

Somerset Middle School Building Committee – Statement Prior to Annual Town Meeting, May 17, 2021

The Massachusetts School Building Authority (“MSBA”) works with local communities to create affordable, sustainable, and energy-efficient schools across Massachusetts. The MSBA has developed a number of programs to improve the way capital improvement projects are funded. Aging buildings requiring significant capital improvements and repairs are not a unique problem to Somerset.

In 2016, the District submitted a Statement of Interest (SOI) to be considered for the MSBA Accelerated Repair Program. This program focuses on the preservation of existing assets by performing energy-efficient and cost-saving upgrades, including the repair and/or replacement of roofs, windows/doors, and/or boilers with the potential to include additional systems as may be determined by the MSBA. The MSBA rejected our SOI for the Accelerated Repair Program but encouraged the District to submit a new SOI to be considered for the MSBA Core Program for total facility replacement or major renovation. The MSBA felt the current condition of the middle school building warranted larger remediation measures and felt the Core Program was more in line with the needs of the District.

In 2018, Somerset’s SOI was approved and we were accepted into the program. The District has followed the strict MSBA requirements outlined for each stage or ‘module’. Even through the pandemic, the Building Committee continued to meet the MSBA’s projected timelines to receive invitations to progress through the modules. We were invited into the Feasibility Study (2019) and Schematic Design (2020) modules and formed a Building Committee with diverse representation from our community. We are currently in Module 5 – Project Funding. Per the MSBA’s Eligibility period guidelines, “an invitation to Eligibility Period is not an invitation to Feasibility Study and it does not guarantee an invitation to the MSBA’s capital pipeline”.

During this time, the SMS Building Committee evaluated over 24 different options, including a 5-8 option. The options were further streamlined to three – Base Repair, Addition/Renovation, and New Construction. We have shared a great deal of information about these options and why the SMS Building Committee recommended New Construction as the most fiscally responsible, educationally appropriate, modern, right-sized option for the community.

The total project cost for a New Somerset Middle School is \$85 million; the MSBA grant is estimated at \$32 million, with a net cost to taxpayers of \$53 million. On April 14, 2021 the MSBA Board of Directors approved the ‘Proposed Project’ and May 6, 2021, the Advisory & Finance Committee, an independent group of members from our community, also approved it unanimously.

Two votes are required in order for this project to move forward. At Annual Town Meeting, on **Monday, May 17**, voters will be asked to raise and appropriate, borrow, or transfer from available funds for the construction and furnishing of a new Middle School. On **Saturday, May 22**, a separate Ballot Vote will take place for residents to vote for the Town to be “exempt from the provisions of Proposition two-and-one-half”, the amounts required to pay for the bonds issued in order to fund the new Middle School. These are two separate votes for two separate purposes and cannot be combined.

There has been a lot of confusion on what happens if either vote passes or fails. There is also confusion on whether or not a failed vote allows the District to ‘rework’ the project to try and secure a passing vote, while the MSBA holds the capital earmarked for Somerset aside.

With regard to the article at Town Meeting and the Ballot Vote, the MSBA has set forth very specific guidelines on this – *“a town... that has been approved by the Board for a proposed project has 120 days from the date of the Board’s approval to obtain and certify local approval of an appropriation to fully fund the proposed project and all other local votes or approvals showing acceptance of the cost, site, type, scope and timeline for the proposed project..”* The 120-day period for this project started on April 14, 2021 with the MSBA Board approval and ends on August 12, 2021.

If both votes pass – the MSBA holds the allocated funds for this project and Somerset is allowed to move forward to the Detailed Design phase (Module 6) and then Construction (Module 7), with an estimated opening date of September 2024.

If the vote is split, i.e., one passes and one fails, or both votes fail, the Town would need to provide the MSBA within 10 business days of the failed vote the results of the vote, the District’s understanding of the reasons for the failed vote, and a plan to remedy the failed vote and timeline for resolution for the ‘Proposed Project’. Per the MSBA Policy Statement, *“The MSBA appreciates the challenges that school districts face, but the MSBA’s capital program funds are targeted toward projects and school districts that are ready and able to make the financial commitment and move forward in a timely manner.... [and] the MSBA cannot indefinitely tie up funds allocated for a project that lacks local support.”* It is important to understand that, based on the results and the rationale provided for the failed vote, the MSBA does not guarantee an approval to allow the Town to move forward with a second vote. They can say no.

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If an approval for a second vote is granted, the Town must vote on the 'Proposed Project' as approved by the MSBA in April 2021, without any material changes in site, scope, program, and cost. This vote is for the construction of a new building and to enhance the educational programming, technology and tools for our teachers to prepare our students with the skills they need for today and into the future. Per the Policy Statement, *“a failed vote likely will result in the school district being required to submit a new Statement of Interest to the MSBA and await an invitation from the MSBA to enter the Eligibility Period phase of the MSBA’s process.”*

The MSBA already rejected our SOI for the Accelerated Repair Program, suggesting a significant project/new school is required to address the middle school building deficiencies. This process started over 5 years ago. Not only will a delay in this project result in the loss of educational programming for our students, the cost of the project will continue to increase as construction costs increase. Using an estimated annual construction cost escalation rate of 2.5%, in five years the cost of this same project would be estimated at \$96.2 million, for a total net increase of approximately \$11.2 million. We have the opportunity to lock in costs at today’s construction costs and low borrowing rates.

This Building Committee has spent countless hours reviewing the options and sharing this information with the public along the way. We want to thank the teachers, staff and students who participated in the process and the community for attending our Community Forums. We stand united behind our decision that a New Somerset Middle School is the best path forward for Somerset.