DRAFT RECOMMENDATIONS

Rhode Island School Building Taskforce

12/7/17
The Taskforce aims to ensure that, in the next 10 years:

1. All students deserve to go to schools that are warm, safe, and dry.

2. All schools will have 21st century learning environments.

3. Every school district will see meaningful improvements to the condition of its public school buildings.
Principles

- Incentives on top of base share ratios must be generous, to encourage districts to take on more projects.
- Incentives must expire, to encourage fast action and to protect the state from runaway costs.
- All districts should be able to benefit from any new incentives.

Structure

- Maintain the existing base state share ratios (35% - 96% depending on District demographics; 30% for charters).
- Maintain the existing statutory incentives, including 4 points for ADA accessibility, asbestos remediation, and energy efficiency.
- District eligible to receive up to 20 bonus points, given that the district’s share is not decreased by more than half of its regular level.
Incentives:

- 5 points for Priority 1 and Priority 2 projects
  - Address repairs to make school Warm, Safe and Dry and remove hazardous materials
  - Projects must commence no later than December 2022

- 5 points for 21st Century Learning
  - STEAM, early childhood and career tech facilities
  - Projects must commence no later than December 2022

- 5 points for Newer and Fewer
  - Replacement of a facility that has a Facilities Condition Index of 65% or higher
  - Any new construction or renovation that leads to the functional utilization of any facility increasing from less than 60% to more than 80%
  - Any new construction or renovation that leads to the functional utilization of any facility decreasing from more than 120% to between 85% and 105%
Use State General Obligation Bonding to fund more projects and shift state share to PAYGO

- $250 million for school construction and repair over a five-year period on 2018 ballot
- $250 million for school construction and repair over a five-year period on 2022 ballot

Prioritize bond proceeds to:

1. Adequately fund the School Building Authority Capital Fund for emergency repairs
2. Fund a portion of the state’s share for Housing Aid on a “pay as you go” basis
COST CONTROL IDEAS

- Require use of an Owners Project Manager (OPM) for all projects greater than $1.5 million
  - Done in Massachusetts; helps prevent cost overruns

- State should select Commissioning Agents for each project greater than $1.5 million

- SBA will develop and maintain a “kit of parts”, in which common designs for building features such as gyms, auditoriums and science labs are maintained for Districts to use on an optional basis

- Establish a state procedure for general contractor certification and pre-qualification for projects greater than $10 million

- State should be reimbursed for a portion of the sale of any newly constructed school sold to a private entity within 30 years of construction
- **Introduce statewide school maintenance requirements**
  - Required check-list of basic maintenance practices for all school buildings
  - Establish a benchmark level of annual maintenance spending (3% of replacement value is a national best practice) while allowing districts to retain some flexibility

- **Introduce statewide school building standards**
  - Rhode Island has minimum standards for newly constructs school buildings, but not for existing buildings
  - Phase-in can be gradual, but at a certain point minimum standards should be mandatory for a building to be occupied
OTHER RECOMMENDATIONS

- Maximizing the RIHEBC Intercept Program
  - Increase the frequency of debt service payments made by municipal issuers from semi-annually to quarterly to improve RIHEBC’s credit rating

- Women and Minority Owned Contractors
  - Require that all school facilities projects that receive state funding will adhere to state law that encourages 10% of project costs be awarded to minority business enterprises

- Investing in Energy Efficiency
  - Ensure school building projects have access to low-cost financing for energy efficiency and environmental projects funded by the RI Infrastructure Bank and are eligible to receive the same state funding shares as the existing School Aid program
Construction Swing Space
- Allow the cost of temporary swing space used during construction projects to be included as a reimbursable expense, so long as the district has no other viable option and these facilities are included in the existing 20% cap on soft costs

Community Facility Use
- While still requiring schools are used primarily for pre-K through 12 education, encourage community uses of public school buildings

Addressing environmental remediation
- Include site cleanup as a reimbursable expense up to $1 million, provided district cannot identify an alternative site and obtains any applicable federal funding
- Streamline the Department of Environmental Management review process with the RIDE’s SBA approvals process
RIDE’s School Building Authority will undoubtedly need additional staffing support to oversee the increased volume of projects and ensure timely and cost effective delivery.

RIDE SBA will undergo a LEAN process to understand specific staffing needs, as well as potential process improvements.