

SCHOOL BUILDING AID NOTICE OF INTENT TO FUND

Date: December 19, 2022

To: Superintendent Debra Taylor, SAU 7, Colebrook School District

From: Amy C. Clark, Administrator, Bureau of School Safety and Facility Management

Subject: Building Aid Application dated September 30, 2022 for an Addition to the Elementary School

This memo is not a guarantee of funding for the above referenced project, referred to hereafter as the “Project”. State school building aid awards will be based upon approved ranking, the total State appropriation available, vote of the legislative body of the district approving the Project and appropriating the funds necessary to complete the project, and the Project’s eligible costs. The purpose of this memo is to notify you of the intent to fund the Project and notify you of the terms, should building aid be awarded. Should funding be available, the Project will be subject to the items listed below.

1. Funding subject to sufficient State building aid appropriation in the next biennium (FY24/FY25).
2. Projects shall be funded in descending rank order, as approved by the State Board of Education on November 10, 2022. This project is ranked **Project #2** for FY24 and FY25 construction (July 1, 2023 – June 30, 2025).
3. The maximum project costs *eligible* for building aid shall not exceed **\$16,441,247**. All costs that exceed this amount will be deemed ineligible.
4. The building aid rate for this project is **60%**.
5. The maximum school building aid grant shall not exceed **\$9,864,748**. This amount represents the *maximum* amount of building aid this Project is eligible for. The *actual* amount of building aid will be calculated upon completion of the Project and review of the [Request for Final Building Aid application form](#) submitted by the district. Reductions may be made per RSA 198:15 and Ed 321, including but not limited to, maximum allowable space further exceeded, maximum allowable construction costs exceeded, maximum site size exceeded, ineligible funds applied, and ineligible use of space.
6. Proof of approval from the district’s legislative body to construct the Project shall be submitted to the department no later than **May 1, 2023** to be eligible for FY24 building aid. If proof of approval is not submitted by the deadline, funding will be offered to the next highest ranked project. This process will be repeated in FY25, subject to the availability of funds, starting with the highest ranked project.
7. If the Project is funded, the department shall disburse 80% of the maximum school building aid grant, upon receipt of items 1 through 7 listed in attachment A. Items 1 through 7 listed in

SCHOOL BUILDING AID NOTICE OF INTENT TO FUND

attachment A must be complete prior to **June 30, 2024** to continue to be eligible for FY24 building aid.

8. Per Ed 321.24 (a) School building aid grants shall be subject to the maximum allowable construction cost under RSA 198:15-b,IV(a).
9. Based on your application, you have estimated construction costs at **\$380** per square foot. The maximum cost standards in effect at the time general contract work begins shall be used for the purposes of determining school building aid grants, per RSA 198:15-b, IV (c). The construction cost standard for a high school located in Coos County was **\$214 per square foot** as of October 2022. This amount will be indexed to the month construction begins. These cost limits apply to the gross building size of newly constructed areas and do not include planning, design, furniture, fixtures, equipment, and site work. For more details see the Maximum Allowable Costs for School Construction online here: <https://www.education.nh.gov/who-we-are/division-educator-and-analytic-resources/school-safety-and-facility-management-bureau>.
10. Per the Perkins V Act, Section 211, “funds made available under this act for career and technical education activities shall supplement, and shall not supplant, non-federal funds expended to carry out career and technical education activities”. Supplanting occurs when federal funds are used to pay for expenses that are typically paid for with either state or local funds. Recipients of Perkins funding are prohibited from using that funding to replace state and local dollars for CTE activities. Therefore, any CTE equipment purchased with state building aid funds will no longer be eligible for federal funding.
11. In accordance with RSA 198:15-b, IV (d) and Ed 321.24(d), the district may request a waiver under Ed 321.28 for the maximum construction cost allowed under Ed 321.24.
12. Eligible project costs are limited to the construction or reconstruction of spaces used for K-12 educational purposes. For example, preschool space is not eligible for building aid. If any space is constructed or renovated for preschool, it will be prorated out based on the total cost per square foot reported on the Request for Final Building Aid Payment form.
13. Educational Capacity for this project is **374** designed with an **85%** utilization rate. This is based on a design capacity of 318 students. Due to declining enrollment, design capacity was set at the current enrollment.
14. The maximum gross square footage eligible for building aid, not including CTE space, is set at **160 square feet per pupil** for high schools, per RSA 198:15-b, IV (b)(1) and Ed 321.06. Based on an educational capacity of 374 the maximum gross square footage eligible for building aid is **59,859 square feet**. In 2003, a 57,158 square foot addition was approved for building aid, therefore leaving a balance of 2,701 square feet of additional space eligible for building aid, excluding CTE space. Based on your application, you have proposed to construct a 28,300 square foot addition, including 9,900 square feet of CTE space and a 9180 square feet gymnasium and associated space. On December 12,

SCHOOL BUILDING AID NOTICE OF INTENT TO FUND

2022 the department approved your request to waive the maximum school building size allowed under Ed 321.06 (c) to allow the square footage proposed in your application.

15. Final approval shall be granted after the project is complete and the remaining items listed in attachment A have been reviewed and approved by the department. The department shall disperse the remaining 20% of the maximum school building aid grant less any items deemed ineligible for school building aid. In the event that the total eligible project costs times the building aid rate results in a lower grant amount than the initial disbursement, the school district shall be required to repay the State the grant amount received in excess.
16. A school district that discontinues the use of the facility within 20 years shall be required to repay the state 100 percent of the building aid grant received, per RSA 198:15-a, III. Upon showing good cause, the department may waive this penalty.
17. Facilities constructed using school building aid grants shall only be used as instructional spaces for kindergarten through grade 12, per RSA 198:15-a, III.
18. Funds received from charitable trusts, bequests, gifts, insurance policies, federal grants, or grants from other state programs shall be subtracted from total project costs when computing the eligible amount for a building aid grant, per RSA 198:15-b I(a)(2)(E).
19. This project is subject to all of RSA 198:15, School Building Aid, and may be affected by legislative changes.
20. Per Ed 321.17 (e), construction documents shall require the HVAC contractor to provide the school maintenance personnel with record drawings, appropriate training, operating and maintenance manuals, and any other relevant information concerning the HVAC systems and components thereof.
21. Per Ed 321.17 (f), construction documents shall require a formal commissioning process for HVAC systems start-up and initial operation. At a minimum, the construction documents shall identify the requirement for the development of a written commissioning plan specific to the project. The commissioning plan shall identify a process of ensuring that prior to completion of a construction project, new and/or modified HVAC systems perform in accordance with the design intent and the construction documents. The commissioning process shall include, but shall not be limited to, verification and functional performance testing on all HVAC equipment and controls, in all operating modes.
22. Per RSA 485:17-a, schools are required to test for lead in drinking water at all locations where water is available for consumption by children. New facilities must be tested prior to student occupancy. Action must be taken when results show lead levels at or above 5 parts per billion (ppb).
23. Prior to occupancy facility, the district must provide updated floor plans to local emergency personnel and update the Emergency Operations Plan on file with Homeland Security and Emergency Management.

**SCHOOL BUILDING AID
NOTICE OF INTENT TO FUND**

24. Per Ed 321.22, school districts shall submit quarterly project status reports to the department until completion of the project. The department will reach out with the report to be completed shortly before the end of each quarter.
25. The above items do not include all pertinent restrictions of building aid grants and it is the responsibility of the applicant to understand and follow all regulations, including but not limited to RSA 198 and Ed 321.

If you have any questions, please do not hesitate to contact me at (603) 271- 2037 or amy.c.clark@doe.nh.gov. Thank you.

Signature: *Amy C. Clark* Date: Dec 21, 2022
Amy C. Clark, Administrator
Bureau of School Safety and Facility Management

Signature: *Debra Taylor* Date: 12-21-22
Superintendent

SCHOOL BUILDING AID NOTICE OF INTENT TO FUND

How your maximum eligible building aid was calculated:

A	\$16,441,247	Total Cost of Project (reported in Building Aid Application section I)
B	\$750,000	Total Cost of Site Acquisition & Dev (reported in Building Aid Application section I)
C	\$15,691,247	Total Cost of Project, Less Total Cost of Site Acquisition & Development; A-B
D	\$10,750,000	Const. Costs for New Space (reported in Building Aid Application section I)
E	318	Design Capacity (reported in Building Aid Application section B)
F	0.85	Utilization Rate (Ed 321.09 - 0.95 for Elementary Schools)
G	374	Educational Capacity; E/F
H	160	Maximum Allowable Square Footage per Pupil - See Ed 321.06 for proper selection.
I	28,300	Total Prop. Area in SF Feet to be Constructed (reported in B.A. Application section H)
J	59,859	Max. Area in SF Allowed to be Const. in the Past 35 Years; H*G (per Ed 321.06 (f)) [excludes CTE space]
K	57,158	Area in SF that was Constructed in the Past 35 Years using School Building Aid
L	2,701	Remaining Area Eligible for Aid in SF; J-K [excludes CTE space, not subject to size cap]
M	0 (waiver)	Area in Square Feet that is Ineligible for Building Aid; I-L [waiver approved 12/12/2022]
N	86,131	Total Proposed Renovated Area in SF (application section H)
O	TBD	ESTIMATED Maximum Allowable Construction Costs per Square Foot (see Ed 321.24)
P	\$380	Cost of Construction for New Space (\$/sf); D/I
Q	TBD	Overage - Construction Cost for New Space per SF not Eligible for Building Aid; P-O
R	\$554	Total Project Cost per SF, Less Total Cost of Site Acquisition & Development; C/I
S	TBD	Total Anticipated Funding Sources Ineligible (see section J in Building Aid application)
T	\$16,441,247	Total Cost of Project; A
U	\$0	Eligibility reduction – Max. SF Exceeded (applied to area beyond max allowable); (I-J)*R
V	\$0	Eligibility reduction – Max. SF Exceeded (applied to area built in past 35 years); K*R
W	TBD	Eligibility reduction - Maximum Construction Costs Exceeded (applied to eligible area); L*Q
X	\$0	Eligibility reduction - Maximum Site Size Exceeded; (see Ed 321.03 and Ed 321.04)
Y	TBD	Eligibility reduction - Ineligible Funding Sources;
Z	TBD	Other reductions.
AA	\$16,441,247	Total Project Costs Eligible for Building Aid (sum of T-Z)
AB	60%	District Building Aid Rate

\$9,864,748 **Maximum Building Aid award; AA*Rate**

The actual amount of building aid will be calculated upon completion of the Project and review of the [Request for Final Building Aid application form](#) submitted by the district. The total building aid award shall be the building aid rate times the total eligible project costs, or the maximum building aid award, whichever is lower.

SCHOOL BUILDING AID NOTICE OF INTENT TO FUND

ATTACHMENT A

Items required prior to receiving first building aid payment – must submit prior to June 30, 2024 for FY24 aid

- 1a. Complete building aid application
- 1b. Complete Site Addendum
- 1c. NHDHR Project Review results
- 2 Minutes from town meeting or city council approving expenditure
- 3 Proof of successful town vote
- 4 Proof of funding (bond schedule, capital revenue expenditures, operating budget, etc.)
- 5 Detailed drawings and technical specifications
- 6 Letter from the State Fire Marshal's Office approving construction (Ed 321.13)
- 7 Signed contract for work to be done

Items required prior to receiving final building aid payment

- 8 Final building aid application. The application can be downloaded from [here](#).
- 9 Invoices
- 10 Invoices listed in the Cost Summary Spreadsheet. The spreadsheet can be downloaded from [here](#).
- 11 Final plans, bearing the stamp of a registered architect or engineer
- 12 Updated educational specifications, if applicable (electronic copy only)
- 13 Maintenance Plan meeting RSA 198:15-b I-a.
- 14 Commissioning plan, if applicable
- 15 Application for energy efficiency reimbursement programs (RSA 198:15-c I)
- 16 Copy of the food service license, if applicable (RSA 143-A)
- 17 A copy of the septic system approval by DES, if applicable (Env-Wq 1000)
- 18 A copy of the water system design approval by Drinking Water & Groundwater Bureau at DES (Env-Dw 406)
- 19 A statement that the drinking water has been tested for lead in accordance with RSA 485:17-a.
- 20 A statement that an updated Emergency Operations Plan (EOP) has been submitted to Homeland Security and Emergency Management, and updated floor plans have been submitted to local emergency personnel.

Submit a letter signed by a licensed architect or engineer stating that the design meets the following:

- 21 No asbestos containing material was used in construction (15 U.S.C. § 2641-2656)
- 22 Project meets the state building code (RSA 155A)
- 23 Project meets the definition of the state building energy code (RSA 155-A:1, IV)
- 24 Project meets the barrier free access regulations (Abfd 303)
- 25 Project meets the acoustical standards (Ed 321.20)
- 26 Project meets the school building construction standards (Ed 321)

Building Aid Memo - Signed 12-21-22


Final Audit Report

2022-12-21


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