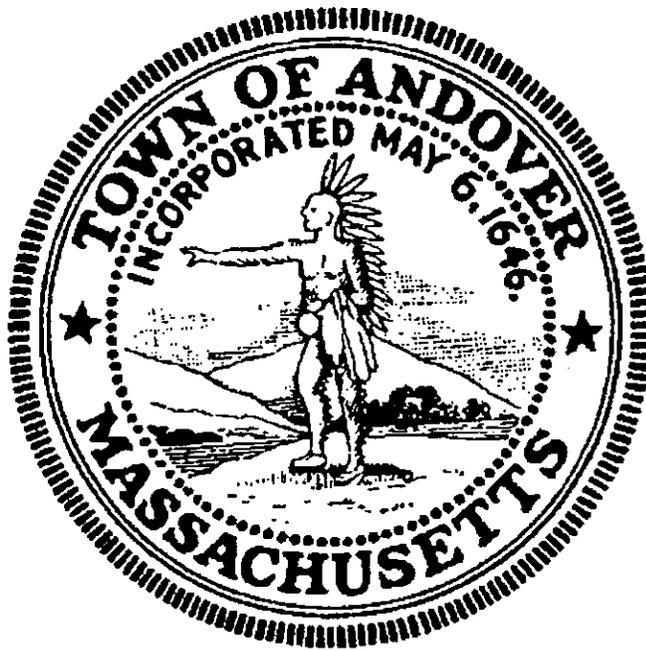


# **FINANCE COMMITTEE REPORT**



**SPECIAL TOWN MEETING  
MONDAY, DECEMBER 6, 2010**

# SPECIAL TOWN MEETING

## PLAN TO ARRIVE EARLY

All Town Meeting attendees must be checked into the meeting in the lobby of the Collins Center on December 6<sup>th</sup>. Voters must check in at their precinct table. Visit the Town website at [www.andoverma.gov](http://www.andoverma.gov) and search for your precinct under the "E-Services" tab, then click "Precinct Search." To avoid delays at check in, please check your precinct prior to Town Meeting.

**Voters:** Only voters who registered by the deadline (November 26<sup>th</sup>) will be allowed to vote at this Town Meeting. Voters will receive a sticker that must be worn in a visible location on their person to vote.

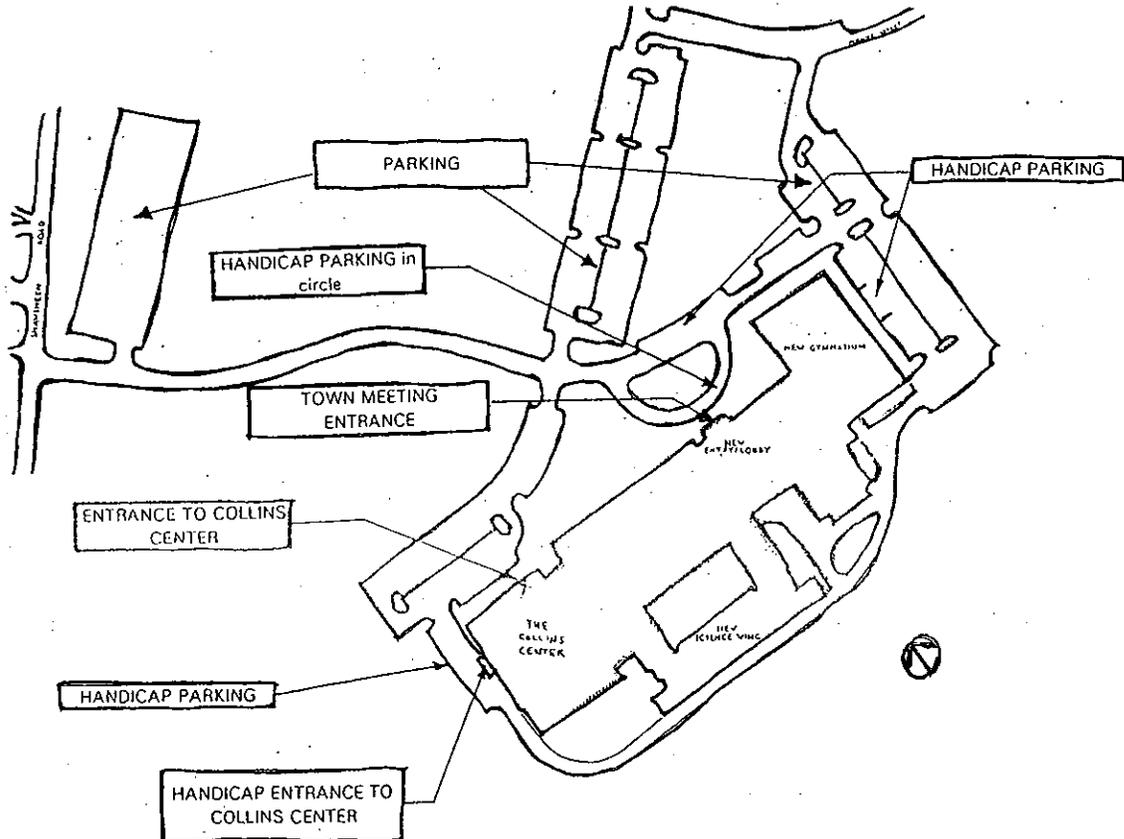
**Non-Voters:** Non-voters may attend Town Meeting and will be seated in a special section. Non-voters must check in at the Town Clerk's table in the lobby to register before being seated. Please be aware that non-voters will not be seated until after 7:00 p.m. when they are voted admittance by the Meeting.

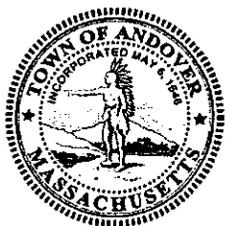
**Children:** Children may enter the meeting as non-voters. *See above.* Parents must attend small children during the meeting and sit with them in the designated non-voter section. Voters (with visible stickers) in the non-voters section will be asked to cast their votes from an adjacent voter section. No children or non-voters may sit in the registered voter sections.

**Parking:** There are four parking lots available:

1. West Middle School Lot
2. Main Lot at the High School
3. Lot beside the Field House
4. Collins Center Lot

**Handicap Parking:** Handicap parking can be found on the side of the Collins Center as well as other areas of the parking lots.





November 18, 2010

To the Citizens of Andover:

A very important Special Town Meeting has been called for Monday evening, December 6, 2010, at 7 PM, in the J. Everett Collins Center Auditorium at Andover High School.

Voters will be asked for their approval of \$44.7 million for a new Bancroft School (Article 3). The existing school building has significant structural problems. It has become extremely expensive for the town to maintain and operate. In full compliance with the school facility planning process required by the state, Andover's School Building Committee reviewed student population projections, evaluated the capacities of existing schools, thoroughly explored options for repair or replacement of Bancroft School, and documented the need for a new school. Preliminary design plans for building a new school on the Bancroft site were completed and submitted to the state on October 1, 2010.

On November 17, 2010 the Massachusetts School Building Authority (MSBA) formally approved the plans for the new school with a state reimbursement of 44% of eligible costs. MSBA funding is expected to total \$16.8 million, so Andover's share of the cost is \$27.9 million. Andover voters now have 120 days to approve funding for the project in order to secure the state reimbursement. Approval of a bonding authorization contingent upon a Proposition 2½ debt exclusion is a two step process. It requires both a 2/3 vote of Town Meeting to authorize the appropriation of town funds and subsequent voter approval in a town wide referendum to allow the increase in property taxes.

**The Finance Committee, Board of Selectmen and School Committee have each voted unanimously to recommend approval of Article 3 to provide the funding needed to replace Bancroft with a new elementary school.** The need for a new elementary school building for 680 students has been well documented. The proposed new school on the Bancroft site meets the needs of our community at reasonable cost to the taxpayer, and this is our only opportunity to receive a 44% reimbursement from the state for eligible expenses.

This Finance Committee Report contains a report from the School Building Committee summarizing their work and explaining their building proposal. Because we did not have the final approval from the MSBA until just before this report had to go to the printer, we could not produce sample debt schedules and prepare reliable estimates of the projected property tax increase required to fund the new school. When we have had time to review the numbers, we will post an addendum to this report on the Town of Andover website at [www.andoverma.gov](http://www.andoverma.gov). The Finance Committee will be prepared to present the tax impact information to the voters at Town Meeting.

There are only two articles on the Special Town Meeting warrant unrelated to the Bancroft project. **Article 1** is a private article authorizing the purchase of the property at 3 Blanchard Street to provide additional land for the Blanchard Street ball fields. Last spring's Town Meeting rejection of a similar article forced the proponents to rethink their proposal.

The property owner has lowered his asking price to \$290,000 for this 1 acre parcel. The total cost for the town to acquire and be able to use this parcel is \$340,000 when demolition of the buildings and other site acquisition, testing and preparation costs are included. The Andover Soccer Association has offered to contribute \$50,000 toward these costs. This Finance Committee Report includes diagrams of the field design with and without the additional acre lot. Approval of Article 1 would allow the plan that insures a safer access from Blanchard Street, that provides additional field space and that allows for more parking. The Finance Committee voted 4 to 3 to recommend approval Article 1.

**Article 2** allows Andover to accept a \$259,600 state grant to offset the \$480,000 approved by Town Meeting last spring to purchase two parcels of land off Woburn Street with frontage on Foster's Pond (Article 55). The Finance Committee commends the town officials who successfully pursued this funding. Approval of Article 2 means a significant reduction in the cost to the taxpayer for the acquisition of this property. The Finance Committee cannot think of any reason to vote against this article.

Even though there are only four articles on the warrant, voters at the December 6, 2010 Special Town Meeting will be making critical decisions affecting both the continued ability of our public schools to provide a quality education for Andover children and the recreational opportunities available in our community - critical decisions affecting future Town and School budgets and your property tax bill. You may have the deciding vote. Join us in the J. Everett Collins Center Auditorium at Andover High School at 7 PM on Monday, December 6th.

The Finance Committee  
Joanne F. Marden, Chairman

Mary O'Donoghue  
S. Jon Stumpf  
Mark Merritt  
Paul Fortier

Cynthia Milne  
Richard T. Howe  
Margaret Kruse

**SPECIAL TOWN MEETING  
MONDAY, DECEMBER 6, 2010**

**J. EVERETT COLLINS CENTER AUDITORIUM  
ANDOVER HIGH SCHOOL**

**7:00 P.M.**

\*\*\*\*\*

**PURCHASE OF 3 BLANCHARD STREET**

**ARTICLE 1.** To see if the Town will vote to appropriate the sum of \$350,000 for the acquisition and for costs related to such acquisition of the land with the buildings thereon and demolition of the buildings thereon at 3 Blanchard Street containing 1.08 acres, more or less, as shown on Assessors' Map 199, Parcel 7 and described in the deed recorded in Book 5471, Page 243 at the North Essex Registry of Deeds and to authorize the Board of Selectmen to acquire such land with the buildings thereon by gift, option, lease, purchase or eminent domain, upon terms and conditions deemed by the Board of Selectmen to be in the best interest of the Town, and that to raise this appropriation, the Treasurer, with the approval of the Board of Trustees, is authorized to borrow said sum pursuant to Chapter 44 of the General Laws, or any other enabling authority, and to issue bonds or notes of the Town therefor, or take any other action related thereto.

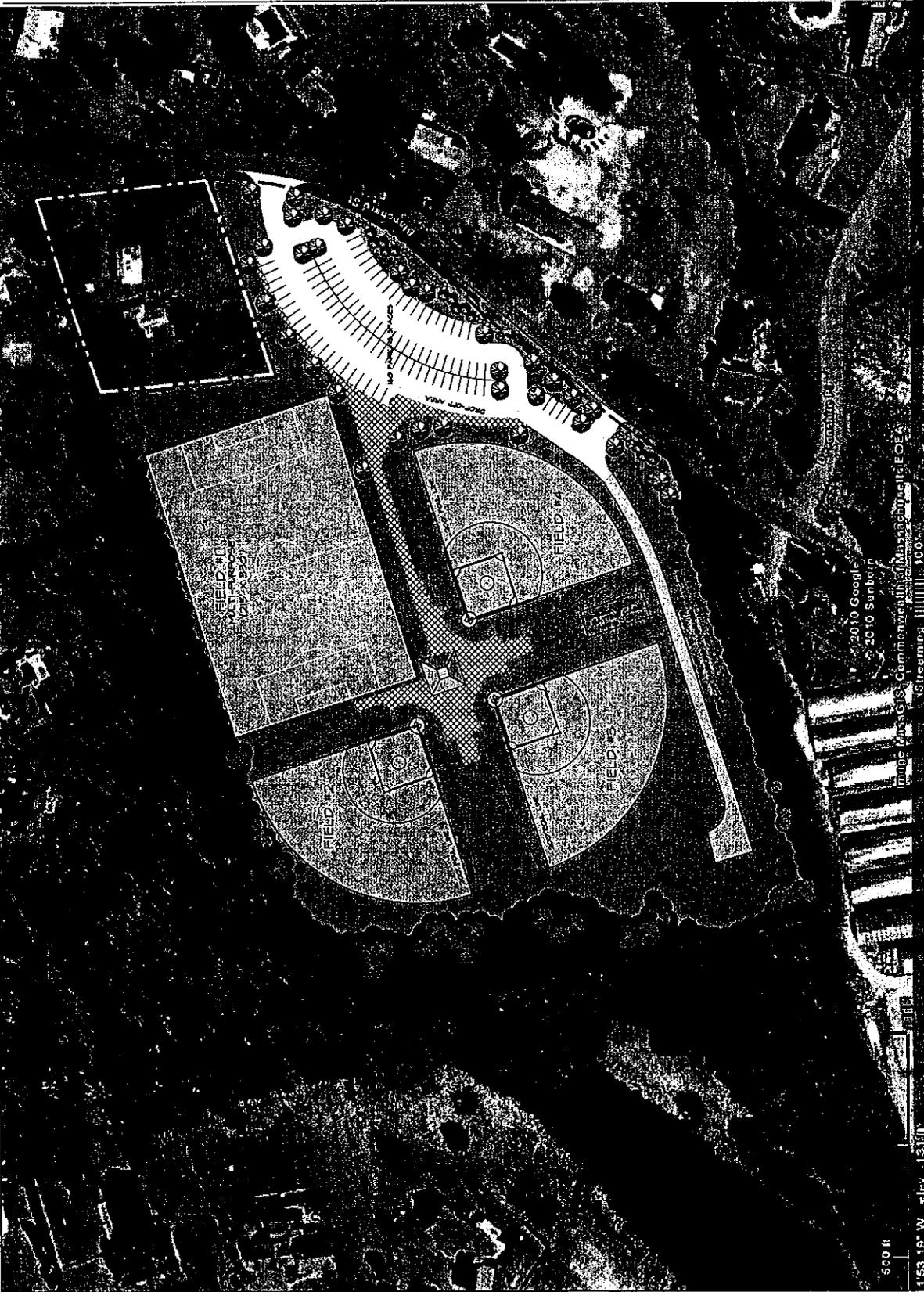
*Requires a 2/3 vote*

**The following explanation was submitted by the petitioner:**

Article 1 authorizes the Town of Andover to acquire the 1.08 acre lot located at 3 Blanchard Street, which is adjacent to the Town owned 12.9 acre parcel at 15 Blanchard Street. This property was once part of the 14 acre vegetable farm that was operated by Suren and Eva Loosigian for more than 40 years. The proposed sports complex, which includes three little league fields and a soccer field, would be enhanced. A similar article failed at the 2010 Annual Town Meeting. Since that time Andover sports leagues began meeting with the owner and field landscape designer to address the issues discussed at the 2010 Town Meeting. As a result the play field was redesigned and the owner of the property agreed to lower his price below the \$322,000 appraisal obtained by the Town to \$290,000. The following are the benefits of the new improved plan and the addition of this property to the existing Town owned property:

- 1) The entrance to the sports complex would be moved to a safer, straighter section of Blanchard Street.
- 2) Twenty five parking spaces would be added, reducing the potential need for on-street parking.
- 3) The soccer field would be expanded to a collegiate level, which could be divided into three smaller soccer fields, rather than the initial two smaller fields.

# BLANCHARD STREET FIELD PLAN not including 3 BLANCHARD STREET



**Hendres Associates, Inc.**  
 Landscape Architects & Land Planning  
 17 Tenubury Street  
 Andover, Massachusetts 01810  
 978 478 8881 FAX: 978 478 8896

**Project:**  
**Blanchard Street  
 Athletic Fields**  
 Andover, Massachusetts

**Drawing Title:**  
**Athletic Field  
 Master Plan  
 Option B  
 (Without 3 Blanchard Street)**

Revision	Date

Scale:	AS NOTED	Drawing No.	L-2
Date:	2.10.10	Sheet	3
Job:	09-1071		
Proj.:	PH-104		
Drawn:	CCM		
Checked:			

# BLANCHARD STREET FIELD PLAN including 3 BLANCHARD STREET

**EA**  
**Engineers Associates, Inc.**  
 Landscape Architects & Land Planners  
 17 Tenthury Street  
 Andover, Massachusetts 01810  
 978 478 8800 FAX 978 478 8899

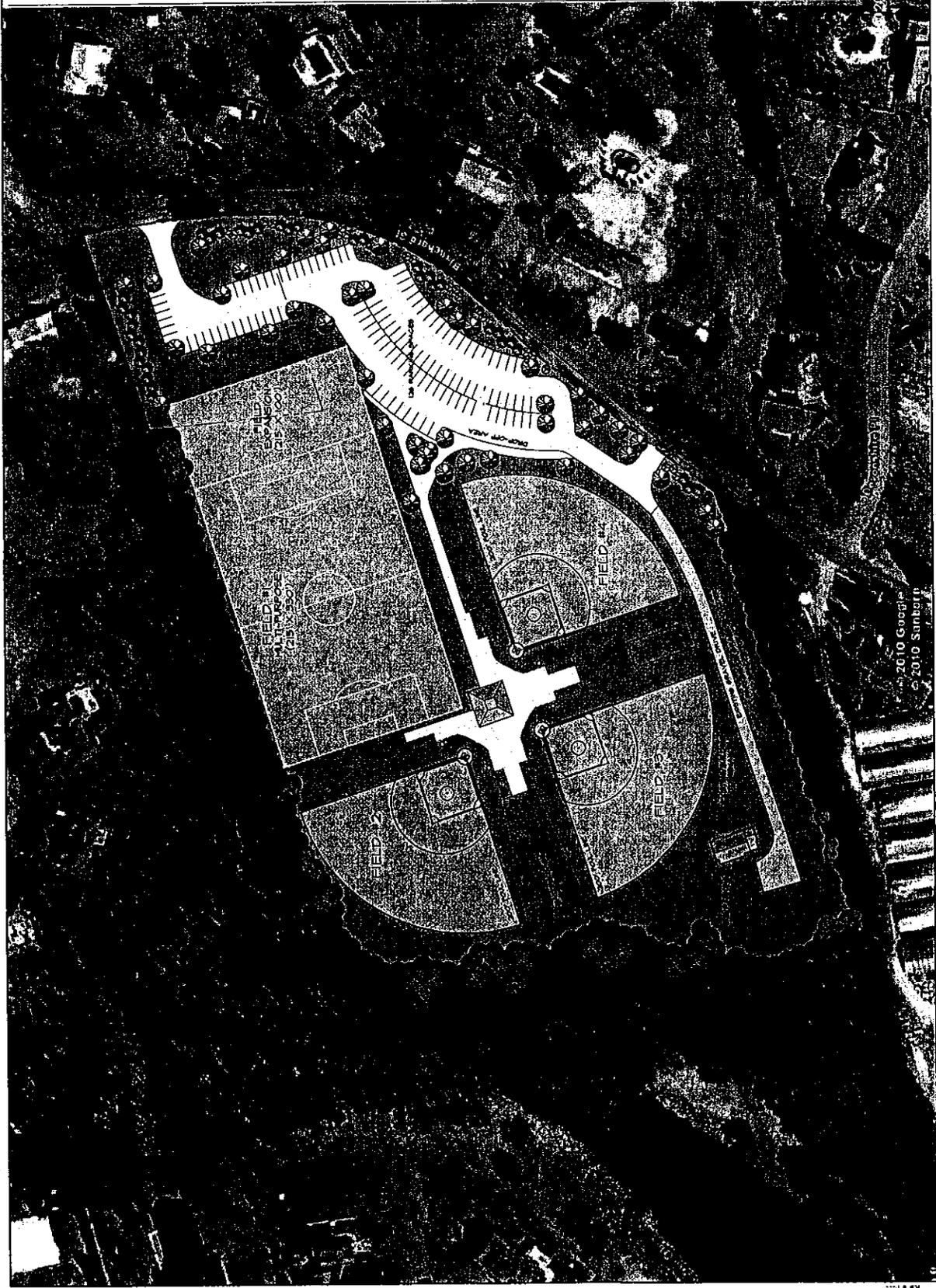
Project:  
**Blanchard Street  
 Athletic Fields**

Location:  
**Andover, Massachusetts**

Drawing Title:  
**Athletic Field  
 Master Plan  
 Option C**

Revision: \_\_\_\_\_ Date: \_\_\_\_\_

Drawing No.  
**L-2**  
 Scale: AS NOTED  
 Date: 8/13/10  
 Job: 00-071  
 Plan: 00-004  
 Drawn: CCM  
 Checked: \_\_\_\_\_



© 2010 Google  
 © 2010 Sunbelt

It is expected that Town Meeting voters will be asked to approve a \$290,000 bonding authorization. A \$50,000 contribution from the Andover Soccer Association will provide the balance of the funding needed to pay for demolition of the buildings as well as any required site testing and legal costs associated with the acquisition and use of the property.

**Financial Impact of Article 1**

Approval

Town borrows \$290,000 to be repaid over 20 years  
 No increase in FY2012 tax bill.  
 Peak year of debt service in FY2013 would require appropriation of \$27,000.  
 Would account for approximately \$2 of the FY2013 average residential property tax bill.

Disapproval

No change in FY2012 tax bill.  
 Money not needed in debt service in future years would be available within Proposition 2½ for other Town/School needs.

**The BOARD OF SELECTMEN recommends approval.**

**YES** \_\_\_

**The FINANCE COMMITTEE recommends approval.**

**NO** \_\_\_

**The PLANNING BOARD recommends approval.**

On request of Carl Grygiel and others

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**GRANT APPLICATION  
 FOR FOSTERS POND CONSERVATION LAND**

**ARTICLE 2.** To see if the Town will vote to authorize the Treasurer to expend up to \$480,000 from the amount appropriated by vote upon Article 55 of the 2010 Annual Town Meeting to acquire the land near Fosters Pond as shown on Assessors' Map 123, Parcels 26 and 27, known as 30 and 32 Willard Circle, and shown as Lot G, Lot F, and the .41 acre parcel shown as "Now or Formerly of Rathburn" on Plan of Land entitled "Plan of Land in Andover & Wilmington, Mass. as surveyed for Fosters Pond Improvement Assoc., Inc." dated June, 1950 and recorded with North Essex District Registry of Deeds as Plan No. 2448, for conservation and open space purposes under the care, custody and control of the Andover Conservation Commission under the provisions of Chapter 40, Section 8C of the Massachusetts General Laws, and that the Town Manager be authorized to file on behalf of the Town of Andover any and all applications deemed necessary under the Self-Help Act (Massachusetts General Laws Chapter 132A, s. 11) or any other applications for funds in any way connected with the scope of this acquisition, and that the Town Manager, the Board of Selectmen and the Conservation Commission be authorized to enter into all agreements and execute any and all instruments, including permanent deed or conservation restrictions, in accordance with Massachusetts General Laws Chapter 184, on terms and conditions they deem to be in the best interest of the Town and as may be necessary on behalf of the Town of Andover to affect said purchase, or to take any other action related thereto.

~~~~~  
In April 2010 Town Meeting approved a warrant article to purchase two parcels on Fosters Pond for up to \$480,000 by bonding. Article 2 authorizes the Town to accept a \$259,600 state grant that would pay for over half of the cost of this property. The Fosters Pond acreage was selected for purchase for several reasons. The property would significantly improve public access to the 120-acre pond and its surrounding woodlands. These waterfront lots would provide an outstanding opportunity for outdoor recreation including fishing, camping, viewing and enjoying nature. This acquisition would enhance the area for wildlife, protect local water supplies, and preserve open space from future development, in addition to serving as a link from Andover's Willard Circle to an existing 42-acre Conservation Commission holding and to the 170-acre AVIS managed Goldsmith Woodland which stretches along the south east side of Foster's Pond all the way to South Main Street. Hikers, birdwatchers, picnickers, cross-country skiers and dog-walkers all enjoy this natural forested gem. This pond-side site would offer residents - including those with limited mobility - safe convenient off-street parking and an easy stroll to the shoreline. As part of this transaction, local land owners agreed to place a large adjacent parcel in protected status open to the public.

The Town recently received approval of a Massachusetts LAND Grant from the Executive Office of Energy and Environmental Affairs for reimbursement of \$259,600 of the purchase price including related filing fees associated with the purchase of the Fosters Pond parcels. Article 2 would allow the Town of Andover to accept the LAND Grant and to affirm that the land would be permanently protected under the care and control of the Conservation Commission. Approval of Article 2 and acceptance of the State LAND Open Space Grant would greatly reduce cost to the taxpayer for this property.

~~~~~

**The BOARD OF SELECTMEN recommends approval.** YES \_\_\_

**The FINANCE COMMITTEE recommends approval.** NO \_\_\_

**The PLANNING BOARD recommends approval.**

**The CONSERVATION COMMISSION recommends approval.**

On request of the Conservation Commission

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# BANCROFT ELEMENTARY SCHOOL

**ARTICLE 3.** To see if the Town will vote to appropriate, borrow or transfer from available funds, a sum of money to be expended under the direction of the School Building Committee for the construction of a new K to five 680 student Bancroft Elementary School (approximately 99,949 square feet) located at 15 & 21 Bancroft Road, Andover, MA and as shown on Andover Assessor's Map 59, Lots 29 and 29A, including offsite improvements that are part of the project and which school facility shall have an anticipated useful life as an educational facility for the instruction of school children of at least 50 years, and for which the Town may be eligible for a school construction grant from the Massachusetts School Building Authority ("MSBA"). The MSBA's grant program is a non-entitlement, discretionary program based on need, as determined by the MSBA, and any project costs the Town incurs in excess of any grant approved by and received from the MSBA shall be the sole responsibility of the Town. Any grant that the Town may receive from the MSBA for the Project shall not exceed the lesser of: (1) 45 percent (45%) of eligible, approved project costs as determined by the MSBA; or (2) the total maximum grant amount determined by the MSBA; provided that any appropriation hereunder shall be subject to and contingent upon an affirmative vote of the Town to exempt the amounts required for the payment of interest and principal on said borrowing from the limitations on taxes imposed by M.G.L. Chapter 59, Section 21C (Proposition 2½); and that the amount of borrowing authorized pursuant to this vote shall be reduced by any grant amount set forth in the Project Funding Agreement that may be executed between the Town and the MSBA, or take any other action related thereto.

*Requires a 2/3 vote*

**The BOARD OF SELECTMEN recommends approval.**

**YES**\_\_

**The FINANCE COMMITTEE recommends approval.**

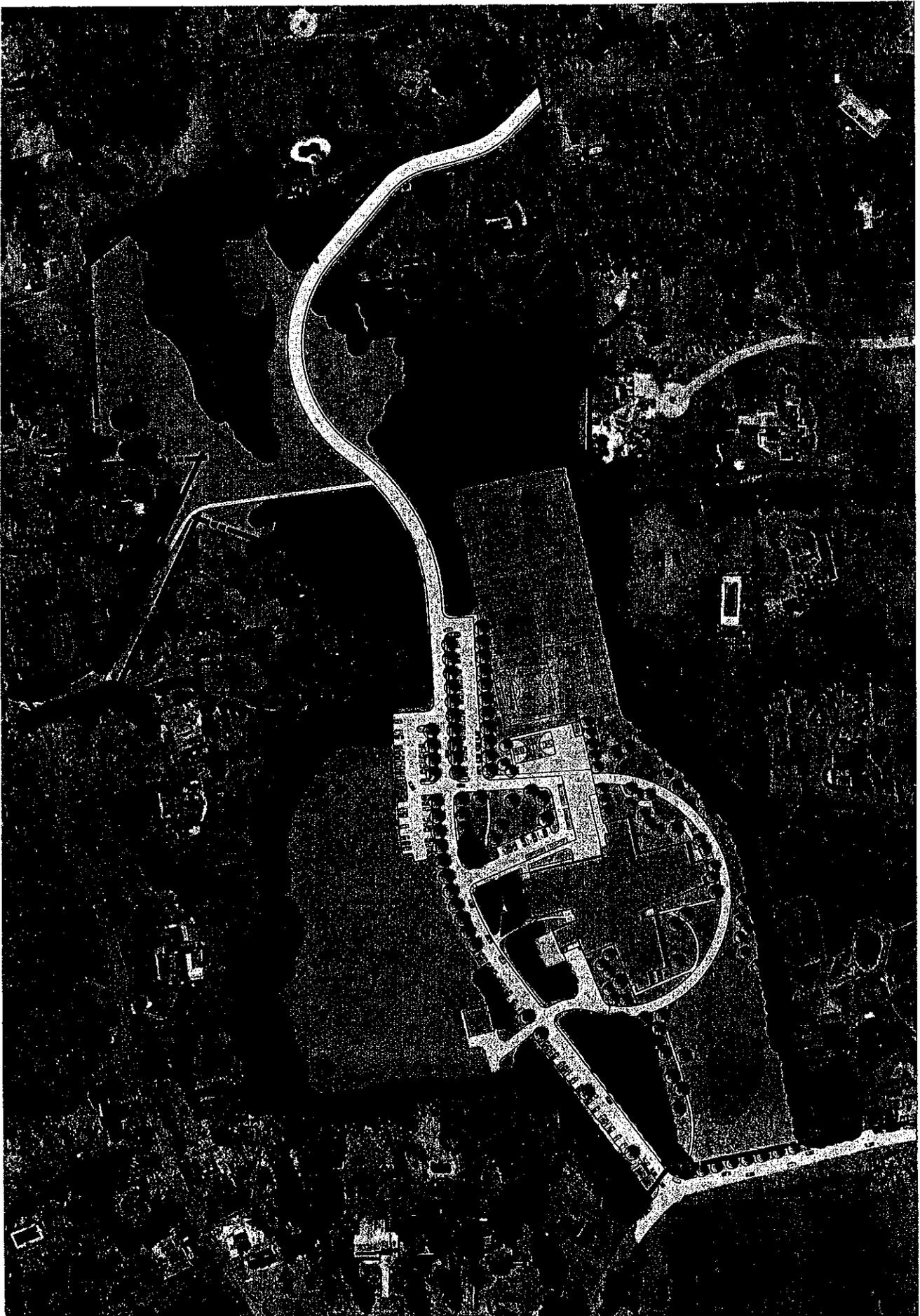
**NO**\_\_

**The PLANNING BOARD recommends approval.**

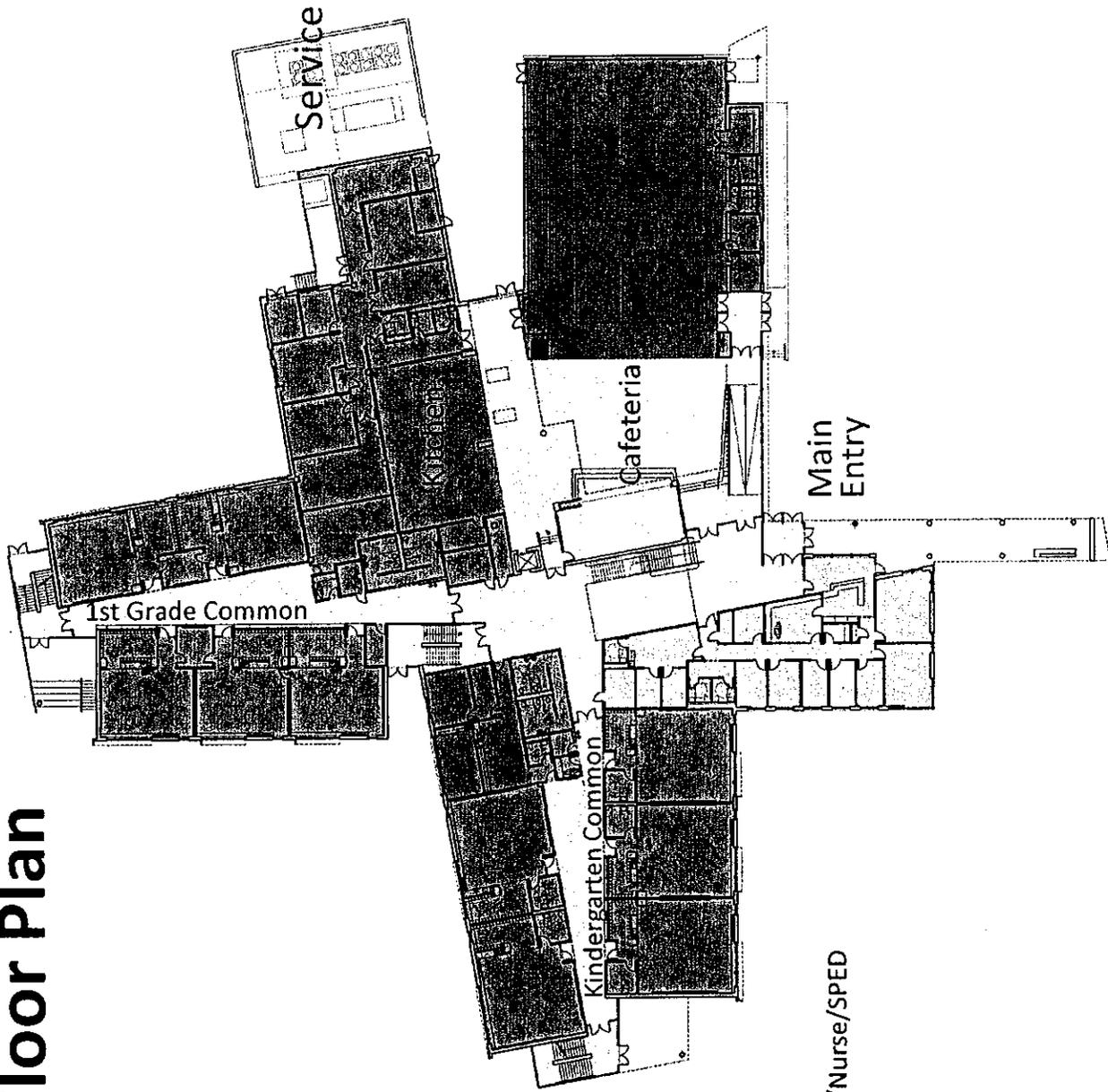
**The SCHOOL COMMITTEE recommends approval.**

On request of the School Building Committee

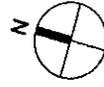
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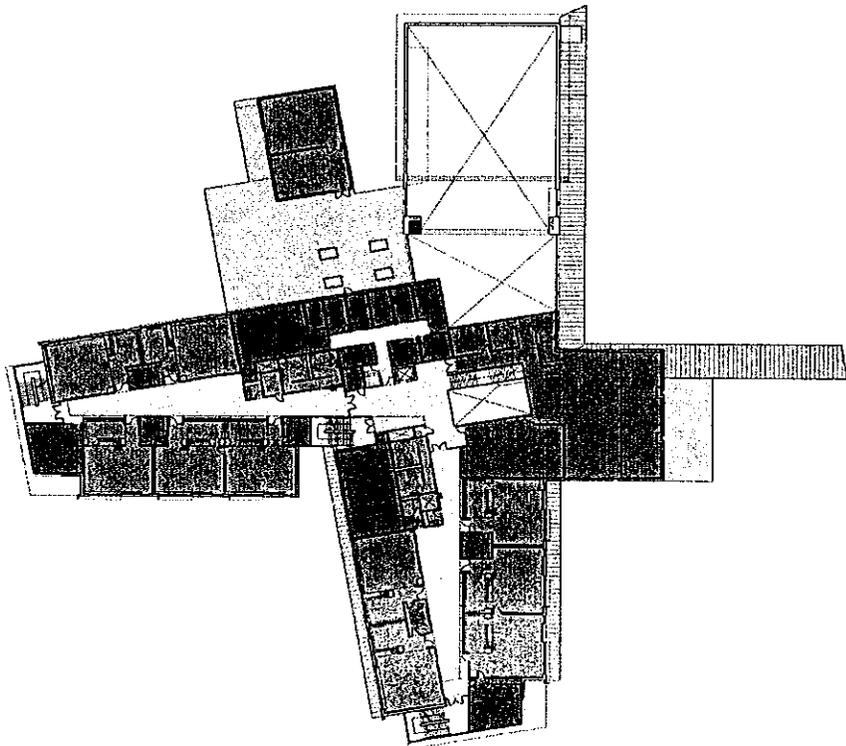
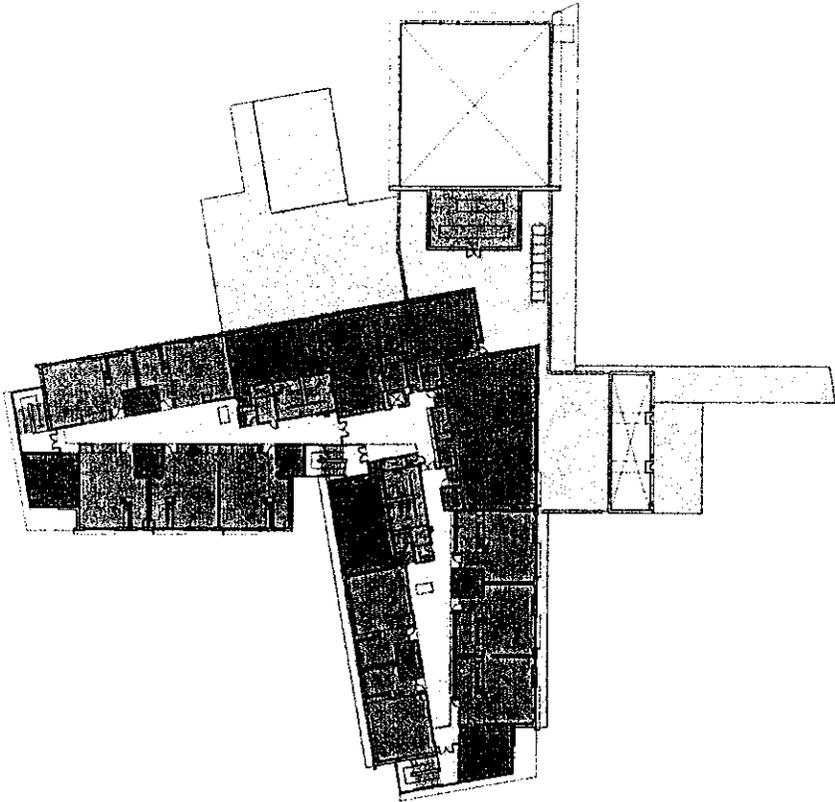
# 1st Floor Plan



-  GYM
-  Admin/Guidance/Nurse/SPED
-  Staff Support
-  Classrooms
-  SPED
-  Toilets/Core
-  Circulation



# 2<sup>nd</sup> and 3<sup>rd</sup> Floor Plans



## Report from the School Building Committee

The School Building Committee is pleased to bring forward plans for a new Bancroft School. We are confident this project fully addresses the needs of the Bancroft community, and that its benefits will extend to the entire town by providing Andover:

- Relief for overcrowded elementary schools
- Increased capacity for special education services
- Year-round community use of the facility
- Lower operating costs due to sustainable design

After nearly two years of systematic evaluation of this project's plans, process, and cost, the Massachusetts School Building Authority has issued unanimous approval for the new Bancroft School. We now have a 120-day window of opportunity in which to leverage a **guaranteed 44% reimbursement rate of all eligible construction costs from the state.**

### Background

In 2007, after an extensive, district-wide analysis undertaken by the town-appointed School Facilities Task Force, Andover submitted to the Massachusetts School Building Authority (MSBA) "Statements of Interest" for three potential school renovation or replacement projects that could qualify for reimbursement from the state: Bancroft Elementary, Shawsheen Elementary, and Andover High School. When asked to prioritize these projects, Andover identified Bancroft as its top priority, and voters at the 2008 Town Meeting subsequently approved \$300,000 dollars to perform a Feasibility Study for a new Bancroft School. In 2009, Town Meeting approved an additional \$525,000 dollars to expand this Feasibility Study to explore options to alleviate overcrowding at Shawsheen, and to pay for the Schematic Design process once a preferred alternative was found.

### Why Bancroft?

Bancroft Elementary School has reached the end of its useful life. Built as an open concept design using a wood-framed roof and hollow block wall construction, Bancroft has had significant structural issues dating back to its early years, requiring constant and costly repairs to the school since it opened in 1969. In the last five years, Andover has spent in excess of \$2 million on special projects designed to reinforce the wood post columns and roof structure. While these measures have stabilized the building and allowed it to remain open for safe occupancy, they are temporary fixes and do not address underlying infrastructure deficiencies, outdated heating and ventilation systems, lack of adequate classroom space, and pervasive issues with accessibility and fire code compliance. Regular monitoring by the Town's structural engineer is required, as are ongoing procedures to minimize stress on the roof system. These include the manual removal of snow from the roof, a labor-intensive and expensive process that requires annual funding, and which adds to the already high cost of Bancroft's regular building maintenance (currently 51% higher than the school district's average maintenance cost per square foot).

**If a new school is not approved, long-term corrective measures would require closing Bancroft, relocating students elsewhere, and installing steel support members. Additionally, the existing school would have to be brought entirely up to code, an extremely complicated and cost prohibitive process.**

## **Process**

As the state agency that is the town's funding partner, the MSBA requires Andover to undergo an intensive analysis prior to embarking on a school building project; this ensures that tax dollars are not spent on projects that are unnecessary. Town Meeting previously appropriated a total of \$825,000 to pay for this two-part process, described below:

**(1) The Feasibility Study validates the problem and evaluates all possible solutions**

**(2) The Schematic Design confirms the solution**

### Feasibility Study

The initial step was for the town-appointed School Building Committee to work jointly with the MSBA to select an architect, and in October 2009 the Town hired the firm Symmes, Maini & McKee (SMMA). After a detailed study of Bancroft's existing conditions, SMMA worked closely with the School Building Committee and with the Plant & Facilities Department to thoroughly review numerous planning alternatives, including:

- "No build" option
- Close Bancroft and redistrict students to other schools
- Lease or buy a building in Andover or elsewhere
- Renovate Bancroft
- Renovate and build additions to Bancroft or to other schools
- Build a new Bancroft
  - At front of site
  - At rear of site
  - On existing Bancroft footprint
  - On alternate site

In a parallel process, the School Committee deliberated on enrollment size, and after an extensive series of public hearings directed the School Building Committee to investigate the feasibility of building a school that would accommodate the townwide Pre-K program as well as sufficient additional K-5 capacity to allow the closing of Shawsheen School.

Over the course of the Feasibility Study, and with the input of the School Building Committee, the School Committee ultimately voted that the SBC design a school with a capacity of 680 K-5 students. This number will accommodate the Shawsheen K-2 population, and will position the school district to relocate the Pre-K program and close Shawsheen School, avoiding an estimated \$7 million of necessary repairs and upgrades to Shawsheen. The School Building Committee then voted on a "preferred alternative" to submit to the MSBA which sites the new 680-student Bancroft at the front of the property, just to the north of the existing building, and which allows for the continued use of the existing Bancroft School until construction of the new school is completed.

### Schematic Design

Once the Feasibility Study was approved by the MSBA, the Schematic Design phase began; its purpose was to ensure careful confirmation of the preferred building solution. During this stage, the architects worked closely with the Building Committee, school department staff, parents, neighbors, and community members to develop both a site plan and a floor plan for the new school, as well as the building's conceptual massing and exterior elevations.

As part of this process, the architects hosted a well-attended “Green Charrette,” a forum designed to provide information to stakeholders about sustainable design opportunities, and to develop community consensus on sustainable design goals for the new building.

Also included during this phase was an extensive process of project cost estimation and reconciliation. Two Schematic Design construction estimates were developed by independent firms: one selected by the Owner’s Project Manager, the other by SMMA. Estimates were developed using a ground-up approach, and incorporate all materials, labor, and related costs for the totality of the project, including new building construction, abatement and demolition of the existing school, construction of access drives, parking, play areas, and fields, and all associated site work. These separate estimates were then reconciled to within a variance of 3.45%, well within the state-mandated variance range of 5%.

The Schematic Design for the new Bancroft School was submitted to the MSBA for its Board approval on October 1, 2010. The MSBA voted to approve it on November 17th.

### **Proposed New School**

The Schematic Design addresses all major elements included within the scope of the school building project. Over the last 16 months, the School Building Committee held over 60 well-attended public meetings, workshops, and site walks in order to gain valuable input on the project to this point. Going forward, detailed work on such features as color, exterior application of materials, and individual classroom design will not begin until funding for the project is approved. The School Building Committee will continue to work with school department staff, community stakeholders, and Andover’s Design Review Board to ensure that aesthetic and operational goals for the building are met.

### The Site

The new Bancroft Elementary School will be designed to accommodate 680 K-5 students, and will be approximately 106,486 gross square feet in size. It will sit directly to the north of the existing building, with its entrance facing to the south. Playground and parking areas are sited on the south side of the building, as are three soccer fields sized for community use by elementary-aged students. Parking has been designed to accommodate approximately 120 spaces for teachers, staff, and visitors. Every effort will be made to preserve as much existing vegetation as possible during construction, and new trees and other landscaping will be planted to create natural barriers to roadways and abutting properties.

### Access

Bancroft is presently the only school in Andover with just one access on and off the site; all traffic currently enters and exits the grounds via a driveway off Bancroft Road, a street only 16-foot wide at its narrowest point. These conditions have impeded emergency response to the school in the past, and need to be addressed in the new project. At the strong recommendation of both the police and fire departments, the School Building Committee has chosen to construct an additional vehicular access route by utilizing a school owned right-of-way to build a connection to West Knoll Road. The West Knoll access was the preferred choice of Andover’s public safety personnel due to its direct connection to South Main Street. In addition, the new site circulation layout has been designed to double the current on-site capacity for cars to queue during student drop-off and pick-up times. This will serve to address the existing safety issue of cars queuing for drop-off and pick-up along Bancroft Road.

### Interior Spaces

The proposed building will have two-story core function spaces and three-story academic wings. Its “starburst” shape is designed to minimize the building’s footprint and external physical massing, and to create interior spaces that are scaled appropriately for elementary-aged children. Program spaces include general purpose classrooms arranged in grade-level wings, art and music spaces, special education classrooms, gymnasium, cafetorium, full-service kitchen and servery, library with associated support spaces, administration area, nurse’s suite, and teacher and administration support spaces. The gymnasium and cafetorium can be sealed off from the rest of the building to make those functions easily available for community use outside of school hours. Air conditioning will also allow for consolidated summer school and athletic programming.

### Sustainability

The proposed building will be certified at the LEED silver level, which qualifies Andover to receive the maximum 2% reimbursement available from the state for school building projects that are designed with sustainable features. Sustainable elements selected by Andover for this project are those well-proven to minimize energy use and reduce operating costs; they are also designed to improve the learning and working environment for teachers, students, and staff. Examples include:

- rainwater harvesting for toilet flushing
- solar thermal system for heating, storage, and circulation of hot water
- photovoltaic panels
- high-efficiency boilers
- maximal use of daylight and views
- high efficiency lighting, variable frequency drives, displacement ventilation
- energy recovery units.

*Note:* some of the above elements are eligible for utility company rebates.

### **Project Cost**

The total project cost is **\$44,659,837**. This amount includes \$825,000 already appropriated by Town Meeting to pay for the Feasibility Study and Schematic Design process explained above.

Feasibility Study*	\$825,000
Construction Costs	\$31,015,189
Architecture & Engineering	\$3,529,765
Owner’s Project Manager	\$1,134,000
Other Soft Costs	\$190,000
Miscellaneous Project Costs	\$260,000
Furnishings & Equipment	\$1, 824,750
Contingencies	\$5,881,133
<b>Total Project Costs</b>	<b>\$44,659,837</b>

\*Approved at previous Town Meetings

It is important to note that the total project cost includes \$5,881,133 of contingencies, spread across four categories. Unlike past school building projects, we are now required by the MSBA to carry these percent-based contingencies, which represent 13.1% of our total construction cost.

Design and Pricing (10%)	\$2,794,751
Escalation (2.5%)	\$842,123
Construction Contingency (5.0%)	\$1,726,353
Owner's Contingency (1.5%)	\$517,906
<b>Total Contingencies</b>	<b>\$5,881,133</b>

**Reimbursement**

The MSBA will reimburse Andover for a total of 44% of all eligible construction costs. Reimbursement rates for school building projects differ by municipality. First, a starting point is determined by the MSBA based on community need; extra percentage points are then possible by reaching certain incentive goals. Andover's reimbursement breaks down as follows:

Base	39%
Use of Sustainable Features	2%
Town Maintenance Record**	2%
Use of Construction Manager-at-Risk	1%
<b>Total Reimbursement</b>	<b>44%</b>

\*\* Andover is the only town in the Commonwealth to have achieved the maximum 2% reimbursement for maintenance

The total MSBA reimbursement amount is \$16,773,753 (note: this amount will decrease proportionally if costs come in lower). The costs which are eligible for reimbursement total \$38,122,167. Certain costs are not eligible for reimbursement, such as site costs in excess of 8% of the construction budget, legal costs, certain furnishings, fixture, and equipment (FF&E) costs,

asbestos abatement in the existing school prior to demolition, permitting, related fees, and other construction-related costs which are in excess of the MSBA's \$275/sq. ft. cost.

**Total Cost of the Project: \$44,659,837**  
**Total MSBA Reimbursement: \$16,773,753**  
**Total Town Portion: \$27,886,084**

Upon approval of this project, the Town will be eligible to receive an additional matching grant of up to \$381,221 which will go into a "School Facility Maintenance Trust" Fund. This fund can be used to fund non-routine maintenance at all Town Schools. Authorization to establish this fund was approved at a prior Town meeting.

**Note:** Pursuant to the MSBA's regulations, Andover has 120 days from the date of the MSBA Board's approval (November 17, 2010) to obtain local approval of an appropriation to fully fund the project. The MSBA Policy provides that if a Town does not approve the funding for a project within the 120 days it *"likely will result in the school district being required to submit a new Statement of Interest to the MSBA and await a second invitation from the MSBA to enter the feasibility study phase of the MSBA's process."*

**Respectfully Submitted by the School Building Committee:**

Mark B. Johnson, Esq., *Chair*

Thomas R. Deso, *Vice Chair*

Annie Gilbert, *School Committee*

Francine Goldstein, *Bancroft School Principal*

Dr. Marinel D. McGrath, *Superintendent of Schools*

Joseph R. Piantedosi, *Acting Director of Plant & Facilities*

Joseph Reilly

# **EASEMENT from TOWN to the SCHOOL DEPARTMENT BANCROFT ELEMENTARY SCHOOL**

**ARTICLE 4.** To see if the Town will vote to transfer the care, custody and control of a portion of the land shown on Assessors' Map 59, Lot 29 to the Board of Selectmen for the purpose of granting an easement to the School Department for use of said portion of land by the School Department for access, parking, off-site improvements and other uses associated with the Bancroft Elementary School and to authorize the Board of Selectmen to grant an easement to the School Department for such purposes on terms and conditions they deem to be in the best interest of the Town. The proposed easement area is shown as "Limits of Easement" on Plan of Land entitled "Town of Andover Easement to Bancroft School Site" drawn by Dana F. Perkins, Inc., dated October 21, 2010. The metes and bounds of the easement area, the final easement plan and the terms and conditions of the easement shall be determined by the Board of Selectmen, or take any other action related thereto.

*Requires a 2/3 vote*

**The BOARD OF SELECTMEN recommends approval.**

**YES** \_\_\_

**The FINANCE COMMITTEE recommends approval.**

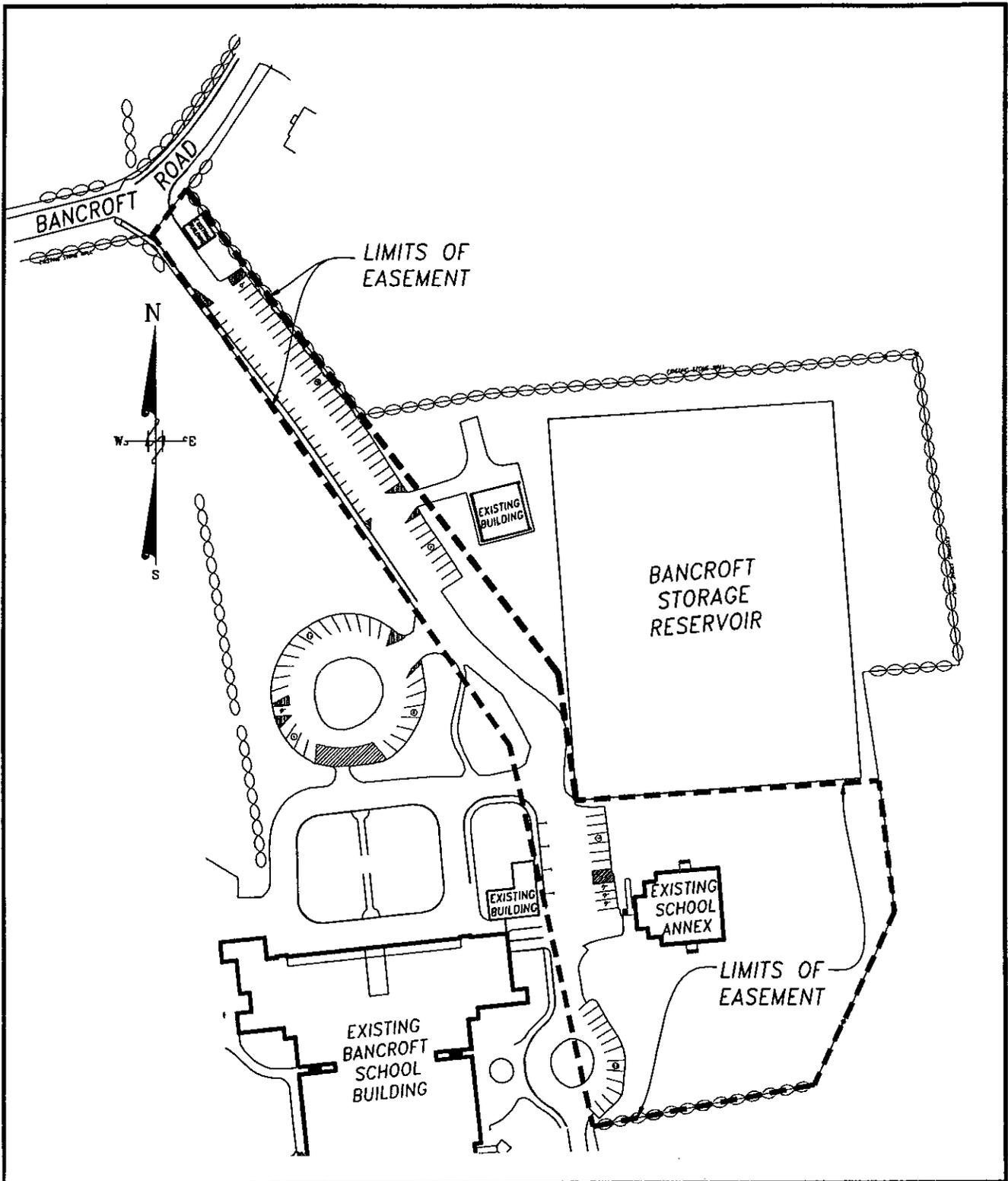
**NO** \_\_\_

**The PLANNING BOARD recommends approval.**

**The SCHOOL COMMITTEE recommends approval.**

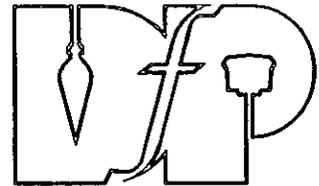
On request of the School Building Committee

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TOWN OF ANDOVER  
 EASEMENT TO  
 BANCROFT SCHOOL  
 SITE

**DANA F. PERKINS, Inc.**  
 Consulting Engineers & Land Surveyors  
 1049 EAST STREET ~ TEWKSBURY, MASSACHUSETTS 01876  
 TEL: 978-858-0680 FAX: 978-640-0237  
 DANA.F.PERKINS.COM



PREPARED FOR:  
 TOWN OF ANDOVER  
 36 BARTLET STREET  
 ANDOVER, MA 01810

SCALE: 1" = 80'

DATE: OCTOBER 21, 2010

JOB NO. 51668-EASE

SHEET 1 OF 1

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## TOWN OF ANDOVER

### TOWN MEETING PROCEDURE AT A GLANCE

To do this...	You say this...	May you Interrupt Speaker?	Must you Be Seconded?	Is the Motion Debatable?	What vote is required?
Request Information	Point of Information	Yes	No	No	No Vote
Complain about noise, sound, general room conditions, etc....	Point of Privilege	Yes	No	No	No Vote
Object to procedure or personal affront	Point of Order	Yes	No	No	No Vote Chair decides
Introduce Business (a primary motion)	I move that... (speakers for articles may be allowed up to 5 minutes)	No	Yes	Yes	Majority
Ask for a vote count to verify a vote	I call for a standing count....	No	No	No	No Vote
Amend a motion	I move to amend this motion	No	Yes	Yes	Majority
End Debate	I move the question	No	Yes	No	2/3 Vote
Reconsider something already disposed of	Meeting only reconsiders a vote if an error has occurred				Chair corrects with proper vote
Recess the meeting	I move that we recess until...	No	Yes	No	Majority
Adjourn the meeting	I move we adjourn	No	Yes	No	Majority

**Finance Committee Report Update  
Special Town Meeting  
December 6, 2010**

December 1, 2010

To the Citizens of Andover:

When the Finance Committee Report for the December 6, 2010 Special Town Meeting went to the printer, we had not been able to review possible debt schedules and prepare reliable estimates of the property tax increase required to fund the new Bancroft Elementary School (Article 3). This update to our report contains a sample 20 year debt schedule and an analysis of how excluding the annual debt service (principal and interest) for this project from Andover's Proposition 2 ½ levy limit would affect residential property tax bills.

**Town Meeting votes to authorize the Town to borrow a specific sum of money. It does not vote on a financing schedule.** The details of the debt schedule for the new Bancroft Elementary School will not be known until Andover actually goes to the market with its bonds. However, the Finance Committee believes that it is very important for voters to have realistic estimates of both the total cost of this project and its impact on their property tax bills.

<b>Total Project Cost Approved by MSBA</b>	<b>\$44,659,837</b>
<b>MSBA Reimbursement</b>	<b><u>-16,773,753</u></b>
<b>Amount to be Borrowed</b>	<b>\$27,886,084</b>

The Debt Service Cost Estimate for Bancroft School (the last page of this report) shows how \$27.9 million could be financed. This is a standard municipal debt schedule with equal principal payments each year and declining interest payments. It assumes that the debt will be paid back over 20 years at an average interest rate of 4 %.

### **What is a Debt Exclusion?**

Proposition 2 ½ limits the total amount that a city or town can levy in property taxes in any given year. By passing a Debt Exclusion a community can collect the additional taxes needed to pay the debt service (principal and interest costs) for a specific capital project. Each year that a payment must be made for the project, the levy limit is first calculated as usual, and then the extra amount for the excluded debt service is added. Unlike general overrides, Debt Exclusions do not become part of the base used to calculate future years' levy limits. The debt exclusion ends when the final debt payment is made. **A Debt Exclusion requires both a 2/3 vote of Town Meeting to appropriate Town funds**

by borrowing and a majority vote in a special election to authorize the additional property taxes.

## How Will the Bancroft School Project Affect Property Tax Bills?

If Andover voters approve a Debt Exclusion for the principal and interest costs for the new Bancroft Elementary School both at Town Meeting and in the referendum, then each year, when the property tax rate is calculated, an amount equal to the debt service costs for the bond issues related to this project would be added to the tax levy. To give voters realistic estimates of what this means for their property tax bills, the numbers shown in the last column of the debt schedule included in this report were used.

Rather than attempting to project the total valuation of Andover’s tax base in future years or trying to guess what the Board of Selectmen will do with tax classification, a reasonable estimate of the impact of the proposed Debt Exclusion on the homeowner’s property tax bill can be calculated using the real numbers for the current fiscal year. The following chart shows the estimated cost of the Bancroft School project for owners of residential properties in Andover. It must be noted that these amounts are in addition to whatever property taxes are required to support regular annual Town and School budgets and the previously approved debt exclusions for the 1994 School Building Program, the Public Safety Center, and the High Plain and Wood Hill Schools.

### The Impact of the Bancroft School Debt Exclusion on Residential Property Tax Bills

If your property is valued at	And your FY2011 Tax Bill is**	The amounts the Bancroft School Project will add to your Property Tax Bills			
		Year 1	Year 2	Year 3	Year 4
\$100,000	\$1,412	34	33	32	32
\$300,000	\$4,236	102	99	97	95
\$500,000	\$7,060	169	165	162	158
\$529,775*	\$7,480	179	175	171	167
\$700,000	\$9,884	237	232	226	221
\$900,000	\$12,708	305	298	291	284

\*Average Single Family Residence Assessed Value for FY2011.

\*\*\$14.12/thousand residential tax rate adopted by Board of Selectmen November 22, 2010.

To get an idea of the cost of the Bancroft project for your residential property tax bill, either find the value closest to yours in the above table or use multiples of the numbers shown for a property valued at \$100,000. For example, if your home is assessed at \$450,000, multiply the \$34 amount shown for Year 1 for a property valued at \$100,000 by 4.5 to calculate a tax bill impact of \$153. With a standard municipal debt schedule, the amount will go down a little each subsequent year.

Given all of the unknowns, the tax bill impacts may be different from what we are showing here, but the Finance Committee believes that these numbers provide a good sense of the order of magnitude of the cost of the Bancroft project to Andover taxpayers. An increase in the interest rate would result in an increase in the annual payment. In the end, the Town may not need to borrow the full \$27,886,084. The \$5.9 million that the MSBA requires the Town to appropriate for contingencies might not all be spent. Actual construction bids may come in lower than the School Building Committee's estimated costs. However, the Finance Committee believes that voters should know the potential impact of the total spending they are being asked to authorize. We think these property tax bill impact estimates fairly represent the cost of the new Bancroft Elementary School for Andover residential property owners.

The Finance Committee will be prepared to answer your questions at Town Meeting. We hope that having this information available online ahead of time helps voters better understand the important issues to be debated and decided on December 6<sup>th</sup>.

The Finance Committee  
Joanne F. Marden, Chairman

Mary O'Donoghue  
S. Jon Stumpf  
Mark Merritt  
Paul Fortier

Cynthia Milne  
Richard T. Howe  
Margaret Kruse