

NEW STONEHAM HIGH SCHOOL

Community Forum



1.5.2023

SCHOOL BUILDING COMMITTEE MEMBERS

Marie Christie

Co-Chair

Sharon Iovanni

Community Member

David Bois

Co-Chair

Cory Mashburn

Finance & Advisory Board

Nicole Nial

School Committee Member

Paul Ryder

Community Member

Raymie Parker

Select Board Member

Kevin Yianacopolus

High School Facilities

David Pignone

Select Board, Athletic Director

David Ljungberg

Superintendent of Schools

Douglas Gove

Community Member

Bryan Lombardi

High School Principal

Stephen O'Neill

Community Member

Dennis Sheehan

Town Administrator

Josephine Thomson

Community Member

Leia DiLorenzo-Secor

Town Budget Director

Jeanne Craigie

Town Moderator

Brian McNeil

Town Facilities Director

Lisa Gallagher

Middle School Admin.

April Lanni

Town Procurement Officer

Architect

Perkins&Will

OPM

Symmes Maini and McKee Associates

Construction Manager

Consigli Construction Co.

Perkins&Will

SMMA

Project Management



CONSIGLI
Est. 1905

AGENDA

1/ PROJECT BUDGET HISTORY

2/ ADDITIONAL FUNDING REQUEST

3/ WHY A SPECIAL TOWN MEETING?

4/ WHAT IS CAUSING THE ADDITIONAL
FUNDING REQUEST?

5/ COMPARABLE PUBLIC SCHOOL PROJECTS

6/ TAX IMPACT

7/ IMPACTS OF A “YES” OR “NO” VOTE



Perkins&Will

SMMA
Project Management

CONSIGLI
Est. 1905

PROJECT BUDGET HISTORY

Project Budget

Contracted \$56.5M in design and construction to date. Construction start June 2022 to facilitate a September 2024 School Opening

\$12.7M deficit identified.
\$12.7M in value engineering to address.

\$3.6M deficit identified.
\$980K in value engineering, \$2.2M in ARPA and \$450K in contingency to address.

\$5.7M deficit identified.
\$4.6M in scope moved to Bid Alternates and \$2.8M in contingency to address.

\$189.6M

\$189.6M

\$191.8M

\$191.8M

Public Bidding Process



\$214.6M

October 2021
Special Town Meeting

April 2022
Professional Estimates at Detailed Design

June 2022
Professional Estimates at 60% Construction Docs

September 2022
Professional Estimates at 90% Construction Docs

November 2022
100% Construction Documents

December 2022
Bid Results

BREAKDOWN OF ADDITIONAL FUNDING REQUEST

Project Cost Breakdown	Original Project Cost	Current Project Cost	Variance
Construction Cost	\$153,418,660	\$167,937,452*	\$14,518,792
Bid Alternates	Included in above	\$8,046,465**	\$8,046,465
Fees, Administration, FFE, Technology	\$25,435,628	\$27,360,658***	\$1,925,000
Construction and Project Contingencies	\$10,739,306	\$11,739,306***	\$1,000,000
Total Project Budget Variance	\$189,593,594	\$215,083,851	\$25,490,257
Economic Development Bill	n/a	-\$500,000	-\$500,000
Total Cost Variance	\$189,593,594	\$214,583,851	\$24,990,257

*Inclusive of the interim ARPA and Contingency reallocations.

**Bid Alternates Scope Reinstatements are Spartan Stadium, North Sports Field, Community Terrace, Visitor Bleachers and Gymnasium Bleachers. The scope of work in all of the Bid Alternates Scope Reinstatements was included in the Original Project Cost.

***FFE and Technology, Construction Contingency proportional increase

BREAKDOWN OF ADDITIONAL FUNDING REQUEST

Construction Cost Breakdown	
Construction Cost Overage above 90% CD Estimate	\$9,023,207
ARPA Reallocation	\$2,200,000
Construction Contingency Reallocation	\$1,872,792
Project Contingency Reallocation	\$1,422,793
Total Construction Cost Variance	\$14,518,792

BREAKDOWN OF ADDITIONAL FUNDING REQUEST

Bid Alternates Scope Reinstatements	
Spartan Stadium	\$6,035,220
North Sports Field Turf and Lighting	\$1,595,528
Community Terrace	\$97,752
Visitor Bleachers	\$195,268
Gymnasium Bleachers	\$122,697
Total Bid Alternates	\$8,046,465

BREAKDOWN OF ADDITIONAL FUNDING REQUEST

Furniture, Equipment and Educational Technology	
Furniture and Equipment	\$1,675,000
Educational Technology	\$250,000
Total Furniture, Equipment and Educational Technology	\$1,925,000

WHY A SPECIAL TOWN MEETING?

The costs of the New Stoneham High School project have increased \$24.9 million over the initial budget of \$189.6 million, which was developed in 2021.

- October 17, 2022 Town Meeting did not have certainty of bids.
- Now that all bids have been received, the final cost is able to be determined.
- January 11, 2023 is within the period for bids to remain valid.
- This amount will allow for the contract execution of all bids and establish a Guaranteed Maximum Price (GMP) for the project – this will include the total project cost, through a contract amendment with the construction manager, who then assumes the risks related to cost increases.

WHAT IS CAUSING PROJECT COST INCREASES?

Non-residential construction costs increased 26.4% from June 2021 to August 2022.

- The prior 12 years averaged 2.32% annual increases

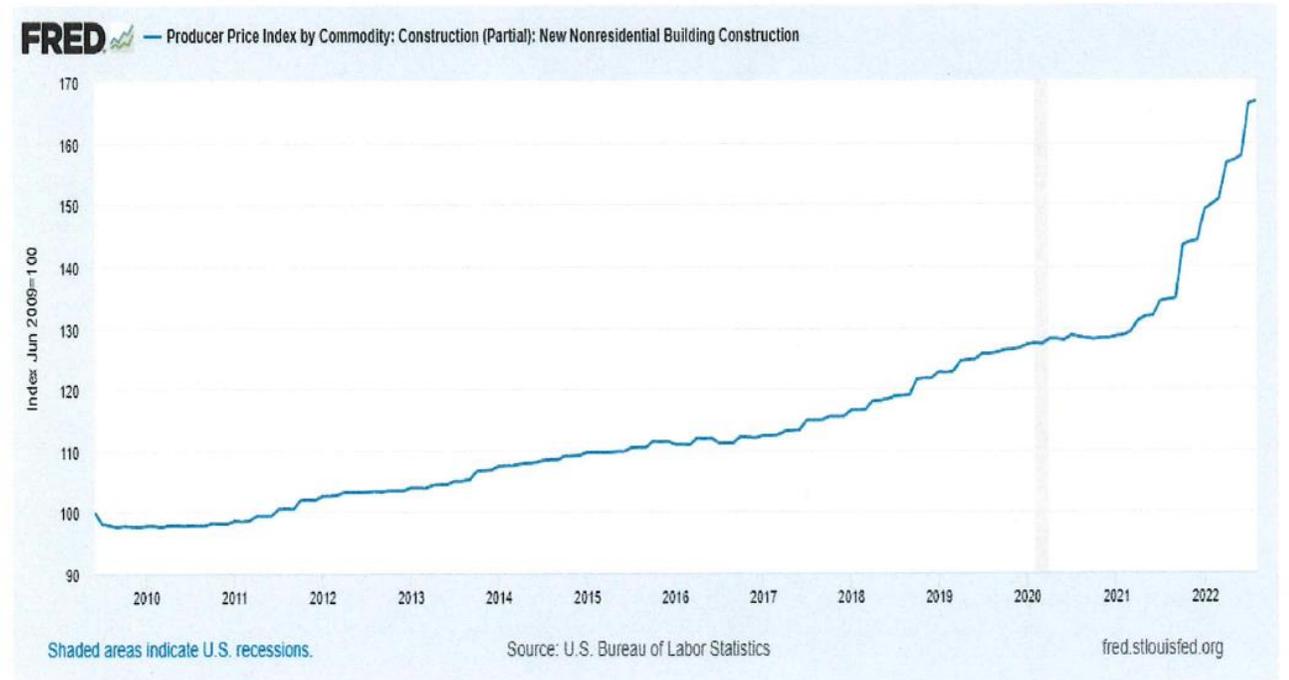
Economic factors include:

- Highest inflation rates in 41 years
- Job and labor market challenges
- War in Ukraine

Actual increase associated with New Stoneham High School: 14.7%

Producer Price Index for New Non-Residential Construction

From June 2009 to June 2021, this index increased by 31.8%, or 2.32% annually. From June 2021 to August 2022, this index increased by 26.4%, or 1.70% monthly/22.5% annually.



BUDGET DEFICITS IN COMPARABLE PUBLIC SCHOOL CONSTRUCTION PROJECTS

The impact of the unpredicted market conditions impacting the supply chain and unprecedented price escalation is occurring state-wide:

School District	Type of School	Construction Budget	Construction Bid/Estimate	% Over Budget
Andover	Elementary School	\$119,200,000	\$136,300,000	14.3%
Groton	Elementary School	\$61,000,000	\$70,500,000	15.6%
Westwood	Elementary School	\$70,000,000	\$74,000,000	5.7%
Peabody	Elementary School	\$23,400,000	\$26,800,000	14.5%
Somerset	Middle School	\$69,000,000	\$79,000,000	9.5%
Concord	Middle School	\$80,700,000	\$86,000,000	6.6%
Boston	Middle-High School	\$146,800,000	\$177,000,000	20.5%
Lowell	High School	\$270,000,000	\$308,000,000	14.1%
Worcester	High School	\$230,000,000	\$257,000,000	11.7%
Nauset	High School	\$104,700,000	\$134,400,000	28.4%

BUDGET DEFICITS IN COMPARABLE PUBLIC SCHOOL CONSTRUCTION PROJECTS



Massachusetts School Building Authority

Deborah B. Goldberg
Chairman, State Treasurer

James A. MacDonald
Chief Executive Officer

John K. McCarthy
Executive Director / Deputy CEO

November 2, 2022

“The unanticipated market volatility and supply chain issues have significantly affected project bid results. The 2022 bids by Districts with Core Program projects show that five of the 16 projects that have reported bid results to the MSBA, received bids in excess of budget estimates. Ten of the 16 projects have obtained, or are preparing to seek, additional funding through an additional appropriation or the use of American Rescue Plan Act funding. To date, five projects that are in the bidding phase have received approval for additional project funding, and one project funding vote failed at Town meeting.”

Perkins&Will

SMMA
Project Management


CONSIGLI
Est. 1905

WHAT IS THE PRELIMINARY TAX IMPACT ANALYSIS?

Additional Funding Request	\$24.9 million
Estimated Cost/Year Per \$100,000 Valuation	\$31 per \$100,000
Estimated Average Cost/Year Increase for the Average Residential Taxpayer	\$202

Based on average home value of \$655,919, 30-year bond at 5.75%

Finance terms are estimated and subject to change

SPECIAL TOWN MEETING JANUARY 11, 2023, AT 7:00 PM AT TOWN HALL

ARTICLE

To see if the Town will vote to appropriate, borrow or transfer from available funds, an amount of money, in addition to the amount of money approved at the October 4, 2021 Special Town Meeting, to be expended under the direction of the Stoneham School Building Committee for planning, designing, constructing, originally equipping and furnishing the New Stoneham High School located at 149 Franklin Street, Stoneham, Massachusetts, which school facility shall have an anticipated useful life as an educational facility for the instruction of school children of at least 50 years. The additional amount of money will not be eligible for a school construction grant from the Massachusetts School Building Authority (“MSBA”).

SPECIAL TOWN MEETING JANUARY 11, 2023, AT 7:00 PM AT TOWN HALL

MOTION

That the Town vote to appropriate the additional amount of Twenty-Four Million Nine-Hundred Ninety Thousand and Two Hundred Fifty Seven Dollars (\$24,990,257) for the purpose of paying costs of planning, designing, constructing, originally equipping and furnishing the New Stoneham High School located at 149 Franklin Street, Stoneham, Massachusetts, including the payment of all costs incidental or related thereto (the “Project”), which school facility shall have an anticipated useful life as an educational facility for the instruction of school children for at least 50 years. The additional amount of money will not be eligible for a grant from the Massachusetts School Building Authority (“MSBA”), said amount to be expended under the direction of the Stoneham School Building Committee; and further, to meet this appropriation the Town Treasurer with the approval of the Select Board, is authorized to borrow said amount under M.G.L. Chapter 44, or pursuant to any other enabling authority.

Requires 2/3 Majority Vote

Perkins&Will

SMMA
Project Management


CONSIGLI
Est. 1905

IMPACTS OF A “YES” OR “NO” VOTE

Impact of a “Yes” Vote

- Project stays on schedule
- All contract prices are locked in
- School opening dates are maintained
- Property taxes increase for additional funding

Impact of a “No” Vote

- Risk of losing accreditation
- Significant educational impacts for students
- Continued use of outdated and inefficient facilities and increased maintenance costs
- Extended impact to athletic fields capacity and use
- Potential construction pause
- Bids expire, potential cost increases to complete project
- Potential delay in new School opening
- Major project scope reduction and building redesign to stay within existing budget
- MSBA grant at risk

CONSTRUCTION STATUS



CONSTRUCTION STATUS



COMMUNITY RESOURCES

SSBC Website:

<https://www.Stoneham-Ma.Gov/hsbc>

Project Email:

SSBC@Stoneham-Ma.gov

Town of Stoneham | MA

Home Government Residents Businesses Contact Us How Do I...

Weekly Construction Updates

SSBC Agendas and Minutes

SSBC Meeting Dates

Project Design Documents

Home > Government > Boards & Committees > School Building Committee

Stoneham High School Building Project Stoneham School Building Committee (SSBC)

Stoneham residents can attend SSBC meetings either in person or via GoToMeeting and can find details about the meetings on this SSBC information page below under [News and Events](#).

News and Events

Contact Us

David Ljungberg
Superintendent of Schools
Phone: 781-279-3802

Stoneham School

Physical Address
149 Franklin Street
Stoneham, MA 02180
Phone: 781-279-3802

Perkins&Will

SMMA
Project Management

CONSIGLI
Est. 1905