

**CITY OF BEVERLY
PUBLIC MEETING MINUTES**

Board: Beverly School Building Committee – Meeting #10
Joint Meeting of the School Building Committee, Beverly School
Committee and Beverly City Council

Date: April 14, 2015

Location: Beverly High School, Media Center 100 Sohier Road

Members Present

School Building Committee

Mayor Michael Cahill, **Chair**
David Gelineau, Purchasing Agent & **SBC Member**
Paul Manzo, President, Beverly School Committee & **SBC Member**
Dr. Stephen Hiersche, Superintendent of Schools & **SBC Member**
Matthew Poska, Briscoe Middle School Principal & **SBC Member**
Maria Decker, School Building Committee Member & **SBC Member**
Bryant Ayles, Finance Director & **SBC Member**
Mike Collins, Beverly Commissioner of Public Services & **SBC Member**
~~Jennifer Badershall~~ Ray Bouchard, School Building Committee Member
George Binns, School Building Committee Member
William Guzowski, School Building Committee Member
David Manzi, Beverly School Committee & **SBC Member**
Joseph Remondi, School Building Committee Member
Todd Rotondo, **School Building Committee Member**
Thaddeus Siemasko, School Building Committee Member
Todd Surette, School Building Committee Member
Janet Chrisos, School Building Committee Member
Betsey Desmond, School Building Committee Member
Roy Gelineau, School Building Committee Member
Joanna Murphy Scott, School Building Committee Member
Sue Charochak, Assistant Superintendent of Schools & **SBC Member**
Judy Miller, Director of Technology, Beverly Public Schools & **SBC Member**
Robert Fortado, Facilities Engineer, Dept. of Public Services & **SBC Member**
Denise Deschamps, Economic Development Planner & **SBC Member**

SBC Consultants

Tom Ellis, Heery / OPM
L. Scott Dunlap, Ai3 Architects
Troy Randall, Ai3 Architects

School Committee

Kris Silverstein, School Committee
Annmarie Cesa, School Committee
Matt Kavanaugh, School Committee
Lorinda Visnick, School Committee

City Council

Councilor Don Martin
Councilor Estelle Rand
Councilor Jason Silva
Councilor John Frates
Councilor David Lang
Councilor Matt St. Hillaire
Councilor Scott Houseman
Kathryn Griffin, City Council Budget Management Analyst

Recorder: Eileen Sacco

Mayor Cahill called the meeting to order at 7:00 p.m. and explained that this is a joint meeting of the School Committee and the School Building Committee.

He asked those present to rise for the Pledge of Allegiance.

Mayor Cahill explained that Mr. Ayles will make a presentation on the finances for the school building project. He notes that the Architect will also make a presentation on the design of the building.

Approval of Minutes

The minutes of the BSBC meeting held on March 10, 2015 were presented for approval. Mr. Manzo moved approval of the minutes of the March 10, 2015 meeting as presented. Mr. Binns seconded the motion. The motion carried.

The minutes of the BSBC meeting held on March 31, 2015 were presented for approval. Mr. Bouchard moved approval of the minutes of the March 31, 2015 meeting as presented. Mr. Binns seconded the motion. The motion carried.

Mr. Manzo called the School Committee to order.

Councilor Martin called the City Council to order.

Presentation by City Finance Director Bryant Ayles

Mr. Ayles made a presentation on the city finances and the affordability of the school. He notes that the project before us has been designed to meet the educational needs of the students of Beverly and that the two biggest questions before us are how much the school will cost and how will the city pay for it.

Mr. Ayles explained that the project cost and the estimated cost that the Massachusetts School Building Authority (MSBA) will pay towards the project. He explains that a lot of work has been done to determine what the cost of the project will be and explains that the committee reviewed several options for the project and submitted option 1A to the MSBA.

Mr. Ayles explained that as they continue to refine the design of the project the range of the cost will become more clear. He notes that value engineering for the project will be taking a look at the components for the project with regards to materials etc.

Mr. Ayles explained that the projected cost for the project is between \$115.3 - \$123 Million. He explains that \$123 is highest estimate seen to date and reviews the cost per square foot. He explained that they are optimistic that the cost will be at the low end of the estimates without jeopardizing the quality of the building.

Mr. Ayles explained the cost of similar projects in comparison if they were built today.

Mr. Ayles reviewed the eligible and ineligible costs for the MSBA reimbursement. He explained that **soft costs**, asbestos removal, legal fees and permitting costs are not reimbursable and the cost is 100% to the city. He also notes that MSBA allows **up to \$2,400** per student for furniture, fixtures and equipment **and currently \$287/SF for construction costs**.

Mr. Ayles explains that the estimated city portion of the project could be \$69.1 million for the city with **\$43.82%** reimbursed by MSBA.

Mr. Ayles reviewed the city's existing obligations and budget capacity and reviews the current debt for the City of Beverly which in FY16 is projected to be \$8.3 million dollars. Mr. Ayles notes that there are many variables at play and they are being careful to plan for any scenario.

Mr. Ayles explained that the city has been contributing 10% annual from free cash to a stabilization fund and that fund is at \$5 million dollars now and they expect it to grow over the next few years.

Mr. Ayles explains that the plan from here is to refine the cost figures for the project and do some value engineering and design modifications to get to a closer estimate for the project.

Mayor Cahill reported that he has been working other officials and MSBA to see if they will revisit the cap that they have on the construction costs due to the rising costs of construction. He explains that the costs compared to the Beverly High School project.

Mayor Cahill opens the meeting up for comments at this time on the financial presentation made by Mr. Ayles.

Councilor Rand asked how the planned debt service will work and if it will affect future projects such as road improvements etc. or would there be a freeze.

Mr. Ayles explains that the city will be trying to do more with less and explains how the city plans for the projected budget costs and how the city debt is managed. He explained that the city budget for FY15 is \$110 million while the projected budget for FY16 is estimated to be \$114 million.

Councilor St. Hillaire asks if other models for the grade configuration were considered and if there are any other grade 5-8 models being built. Mayor Cahill reported that Wakefield just built a grade 5-8 middle school but notes that it is two years old. He notes the comparisons show do not tell if they are new construction or remodels and renovations. Heery confirms that they are all new construction.

Councilor Martin asked how the interest rate will be set. Mr. Ayles explained that they would lock into a rate for the term of the bond and notes that this is a model that they will be constantly refining.

Councilor Silva thanked Mr. Ayles for the presentation and states that he appreciates the information presented on the reserve balances. He asks if they are looking at any value added efficiencies in the building that would be a potential benefit to the operation of the school. Mr. Ayles reported that they are always looking at new efficiencies and notes there will be long term energy savings. He states that the design team will be looking at efficiencies as they refine the design and consider materials for the building.

Mayor Cahill stated that the goal is to end up with a building that we want, for the educational programs that we want and have a building that needs to last as long as possible.

Councilor Silva asked if the increase in the debt service would be just for the school. Mayor Cahill said in partly noting that it does not include normal capital improvements. He also noted that we have done a pretty good job of laying out the next few years of the Capital Improvement Plan.

Supt. Hiersche explained that there will be costs incurred for staff etc. and the School Committee and the Beverly Public Schools will have to do some responsible budgeting. He states that they will be looking at models that they think will be cost effective.

Councilor Houseman asked what the adjusted MSAB reimbursement cost is reasonable to expect. Mayor Cahill explains that MSBA raised their reimbursement per square foot to \$287 last year and we are on track for a funding agreement with them by September 30, 2015 and the cap would be set by then.

Councilor Houseman asked if it is prudent to use the stabilization fund for a known cost as opposed to emergency use. Mayor Cahill reported that they established the stabilization fund with an eye towards the middle school project.

Councilor Frates asked how the city is managing the **OPEC pension liability** and OPEB. Mayor Cahill explained that **OPEC** ~~and~~ the city pension liability ~~and~~ is a state mandate **requiring the City** to fund the pension liability by **2040**. ~~and~~ The OPEB is the health care and life insurance for retirees. He explained that there is no state mandate for that at this time and is handled pay as you go. He noted that they are in the process of putting together a proposal to set up a trust fund for that and will be submitting that to the City Council.

Roy Gelineau thanked Mr. Ayles for the presentation and asked what the worst case scenario would be for the city portion of the project. Mr. Ayles explains that 56.18% would be the worst case for the city. He explains that the MSBA worksheets are submitted as part of the process/

Mr. Gelineau asked when they will begin to look at issues that will get the cost of the project down. Mr. Ayles explained that they will be hiring a construction manager for the project and they will be looking at aspects of the project as they go along. He explains that it is a layered process with multiple layers and phases.

Mr. Ellis explains that the funding agreement will be signed in September at which time the MSBA will ask the city to commit to the funds. He also explained that they will be holding

interviews for the construction manager's position in the next couple of weeks. Mayor Cahill states that they would like to have the construction manager on board as soon as possible.

Joanne Murphy Scott asked if there has been a discussion about the future of the Briscoe building. Mayor Cahill explained that they will be naming a Reuse Committee that will be charged with looking at the Briscoe building and other city properties noting that it may have some value and could possibly be a site for the police station and city hall. He notes that the Committee would look at all of the options with regards to municipal buildings explaining that if city hall were to move the current city hall could be used for something else. He notes that there are a few possibilities to look at.

Mayor Cahill suggests that the Committee take a short break at this time and reconvene for another hour.

Mayor Cahill reconvened the meeting at this time and called on Scott Dunlop from Ai3 to make presentation on the design of the building.

Mr. Dunlop addressed the Committee and explained that with regards to the schematic design the estimated cost for the project at this time is based on conservative estimates. He explained that we will not know specific costs until we get to the design development. He further explains that we know that the 420 per s.f. estimate is the high end and we know we can do better but we will not know that until we get into the specifics of the building design development..

Mr. Dunlop explains that Beverly has selected the construction manager at risk approach to this project and explains that this approach brings in the construction manager early on in the process and they will be involved in the design development and all other phases of the project.

Mr. Dunlop began his presentation on the design of the building noting that they have been working on this for that last year and the School Building Committee has reviewed 8 options for the design and in March they submitted this design to the MSBA. He reported that the MSBA has enthusiastically approved this design and given approval for the city to move forward with this option.

Mr. Dunlop reviewed the current Memorial Middle School site noting that the existing building will be demolished and a new building will be constructed. He notes it is a 17 acre site and reviews the site plan. He notes the locations of potential parking areas and bus and drop off areas. He also notes that there are 275-400 parking spaces planned on site and two playing fields located close to the area where the gymnasium will be located.

Mr. Dunlop explained that the primary entrances for the site will be on Cabot Street and there will be another on Balch Street.

Mr. Dunlop explained that the building will be divided into academic neighborhoods and explains that there will be four floors with 125 students from each grade on each floor. He also explains that there will be classroom spaces, maker spaces and dining spaces for each neighborhood and explains how that would be laid out. He also explains that there will be an outdoor learning environments that will be accessible from each neighborhood.

Mayor Cahill opened the meeting up for questions on the design presentation at this time.

Todd Rotondo noted that there is a set of stairs on the second floor layout and notes that they are located on the edge of the green space and questions if they will be used for students to access the building. Mr. Dunlop explains that they have talked about those stairs as a convenience as they are not required by the MA building code and they are there to promote circulation but they could be used by certain grade levels with separate pathways into the building. Mayor Cahill noted that they are early on in the design process and there are a lot of options that they can look at.

Mr. ~~Rotondo~~ Surette asked about the location of the elevators. Mr. Dunlop explains the location of the elevators and notes that they could possibly add a service elevator for the food service.

Dr. Hiersche explained that early in the process they met with teachers for their input into the design and one thing that they were very clear about was the flow of the learning space. He notes that the ability to move from the classroom to the cafeteria to the outside learning space is critical.

Mr. Manzi asked how many doors there are in the building. Mr. Dunlop explains the locations of the doors noting that each academic area will have entrance points throughout the building.

Councilor St. Hillaire stated that this is an exciting project and he is excited about learning more about the educational program. He asked for more information on the layout of the building. Mr. Dunlop explained that this layout is very efficient and notes that the corridors are loaded on both sides to make the building efficient. He notes that as they proceed they will be refining the spaces and will be looking at efficiencies. He also notes that there will be a lot of natural light in the classrooms and they will not need to use much artificial lighting.

Lang asks if there are any school districts that use academic neighborhoods that we could learn from. Mr. Dunlop explains that the concept has been used for years in different versions such as Schools Within a School and more recently the academic neighborhoods have been implemented noting that they go a step further and explains the benefits of it for students to make sure they are comfortable in a larger school.

Mayor Cahill reiterated that the MSBA was enthusiastic about the design and indicated to other communities present that they should look at what Beverly is doing.

Dr. Hiersche notes that the teachers in the district are very excited about the new middle school and the program.

Mr. Manzo explained that currently students leave their teams for foreign language, art, music and gym and they will not have to move as often with this design.

Councilor Silva asked if there was any academic preparations that need to take place for implementation of this. Dr. Hiersche explained that they are planning for professional

development for the next three years as well as making sure that teachers for the school have the proper certifications etc.

Councilor Houseman asked what the current technology in middle school is and how will it be transitioned. Mr. Dunlop explained that technology is rapidly changing and devices are becoming smaller and less expensive. He explained that the building will have indoor and outdoor wireless access.

Dr. Hiersche explained that students are using IPADS and Chromebooks presently and the technology that they will implement will depend on what technology looks like in three years.

Mr. Rotondo asked how many tweaks will be made to this plan, noting that the School Building Committee has seen a lot of options. Mr. Dunlop explained that they will be working on the details throughout the process but notes that he does not expect that the physical design of the building will change but there should be slight adjustments to the cost as they proceed with the design and the selection of the building materials etc.

Mr. Manzi asked what the size of the gymnasium is. Mayor Cahill estimated that in terms of size it is about the size of two basketball courts.

Mr. Binns asked what the total square footage of the building is. Mr. Dunlop explained that in relation to the s.f. that MSBA will pay for they are in line with everything except the auditorium. He explains that MSBA will pay for the portion of the auditorium that are considered learning spaces and explains that there is a music/band area in the rear area of the space and MSBA will pay of the stage area as well.

Next Meeting

Mayor Cahill thanked everyone for attending the meeting this evening and noted that the next meeting of the School Building Committee will be held on Tuesday, May 12, 2015 at 6:30 p.m.

Adjournment

The meeting was adjourned at 9:00 p.m.