

Needham Board of Selectmen
Frequently Asked Questions about the Revised Regional Agreement
Minuteman Regional Vocational Technical School District
January 21, 2016

Why are we having a Special Town Meeting on February 10? All sixteen towns in the Minuteman Regional School District have been asked to hold Special Town Meetings prior to March 1st of this year to vote on approval of a new version of the Minuteman Regional Agreement. A district decision on bonding construction of a new school with help from the Massachusetts School Building Authority (MSBA) is required by June 30, 2016. For some district towns, changes to the regional agreement are considered essential to their support of the project.

What Regional Agreement is Minuteman currently working under? The current Minuteman Regional Agreement was last revised in 1980. Any change or amendment requires town meeting approval by each of the sixteen 16 member towns.

What is the effective date of the new Regional Agreement? If approved by all sixteen town meetings, the new agreement will take effect on approval thereafter by the Commissioner of Education.

Didn't Needham just approve a new Regional Agreement two years ago? Yes, we did; however only 10 of the 16 communities voted "yes" on that agreement, so it failed to pass.

This revision is based on the 2014 agreement with three principal changes:

1. Each of seven (mostly low-enrolling) communities has a one-time option to withdraw as part of the ratification process.
2. A further adjustment to the formula for allocating capital costs by reducing the attributed enrollment for low-enrolling towns from 5 students to 1. By comparison with the current agreement, that change is offset by adoption of a new formula, included in the 2014 draft and retained here, which requires all member communities to pay a minimum one percent share of capital costs, as well as ability to pay factors that generally increase costs for the lower-enrolling members.
3. Establishment of a policy, subject to state law, requiring per pupil charges for out of district students to be equal or greater than charges for in-district students.

Is the new Regional Agreement linked to the Minuteman building project? Revision to the Regional Agreement is seen as critical to the capital project effort because of objections from several member towns to new bonding without revision of the current agreement. The changes in the revised agreement are intended to improve governance and cost sharing and facilitate realignment of the district, including allowing some communities to withdraw from membership, before the decision has to be made on bonding the capital project.

Why is the Minuteman building project necessary? The current facility, built in the early 1970's, has serious building systems and capital maintenance issues, does not meet current code and architectural standards, including Americans with Disabilities Act (ADA) compliance, and cannot optimally support Minuteman's vocational education program. The MSBA will not reimburse the district for repair costs. After consideration of a range of options, Minuteman and the MSBA have recommended construction of

a new facility, for a design enrollment of 628 students, sited at Minuteman's current campus on the Lexington/Lincoln town boundary. That plan is now in schematic design. If the building project is approved in 2016, the anticipated opening date for the new building is 2020.

Why are the MSBA funds and timeline important? MSBA has set a deadline of June 30, 2016 for approval of the District's share of funding for the new school. If the deadline is met, MSBA will contribute a significant portion, \$58 million, or 40%, of the total eligible project cost of \$144.9 million. If the deadline is not met, the MSBA has indicated that they will withdraw funding for the project. Minuteman's goal is to meet the June 30, 2016, deadline.

Are there any incentives for new cities or towns to join the Minuteman District? Yes. Member communities have priority for admission of new students, and through membership on the district school committee, a direct voice in district governance. Also, because the new agreement includes a more workable process for dissatisfied members to leave the district, joining may be a more attractive option for communities not currently members of a vocational education district.

What would be the financial impact of the new Regional Agreement on Needham? The new agreement itself would have minimal direct effect, as Needham is about in the median under both the old and the new formulas. If the MSBA project goes forward, Needham's assessment will increase based on its share of the bonded costs. That share, however, may be less than the likely alternative if the project does not go forward, which is that the District would have to undertake major capital work on its current building without MSBA assistance.

What if not all the towns in the Minuteman District approve the new Regional Agreement? If not all 16 towns approve the new Regional Agreement, then Minuteman will continue to operate under the existing agreement. It is anticipated that the District will still seek referendum approval of the MSBA project. If the Capital Project is not approved, the District will face difficult challenges operating and maintaining its existing facility.

What are Minuteman's options going forward? Based on decisions by district communities, Minuteman has three options:

1. The current path with MSBA support which maximizes state funding for the building project provided that the June 30, 2016 funding agreement is met. This is the best and lowest cost option for Needham taxpayers and for the children served by the school. Approval of the new agreement is seen as critical to that effort;
2. Attempt to extend or re-enter the MSBA process. Construction costs will continue to increase and the MSBA base reimbursement rate has declined to 30%. This option will increase the cost to district taxpayers and delay a new educational facility. Being re-accepted is uncertain, so it is possible that 100% of the capital costs may be paid by district communities; and
3. A repair-only option which may cost the district communities over \$100 million over the next ten years, without MSBA assistance, to maintain the current facility.

For the Town of Needham, the first and current option is clearly our preferred path.