

Lexington High School FAQs

Project Finances & Risk Management



What is Construction
Management at Risk (CMR)?

What is Construction Management at Risk (CMR)?

A **Construction Manager at Risk**, or **CMR**, is a **construction delivery method** authorized by **Massachusetts General Law Chapter 149A**.

Under this approach, the Town hires a qualified **construction management firm** based on **qualifications and price**, not low bid alone.

The CMR is brought on **during design** to provide:

- **Cost estimates** at each design milestone
- **Scheduling** to maintain target completion
- **Logistical input** to ensure GMP includes all associated costs
- **Constructability reviews** to reduce change orders

Once the design is complete, the CMR provides a **Guaranteed Maximum Price (GMP)** for construction.

- GMP Model **shifts financial risk** to the construction manager, who agrees to complete the project for a Guaranteed Maximum Price (GMP)
- The CMR is responsible for managing **cost**, **schedule**, and **construction** of the project to ensure it's completed within the agreed-upon budget.
- The Town pays the **actual cost of the work plus a fixed fee, not to exceed** that GMP, except for approved scope changes.
- This gives the Town **cost certainty before construction begins**.

Who is Turner Construction the CMR?

Turner is a North American-based, international construction services company and a leading builder in diverse market segments. The company has earned recognition for undertaking large and complex projects, fostering innovation, embracing emerging technologies, and making a difference for its clients, employees, and community. With 39 business units and over 11,000 employees, the company completes \$17 billion of construction on 1,500 projects each year. Turner offers clients the accessibility and support of a local firm with the stability and resources of a multi-national organization.

Turner Boston

- Established in 1909 with the 1st project being a 10,000 seat colonnade that was added to Harvard Stadium built 7 years prior.
- Staff – 475
- Carpenters and Laborers – 340
- Over 1 Billion of work per year in Greater Boston and Northern New England

CMR K-12 Projects

- **Wellesley High School** – Returned 30% of CM Contingency. 95% Owner Contingency unused
- **Concord-Carlisle High School** – 38% of CM Contingency used on changes. 21% Owner Contingency used for changes. 79% Owner Contingency unused
- **Josiah Quincy Upper School** – 33% of CM Contingency used on changes and 16% of Owner Contingency used for changes. 84% of Owner Contingency unused

What are the Town's Financial
Risks with CMR?

What Are the Town's Financial Risks With CMR?

Spending and borrowing limits - Town Meeting and voters set a **maximum** borrowing authorization

- The requested amount of \$659.7Million is the established cap for this project

The Project Team cannot exceed that amount without:

- A new Town Meeting vote, and
- A new town wide ballot debt exclusion election would be required if additional funds are requested

This process ensures full public control of any future appropriations

What costs of the project is the Town responsible for:

- MSBA has committed to contributing up to \$121.7 million in grant funds for the project
- With our partnership with the MSBA, certain aspects of the project will not be eligible for reimbursement. All those costs that are not eligible, are the financial responsibility of the Town
- **Owner-directed scope changes after GMP**
- These would be for very small scale changes to the bid design such as relocating a wall, or finish changes. These changes would be funded through the owners contingencies.

How is the Project Budget
Controlled after the Debt
Exclusion Vote?

How is the Project Budget Controlled after the Debt Exclusion Vote?

Construction Cost Controls (CMR & GMP)

- The CMR provides a **Guaranteed Maximum Price (GMP)** once design is finalized
- **Change orders** can **only be approved for specific, pre-defined reasons**—such as unforeseen site conditions, code changes, or Town-approved scope adjustments
- All change orders **must be reviewed** by the **OPM, Designer, and DPF**
- **CMR Contract** includes protection for the town for **schedule and cost adherence**, with Liquidated damages, and clearly defines **non compensable items**.
- **Built-in contingencies** protect against inflation and unforeseen conditions

Town Oversight

- Ongoing review by:
- **Department of Public Facilities**
- **Monthly budget reporting Permanent Building Committee**

MSBA Oversight

- MSBA reimburses **36.95 % of eligible project costs**
- Reviews **each monthly pay requisition**, cost code, and contingency use
- Reviews **each Change Order** for accuracy
- Provides an additional **layer of financial accountability** beyond the Town

C.5b Bloom – SD Pricing

Description	Cost
Construction Cost	\$534.1M
Soft Cost	\$94.5M
Owner Contingency (Construction and Soft Cost)	\$31.1M
Total Project Budget	\$659.7M
Anticipated MSBA Grant	\$121.3M
Mass Save	\$4.5M
LABBB Contribution	\$1M
Anticipated District share	\$532.9M

Notes:

- Total Project Budget Contingency \$124.3

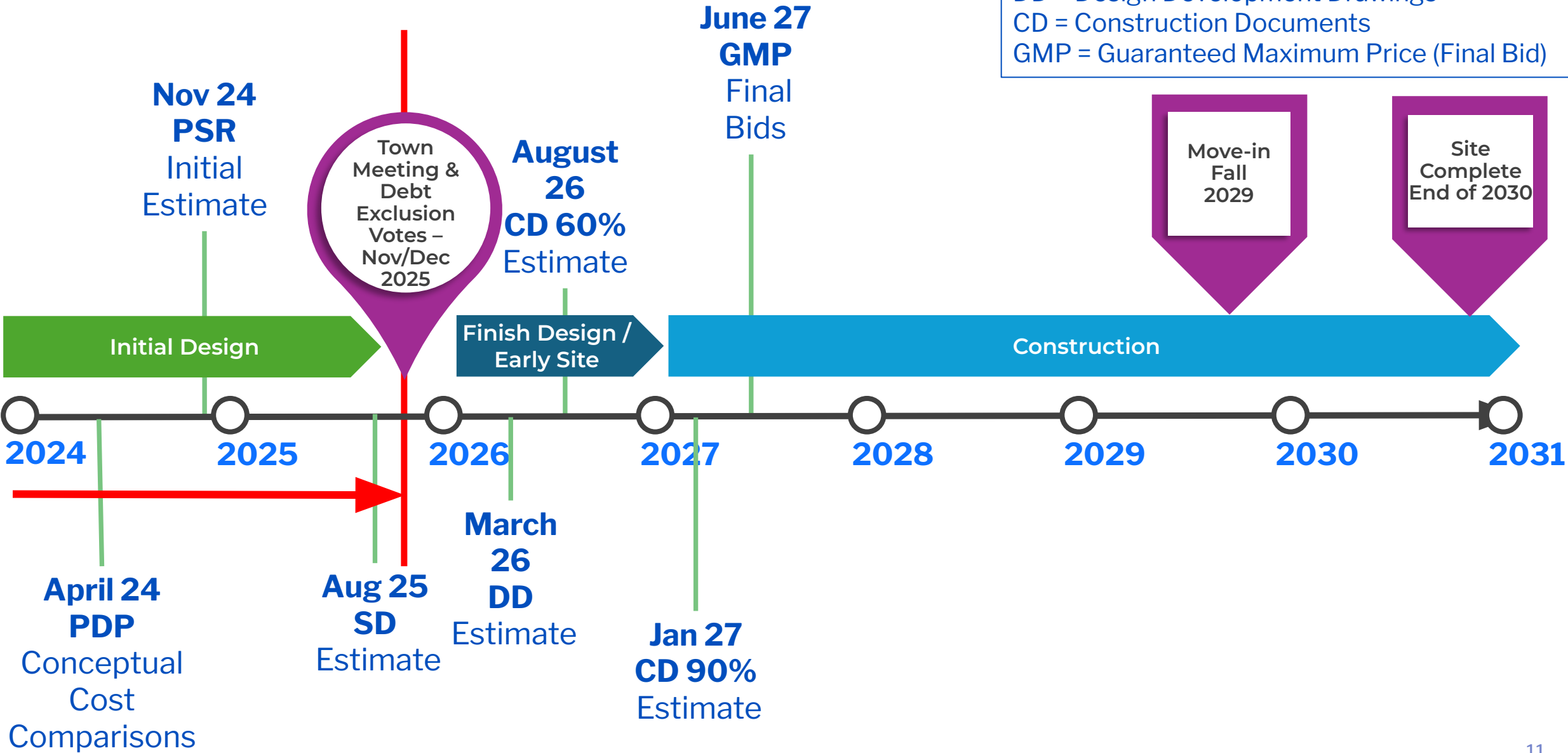
C.5b Bloom – Contingencies

Contingency	
Design Contingency (in GMP)	\$38.4
Escalation Contingency (in GMP)	\$33.7
Tariff Contingency (in GMP)	\$8.4
CM Contingency (in GMP)	\$12.7
Owner (Construction Contingency) (in Total Project Budget)	\$26.7
Owner (Soft Cost) Contingency (in Total Project Budget)	\$4.4
Total	\$124.3

- All Contingencies listed here are **included** in the Total Project Budget of \$659.7M.
- All Contingencies developed based on industry standard % typically used on most MSBA projects
- All **unused** Contingencies are **savings that are returned to Owner**, are **not borrowed** by the town, and **reduce to Total Project Budget**

LHS Anticipated Project Timeline - Estimating

PDP = Preliminary Design Program
PSR = Preferred Schematic Report
SD = Schematic Design Drawings
DD = Design Development Drawings
CD = Construction Documents
GMP = Guaranteed Maximum Price (Final Bid)



To what extent do
Massachusetts School Building
Authority (MSBA) Projects
experience cost overruns?

To What Extent Do MSBA Projects Experience Cost Overruns?

MSBA projects rarely experience overruns due to:

- **Total project budget** accounting development
- **Contractual requirement** for CMR/OPM/Designer
- **Contingency** layers
- Mandatory MSBA, Designer, OPM, and DPF **cost reviews** for all changes
- Use of **Guaranteed Maximum Price**
- **CMR Delivery method** is a collaborative and transparent "open book" cost tracking

To what extent do Lexington
Projects experience cost
overruns?

To What Extent Do Lexington Projects Experience Cost Overruns?

Joseph Estabrook Elementary School

- MSBA Project \$43.4M Total Project Budget
- Under budget with project savings of **\$600K**

Maria Hastings Elementary School

- MSBA Core Project \$65M Total Project Budget
- Under budget with project savings of **\$1.7M**

Lexington Police Station

- Solar Ready Police Station approved Budget \$34.5M
- Police Station completed under Budget by **\$1M**
- Solar canopy costs exceeded original estimates of \$3.2 by \$1.2M

Clarke & Diamond Middle Schools

- CMR Project \$62.2M Total Project Budget
- Under budget by **\$3M**

Lexington Fire Station

- Approved Budget \$20M Budget
- Under budget by **\$1.1M**

Lexington Children's Place

- Approved Budget
- Under budget by **\$300K**

What is the MSBA Failed Vote Policy?

MSBA Failed Vote Policy

In the event that a school district fails to approve funding for a proposed project within the 120-day deadline, by no later than 10 business days following the failed vote, the school district must submit to the MSBA a plan that: (1) presents the vote results, (2) explains the school district's understanding of the reason(s) for the failed vote, and (3) sets forth the school district's plan to remedy the failed vote and a suggested timeline for such a remedy. The MSBA will review the plan and determine whether it can continue to set aside MSBA funds for the proposed project. However, a failed local vote 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.

MSBA Failed Vote Policy

What happens after a failed vote?

If the initial local vote fails, the MSBA allows one limited resubmission within a defined window (within **120 days**). If that also fails, the **project is closed** in the MSBA system, and the **Town would have to restart** the multi-year process from the beginning, including submitting statements of interest, eligibility, and feasibility.

If the debt exclusion fails, can the Town create a new project?

No. The MSBA's "Failed Vote Policy" limits any resubmission to the same project scope previously approved by the MSBA Board. Only minor adjustments (e.g., timeline updates or reduced scope within the same site plan) may be considered — not a new design or program.

Does the Department of Revenue (DOR) allow cost increases without new votes?

No. Per DOR guidance, any increase in borrowing authority for a debt-excluded project requires **new Town Meeting authorization** and **a new ballot vote**.

Within the already-approved amount, the Town may manage **minor cost fluctuations** through existing contingencies, bid savings, or project scope adjustments—but it **cannot exceed** the total voter-approved borrowing authorization.

Lexington High School FAQs

Project Design & Construction



Which Fields are impacted by
Construction Laydown
activities?

Which Fields Are Impacted by Construction Laydown Activities?

Impacted Fields

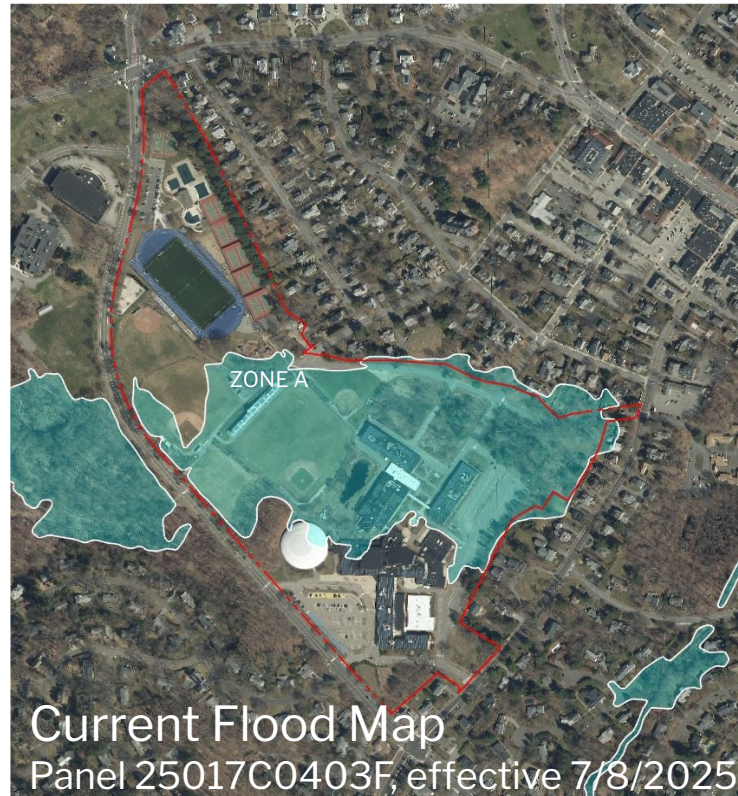
- C3 Baseball Field
- C4 Ball Field
- Crumb Football field
- Practice field/throwing area
- No additional fields are required for parking or laydown.
- The work will be performed within the site fence.
- Designated work zones will be set up for utility and site improvement work on Park Drive, Worthen Road, and Waltham Street, in addition to the areas for the relocated skate park and throwing cage.



What Are the Implications if
FEMA Does Not Redraw the
Floodplain Map?

What Are the Implications If FEMA Does Not Redraw the Floodplain Map?

- The current flood map indicates a Zone A on the Project Site
 - Zone A: Areas with 1% annual change of flooding and a 26% chance of flooding over the life of a 30-year mortgage [more commonly known as the 100-year floodplain]. Because detailed analyses are not performed for such areas, no depths of base flood elevations are shown within these zones.
 - *FEMA Glossary of Terms*, <https://www.fema.gov/about/glossary>
- The Project completed a Flood Study and submitted it to FEMA via Letter of Map Change (LOMC)
- There is no reason to believe FEMA will deny the LOMC to amend the maps because a flood study was performed which demonstrates the flood zone area is substantially less.



What Are the Implications If FEMA Does Not Redraw the Floodplain Map?

- Upon review, FEMA may request revisions to the flood study.
 - This could include changes to the base flood elevation which may require raising the grade around the site
 - Costs for additional mitigation would be covered through project contingencies
- The project will still be required to comply with Article 31 of the Lexington Zoning Bylaws and the Wetlands Protection Act
- A Flood Study would be required to establish a base flood elevation (BFE).
 - The Flood Study was completed already, and it identifies the extent and base flood elevation of the floodplain.
 - The proposed first floor of the high school is located approximately 4.8' above the base flood elevation
- Work within the floodplain would be permitted through the Lexington Conservation Commission, including compensatory storage analysis across the limit of work, providing equivalent flood storage in the proposed conditions (after the project is constructed) as compared to existing conditions (before construction begins)
 - The project incorporates compensatory storage for a small area of floodplain (based on revised map) that exists so that no loss of flood volume occurs after construction.

Characterize EEA Request regarding Floodplain Construction

Characterize EEA Request Regarding Floodplain Construction

The Office of Energy and Environmental Affairs (EEA) issued a Certificate after review of the Expanded Environmental Form (EENF)

- The certificate states that if the submitted Letter of Map Change (LOMC) is accepted by FEMA, the proposed utility yard will be located within the 100-year floodplain

The Project team is aware of this and included several mitigation measures in the project design and budget relative to the floodplain:

- Relocating the area of floodplain away from the utility yard and HS building
- Providing compensatory flood storage
- Maintaining the piped connection to the culvert
- Raising the grade approximately 4-6' in the footprint of the new high school
- Establishing a first floor elevation of the high school approximately 4.8' above the floodplain

Why Is the Triangle Parcel
across Worthen Road not
utilized for this Project?

Why Is the Triangle Parcel Across Worthen Road Not Utilized for This Project?

The “Triangle Parcel” (ID 41-120) was initially investigated by the Project team as it is town-owned and under care, custody, control and management of the School Committee



Why Is the Triangle Parcel Across Worthen Road Not Utilized for This Project?

- Wetlands were flagged on the parcel and included on the Order of Resource Area Delineation (OARD), received from Lexington Conservation Commission
- Massachusetts School Building Authority (MSBA) requires Massachusetts Historic Commission (MHC) to review the project and through that review it was discovered that an Indigenous Archeological Site exists on the parcel
- Given the extent of wetlands and the MHC determination, the Project team concluded it was not advantageous to consider the parcel for development because of additional cost and additional permitting requirements without any benefit to the Project
 - No construction laydown or temporary parking will be located on the parcel
 - No permanent parking will be located on the parcel
 - Opportunities to realign Worthen Road are not efficient and would not offer any benefit to the Project site



How is the Town addressing
Parking and Traffic issues at the
Existing High School?

How Is the Town Addressing Parking and Traffic Issues at the Existing High School?

- Quantity of parking spaces today: **450 spaces**
 - Zero student parking
- Quantity of parking spaces proposed: **500 spaces**
 - Zero student parking
 - 50 additional spaces will accommodate Central Office in the new school building
- **The Transportation Safety Group** (TSG) has been actively looking for improvements in both safety and parking in the area:
 - Parking restrictions have been placed on Parker Street (trial)
 - Speed zone restrictions are in place on Worthen Road (20 MPH)
 - Satellite Parking at Lincoln field is being explored
- **A Traffic Study** was completed for the Proposed project:
 - The study concluded that the proposed project will have **no change** on the current conditions at the 3 major intersections surrounding the school **as the volume of traffic will remain unchanged.**

Thank You