Renovation Project

Your Regional Technical High School is in serious need of renovation. The original building is 51 years old. After six Statement of Interest submissions to MSBA, we were invited into the program. The scope of the project is a deep renovation that is neither a change in size and capacity of the building, nor a change its regular offerings. The renovation is focused largely on mechanical, HVAC and other critical systems in the building that are at the end of its useful life. As well, we are taking steps to modernize our technological infrastructure as well as our compliance with much-needed ADA improvements. In the following few pages, you will see many of these potentially upgraded or replaced systems. Blue Hills counts on your support to continue our mission for decades to come!
Positive Benefit Statement
In this brochure you will see many of the structural and educational benefits of a deep renovation for Blue Hills Regional Technical School.

TOTAL COST $84.8M

55.89% MSBA Reimbursement

WHY NOW?
• We are MSBA approved
• Students need a facility for the 21st century that will prepare them for success
• Avoid cost escalation from waiting

Improvements to Infrastructure

Improved ADA Compliance

With so many ramps, rails, door handles and other items out of compliance code, BHR will be a more accommodating and inclusive environment once completed.
- Fire Alarms/Early Warning
- Fire Suppression
- Fire Annunciation
- A new PA System
- New Security System
- New Phone System

Improved Life Safety Systems

New HVAC & Plumbing

A new HVAC System will replace the failing heating loop. Our building will have a more evenly heated and cooled environment, making it a great place to learn.
**New Electrical Systems**

Improved electrical panels, emergency generators and switch gear are a must in a world where our facilities are seemingly busy 24/7. The increased number of computers and technical program equipment demand electricity, and we are going to be ready.

**Improved Roof**

We will be able to make all of our necessary rooftop changes while extending the warranty of our previous roof project.

**New Windows & Entries**

Improving the outer facade of the building with low-E glass and new windows is just common sense in an energy-efficient educational world.
Educational Benefits

**Improved Network and Telecommunications**

A 21st century education requires up-to-date technology and infrastructure; including a fiber optic backbone, new servers and VOIP communications.

**New & Improved Locker Rooms and Lockers**

All PE and sports will have new and appropriately sized lockers for both curricular and extracurricular athletics.

**Improve Environment and Climate**

No longer will our students be subject to wide temperature variations throughout the school. They will also have the benefit of increased fresh air.
Blue Hills Renovation Project Cost Models – Town of Norwood
Project Budget, Borrowing Schedule, and Assessment

Total MSBA project budget: $84,862,768
Total approved MSBA maximum reimbursement: $43,438,247
Approved MSBA reimbursement rate: 55.89%
True reimbursement rate eligible costs: 51.19%

Amount of project self-funded through December 2017: $2,778,777
Includes all costs associated with the Feasibility Study, Schematic Design, and Design Development phases

Projected total cost to all 9 member towns: $38,645,744
Anticipated maximum amount to be fully bonded for 30 years: $40,000,000

Additional $3 Million in BAN in 2019 until full MSBA reimbursement

Anticipated borrowing schedule:
$10,000,000 in BAN, January 2018 to July 2018
$21,500,000 30-Year Bond (includes re-financing prior BANs), July 2018
$18,500,000 30-Year Bond, January 2019 – Amount to be adjusted based on actual costs
$3,000,000 BAN for 1 year until full MSBA reimbursement received

Projected total assessment (with interest over 30 years) to the Town of Norwood - $3,871,796
Projected Cost to Town of Norwood

Projected initial assessment to Town of Norwood Fiscal Year 2019 - $0.00 – District covers 2019 repayment cost through operating budget.

Projected initial assessment to the Town of Norwood Fiscal Year 2020 - $97,400 – District pays first $500,000 of bond payments through existing capital budget.

Projected impact on assessment 2020 – 9% increase

Projected assessment per student Fiscal Year 2020 - $1,754

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Annual Bonding Costs

Annual bond repayment assessment district wide (all 9 towns) – $2,038,209

Blue Hills has the ability to reduce the initial bonding assessments by up to $500,000 through the use of budgeted capital dollars and will apply those dollars in the early years, as capital needs for the school should be relatively small.

Blue Hills could continue to annually reduce the bonding assessment through the use of the currently budgeted capital project dollars, or by applying residual E & D funds toward the bond repayments each year depending on district capital needs.

Projected range of annual bond repayment assessments to the Town of Norwood for the remaining 29 years - $97,400 to $129,060 annually at 3% interest rate, based on the amount of capital budget funds applied by the district.
Each Town's Annual Payment is based on their four-year rolling average enrollment at Blue Hills Regional High School

Member Town's Historical 4-Year % of District Enrollment
DESE Foundation Budget Enrollment
Based on DESE Foundation Budget Enrollment Numbers

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COSTS AVOIDED BY SUPPORTING THE CURRENT PROJECT

The current structure of the project has the MSBA paying for over 50% of the renovations if approved in the fall of 2017. A one-year delay in the project could cost member towns an additional 3 to 4 million dollars. Should the project be indefinitely delayed or rejected repairs / renovations to the building could cost member towns anywhere from $10 to $50 million dollars more over time. Below are some examples as to how this project is saving the member communities millions of dollars in repair costs over time.

Cost of a New Building
The MSBA stated reimbursement of $43,438,247 on the Blue Hills’ $84.8 Million dollar project is greater in percent and in dollars than Cape Cod Tech is receiving for a building a new school and significantly greater in percent than Minuteman Tech is getting for building a new school.

CC Tech – MSBA grant of $41,219,899 for a $128,062,881 project
Minute Man Tech – MSBA Grant of $44,139,213 for a $144,900,000 project

Should the Blue Hills project be delayed into the distant future and resulting in the need for a new building the current value of the additional cost is in excess of $40 million dollars.

Continued Cost Escalation
Should the Blue Hills project be delayed for a year or two construction cost escalation of 5% for each year delayed should be anticipated. With the MSBA maximum dollar reimbursement established, the member towns would bear the full cost of any inflation. That additional cost would be in excess of $4 million dollars per year delayed.

Costly Repairs and System Failures
Should the project fail to pass altogether, the district would need to increase its funding for repair/renovation projects, as the need for replacing the electrical infrastructure, HVAC systems, and windows would remain. Addressing these items would require funding of the stabilization account. Currently the district has $600,000 in capital improvement costs in the budget. The capital repair budget could double or triple, while the district builds the funds to pay for these repairs and renovations. More importantly this leave minimal funds to address major infrastructure repairs when they arise. Significant systems failure could result in the closing of the building for the short or long-term.

The cost of these projects will be done without reimbursement from the MSBA. The cost of 50% of each of these projects is an additional expense and must be covered by the member towns as they pay for 100% of the work.

ADA and Life Safety Upgrade Costs
Eventually the district will pass the building improvement and repair spending threshold that requires the district to address the building’s ADA and life safety regulatory compliance issues. Approximately $10 million dollars of the proposed project is designated for these types of improvements. The entire cost will be the responsibility of the member town’s resulting in the project costing the towns 100% more than the current proposed project.