

Deborah B. Goldberg *Chairman, State Treasurer* James A. MacDonald Chief Executive Officer

John K. McCarthy *Executive Director / Deputy CEO*

John P. Phelan, Superintendent Belmont Public Schools 644 Pleasant Street, Belmont, MA 02478

Dear Superintendent Phelan:

Thank you for your inquiry in regard to the Town of Belmont's (the "Town") project at Belmont High School (the "Project") and the use of American Recovery Plan Act ("ARPA") funds. Based on the Town's letter dated 4/22/22 and conversations with the Town's Owner's Project Manager, the Massachusetts School Building Authority (the "MSBA") understands that the Town's request is to use a portion of the ARPA funds, approximately \$1 million, that was distributed to the Town and is available as part of its general fund. In its letter, the Town has requested clarification regarding the following:

- 1. If a portion of the entirety of these funds are used for categorically ineligible Covidrelated costs I.e., temporary bathroom facilities, cleaning of common surfaces, wash stations, conference room trailer for social distancing, will it be considered third-party funding that could reduce our grant?
- 2. If a portion or the entirety of these funds are used for ineligible solar/photovoltaic panel related costs, will it be considered third-party funding that could reduce our grant?

The MSBA has been considering this question related to the federal covid funding that has already been distributed as well as funding that may become available through additional sources and are planning to present staff recommendations on this topic at the June 22, 2022 Board of Directors meeting.

Based on the MSBA's review of the Town's letter, the request appears to align with the MSBA's proposed recommendation, which will provide that the MSBA's standard third-party funding policy would not apply to costs such as those identified by the Town as Items 1 and 2 assuming the Town confirms the following:

- 1. The funds that would be used for Items 1 and 2 would come from the Town's general funds;
- 2. The Town has reviewed the use of these funds for Items 1 and 2 with Town Counsel, and Town Counsel confirms that the funds have been applied to costs that are allowed with respect to the relevant legislation and in accordance with the most recent state and federal guidance that the source of the funding allows the Town to use the funding for the proposed items; and,



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3. The Town acknowledges that the MSBA will not share in savings when federal funds are applied to costs deemed ineligible or otherwise unreimbursed by the MSBA. The MSBA will share in savings if federal funds are applied to costs that have been or will reimbursed by the MSBA. In no event will the MSBA continue to provide reimbursement if the sum of applied federal funds and MSBA grant exceeds the Total Project Budget.

Please note, there may be documentation related to the Town's use of this funding that is required by the MSBA. If you have any questions, please let us know.

Sincerely,

John K. McCarthy Executive Director

Cc: Legislative Delegation Mark A. Paolillo, Chair, Belmont Select Board Patrice Garvin, Belmont Town Administrator Floyd S. Carman, Belmont Treasurer & Collector Meghan Moriarty, Chair, Belmont School Committee William D. Lovallo, Chair, Belmont High School Building Committee Thomas Gatzunis, Owner's Project Manager, CHA Consulting, Inc. Brooke Trivas, Designer, Perkins+Will File: Letters 10.2 (Region 4)