

COMMONWEALTH OF MASSACHUSETTS

CITY OF LOWELL

In City Council

LOAN ORDER – HIGH SCHOOL PROJECT

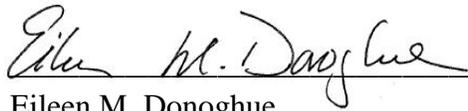
To borrow \$343,399,220 to pay costs of a designing, constructing, equipping and furnishing an addition and renovation project at Lowell High School, located at 50 Father Morissette Boulevard, Lowell, including the payment of all costs incidental and related thereto. The amount authorized by this order represents the total project budget for this project, as approved by the Massachusetts School Building Authority, and is inclusive of all amounts previously appropriated to pay costs of the Project’s feasibility study.

IT IS ORDERED BY THE CITY COUNCIL OF THE CITY OF LOWELL BY A TWO-THIRDS VOTE, as follows:

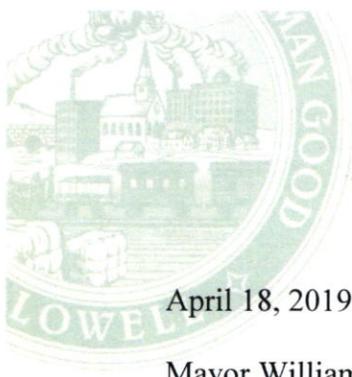
Ordered: That the City appropriates the amount of Three Hundred Forty-Three Million Three Hundred Ninety-Nine Thousand Two Hundred Twenty Dollars (\$343,399,220) for the purpose of paying costs of designing, constructing, equipping and furnishing an addition and renovation project at Lowell High School, located at 50 Father Morissette Boulevard, Lowell, including the payment of all costs incidental or related thereto (the “Project”), which school facility shall have an anticipated useful life as an educational facility for the instruction of school children for at least 50 years, and for which the City may be eligible for a grant from the Massachusetts School Building Authority (“MSBA”), said amount to be expended under the direction of the School Committee. The amount appropriated by this order represents the total project budget for the Project as approved by the MSBA, and is inclusive of all amounts previously appropriated to pay costs of the Project’s feasibility study. To meet this appropriation the Treasurer, with the approval of the City Manager, is authorized to borrow said amount under M.G.L. Chapter 44, or pursuant to any other enabling authority. The City acknowledges that the MSBA’s grant program is a non-entitlement, discretionary program based on need, as determined by the MSBA, and any project costs the City incurs in excess of any grant approved by and received from the MSBA shall be the sole responsibility of the City; provided further that any grant that City may receive from the MSBA for the Project shall not exceed the lesser of (1) eighty percent (80%) of eligible, approved project costs, as determined by the MSBA, or (2) the

total maximum grant amount determined by the MSBA; 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 City and the MSBA. Any premium received upon the sale of any bonds or notes approved by this vote, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to the payment of costs approved by this vote in accordance with M.G.L. c. 44, §20, thereby reducing the amount authorized to be borrowed to pay such costs by a like amount. That the Treasurer is authorized to file an application with the appropriate officials of The Commonwealth of Massachusetts (the "Commonwealth") to qualify under Chapter 44A of the General Laws any and all bonds of the City issued pursuant to this order, and to provide such information and execute such documents as such officials of the Commonwealth may require in connection therewith.

ORDER RECOMMENDED AND INTRODUCED BY:



Eileen M. Donoghue
City Manager



Eileen M. Donoghue
City Manager

April 18, 2019

Mayor William J. Samaras
And
Members of the Lowell City Council

Dear Mayor Samaras and Members of the Lowell City Council,

It is with great pride that I submit to you, enclosed with this letter, a loan order to fund the Lowell High School project. This historic vote marks the commencement of a new future for the educational system in Lowell.

Since the city's entered the MSBA's Eligibility Period on April 8, 2015, many stakeholders have collaborated and worked diligently to complete each requisite deliverable on or ahead of the deadline set by the MSBA. As we contemplate the funding for the project—some four years later—the efforts of all those involved in advancing this project bear noting. First, thanks is owed to the members of the School Building Committee, whose countless hours of meetings on finer details of the project have been instrumental in advancing the design and educational plan for the building. The work of the city's design and management consultants on the project, Skanska Building USA and Perkins Eastman, has also been commendable on such a large project, as well as the various city staff and department heads who have contributed along the way. A great deal of thanks is further owed to the MSBA for their patience with Lowell along the way and their courageous support to participate in funding a project of such a great magnitude. And finally, I must thank all the elected officials involved—especially the members of the Lowell City Council—whose leadership throughout this process has kept the project on track since the beginning and will be remembered and appreciated by every student who has an opportunity to gain a world-class education at a 21st century high school.

As part of completing this deliverable for the MSBA, the City Council must vote to appropriate the full amount of the project's cost, including both the local share and the MSBA's share. The amount included in the loan order also includes all amounts previously authorized. The enclosed vote language has been approved by the city's bond counsel, and the MSBA. After the first reading on April 23rd, the vote to approve the loan order will take place after a public hearing is held on or about May 7th.

Please do not hesitate to contact me if there are any questions or concerns.

Sincerely,


Eileen M. Donoghue
City Manager