

**Bristol Warren Regional School District
Joint Finance Committee Meeting
May 17th, 2023**

The Bristol Warren Regional School District Joint Finance Committee held a meeting at Mt. Hope High School Cafeteria, 199 Chestnut Street Bristol, RI 02809 on Wednesday, the 17th day of May 2023. The meeting was called to order at 6:30 pm.

The meeting was live streamed on YouTube via the following link:
https://www.youtube.com/channel/UCMfoo1G_4jBMUOuP2Vlv4xw

PLEDGE OF ALLEGIANCE: Led by Chairman Timothy Sweeney.

The meeting was called to order by Chairman Timothy Sweeney (Bristol Town Council Member). Also, present were members Steven Contente (Bristol Town Administrator), Nathan Calouro (Bristol Town Council President), Aaron Ley (Bristol Town Council), Mary Parella (Bristol Town Council), Tony Teixeira (Bristol Town Council), Kate Michaud (Warren Town Manager), John W. Hanley (Warren Town Council President) and Keri Cronin (Warren Town Council Member), Ana Riley (BWRSD Superintendent), Jessica Almeida (BWRSD School Committee Treasurer), and Danielle Carey (BWRSD CFO).

WELCOME/INTRODUCTIONS:

Chairman Timothy Sweeney welcomed everyone to the May 17, 2023 Joint Finance Committee Meeting. He introduced members of the JFC, the BWRSD Superintendent, Ana Riley, school administration, teachers, parents, and students. Chairman Timothy Sweeney noted that we are here for a historic investment in our school buildings that are long overdue for 21st century learning. It is clear that it is time to make an investment in our schools. Chairman Timothy Sweeney reminded his colleagues that this is a non-binding bonding cap vote.

ACCEPTANCE OF MINUTES:

Acceptance of March 23, 2023 meeting minutes.

Motion made by Member Keri Cronin to accept and approve the March 23, 2023 minutes. Seconded by Member Toni Teixeira. The motion passed unanimously.

TOWN CLERK'S OFFICE
BRISTOL, RHODE ISLAND

2024 JAN 12 PM 1:00

TOWN COUNCIL
FEB 7 - 2024
MEET

NEW BUSINESS:

Superintendent Riley introduced Chad Crittenden (PMA Managing Director), Architecture Firm Perkins Eastman representatives Robert Santos and Lisa Pecora, Mario Carreno (Director of the School Building Authority, R.I.D.E.), Sandy Mack (Mack Law Associates, Bond Counsel for BWRSD) and Steve Maceroni (Bond Agent). Superintendent Riley explained that there will be two presentations made this evening.

Chad Crittenden, PMA Managing Director, began the first presentation of the evening, "Bristol Warren Regional School District RIDE Necessity of School Construction Stage II" (see Exhibit A for the full presentation).

Chad Crittenden introduced Mario Carreno, Chief of School Business Authority at RIDE, to deliver the first portion of the presentation, focusing on the RIDE process overview. Mr. Carreno stated that one of the unique things about the program is unlike police stations, roads or bridges, the state will subsidize or reimburse school construction projects- they won't do that for other Municipal projects. At a minimum, if the project is completed, BWRSD is guaranteed to receive 63 percent reimbursement, primarily due to Bristol and Warren being regionalized. Additionally, the state is offering temporary incentives which would bring the reimbursement rate as high as 80 and a half percent- these will begin to expire at the end of this year.

Stage I: Identify Need (BWRSD currently at the end of stage I)

- Identify your team: pull together a School Building Committee, composed of city and school representatives
- Letter of Intent: send a statement of interest signed by Superintendent, School Committee, and municipal representative
- SBA Stage I Preliminary Approval: authorization to move forward with Stage II

Mario Carreno noted that BWRSD is doing things differently because they need to get the General Assembly to approve this by June for the question to be included on the November ballot. He noted that other communities have done the same, which is figuring out what the utmost limit the district would consider issuing a bond for and then working backwards from that number to take advantage of those temporary bonuses. Stage II is expected to begin in September.

Stage II: Develop Solution

- State Agency Reviews: DOA Planning, RIHPHC, Commission on Disabilities
- Local Support: stage II must include School Committee and City Council approvals
- SBA Stage II Preliminary Approval

Approvals and Beyond

- Council Approval: with recommendation from SBA Advisory Board, Commissioner makes recommendation to CESE
- Memorandum of Agreement: signed by School Committee + Superintendent
- Memorandum of Agreement: signed by Commissioner
- Enabling Legislation: for projects that are using bonds or other forms of indebtedness
- Voter Approval (November 2023): for bonds, unless the municipality has a public building authority

Stage III: Design Reviews

- Schematic Design Review: stage III must include the project's major components, including engineering
- Design Development Review: provide greater detail, including an updated project budget
- SBA Approvals: the SBA must review and approve each of these components: schematic design, development, and construction documents
- Construction Documents Review

Stage IV: Construction

- LEA Bids: LEA goes out to bid and shares responses with SBA
- Progress Reports: on the 12th of every month, OPMs provide a project progress report
- Project Complete: for that year's cycle, projects must be completed by June 30

Project Completion

- Housing Aid: LEAs submit Housing Aid forms by July 15
- September 15 & March 15: RIDE makes Housing Aid payments twice annually for projects completed by June 30

At this time, Mario Carreno asked if JFC members had any questions regarding the RIDE process.

Member John Hanley stated that last year the state funded about \$250 million. Hanley asked, if BWRSD asks for \$200 million, does that only leave \$50 million for other communities?

Mario Carreno stated that housing aid, the General Assembly appropriations, are not limited. He continued; the \$250 million dollar bond is limited but that is only funding a portion of the overall project- bonuses for a district like BWRSD are very valuable.

Chairman Timothy Sweeney posed a question regarding RIDE and the earlier mention of possibly approving at a lower amount. It was asked that Mario Carreno expand on this idea.

Mario Carreno explained in terms of new construction, there are three numbers that will help determine what the state would approve. The first being costs per square foot. The second is

enrollment (how many students will you have in five years) and third being number of square feet per student. These numbers are essentially multiplied to equal the RIDE number that a district would get approved for. From there, districts will decide what number to take to the General Assembly.

Stage I Recap: Chad Crittenden noted that the big takeaway here is that the schedule is going to be very tight. BWRSD has four months to get that submission in on September 15th and then a bit longer than that to get things such as a construction manager on board in order to qualify for the previously mentioned incentive points. He continued that PMA and Perkins Eastman teams are starting to line up meetings with stakeholders and the school committee and next will be the building committee meeting. Chad Crittenden noted that a lot of work will be happening concurrently, examples being the existing condition assessment and the educational visioning process. Dates to be published for community members shortly.

A full report of critical needs for all of the BWRSD buildings can be found on the district's website. Chad Crittenden continued, a major takeaway from the report is there are 134 individual projects listed and over 94 of those projects are considered priority one and property two- work that needs to happen right away so the need is clear.

At this time, member Kate Michaud asked for clarification regarding building repair needs. It was said that the identified cost of repair of deferred maintenance projects is estimated to be 28.6 million. Does it mean that the balance would be the construction of a new school and \$28.6 is the repair of existing buildings?

Chad Crittenden stated that's just core repairs and doesn't address the programmatic needs of the district. That is the bare minimum.

Stage II Preview: At this time, Robert Santos, Technical Architect, and Lisa Pecora, Project Manager, gave a brief preview of what stage II will look like. Robert Santos stated that creating an educational leadership team with the School Committee will be the main focus as it relates to visioning and programming. At this time, community members and members of each school will have the opportunity to sit down and talk about what the vision is. The goal for the whole process is to come up with an educational program which lists all the spaces that are going to be in the new or renovated buildings/projects.

Superintendent Riley noted that although Mario had previously mentioned a new high school, the potential for a renovation/new build hybrid is also possible. It should be made very clear to the public that the decision has not been made yet. There are three options to consider: renovation, new construction, or a hybrid of the two. It should also be noted that the box design present on the slides is not the actual design BWRSD would choose.

Member Mary Parella asked if the choice was made to do new construction, would it be like East Providence where they moved in on a site, kept the old high school while building, and then moved into the new building once complete?

Robert Santos said that is extremely possible.

Work Plan Schedule: Lisa Pecora stressed the aggressive schedule set for stage II. Perkins is very confident with this schedule. Holding weekly meetings with the executive committee will be key in keeping members informed.

Member Questions

Chairman Timothy Sweeney asked who those stakeholders involved in the district meetings are?

Lisa Pecora states it is up to the district to decide. Past practice includes executive committees and school leaders.

Member Aaron Ley brought attention to the conversation surrounding tight timelines here. It was asked if the firm had ever dealt with a short timeline like this in the past?

Lisa Pecora assured Member Aaron Ley the firm has dealt with these obstacles regularly. The firm will divide and conquer.

Member Kate Michaud asked if the facility condition index is part of the Stage I or Stage II assessment

Lisa Pecora stated that the start of the facilities assessment is part of Stage I but there is a continuation of it in Stage II. Stage II is when it would be determined if the scores achieved would allow for the extra bonus through RIDE. Mario Carreno added that the district can challenge the assessment.

Member Keri Cronin asked, should the voters decide this is not the direction they want to go in, what happens to all of the costs that we're building up now?

Mario Carreno first asked if this was a one project application or are there multiple projects? It was clarified that this includes all schools. He continued by stating that there are two ways to fund projects: one is through Bond with repercussions that it could fail. The other is capital reserve funds. The application should include some capital reserve funded projects. If it's all bond funded and the voters reject it, you won't have any right approvals which means the

district will pay for services 100 percent out of your own budget. If you have capital reserve approval, that doesn't go away the moment you get RIDE approval. It is not contingent on voters, so you would have some mechanism to reimburse the fees incurred. Also suggested was the consideration of a capital fund.

Superintendent Riley stated that BWRSD does have a revolving fund for capital because we're a regional district.

Member Keri Cronin continued by asking if all the pre-planning and then the ultimate goal are based on spending the full \$200 million?

Superintendent Riley responded by clarifying that the \$200 million is a cap as to not exceed, not the goal for spending. The goal is to spend less than the cap. The district is using capital funds to pay for the pre-approval services.

Member Mary Parella clarified that the reason we're asking for a \$200 million dollar cap is because of the legislature needing to get to legislation in order to get approval to go out for a special election and because it's already the middle of May, we have to get something into them relatively soon.

Superintendent Riley said this is correct.

Chad Crittenden continued with the presentation by stressing that information will be available to the public throughout this process via social media, website updates and flyers.

At this time, Chairman Timothy Sweeney asked if there is a feature within the website where residents can create an account and receive updates?

Chad Crittenden confirmed that is an option.

At this time, Steve Maceroni, PFM Bond Agent, presented "Bristol Warren Regional School District Proposed School Bonds" (Exhibit B).

Existing District Debt Service

- The District will have \$6,230,000 outstanding bonds as of June 30, 2023
- The bonds mature on May 15, 2028

Tax Rate Impact

Member Kate Michaud asked in the tax rate impact, you reference the impact on the tax rate. Do you have any projected impacts on the tax levy since that's what we are held to by the state?

Steve Maceroni stated that the cap on the state law is on levy not rate.

Jessica Almeida, BWRSD School Committee Treasurer, referred to slide 5 of the presentation for clarification. Under the 2027 school bond box on line 4. For the 63 percent scenario, would this be interest only or is it 63 percent on the interest and principle total?

Steve Maceroni stated it is interest and principle.

Jessica Almeida continued that after doing the math, things are not adding up.

Steve Maceroni stated that the state is providing \$25 million dollars up front as opposed to over time so your share ratio does blend down so that it may be an estimated 58 percent over time.

Member Steven Contente asked if he understands the formula correctly: the first three years would be paid off, period ending June 30th of 2025 which would be next budget year. If we go out to bond for the whole thing, which is probably unlikely, we're looking at 1.125 million dollar increase for next budget year between Bristol and Warren and then the following year it increases about \$1.5 million and another \$500,000 or so. Then we get to 2028 when we get a drop off of 1.6 million from existing debt. It is important to note that this is a 60 cent increase at 3.1, but it's a gradual increase.

Steve Maceroni confirmed Member Contente's statement. These numbers also have the potential to be lower, contingent on construction draw schedule. When the project is complete, the 4.6 and the 3.1 are the real numbers as far as the total cost at the end of the day. It was also clarified that the terms are for a 30 year bond, given the size.

Chairman Timothy Sweeney asked if the 2024 bond anticipation note is 3.75 for 30 years. Steve Maceroni clarified that is for one year. A note is a one year instrument. The bond anticipation notes would be rolled until the project is complete.

Superintendent Riley noted that the bond cap is not arbitrary. It is set at a number that makes sense for Bristol and Warren. Architects will be made aware of this cap so that they do not present any design options that would push beyond that cap.

Chairman Timothy Sweeney asked Superintendent Riley to explain the non-binding bond cap versus the binding bond cap. At this time, Superintendent Riley introduced Attorney Sandy Mack of Mack Law Associates, Bond Counsel for BWRSD. Attorney Sandy Mack explained that when the district goes out for bonding, it requires both the approval of the Joint Finance Committee and School Committee to then get the legislation to the General Assembly. That is the first step in a lengthy process. The only thing being done by the vote today is to allow the legislation to be introduced in the General Assembly. It was noted that after the School Committee voted in the affirmative, the legislation and resolution were changed to provide more flexibility within the legislation and within the vote so that members are not approving only a new high school and renovations to other schools, but flexibility to include potential of hybrid and other renovation options as well.

Member John Hanley asked if the referendum needs to pass just by a majority of votes or does each community need to approve the legislation.

Attorney Sandy Mack stated that the tally is of all votes in both Bristol and Warren to create a collective majority.

Member John Hanley continued by asking that if the JFC votes to authorize the \$200 million, does it ever come back to this committee or is it strictly in the hands of the school committee after that to spend up to \$200 million?

Attorney Sandy Mack explained that it does come back before the Joint Finance Committee. Each plan of finance has to come before the Joint Finance Committee.

Chairman Timothy Sweeney stated, in regards to town resolutions, the JFC is made up of majority Bristol Council Members, I would love to see that Warren's full Town Council have the chance to review the legislation and have each town send in their own resolution to allow for each town to equally be heard.

Attorney Sandy Mack stated that in the resolution it states that upon passage by both bodies that it be referred to the Town Councils of each member town for consideration and or endorsement. If this were to pass tonight the next action item would be a referral that there's a place for the secretaries of the joint finance and the school committee to sign. Then that would be sent by the administration to the Town Clerks of each of the towns and asked to be placed in the next agenda item.

Member Mary Parella stated, in terms of the legislation, because the legislators who are not here today are so used to making sure they have the resolutions from the towns but it is not

necessary for them to move forward, will you be sitting down with the legislators and explaining this process to them so that they understand that it's the vote of the School Committee and Joint Finance Committee?

Superintendent Riley stated that they have someone in both Houses ready to sponsor the bill and they are aware that it is the School Committee and Joint Finance Committee's approval needed.

Member Nathan Calouro noted that this is potentially a lot of money and the impact on both communities is impressive, potentially challenging but an impact of an improved school has a tremendous impact. I like the stop gaps here. It is important to note that if the motion is made, this is neither supporting a particular project or next step. Member Nathan Calouro stressed the weight of this decision and the members of both communities should know the committee understands this. It is imperative that with a motion should be the sentiment attached that the committee is not supporting a particular project but simply taking the next step.

Before opening up public comment, Member Steven Contente added that this is a unique situation and the possibility of having reimbursement of up to 78 percent with the potential for up to \$156 million worth of investment may never be possible again. It is time for upgrades, keeping tax increases in mind. If someone is making a motion, Member Contente stated that he wished to second that motion.

Member Aaron Ley agreed with Member Contente and stated that the environment in which a student learns is an integral part of the equation. It is time to ask ourselves if this is the best we can do for our students.

Member Tony Teixeira concurs with Member Nathan Calouro as it relates to proceeding with caution, and with Member Steve Contente as it relates to building conditions.

Member Mary Parella also agrees with the above comments, stressing that although this committee doesn't know exactly what yet, all can agree something needs to be done.

Member John Hanley also concurs but is cautious about Warren's involvement in a simple majority.

Member Keri Cronin stands by what Member Hanley stated and hopes that those listening take this as another warning sign that we might not be doing this right, as our small district is left shouldering this burden. I believe we are moving in the right direction.

PUBLIC COMMENT:

At this time, Chair Timothy Sweeney opened the public portion of the meeting. It was asked that any member of the public in attendance who would like to speak, do so at this time. There was no public comment provided.

NEW BUSINESS:

Motion was made by Member Nathan Calouro to authorize the preparation of legislation by Mack Law Associates LLC, bond counsel, pursuant to which the Bristol Warren Regional School District would be authorized to borrow up to \$200,000,000 in Bonds, and Notes in anticipation thereof, to finance the construction and or renovation of a new high school to be located in the District, and renovations to the following existing District Schools: Mt. Hope High School, Kickemuit Middle School, Colt Andrews Elementary School, Guiteras Elementary School, Hugh Cole Elementary School and Rockwell Elementary School, and that the legislation be introduced as soon as possible into the current session of the General Assembly for passage.

Seconded by Member Steven Contente. The vote was unanimously approved.

ADJOURNMENT:

At this time, Chairman Timothy Sweeney thanked everyone for their hard work.

It was moved by Member Nathan Calouro to adjourn the meeting at 8:26 pm. Second by Member Tony Teixeira. The motion was unanimous.

Per Order

Joint Finance Committee Secretary Lauren Securo