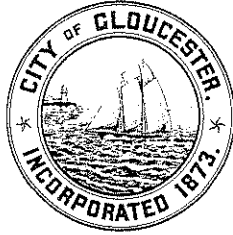


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CITY OF GLOUCESTER
OFFICE OF THE MAYOR

TO: City Council
FROM: Carolyn A. Kirk, Mayor
DATE: December 21, 2010
RE: Mayor's Report for the December 21, 2010 Special City Council Meeting

CITY CLERK
GLOUCESTER, MA
10 DEC 21 PM 3:27

Included as **Enclosure 1** is a memorandum regarding School capital projects. The only item requiring City Council action is the request for a loan authorization for school roofs. *Please refer this matter to the Budget and Finance subcommittee for review and approval.*

The West Parish item *is for your information only.*

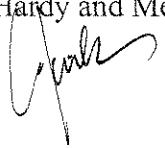
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CITY OF GLOUCESTER
OFFICE OF THE MAYOR

MEMORANDUM

TO: City Council President Hardy and Members of the Gloucester City Council
FR: Carolyn A Kirk, Mayor 
DT: December 21, 2010
RE: School Capital Projects

cc: Dr. Joseph Connelly, Superintendent of Schools
Gloucester School Committee

Councilors,

As you are all aware, there are many pressing capital needs facing our school district. There are also many capital needs facing the city. Over the past few years, we have proceeded in a "crisis" mode rather than a planned mode when it comes to city and school capital projects. However, when possible, we are committed to moving forward on capital projects in the context of a funded 5-year capital plan.

With that goal in mind, the Administration would like to take this opportunity to articulate its intentions regarding two widely discussed school projects:

- School Roofs
- West Parish School

The only item requiring City Council action is the request for a loan authorization for school roofs. The West Parish item is for Council information only.

SCHOOL ROOFS -- Loan Authorization for the MSBA Green School Repair Program

The Administration recommends moving forward on the roof repairs immediately in order to take advantage of the generous reimbursement available through the Green School Repair Program.

Through the collaborative efforts of the city and school Administrations, City Council and School Committee, the necessary Statement of Interest (SOI) forms were submitted on September 22, 2010, to the Massachusetts School Building Authority (MSBA) for their Green School Repair Program.

The SOI's focused on replacing the deteriorated roofs of the O'Maley, Beeman, Veterans, East Gloucester and Plum Cove schools. Since our submission, Superintendent Connelly has been in constant communication with the MSBA to determine whether all, or any, of our projects would be accepted into their program.

In partnership with Superintendent Connelly, we are pleased to announce that all of our projects submitted to the MSBA for their Green School Repair Program have been approved. Recognizing the timing in the process is critical, the MSBA has pre-selected a pool of 20 Owner Project Manager's (OPM) and 20 Designers for the city to choose from to interview.

The Green School Repair Program enables the city to be reimbursed at a rate of 48.27% of the total projects costs. Estimated cost data from MSBA based on 2009 construction information range from \$12 to \$20 sq. ft., plus the expense of an OPM, which is estimated to be 3% - 5% of total construction and a Designer, which is approximately 10% of the total construction.

The following is a cost estimate based on the actual square footage of the identified school roofs and the estimated figures supplied by the MSBA:

School	Roof's Square Footage	Replacement Cost
O'Maley	128,822	\$2,576,440
Plum Cove	17,322	\$ 346,440
Veteran's	31,346	\$ 626,920
East Gloucester	25,309	\$ 506,180
Beeman	28,598	\$ 571,960
Totals	231,397	\$4,627,940
OPM	\$231,397	
Designer	\$462,794	
Contingency	\$677,869	
Total Project Cost		\$6,000,000
Reimbursed Amount w/contingency		\$2,896,200
City's Debt		\$3,103,800
Reimbursed Amount w/out contingency		\$2,568,993
City Debt		\$3,431,007

Although the cost of the projects is going to be shared with the MSBA, the Green School Repair Program requires that the total project cost (Total Replacement Cost + the OPM + the Designer) be appropriated.

Therefore, I respectfully request that the City Council approve a loan authorization in the amount of \$6,000,000 for the Gloucester Green School Repair Program. Both city and school personnel will be available to answer any questions.

WEST PARISH SCHOOL

The Administration recommends that the West Parish School project be referred to the Capital Improvements Advisory Board (CIAB) at this time. Capital plans for all departments including the school are being prepared now, and are due to be submitted to the CIAB within the next few weeks. The Board will take all of the capital needs across the city and schools into consideration, and prepare, in conjunction with the CFO and the City Planner, a 5-year capital plan accompanied by a realistic funding plan.

Due to the enormous investment required for building a new school, or renovating an existing one, it is the prudent course of action for the decision to be made in the context of all capital projects and funding realities.

Consequently, the Administration will not pursue funding for a feasibility study for West Parish at this time. We have also notified the MSBA that the city has chosen to prioritize school roofs over school building or renovation at this time. The feedback we received from MSBA was that we simply need to submit a letter from the Mayor or the Superintendent indicating an updated timeframe which could extend as far out as 3 years with minimal or no impact on the city's standing with MSBA, according to the MSBA.