

EXHIBIT X.B.

TO: Members of the State Board of Education

FROM: Fern Desjardins, Chair, School Construction Committee

DATE: July 12, 2023

SUBJECT: School Construction Committee Recommendation on Major Capital School Construction Program

BACKGROUND:

July 25, 2021 – A fire at the Dr. Levesque Elementary School in RSU 33/MSAD 33 led to students in grades 1-6 being relocated to join grades 7-12 at Wisdom Middle/High School in St. Agatha. Grades PK and K are located in one, double classroom modular building, requiring that students walk outside to get to the library, music, art, physical education, lunch, therapy (OT, PT and speech), nurse's office, principal's office, and assemblies located at Wisdom Middle/High School.

The Adjuster General for Sedgwick deemed the Dr. Levesque Elementary School a total loss.

Insurance: Insured for replacement basis that does not include code upgrades and emergency services (i.e., for all work required to restore the building to its pre-loss condition) with Trident Public Risk Solutions, Argonaut Insurance Company (the carrier).

Adjusted Loss as Determined: \$8,673,521.59

Minus Depreciation \$1,250,088.65

Actual Cash Value \$7,423,432.94

Minus Deductible \$1,000.00

Claim on Insurance \$7,422,432.94

Received to date: \$5,391,348.73

Expected future payments: \$2,031,084.21

Statement from Supt. Benjamin Sirois: "Due to generous donations to help MSAD33 relocate into the Wisdom Middle/High School building, MSAD33 will have spent \$0 (zero) of the insurance claim and is expected to have the full \$7,422,432.94 to go towards a rebuild effort."

Ratings on the 2017-2018 Rating Cycle, Major Capital School Construction Program Priority List:

No application was submitted for Dr. Levesque Elementary School or Wisdom Middle/High School for consideration in the 2017-2018 rating cycle; therefore, no comparison can be made with other schools that were rated.

Note: MSAD 33 partnered with MSAD 27 and the Madawaska Public Schools to apply for the 2017-2018 Rating Cycle, Integrated, Consolidated 9-16 Educational Facility and were rated as priority #1 on the list. The rejection of the vetted site by MSAD 27 "derailed this project."

Enrollment: Dr. Levesque Elementary School:

PK – 14	K – 18	1 – 19	2 – 23	3 – 16	4 – 13
5 – 13	6 – 24				
Total: 140					

Wisdom Middle/High School:

7 – 13 8 – 13 9 – 19 10 – 18 11 – 18 12 – 20

Total: 101

Total enrollment PK-12: 241

June 2022 – Fire at Dike Newell School in RSU 1 destroyed 60% of the school.

Grades PK-2 have been relocated to the previous Bath Regional Technical Center (BRTC).

The library, music, physical education, and cafeteria have been relocated to the old Morse High School. The buildings are now owned by the city of Bath. RSU 1 has an annual lease with the city of Bath.

The school is close to the main road, which poses security and safety issues.

BRTC was built in 1995. The building has passed code inspections and been approved by the State Fire Marshall Office.

Insurance: Insured for \$12,575,520 with Liberty Mutual Insurance

Building (\$11,636,103) + All Other Personal Property (\$939,417) = \$12,575,520

Statement from Supt. Patrick Manuel: “The final insurance settlement is \$11,441,286. Out of this final settlement, some payments were made by Liberty Mutual to outside vendors, and the district has spent considerable insurance monies that were designated by insurance to renovate the current DN location and replace contents - leaving approximately seven million to help replace the school.”

Ratings on the 2017-2018 Rating Cycle, Major Capital School Construction Program Priority List:

Dike Newell School: #50 (rating was prior to the fire)

Note: The Fisher Mitchell School in RSU 1 (grades 3-5) is rated #22.

Supt. Manuel advocates for building a PK-5 school to replace both the Dike Newell School and Fisher Mitchell School.

Enrollment: Dike Newell School:

PK – 40 K – 72 1 – 80 2 - 74

Total: 266

Fisher Mitchell School:

3 – 55 4 – 63 5 – 62

Total: 180

Total enrollment PK-5: 446

Maine State Board of Education 5-Year Strategic Plan 2022-2026

Priority 4 – School Construction & Renovations, Goal 4: The Maine State Board of Education will establish a new rating cycle for the Major Capital School Construction Program by the spring of 2026.

Emergency Provision – Chapter 61

1. In Definition #20 on p. 3, “Emergency Project”
 “Emergency Project” - Any school construction project requiring the replacement of all or a significant portion of a school facility, resulting from an unanticipated and sudden natural or human disaster, and which is declared uninhabitable by an authorized local, state or federal government agency or individual (e.g., the State Fire Marshal’s Office).
2. In Categories of School Construction Projects, p. 5
 B. Emergency projects will be dealt with on a case-by-case basis as deemed appropriate-by the State Board.

Considerations & Summary of Findings:

- Past Practice with projects designated as “emergency projects”
 - Fact Sheet developed by the School Construction Committee in collaboration with RSU 1 and RSU 33/MSAD 33
 - Communications of interested parties with School Construction Committee
 - 2017-2018 Major Capital School Construction Program Final Priority List
 - Chapter 61 – Rules for Major Capital School Construction Projects
1. The process for approving major capital school construction projects outlined in Chapter 61 has worked.
 2. There is a favorable response from SAUs approved for school construction projects to consolidate schools within their SAUs after consideration of their facility assessments and projected enrollment data.
 3. It is cost effective to do what is right for the long-term within SAUs by building schools that communities can afford to insure, maintain, and meet projected enrollment needs.
 4. There are a number of significant initiatives that could impact the future of school construction projects and they should be considered in moving forward:
 - L.D. 1415 - The convening of a stakeholder group for the purpose of making recommendations on researching and identifying alternative pathways or revenue sources to finance school construction needs in the State AND that the next round to apply for funding a school construction project take place in fiscal year 2024-25.
 - Anticipation of revisions to Chapter 61 in the 131st Maine Legislature.
 5. The health and safety of students is paramount in decision-making on which schools should be moved to the Approved Priority List or approved for school construction.
 6. There is much support for exploring the acceleration of the next rating cycle Priority List. Moving the timeline forward would accommodate those who want to apply and the SAUs that had fires destroying their schools. It would be a positive response to this past Legislative session and to meeting the needs expressed by superintendents and the Department of Education in School Construction Committee meetings of the State Board of Education and the Maine School Superintendents Association.

RECOMMENDATION: The School Construction Committee recommends that the State Board of Education work with the Department of Education in moving forward the timeline for establishing a new rating cycle for the Major Capital School Construction Program; that the Dike Newell School and Dr. Levesque Elementary School which were partially and completely, respectively, destroyed by fires apply for school construction under the new rating cycle; that the State Board follow the protocol in place in honoring the existing priority list; and that revisions to Chapter 61 be initiated for the new rating cycle.