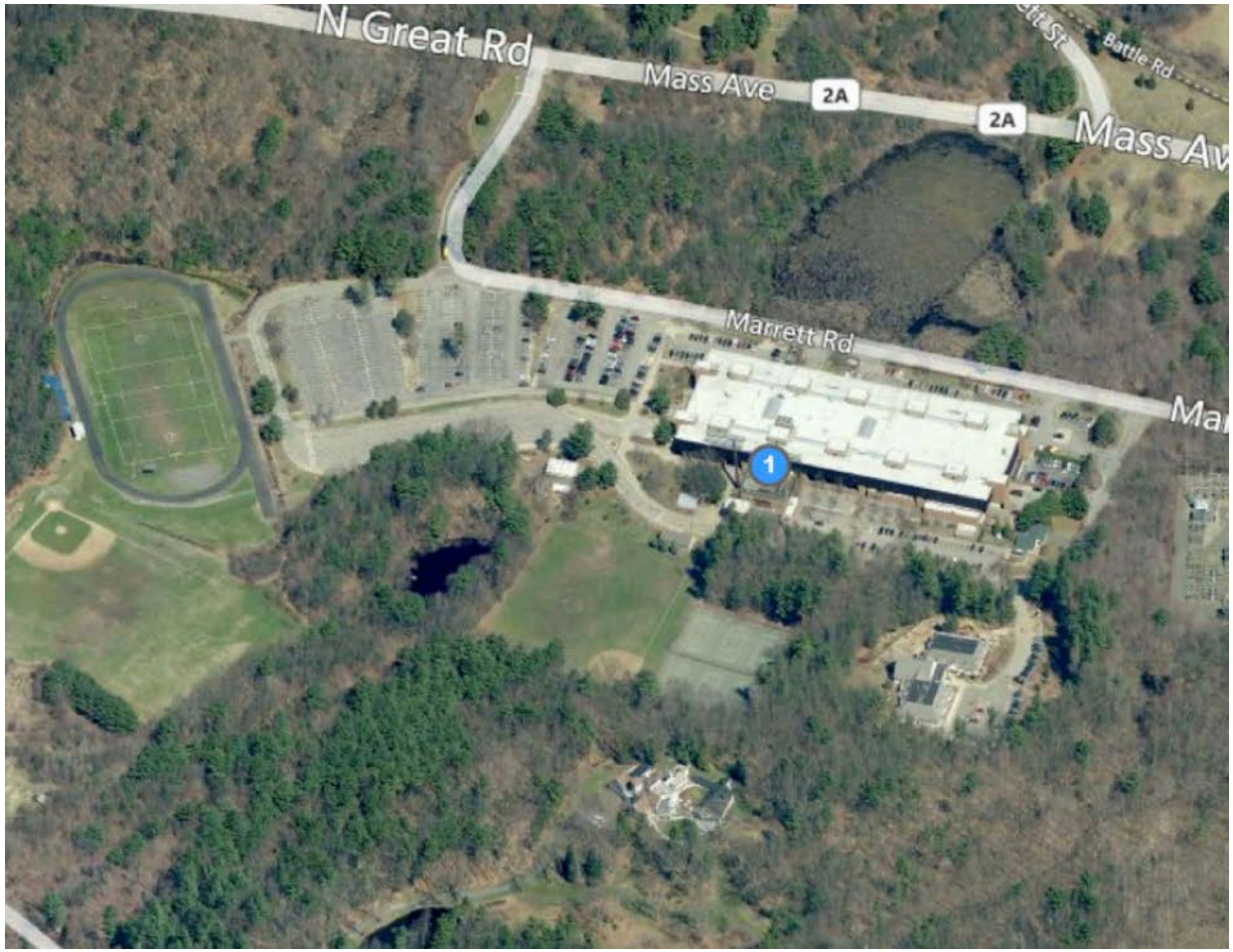
Existing Conditions



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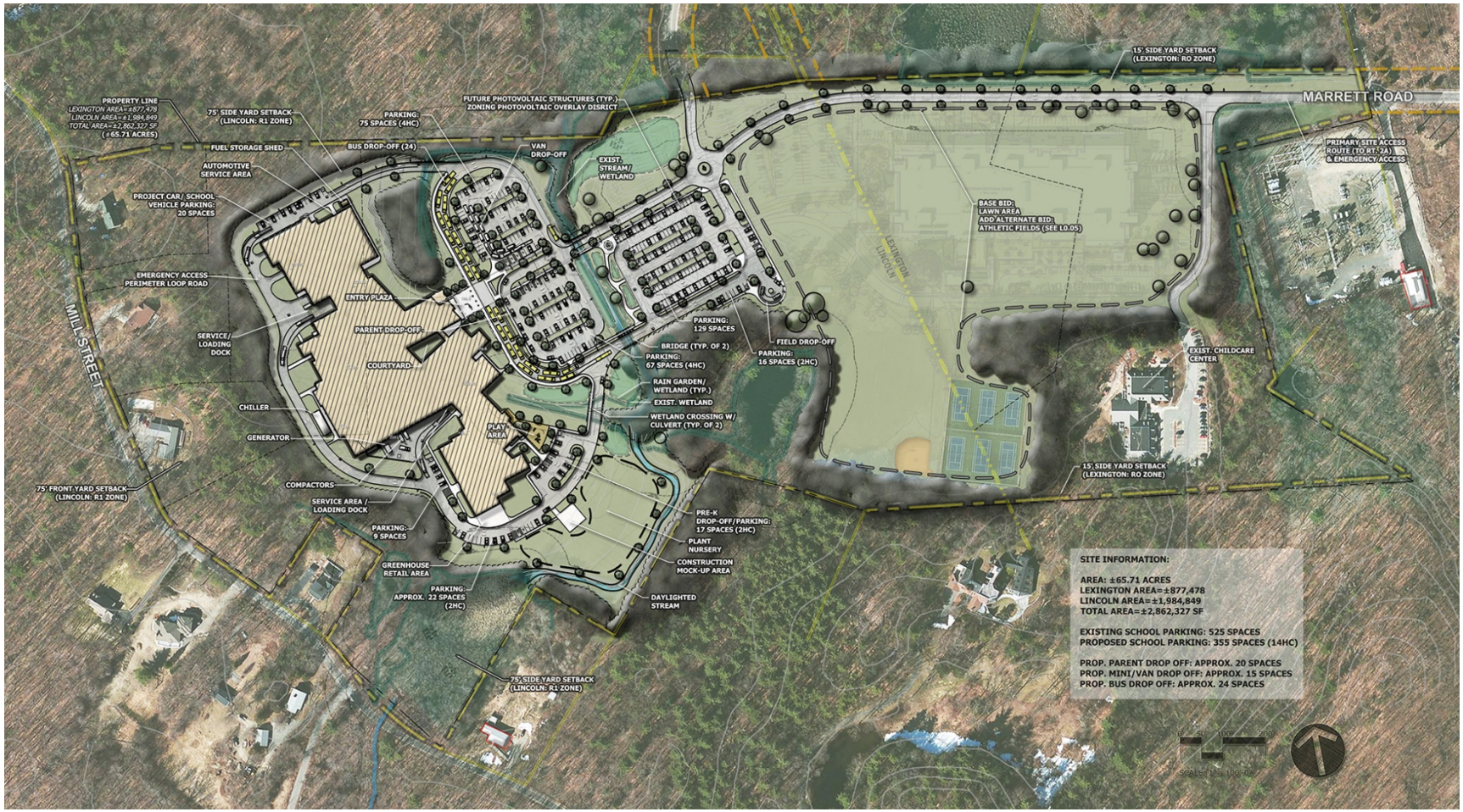
The New Minuteman Campus



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Supporting Innovation and Learning

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A Vision of Our Future

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Modern Technical Labs

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Natural Light in All Classrooms

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Contemporary State of the Art

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Meeting All Industry Standards

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Professional Services Provided

Collaborative & Project-Based

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Giving Students Their Space

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Student-Managed Restaurant and Public Meeting Spaces

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

4/27/2016

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5. Financial Assumptions and Projections

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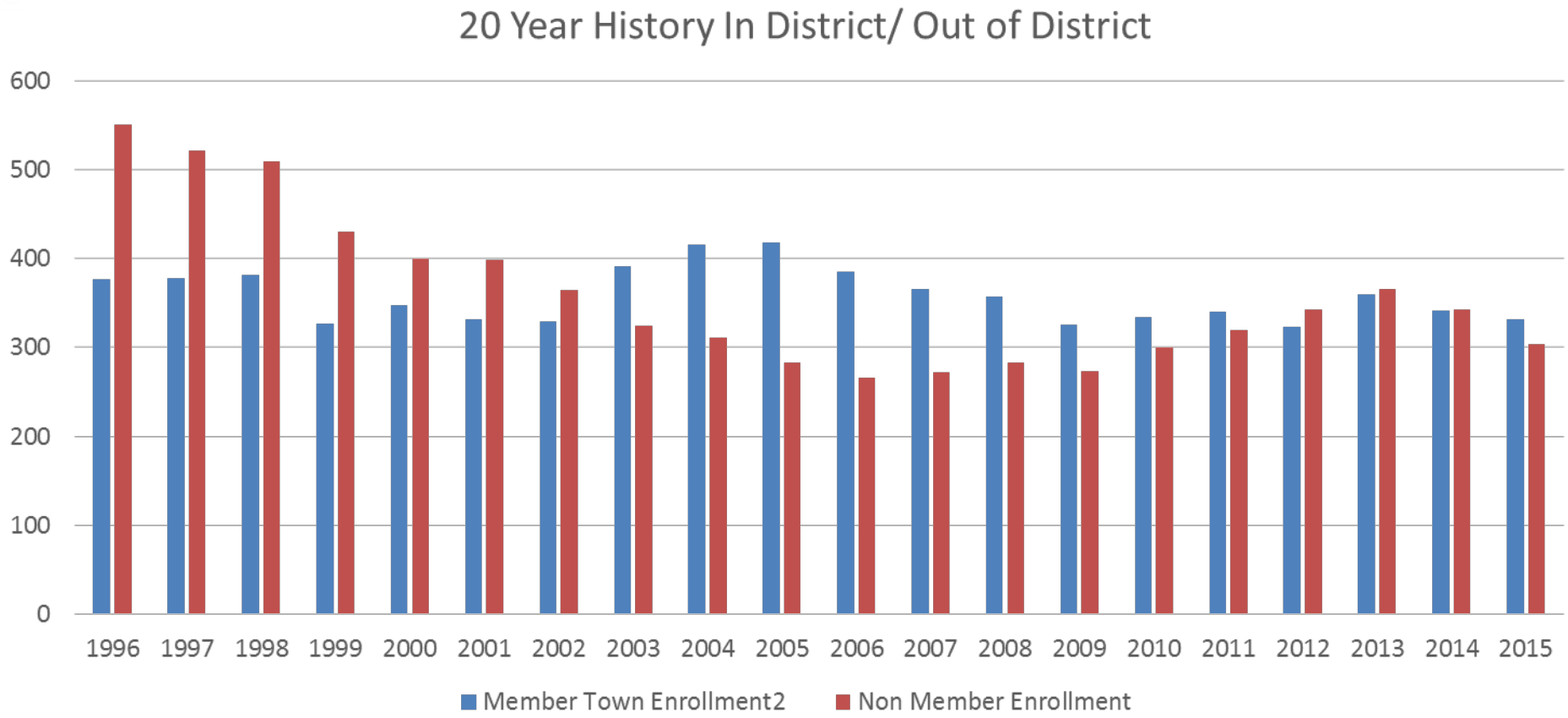
Historic Minuteman High School Enrollment



1. These totals reflect full-time and part-time high school students and may not align with the full time equivalent (FTE) enrollments used to determine member town assessments.
2. Member-town enrollment of the 10 remaining towns only.

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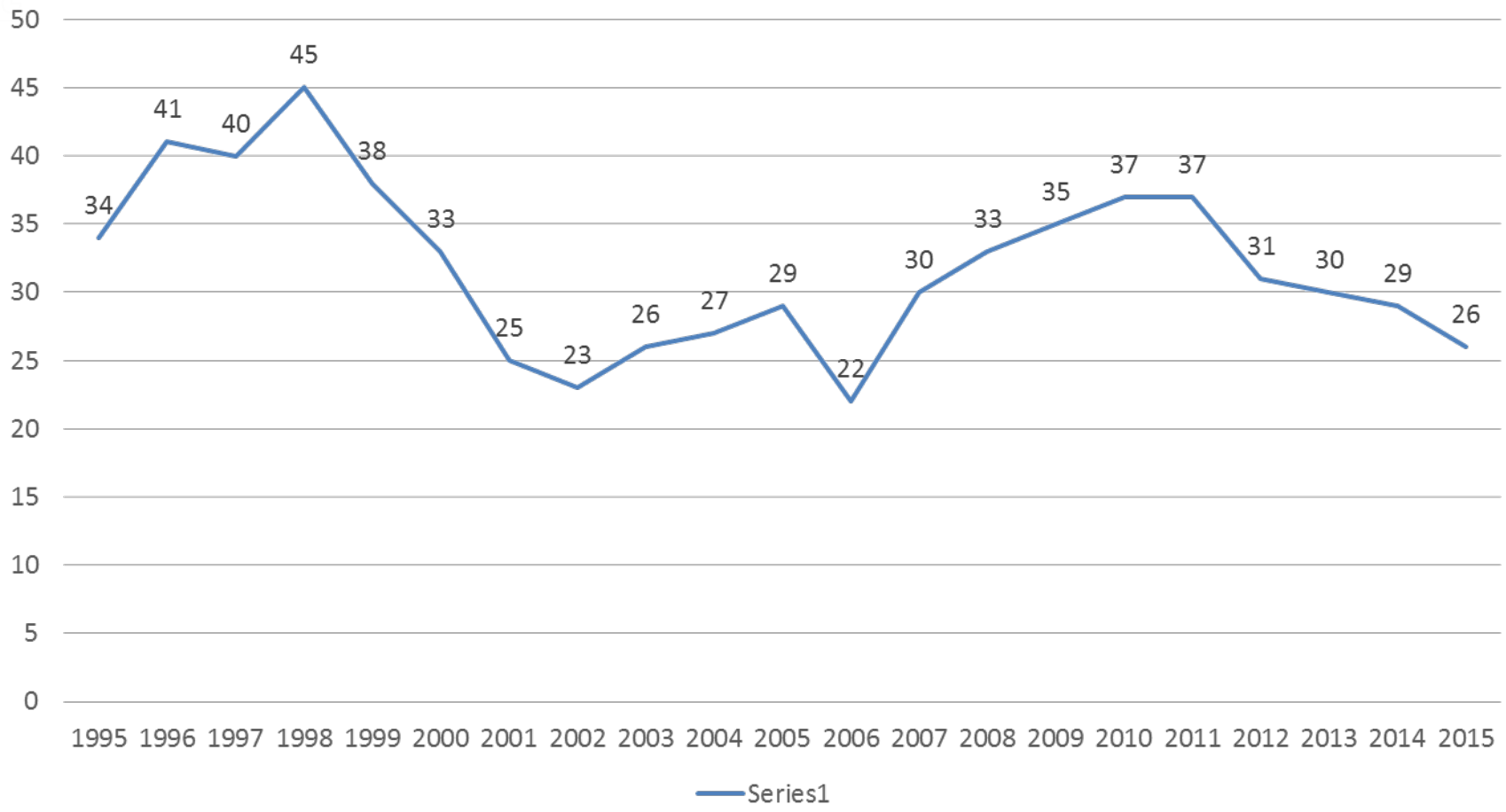
Historic Belmont Participation in Minuteman High School Enrollment



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Projected Future Minuteman High School Enrollment

Assumptions

Beginning with October 2014 enrollment, enrollment from all 10 member towns is expected to grow at a rate of 8% per year for 4 years.

All seats in the new building not occupied by a member-town student will be occupied by a non-member student.

Projected Future
Minuteman High School Enrollment

Enrollment Projections

	Actual 2015	Projected 2018
In-District	326	458
Out-of-District	309	170
Total High School	635	628
Projected Belmont	26	39

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Projected New Building Costs

- Total Project Cost – Not to exceed $144.9 million
- State Reimbursement Rate – 44.75% of eligible costs
- Net State Reimbursement Rate – 30.46%
- State Reimbursement Amount - $44.1 million
- Net Building Cost to Ten Member Towns - $100.8 million

Comparison of Projected Building Costs with Other New Vocational Technical Schools

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

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Projected Debt Service on New Building

Total Debt Service Assumptions and Projections

- Assumes borrowed funds drawn down on three bond issuances with a 30-year term and with an average bond interest rates of 3.81% to 3.93%
- Total projected annual debt service on $100.8 million = $5,315,000

Projected Debt Service on New Building

Total Member-Town Share of Total Debt Service

- Non-member towns assumed to pay a capital fee for their students. Fee projected to equal the average debt service cost per student. ($5,315,000 / 628 = $8,463/student)
- Total projected debt service contribution from non-member towns = $1,440,365 ($8,463 x 170) Net member town share of total debt service = $3,874,635.

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Belmont's Projected Annual Debt Assessment

	Projected Annual Debt Assessment	Estimated Tax Per Median Home
With Projected Capital Facilities Fee	$334,459	$33.25
If The District Doesn't Collect Any Capital Facilities Fees	$458,791	$45.61

Note: The projected debt service assessments in each community are recalculated annually and will change annually based on how enrollment and the other factors in the new capital allocation formula change in each community relative to the other member communities.

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6. Conclusions

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Reasons to Support the Building Project

- It results in a new, modern school that best meets the educational needs of the students
- It secures MSBA funding and does so at a higher, grandfathered reimbursement rate.
- The new school has a design enrollment that is substantially smaller than the current school.
- Minuteman's accreditation is at risk if the building issues are not addressed.

Reasons to Support the Building Project (Continued)

- It is not clear that the alternatives if the new building is rejected lead to a better outcome for Belmont:
  - Could be faced with substantial rehab costs and no State support.
  - MSBA has indicated that it won't support a smaller school.
  - Even if MSBA subsequently approves a smaller school, the impacts of inflation on construction costs and/or higher interest rates could result in building a smaller school at a higher costs.
  - There is no ability to collect a capital facilities fee from non-member towns other than in conjunction with an MSBA building project.
- Even if no capital facilities fees are collected, Belmont's projected share of the debt service only represents about one-half of one percent (0.05%) of the Town's current operating budget.

Concerns/Reservations About the Project

- The new school is twice the size that is needed to support current member-town enrollment. Even if Minuteman achieves the forecasted 40% growth in member-town enrollment, member-town enrollment is still less than three-quarters of the school capacity. The school is therefore likely to always be dependent on non-member enrollment.
- If the projected capital facilities fees fall short of projections, the debt service burden on the member towns increases. For Belmont, the debt service burden alone could be close to $20,000 per student, on top of an annual operating assessment of close to $30,000 per student.

Concerns/Reservations About the Project (continued)

- The projected $100 million cost of repairing the existing facility without MSBA assistance may be overstated or there may be ways to undertake the repairs without triggering the costs requirements to immediately comply with existing codes.
- Not proceeding with a new school potentially could lead to other paths or outcomes that have not yet been explored and that could be more cost-effective in the long-term.

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Questions?

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Comments for Belmont on the Proposed Minuteman Building Project

Jeff Stulin

April 26, 2016

Introduction and Disclaimer

A number of questions have been raised regarding the proposed Minuteman MSBA building project. Since I've been on the Minuteman School Committee for sixteen years, and because I am a proponent of this project as the best way forward for all Minuteman member communities, I thought it worthwhile to put a few relevant comments in writing. This document focuses on two issues:

1) the reasons for choosing the proposed MSBA project over the alternative "Go-It-Alone" option, and
2) comments on issues regarding future Minuteman enrollment/assessment.

I am the sole author of this document. It has not been endorsed by the Minuteman School Committee or the Minuteman Administration.

The MSBA Building Project or The Go-It-Alone Renovation

No one is disputing that something must be done with the Minuteman facility. After many years of study there are two possible options for the District: the proposed MSBA $145M 628-student new building project, of which the MSBA will pay about $44M, or a "Go It Alone" renovation of the current building, which is estimated to cost about $100M[1]. This option will have no MSBA support[2]. Thus both capital projects are expected to cost District towns about the same amount.

The "Go It Alone" option is when the member towns, in order to avoid committing to a comprehensive MSBA project, instead renovate the building piecemeal on an ongoing basis. The Minuteman Building Committee developed an estimate of about $100M for this approach. (See the report at: http://minuteman.org/Page/310.)

Although I have great faith in the professionals who developed this estimate, I understand that since it has not been vetted as completely as the proposed MSBA project (the vetting would have cost tens of thousands of dollars), the estimate is subject to error. Nevertheless, I am confident that the estimate is in the "ballpark" of reality, and that even if the estimate is substantially wrong, by 10%, or even by 20%, the MSBA project is still easily the best option. The following explains my reasoning.

The MSBA project would have relatively low construction risk, and relatively high financial efficiency. The construction risk is relatively low because:

- There is a known cap on project costs.
- Interest rates are low.

---

[1] One of the options considered by the Minuteman School Committee was an MSBA assisted project that would comprehensively renovate the existing building. Investigation demonstrated that this renovation project option would be no less expensive than a new building, so it was rejected by the Minuteman School Building Committee and by the MSBA.

[2] It is theoretically possible for Minuteman to pursue another MSBA assisted project, but returning to the MSBA pipeline would take many years, there would be extensive cost escalations, and a new project would come far too late to assist with critical capital needs.

- There will be a professional construction plan and timetable with a single set of contractors for a well-defined project.
- The owners (member towns) will have endorsed the entire project.
- The project will have a relatively short timeframe. All else being equal a shorter project has less risk than a longer project.

The project would be financially efficient because:

- The State will be kicking in about 30 cents for each dollar spent.
- There will be a professional development plan and timetable for the entire project with one set of responsible contractors. This will maximize the chance that each dollar is spent efficiently.

On the other hand, the "Go It Alone" renovation would have high financial risk because:

- The project scope and timetable is poorly defined.
- The project time frame could grow to as long as 10 years. A long timeframe would increase risk.
- Interest rates and commodity prices are likely to rise during the project.
- At some point the project would hit regulatory "triggers" where the District would become responsible for compliance with fire code regulations, and the Americans with Disabilities Act (ADA) regulations. These, along with safety issues, and other unavoidable capital repairs (such as the roof replacement), will force the District into numerous expensive construction projects, many on an emergency basis. The need to act under emergency conditions will likely result in significantly higher costs, and will likely require that some construction projects be redone, since such emergency repairs are unlikely to fit with long term renovation requirements[3].
- Failure to perform construction as part of a single professionally developed plan will be significantly more expensive, with an inferior outcome.
- Even if the District was able to develop a single renovation plan that would account for many of the above concerns, the renovations will likely necessitate not one, but many bonding issues, all of which would require the near-impossibility of unanimous member town meetings approving each bonding issue. This will extend the length of construction, further increase project costs, and result in expensive and endless District political bickering over the details of each bonding issue.
- Aspects of construction will likely require sending students off campus during some years, at great cost to the District.

The "Go It Alone" option would have far more risk, and would be financially inefficient. No assistance from the MSBA, continuous political bickering, lack of a comprehensive plan, emergency expenses, and the need to redo some construction projects would ensure that a large portion of each project

[3] We already have experienced one example of this. In June of 2011, a new fire inspector from Lexington inspected the Minuteman Trades Hall. Although the condition of the Hall had never before been an issue, the new fire inspector told us that the Hall was out of compliance, and immediately shut it down. If this had occurred during the school year all trades programs would have been suspended. Luckily, since this occurred during the summer, the administration was able to quickly put together an emergency project. Two months and $500,000 later the renovated trade hall was open for the start of the new school year. In the event the district chooses the "Go It Alone" option, the Fire or ADA regulations will soon be triggered, probably with little prior notice, and the district would need to implement emergency building improvements with no opportunity to plan for the best and least costly approach.

dollar would be wasted. Thus even if the theoretical renovation project cost were to seem less expensive than the MSBA project, in all likelihood that actual "Go It Alone" cost would be significantly higher.

Worst of all, what do we get for our $100M if we choose the "Go It Alone" option? Instead of a brand new 628 student school whose layout is appropriate for modern education practices, we would have the same 900 student building we have now, the same unnecessary large-building overhead costs, and a lost opportunity to create spaces that are compatible with modern educational needs.

Per-Student Enrollment and Operating Costs

The other issue of concern is the proposed school's per-student operating assessment. The concern is that if the school were not full, then the per-student operating cost would be too high.

The Minuteman School Committee, School Building Committee, and administration do not have any concerns about filling the new school primarily with in-district students. The MSBA, known for conservative projections, also believes that we will easily fill the new school. Furthermore, the MSBA has stated, in writing, that it would not make sense for the District to build a school smaller than 628 students, and that the MSBA would refuse to help fund a smaller school.

There are currently 611 full-time high school students attending Minuteman: 370 in-district, 241 out-of-district. The goal is to increase enrollment so that the school is filled, and to improve the balance between in-district students and out-of-district students so that the school is largely filled with in-district students. We believe this easy to accomplish in a new building.

Our confidence is due to the impact that a new facility will have on the desirability of the school.

Families will put up with serious problems in the local high school since the primary alternative, private school, is prohibitively expensive. But they are usually NOT willing to put up with the same issues at Minuteman. This is a fundamental difference in estimating enrollment between a local school and any regional technical/vocational school such as Minuteman. ***The quality of the Minuteman facility is an essential factor in attracting students.*** The more the facility deteriorates or is unable to supply the space/facilities for its mission, the more families will pass on the Minuteman option, and enrollment will decline. That is Minuteman's current reality.

Here are some reasons why families reject Minuteman even when Minuteman would be the best educational match:

1. An outdated concern among parents/students regarding the quality of a career/vocational education[4];
2. Concerns regarding the state of the Minuteman facility and the District's likely loss of accreditation if the facility is not fixed;
3. A concern that due to the political disorder within the District, the school will be closed and the District disbanded;
4. A concern that the needs of the Minuteman facility will not be responsibly addressed;

[4] Outdated prejudices regarding a vocational/technical education are hard to counter. However, Minuteman has a new enrollment effort ongoing that shows some promise. In-district applications are currently up 15% over last year. While this is an impressive result, I am not yet too excited because applications are not the same as enrollment, and one year does not make a trend. Nevertheless, it is something to think about.

5. A concern that the school will face years of building renovations which would be a continuing disruption to education, and
6. A concern that lack of investment by the District will prevent the school from keeping up with modern education and vocational standards.

Concerns 2 - 6 above would be fully addressed by the proposed MSBA project. An improved facility with updated programs will ensure strong long-term in-district enrollment at Minuteman.

Consider, for example, the three new vocational-technical high schools that have been built in Massachusetts in recent years: Worcester Technical High School, Roger L. Putnam Vocational-Technical Academy, and Essex Technical High School.

Worcester's turnaround story is particularly well known. With the strong backing of local business and political leaders, the City of Worcester built the new school, transforming it from a school of last resort to a "school of choice" where there is "always" a long wait list. To recognize Worcester Tech's achievements, President Obama spoke at the high school's graduation in June of 2014.

Putnam, one of six high schools in the Springfield Public Schools, was once viewed the same way as the old school in Worcester. Now, Putnam is described by Springfield's Public Schools CFO Patrick Roach as "one of our flagship schools". He says the school has "a really long waiting list" that "grew significantly" when the new school was built and programs were upgraded. In addition, he says construction of the new school brought increased attention from local businesses who now hire its graduates. The CFO also said he'd now be willing to send his own children there. Another staff member in the Springfield School District says Putnam now has "capacity issues."

In Essex's case, the new school merged programs from three different schools: North Shore, Essex Agricultural, and Peabody. The new school increased overall capacity from roughly 1,000 seats to 1,400 seats. Its applicant pool has also increased. According to Mary Kroesser, Administrator of Pupil Personnel Services & Human Resources, the school had 1,000 applications this year for 360 seats in the ninth-grade class.

In each case a new facility brought higher enrollment, improved education, and significantly increased district respect for career/technical education. The same would be true if we build the new Minuteman facility[5].

Attracting New District Members

It may be desirable for the District to eventually attract one or two new members. Over the years we have talked to several potential new members. It was made clear to us that they see two major obstacles to joining the District:

1) Aspects of the previous Regional Agreement were unacceptable, and
2) District towns are not working cooperatively together regarding the future of the District.

Item one has been addressed by the new Regional Agreement, approved by the Commissioner of Education on March 11, 2016. Item two would be addressed if we move forward with the MSBA project. A new building would also make the district significantly more attractive.

[5] More information regarding changes in attitude to Career Technical education is available on the Minuteman website: http://minuteman.org/Page/195 (A Revolution in Learning: Related Articles and Videos).

A third item that impacts the possibility of attracting District members is the new capital fee that we can charge to non-resident students if we are participating in a MSBA project. Without this capital charge, non-member sending communities are disincentivized to join, since the State-mandated tuition charged to out-of-district students is currently lower than the per student assessment for a member town. But with the capital fee in place, the economics change, and it becomes far more likely that sending towns would see advantages in joining the District.

Per-Student Operating Assessment

The per-student operating assessments are likely to be significantly lower in a new building for the following reasons:

- The new building will be smaller, with an infrastructure focused on 628 students, not the current 900 student facility.
- The new building will have lower operating costs due to a smaller footprint, modern building techniques, and more efficient systems.
- Enrollment will be higher in a new building. Higher enrollment will result in lower per student operating costs since fixed costs will be distributed among more students.
- It is likely that we would attract new member towns which would further increase in-district enrollment and reduce per-student costs[6].
- With an MSBA project we can charge sending communities a per-student capital fee[7]. This fee has not been yet set, but for our project we expect it to be in the neighborhood of $6,000[8] per student. But even if we are disappointed, and the fee is low, say $4,000, it is still significant. Example: if we have 130 out of district students, that would provide an additional $4,000 * 130 = $520,000 annually, which would reduce member town assessment. Consider that over thirty years: $520,000 * 30 = $15,600,000. This money would be lost if we "Go It Alone" and do not choose the MSBA project.

Final Thoughts

I understand that both the timing and the cost of the Minuteman MSBA project is challenging for Belmont. Nevertheless, this project is the best choice for all of the member towns of the Minuteman District, including Belmont.

A District approval of the MSBA project will likely have these advantages over the "Go It Alone" approach:

- A lower total project cost with lower risk;
- $44M given to the District from the MSBA;
- Higher enrollment;
- Lower long term per-student operating costs;

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[6] We need to careful not to over expand the district since the capacity of the school may not be sufficient for all students who wish to attend.

[7] Minuteman stakeholders have complained for years that out-of-district students do not pay for their fair share of capital costs. After many years, partly due to Minuteman's efforts, the State has created regulations allowing participants in a MSBA project to set a capital fee. The exact dollar value of the fee has not been set but its purpose is to reflect a student's fair share of capital cost of an MSBA project.

[8] The Minuteman administration actually thinks the fee will be slightly higher than this. For purposes of this document, I'll use a more conservative figure.

- Ability to charge non-member communities a significant per-student capital fee;
- A unified School Committee and a less divisive political climate;
- A school that can offer a greatly improved education at a lower cost, and
- A school that maintains its accreditation.

The District needs to provide access to quality career/technical education for its students. The best way to provide this quality education at the lowest long-term cost is for the Minuteman District member towns to endorse the proposed MSBA project, to work with the school to put in place appropriate oversight to ensure that project dollars are wisely spent, and to show potential new member communities that the District takes the Minuteman school seriously, is able to work together effectively on complex projects, and is welcoming for appropriate new partners.

More information about this project, its history, and the many different possible options considered during the six year Minuteman feasibility study is available on the School Building Project pages of Minuteman's website: http://www.minuteman.org/domain/81.

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