

ANNUAL REPORT 2024

TOM RICHARDS: CHAIRMAN • SHAWN FARR: VICE-CHAIRMAN • KIM D. JONES: TREASURER
JESSE DUDLEY: MEMBER • RICHARD PERRIN: MEMBER • JACOB SCOTT: MEMBER
RON GAITHERS: MEMBER • BRIAN SANVIDGE: NON-VOTING MEMBER



Rochester Joint Schools Construction Board





Contents

- 4.** Program Overview
- 6.** Rochester Joint Schools Construction Board
- 7.** RJSCB General Information
- 8.** Phase I Overview
- 9.** Metrics
- 10.** Phase II Overview
- 14.** Phase III Overview
 - 14. Strategic Plan Components
 - 17. Phase III Implementation
 - 17. Fiscal Overview
 - 18. Phase III Strategic Plan Master Schedule
 - 19. Financial Plan Phase III
- 20.** Program Timeline
- 21.** The Role of the ICO
 - 22. Bid & Award Stage
 - 24. Construction Stage: Ongoing Monitoring Process
 - 25. Diversity Plan Compliance
- 26.** RSMP Fiscal Overview
 - 26. Enabling Legislation
 - 26. Financing
- 29.** SEQRA
- 29.** Litigation
- 29.** Economic Development





Program Overview

The Rochester City School District (RCSD or District) committed to a 20-year plan to address long deferred maintenance in a comprehensive, prioritized, and thus strategic manner. By definition and in a phase-by-phase manner, the 'plan' balances updated demographic projections with the best sites to determine which of the District's 46 school buildings will be proposed as a project to be reconstructed. That obligation, however, must overcome profound statutory limits on the City of Rochester's bonding capacity. The inability to sustain the needed maintenance is compounded by needed updates to each of the learning environments to 21st century standards comparable to the neighboring suburban districts.

The RCSD currently operates 46 school buildings or 31 elementary schools and 15 secondary campuses, with nearly half of these buildings exceeding well over 75 years of age. Given the number and average age of the RCSD building portfolio, there is a real Operations & Maintenance demand on the RCSD annual budget. While none of the schools present dangerous conditions to students or the community, the RCSD has an obligation to assure the long-term maintenance as a public investment and the delivery of a quality education for each student. At the conclusion of the Rochester Schools Modernization Program (RSMP) those facilities determined to be either non-serviceable or unnecessary, will be candidates for permanent retirement.

The RSMP is the legacy of enabling special legislation passed in 2007 by the State of New York to provide the City of Rochester and the RCSD with the flexibility to achieve school facility needs via alternative financing mechanisms. The multi-year school reconstruction program, commonly known as RSMP, has completed two (2) phases that have significantly impacted 25 schools to date.

The special State legislation designated the Rochester Joint Schools Construction Board (RJSCB or Board) as the agent to undertake all RSMP Projects on behalf of the City and the District. Formed in 2008, the RJSCB is comprised of three appointees by the RCSD Superintendent of Schools, three appointed by the Mayor, and the seventh member is jointly appointed.





Following two orientation sessions in late fall 2008, the RJSCB initiated its official proceedings in January 2009. The RJSCB began by completing many organizational tasks, including the adoption of RJSCB Bylaws, the election of officers, and the establishment of a committee system. As of 2022, former City of Rochester Mayor (2011-2013), Tom Richards, is the RJSCB Chairman, the RCSD Chief Financial Officer, Shawn Farr, is Vice Chairman, and the City's Director of Finance, Kim D. Jones, is the RJSCB Treasurer. The Independent Compliance Officer (ICO) is a non-voting member hired by the RJSCB. The established working relationship has

the RJSCB Program Manager meeting weekly with the RCSD Chiefs of Finance and Operations to review the Program progress and updates. The RCSD Facilities Design Group is the operational liaison to the RSMP in addition to the RCSD Finance Department, and coordination meetings have been initiated on a regular basis with the Program Manager. The Board-appointed Records Access Officer, has been incorporated in the Program Manager's contract to work directly with the Board General Counsel to support the RJSCB and the RCSD in responding to public FOIL requests as well as procedural and potentially sensitive matters.

The Rochester Schools Modernization Program (RSMP) is a collaborative—or joint – initiative between the State of New York, the City of Rochester, and the Rochester City School District (RCSD). The public school system in Rochester is one of the 'Big Five', which denotes the largest urban districts in the State. Specifically, those districts are in a unique category where they are dependent upon the State for annual operating budget assistance. The State created the RSMP with the authority to serve as the City's and District's agent; managing all fiduciary and capital construction aspects of the comprehensive reconstruction of the RCSD in a phase-by-phase manner as approved by the State Education Department (SED)

Rochester Joint Schools Construction Board



Tom Richards
Chairman



Shawn Farr
Vice Chairman



Kim D. Jones
Treasurer



Jesse Dudley
Member



Jacob Scott
Member



Richard Perrin
Member



Ron Gaither
Member



Brian Sandvige
Independent Compliance Officer



Kimberly Mitchell
Board Clerk



RJSCB General Information

Meetings

Monthly RJSCB business meetings are open to the public. The Board, along with the M/WBE and Services Procurement Committee and the Finance Committee, meet on the second Monday of the month. Those meetings take place at 4:00 pm.

Due to restrictions posed by the COVID-19 pandemic, meetings were conducted in a hybrid fashion, both virtually and in-person. Monthly meetings are held at the Program Office located at 70 Carlson Road, Suite 200, Rochester, NY 14610. For scheduling, agendas, minutes and other details, visit the Board's website at www.rcsdk12.org/rsmp.

Bylaws & Organizational Documents

- By-Laws (Revised Dec. 2017)
- Responsibilities of Board Members (Revised Dec. 2017)
- Confidentiality Agreement (Revised Dec. 2017)
- Code of Ethics Policy (Revised Sept. 2014)
- Communications Policy (Revised Dec. 2017)
- Procurement Disclosure Policy (Created March 2010)
- Purchasing and Procurement Policy (Revised Dec. 2019)
- Consent Agenda Policy (Revised Dec. 2017)
- Pay Requisition Approval Procedures (Revised Jan. 2017)

Website

- Agendas
- Minutes
- Resolutions
- Committee Reports
- Program Manager's Reports
- ICO's Monthly Reports
- RJSCB's Annual Reports
- Program Background
(i.e. Cooperative Agreement, Strategic Plans, SEQRA Clearances, Project Labor Agreement)

The Enabling Legislation created the Rochester Joint Schools Construction Board (RJSCB) to undertake the RSMP projects by designating the RJSCB as agent for the City and the District. The powers granted to the RJSCB enable a more efficient approach to the reconstruction of the District's school facilities.



Phase I Overview

Phase I included renovations and alterations to 12 schools, plus a District-Wide Technology project (integrated digital system upgrades within those 12 buildings) with a total value of \$325 million. The RSMP Phase I consisted of approximately \$237 million in budgeted 'hard' construction costs, and \$88 million in design, management, financing, District-Wide Technology, and other "soft" incidental program expenses. The anticipated Building Reimbursement Aid, as calculated by the SED Maximum Cost Allowance (MCA) formulas, was approximately \$287 million, with the balance of \$38 million in EXCEL aid and local costs.

[Please see the following page for the summary of Phase I costs and State Aid, as well as a summary of minority business and workforce participation.](#)



Metrics

RSMP Phase I: Summary of Total Project Costs & Anticipated State Reimbursement Aid

School Project Name	Hard & Soft Costs (All Dollars in Millions)	Anticipated State Aid Cost Allowance	Current Project Status	Construction Start	Construction Complete
Williams School 5	\$21.6	\$19.8	Complete	Summer '13	Summer '14
Anna Murray-Douglass School 12	\$25.5	\$21.4	Complete	Fall '14	Summer '16
Enrico Fermi School 17	\$28.6	\$26.4	Complete	Summer '12	Summer '13
Henry Hudson School 28	\$23.9	\$20.2	Complete	Summer '13	Summer '14
Helen B. Montgomery School 50	\$27.0	\$23.4	Complete	Summer '12	Summer '13
Helen B. Montgomery School 50 (site)	\$3.4	\$3.29	Complete	Summer '12	Fall '19
World of Inquiry School 58	\$44.4	\$28.7	Complete	Fall '12	Winter '14
Charlotte High School	\$28.6	\$27.8	Complete	Summer '12	Summer '13
Thomas Jefferson High School	\$00.324	\$00.324	Complete	Summer '15	Summer '15
Monroe High School	\$29.8	\$28.2	Complete	Summer '15	Spring '18
Edison Educational Campus	\$26.4	\$24.9	Complete	Summer '13	Summer '14
East Upper & Lower School	\$18.9	\$17.8	Complete	Summer '13	Summer '14
Benjamin Franklin High School (added Auditorium Project)	\$11.3	\$11.1	Complete	Summer '12	Summer '14
District Wide Technology Project (Includes program wide expenses)	\$38.9	\$37.0	Complete	2013	2016
TOTALS	\$325.0	\$287.0 (88.3%)	N/A	N/A	N/A

Note: EXCEL Aid (\$16.3M) was applied to the Phase I projects to reduce the bonded amounts, thus reducing the local share.

Phase I: Business Utilization Program Goals/Actual

CATEGORY	GOAL	ACTUAL
MBE	15%	15.74%
WBE	5%	7.42%
SBE	5%	3.77%
DBE	2%	2.33%
TOTALS	27%	29.26%

Phase I: Workforce Participation Goals/Actual

CATEGORY	GOAL	ACTUAL
Minorities	20%	22.88%
Women	6.9%	7.22%
TOTALS	26.9%	30.10%



Phase II Overview

The RJSCB broadened the search to select the Phase II Independent Program Manager in accordance with the enabling special legislation by NY State.

Savin Engineers, P.C. (a New York State Certified MBE), in association with Gilbane Building Company, was selected for the critical role of overall Program Manager (PM). The shared objective during the selection process was to exceed the RJSCB goals and expectations for the successful delivery of all projects in terms of time, budget, quality and overall diversity. The Savin/ Gilbane team's selection also assured the gap would be minimal between Phases I and II of the RSMP. Among others, the RCSD's goals for student- based program initiatives included:

- Standardizing small class sizes more consistently by grade level;
- Providing Pre-Kindergarten classrooms (and removing portable/temporary classroom facilities);
- Providing flexible computer & technology lab spaces (i.e., Career Technical Education including STEM) at the primary and secondary grade levels.
- Expanding Special Education classrooms and required resource spaces;
- Providing facilities for school-based health centers, as well as student and family support services by outside agencies as a safety net.

To overcome the financial disconnect between the RCSD programmatic needs and infrastructure deferred maintenance priorities in a cost-effective manner, the SED agreed there were clear benefits if the traditional Reimbursement Aid process was modified. The proposal was to double the Maximum Cost Allowances (MCA) for elementary school projects, and the trade- off was the typical 5-year reset would be extended to 10-years. The requested extended MCA Aid amendment to the enabling special legislation was approved by the State Senate on June 6, 2016, followed by the Assembly on June 16, 2016, and finally signed by the Governor on July 5, 2016, which allowed the Phase II to proceed. The enabling special legislation required active promotion of Eligible Business Enterprises (EBEs) to participate in the RSMP. Thus, aggressive EBE participation goals continue as an integral part of RJSCB policies to promote diversity and equity in contracting on all RSMP projects.





The RJSCB and its Consultants actively embraced public contracting opportunities for minority and women entrepreneurs in the City of Rochester as well as the 9-county surrounding area served by the County of Monroe Industrial Development Agency (COMIDA, from which the Phase II bonds were sold). An initiative by the Savin PM Team called the Business Opportunity Program, or BOP, was created with the goal to build capacity for small, minority owned and women owned businesses in the community. It was in that spirit that the Savin PM Team donated \$100,000 as seed funds to underwrite an interest-free, revolving loan program administered by the Rochester Economic Development Corporation (REDCO) to provide upstart EBEs with working capital for which all loans were fully repaid. The BOP initiative involved 3 other strategic components, namely Community Engagement, the Instructional Series, and the Mentor/ Protégé Program. The highlights of the innovative BOP delivery process included:

- A no cost open admission instructional series with a curriculum of 7 building block modules, and 36 classroom format sessions requiring 80% minimum attendance to graduate;
- Pro-Active outreach to the community via open forums, social media and public ceremonies;
- Engagement of real-world working professionals (i.e., architects, engineers, construction managers, lawyers, accountants and prime trade contractors) for facilitating the BOP classes, while also serving as experienced resources for the hands-on, team based mini- projects with BOP students;
- Eligibility for BOP participants completing the Instructional Series to receive one-on-one Mentor-Protégé assistance to address their special/unique business plan needs.

At the request of the RJSCB Chair, the Instructional Series was extended an additional semester (a total of 9 complete cycles were delivered) due to

The RSMP Phase II Program enabling special legislation was signed by the Governor in December 2014. Phase II was authorized for up to 26 projects, including an associated District-Wide Technology Project to standardize digital systems. The total budget was \$435 million, with approximately \$315 million allocated for hard 'brick-and-mortar' costs, and \$120 million for soft costs such as management, A/E design, construction management, ICO, legal, and financing expenses.



BOP's success. An entirely new dimension was also developed and implemented as the Business Accelerator, to further assist the BOP graduates with sustaining and growing their emerging business as they secured larger and more complex contracts. A total of 111 Eligible Business Enterprises completed the BOP Instructional Series. The evidence is clear that pathways were being created where the combination of coordinated outreach, education and hands-on training have provided opportunities to diversify and build the entrepreneurial capacity in the greater Rochester community as the RJSCB's (and State) Diversity Goals were exceeded in the process!

The RJSCB continued through the remainder of 2016 with procurement of design and other professional services using a staggered RFP process. Overall, the professional services, beyond the Savin PM team, required to implement the Phase II Projects in a consistent and methodical manner included:

- Independent Compliance Officer (ICO)
- Program Legal Counsel
- Bond Underwriting
- Insurance Underwriting
- Professional PR and Photography
- Architectural, Engineering, Environmental, and Food Service Design Consultants
- Construction Management, Inspection/ Testing, & Commissioning
- Site and Building Security during construction
- Move Management (i.e., into temporary Swing Spaces, and then the re-occupancy of the completed Projects)



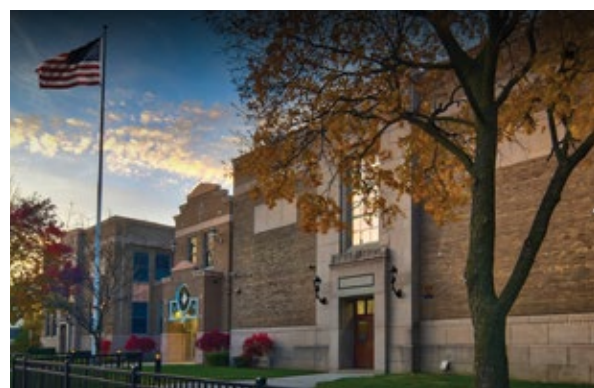
Phases 2A and 2B Projects: Seven major reconstruction projects were the first group of schools starting with the Monroe 2A early project completed in August 2017. Accordingly, students from the Monroe Campus 2B, followed by Grissom School 7, Spencer School 16, Dr. Freddie Thomas Learning Center, School Without Walls, and the Children's School of Rochester (School 15 relocated to the reconstructed/enlarged School 1) all returned to their home school on time and on budget in September 2018 from temporary Swing Spaces to complete Phase 2B.



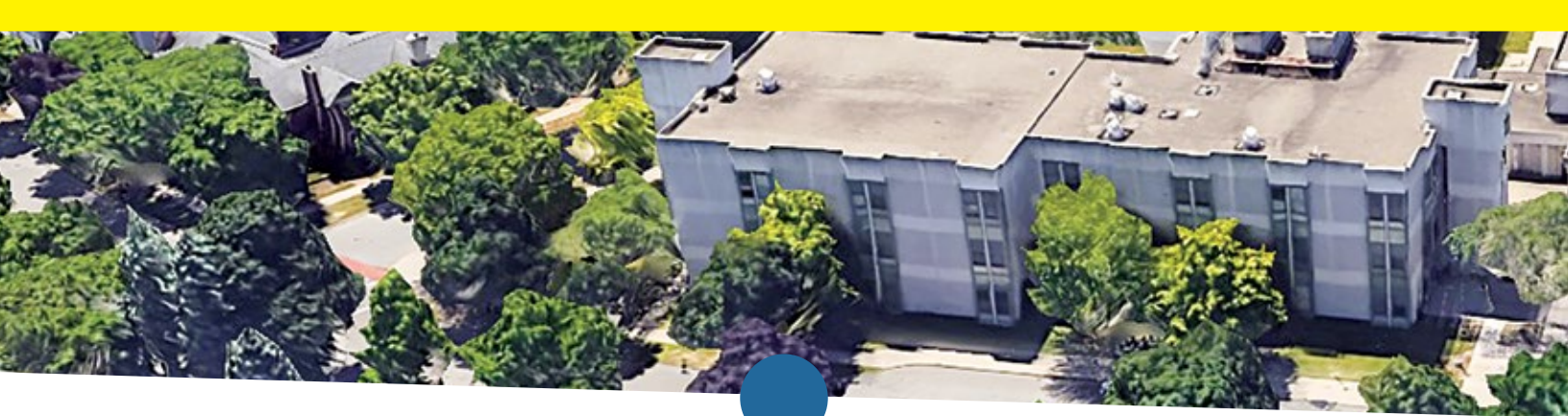
Phase 2C Projects: This sub-phase was comprised of three projects, starting with Abraham Lincoln School 22 (formerly School 6), completely reconstructed and enlarged to be back on-line for re-occupancy in September 2019. Barton School 2 and Forbes School 4 were similarly reconstructed/expanded with completion in December 2019. The Dr. Cooper School 10 was re-budgeted, re-designed, and completed in Summer 2020. It is important to note that the originally approved mid-year move into Schools 2 and 4 was later felt to be too disruptive, which deferred the formal 'repossession' by the RCSD of those schools until July 2020.

The Phase 2D Projects: The final sub-phase included two projects, with Flower City School 54 (formerly School 30) completed in September 2020 per the originally approved Phase 2D RSMP Master Schedule, but not occupied until 2021 due to COVID-19 pandemic.

RCSD requested re-opening for Additional Work Scope the SED Final Cost Reports for four projects, that had completed their original base scope as approved for bidding and had been reoccupied. The first was the Edison Campus (Phase 2B) project, which had been completed on schedule in September 2019. However, major building components (e.g., replacements of roofs, windows, corridor fire doors, site drainage, etc.) continued to approach the end of their life cycles and could not wait for Phase III. Accordingly, that new/ additional scope extended the schedule to August 2020.



The Forbes School 4 and Flower City School 54, both completed in 2020, were then slated for new land acquisitions as Additional Scope for their transformations into Urban Campuses. The goal was to make those elementary schools more compliant with SED's minimum usable site area criteria. As major undertakings, the acquisition/ relocations/ abatement/demolition process for the total of nine former residential properties to date extended the Close-Out process for those respective projects. The East Campus Project had its sequentially phased base reconstruction work completed on schedule in August 2021. The East Project had to be re-planned and became the longest in duration for Phase II, respecting the requirement of the Educational Partnership Organization's (i.e., the University of Rochester) strong preference to retain all of the school's students on-site despite the complicated reconstruction and infrastructure replacement work. The project was closed out in 2023.



Phase III Overview

The New York State Legislature authorized the RSMP Phase III Act as Chapter 614 of the laws of 2021, which was signed into law by Governor Kathy Hochul on November 15, 2021.

The RJSCB, through comprehensive Requests for Proposals (RFPs), has retained key professional service consultants (i.e., Program Manager [PM], Master Plan Architect, ICO, General Counsel, Financial Advisor, Bond Underwriter, and SEQRA Consultant) to plan and implement the comprehensive work scope to reconstruct six (6) proposed school projects. The RJSCB and its PM developed a detailed master schedule with clearly identified “key” tasks, including specific SED submission/review and approval milestones that are required in the Phase III legislation. The RJSCB and the RCSD requested a work session with SED, prior to the submission of the Phase III Strategic Plan, to assure conformance with SED expectations, policies, and procedures specific to the RSMP, also per the Legislation. The RJSCB is considering a “fast-track” approach to the selection of Architect/Engineer (A/E) Teams for the initial Phases 3A and 3B Projects in order to comply with the legislative mandate to complete the overall RSMP Phase III by 30 June 2031.

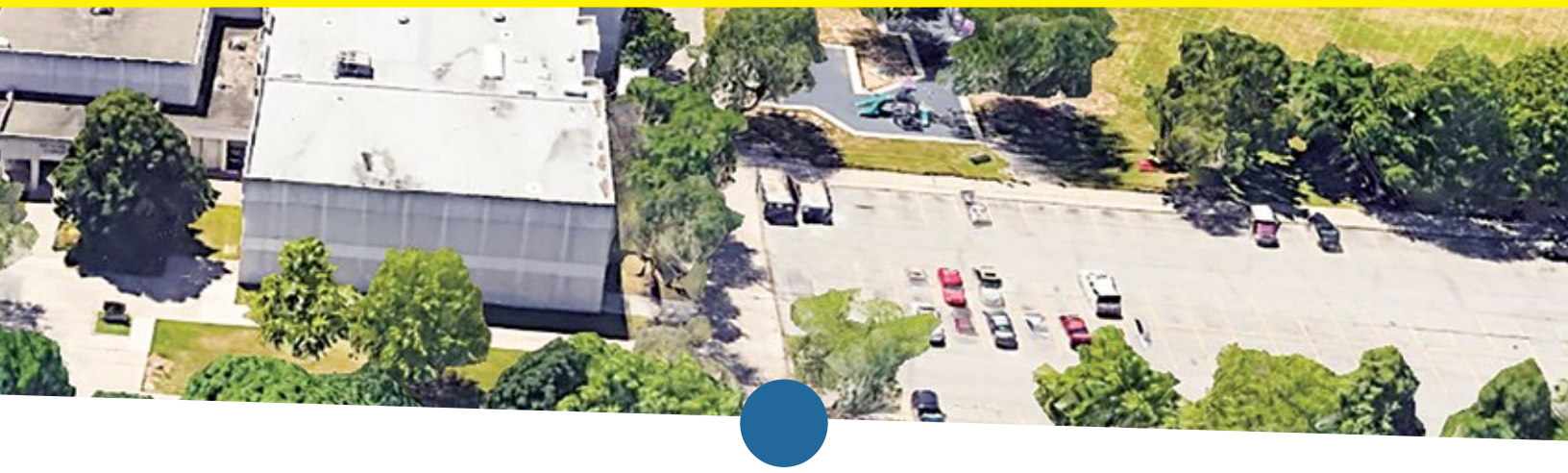
The RJSCB and RCSD conducted 3 public meetings in the Spring of 2023 for the purpose of seeking public comment and incorporating said comments into the draft Phase III Strategic Plan. The RJSCB engaged the services of a consulting firm to

assist with State Environmental Quality Review Act (SEQRA) documentation. A Project Labor Agreement (PLA) feasibility has been conducted and submitted to RJSCB. The PLA study analyzed the potential economic savings to the project, in relation to the enabling special legislation’s goal for the RJSCB to encourage a diverse workforce across all aspects of the Program. The proposed projects and plan were subsequently approved by the Board of Education on 25 April 2024, the RJSCB on 13 May 2024, and formally submitted to SED and the State Comptroller.

Strategic Plan Components

The comprehensive RSMP Phase III Strategic Plan is comprised of four(4) interrelated and complementary volumes with each focused upon specific details and supporting data/documents as follows:

Volume 1 is the touchstone that contains the RCSD Academic Plan to establish the guiding principles, along with the near and mid-range vision of the future to provide the context for the delivery of the meaningful education to the students. Thus, the Strategic Plan Volume I provides the background information, programming, and planning for each of the proposed six (6) Phase III projects with a biograph, preliminary schedule, probable costs, and work scope consistent with the goals and grade structure enumerated in the Core Model Program and approved by RCSD. It is important to note



the RCSD decision-making carefully considered enrollment demographic data, school, as well as grade level class sizes. The subsequently proposed projects consist of an elementary school, and five (5) secondary schools including the specialized CTE programs at the Edison Tech Campus. The District has identified swing spaces that will require varying 'make ready' work for the temporary relocation of the students during the reconstruction of their 'home' school.

Volume 2 is the Financial Plan which entails the budgets, anticipated reimbursement aid, SED submission milestones, and detailed cash flow

associated with the overall implementation of the RSMP Phase III per the requirements of the Special Legislation. The RJSCB has retained the Financial Advisor to address interim financing needs, strategic financial planning, and debt management all integrated into a real-time computer model. The RJSCB also retained a Bond Underwriter to provide technical assistance for the development of the Financial Plan, which includes the long-term capital bond financing costs. The Phase III Statute provides a borrowing limit of up to \$475 million for the projects selected by the RCSD. Based on prevailing market conditions and current estimates of project costs (including construction costs, incidental





expenses, and costs of bond issuance), the RJSCB expects to utilize the entire \$475 million authorized amount based upon the strategies embedded in this Financial Plan as submitted to minimize local costs and maximize aid from New York State.

Volume 3 is the Diversity Plan proposing updated business and workforce diversity goals as approved by the RJSCB. The Program Manager and the Independent Compliance Officer provided the recommendations on the best practices and guidelines to sustain and increase opportunities for minority-owned, women-owned, small and disadvantaged businesses to address barriers, and provide access to participate on the Phase III projects at all levels. In Phases II, the RJSCB and its Program Manager provided access to opportunities, training, mentoring and access to working capital through a specialized Business

Opportunities Program (BOP) to at least 111 Eligible Business Enterprises (EBEs). The intent of the Phase III Diversity Plan is to continue changing the mindset of contractors, professional service providers and the construction industry in general, while empowering underrepresented entities and workers to develop, grow, and create a Rochester-based design and construction environment where all EBEs can see and believe their participation is 'real' in this important, multi-phase facilities modernization program.

Volume 4 includes supplementary appendices on a school-by-school basis as record documents for future reference on the building assessment reports, test fit studies for all of the remaining schools in the District as requested by the State, probable construction cost estimate details, cost allowances and building aid unit calculations, etc.





Phase III Implementation

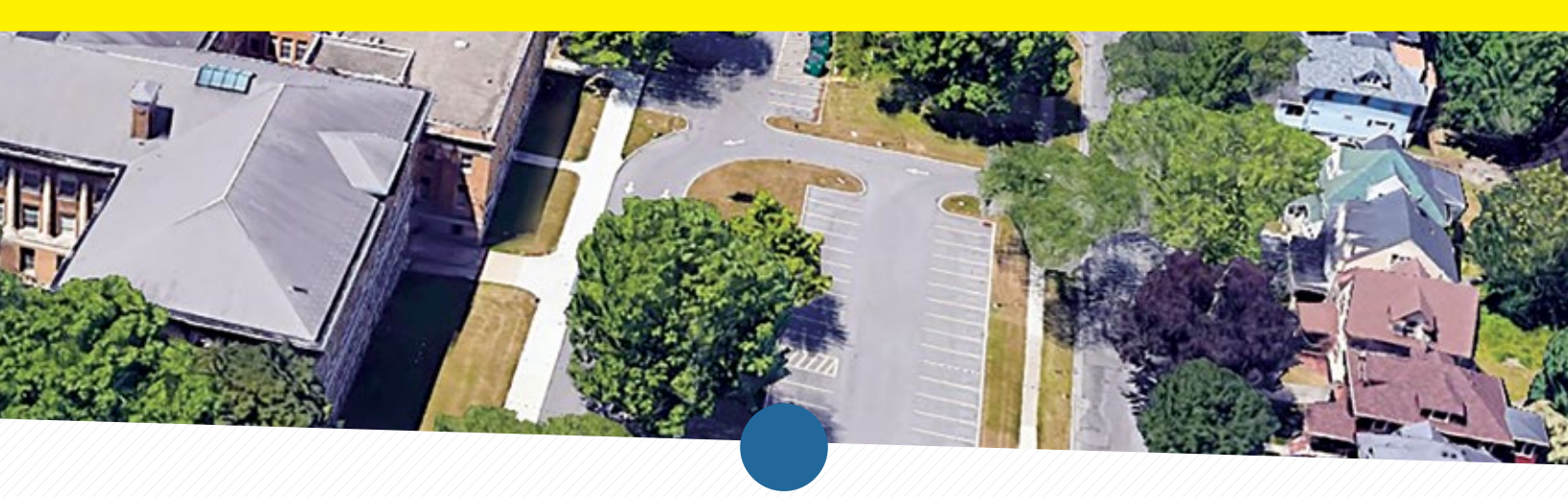
Building Advisory Committees (BACs) will be formed for each of the Phase III schools. Each BAC includes representation from the RJSCB, the District, the school principal, City staff, school parents and community/neighborhood groups. These BACs were identified as a significant component of the design process to ensure that any potential environmentally significant design elements were addressed. In addition, each BAC also provides a vehicle for reviewing, discussing and providing recommendations for any changes or alterations to the approved Core Model programming and design. Each design firm assigned to a Phase III school meets with the BAC to initiate the Program Verification Stage. Additional details and information regarding each school are gathered as the design process advances, resulting in several program refinements to the Test Fit concept that becomes the final design.

In the spirit of partnering, the RJSCB has assumed “face-to-face interim and final reviews” will occur for all of the Phase III Project submissions to SED. It is critical, and the benefits are immeasurable as a result of architects and project managers having meetings in Albany with the SED staff as appropriate, to receive review comments in real-time from the outset of the design process, and then to incorporate those comments/changes as stipulations for the next required submittal to SED. The results of such a review methodology was

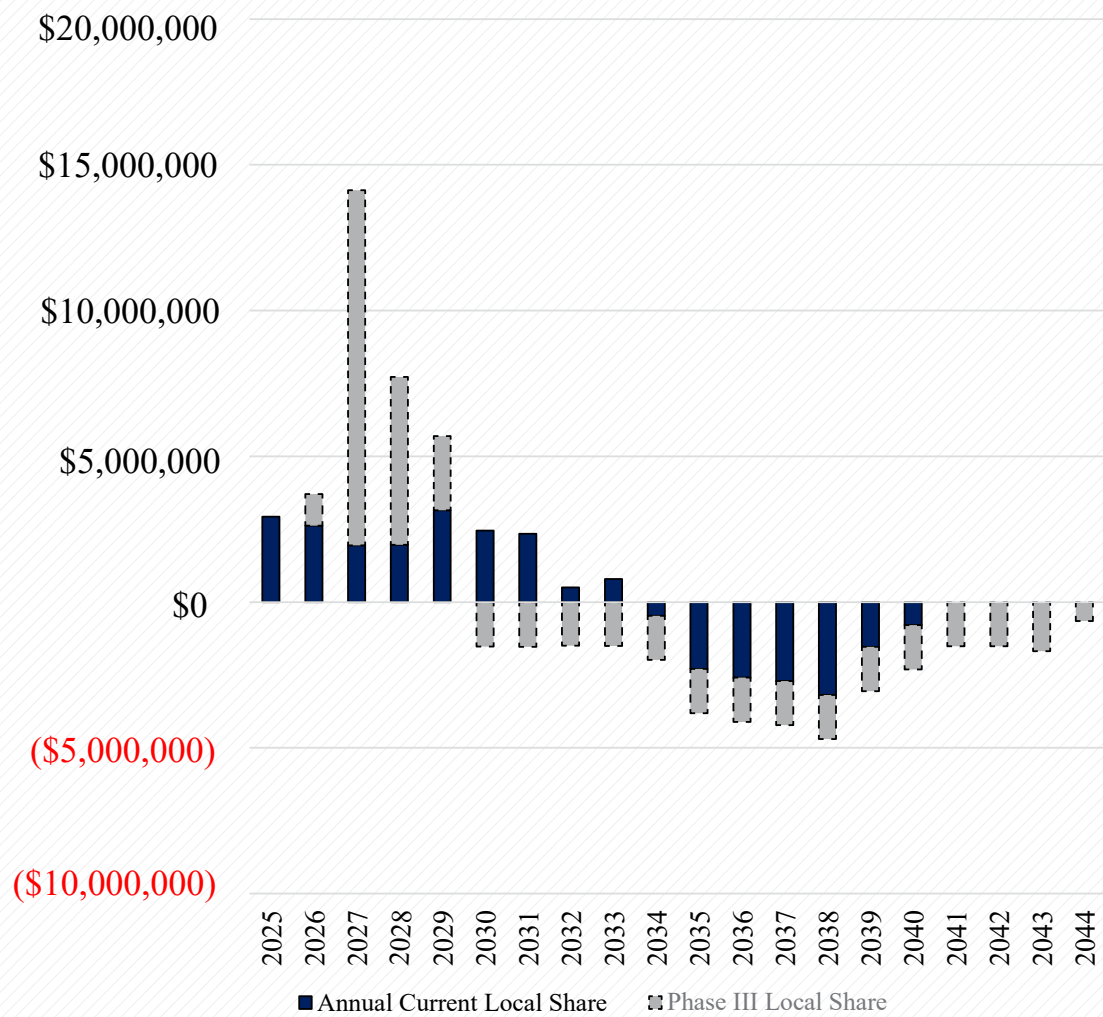
proven to be highly successful in the RSMP Phases I and II because it clearly expedited the overall approval time for RJSCB projects, eliminating the normal lengthy and uncertain timeframe for approvals, given SED’s backlog. More importantly, this type of ‘partnering for success’ between SED and RJSCB will be essential to the cost-effective/escalation minimizing completion of all Phase III Projects by 30 June 2031, as required by the enabling legislation.

Fiscal Overview

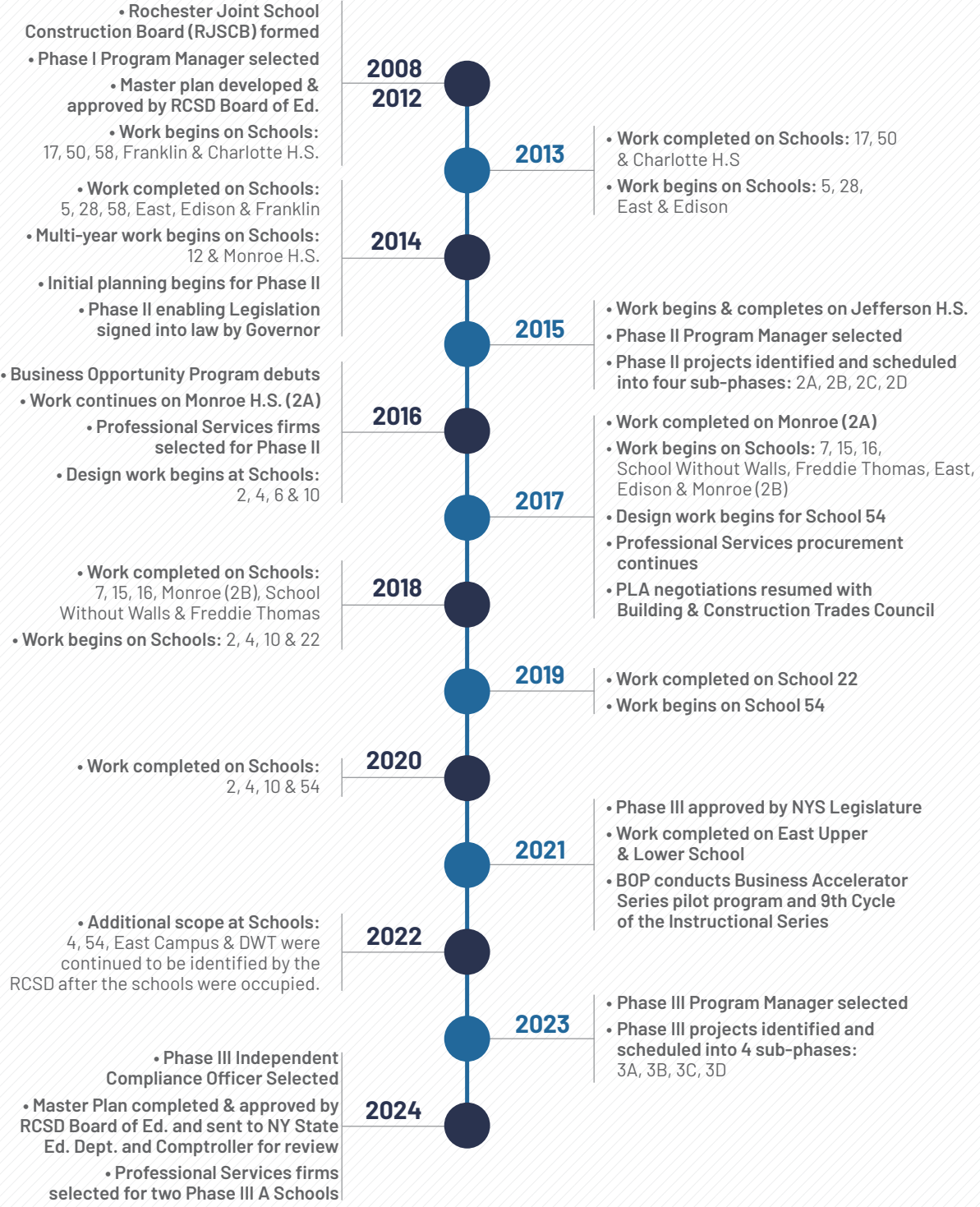
The RCSD has reviewed the projected local share requirements of the Financial Plan, and adopted a resolution on 25 April, 2024 acknowledging that the District could have a local share contribution of up to \$6-8M along with the Capitalized Interest cost(s) in connection with the financing of the Phase III Projects. Pending the approval process of the RSMP Phase III Financial Plan (Volume II) by the Office of the State Comptroller, the following cost matrix and Local Share bar chart may require further updating based upon any review comments received by RJSCB.



Financial Plan Phase III



Program Timeline





The Role of the ICO

On December 11, 2023, Anchin was engaged to maintain their role as the ICO for Phase III of the RSMP. The Anchin team had developed and implemented successful monitoring procedures through the first and second phases of the program. The team has continued to expand their protocols to enhance diverse participation and transparency throughout the RSMP.

Anchin has conducted a capacity study to recommend diversity goals for Phase III of the program. The team utilized their experience, knowledge of market trends, and local contractor capacity to determine realistic goals to include in the diversity plan.

Anchin first acquired the Phase III construction schedule from program management. This allowed their team to compare anticipated schedules of other high value projects throughout the state, focusing on Western New York.

Next, Anchin reviewed the 303 MBE, WBE, and DBE certified firms that were active during the first and second phases of the RSMP to confirm their current certification status. They found that 163 of those firms were still currently certified. Anchin notes that the SBE certification for this project is a self-certification and cannot be measured at this time. They will continue to require each self-identifying SBE firm to complete a certification form prior to each contract.

Lastly, the ICO analyzed the potential impacts of other prominent construction projects in New York State. This allowed the ICO to reaffirm the capacity of certified firms throughout the state and recommend goals for Phase III.

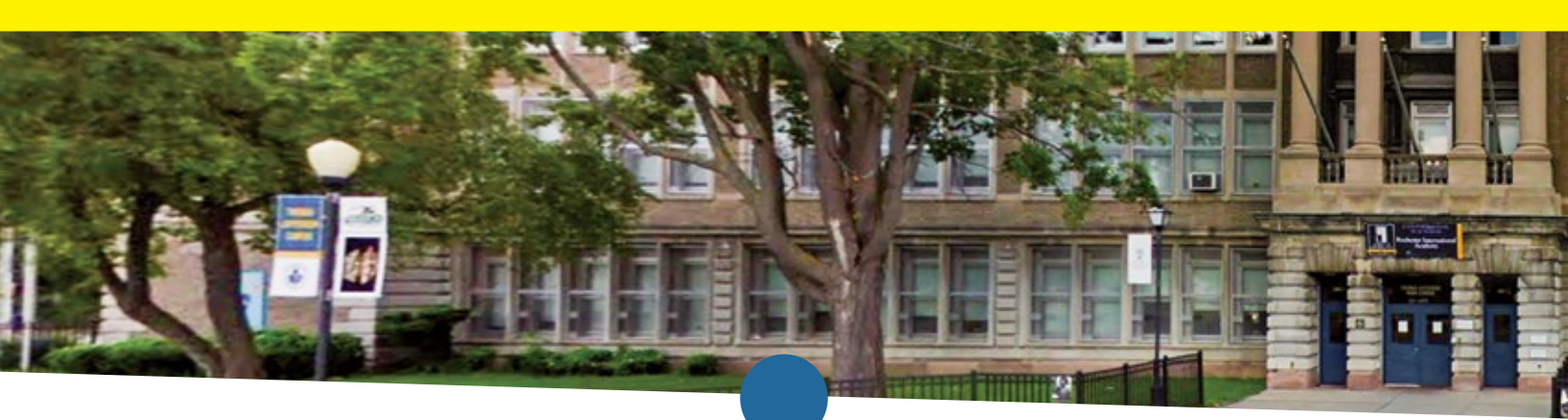
Anchin recommended, and the RJSCB approved the Phase III business goals as follows:

- MBE: 18.00%
- WBE: 12.00%
- DBE: 2.00%
- SBE: 2.00%
- Total Business Utilization: 34.00%

It should be noted that this is an increase from total business utilization on Phases I and II. Furthermore, Anchin has recommended the following workforce utilization goals:

- Minority Participation: 23.00%
- Female Participation: 7.00%
- Total Workforce Utilization: 30.00%

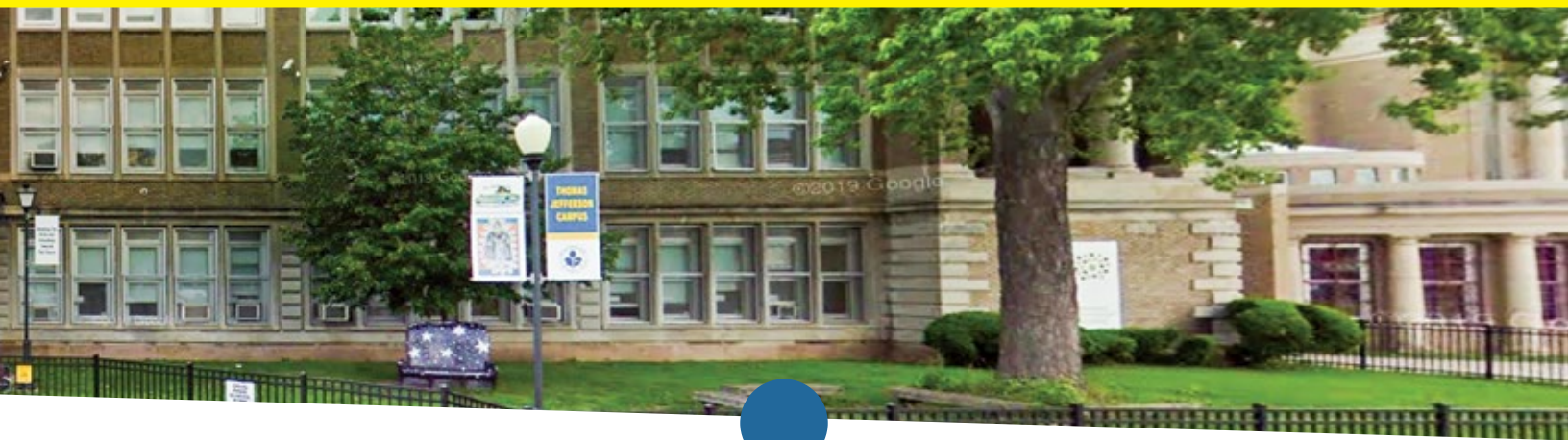
The following narratives provide a brief overview for some key procedures the ICO has previously implemented to monitor all aspects of the Phase III Diversity Plan.



Bid & Award Stage

When a low bidder is identified, Anchin staff examines the bid to ensure that all required documentation was provided, and the Prime Contractor (PC) is fully informed of their compliance obligations. This includes:

- Develop and recommend strategies to create and coordinate efforts to ensure a more diverse business utilization and workforce prior to the bidding.
- Ensure the documentation included the EBE Utilization Plan (DP-1), EBE Assurance Statement, Promise of Non-Discrimination Checklist and Good Faith Efforts Checklist.
- Plan and conduct educational outreach sessions to increase consultant and contractor awareness and interest in the project. These sessions are aimed to act as project informational sessions, training, and networking opportunities.
- Apply the team's Executive Law Article 15-A: Participation by Minority Group Members and Women with Respect to State Contracts expertise to ensure that the bid meets or exceeds the diversity plan established by the RJSCB pursuant to section five of the Enabling Legislation.
- Verify that the EBE subs listed on the DP-1 had been contacted by the PC regarding the proposed work scope and price quote.
- Verify that the EBE subs maintain an active certification and possess the required commodity codes to complete the proposed scope of work and receive credit.
- Ensure that if a sub acted as a supplier or broker, the PC understands the correct credit to be received.
- Ensure that the ICO understands each sub's role, and that each sub is performing a commercially useful function. If there were any issues with the proposed goals or quality of the documentation received, Anchin contacts the PC.
- Offer assistance to any PC having difficulty finding EBE subs in order to meet the goals.
- Aid contractors in collecting, maintaining, and submitting necessary good faith efforts supporting documentation to comply with Empire State Development standards.
- Assist contractors by providing electronic templates for the compliance forms, to ensure that the forms are completed in a neat, timely, and legible manner.



- Issue recommendation letters for firms that were determined to have made a good faith effort in meeting all the business participation goals.
- Assist potential professional service consultants and contractors in the certification application process in accordance with New York State Empire State Development and New York State Unified Program Certification requirements.
- Once a firm is awarded a contract, Anchin requests copies of the Letter of Intent to Perform (DP-2) and executed sub-contracts for each EBE sub to verify that the PC fulfilled their commitment satisfy all of the RJSCB Diversity goals.

The RJSCB is committed to the successful implementation of the Diversity Plan in a manner consistent with the independence of the ICO required by the legislation.

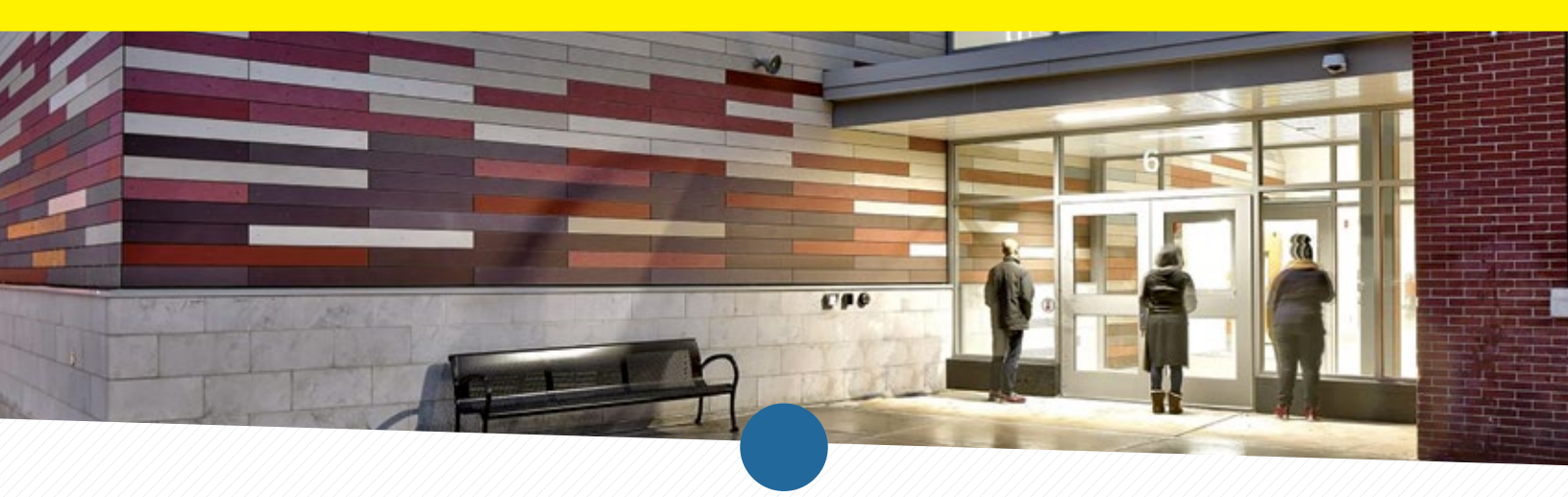




Construction Stage: Ongoing Monitoring Process

- The ICO will collect copies of workforce utilization reports, business utilization reports, certified payrolls and proof of payment to EBE subs (and corresponding invoices) on a monthly basis. The Prime Trade Contractor (PC) is required to submit the certified payroll to validate the hours reported on the workforce utilization report, each worker's reported gender, ethnicity, city residence status, trade classification, and verify the correct wages were being paid. The ICO utilizes the proof of payment (with the corresponding invoices) to validate the fulfillment of the subcontract and accurately monitor EBE participation including:
 - Sending letters to EBE subs to confirm their sub-contract balance, the services provided were within the EBE firm's certification and capacity, and on a random basis letters to employees to validate their address and hours worked;
 - Conduct unannounced site visits to observe the active workforce and test the commercial useful function of EBE subs.
 - Review the business utilization reports for changes to the use of EBE subs, any new sub-contracts were initiated, that all subs are certified for both the work scope and respective EBE goal proposed by the PC, and that they would be serving a commercially useful function;
 - Integrate the payment applications and cost reports to summarize the PCs and subs who were active in each month. The ICO uses this data as a monthly checklist required of documents to confirm compliance with the certified EBE's, or investigate any irregularities;
 - Provide all PCs with access to a digital library on Huddle, a secure cloud-based document storage tool, to ensure that they have an efficient means of providing the ICO with the compliance documents for their firm and their subs on a timely basis for retrieval whenever the Program, City or COMIDA may require.





Diversity Plan Compliance

RJSCB has not only met its EBE business and workforce Diversity goals, but has exceeded them for most diversity categories. The following tables demonstrate the success of the RSMP Phase II:

Phase II: Business Participation Utilization

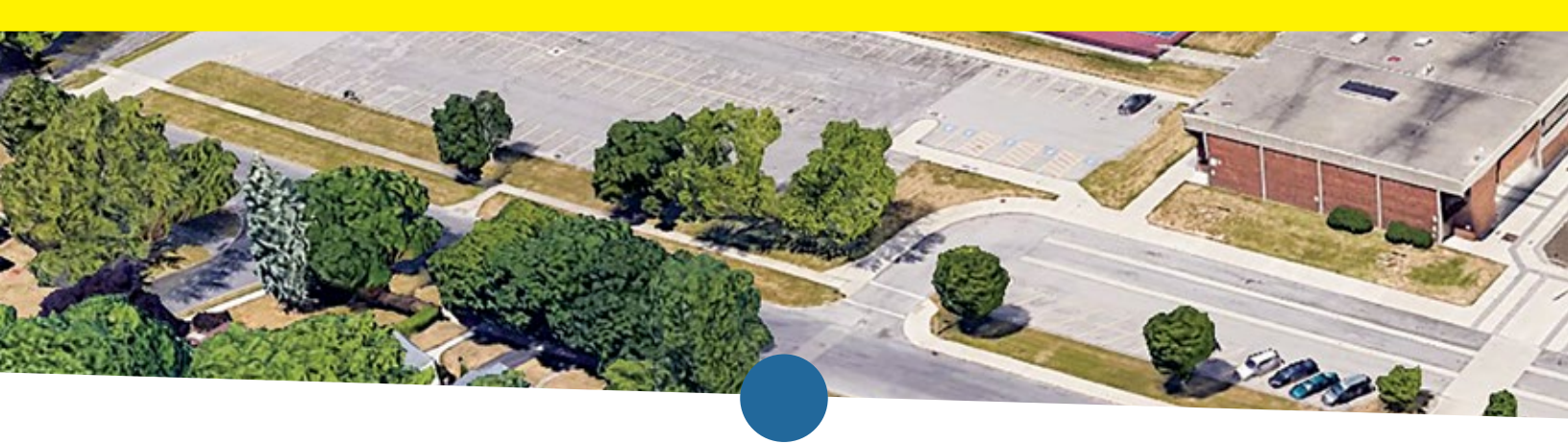
Certification	Contract Value	AEBE Total Contract Value	Goal	Actual Achievement
MBE Firms	\$394,429,852	\$75,205,976	17.00%	19.07%
WBE Firms	\$394,429,852	\$46,525,055	10.00%	11.80%
SBE Firms	\$394,429,852	\$9,925,437	3.00%	2.52%
DBE Firms	\$394,429,852	\$10,289,756	3.00%	2.61%
Totals EBE Contract Value	\$394,429,852	\$141,946,224	33.00%	36.00%

Source: March 2022 Phase II Compliance Report from ICO

Phase II: Workforce Participation

Category	Total Work Hours	Goal	Actual Achievement
Minority Work Hours	428,516.02	22.00%	26.94%
Non-Minority Women	101,999.61	8.00%	6.41%
Totals EEO Workforce Hours	1,590,588.11	30.00%	33.35%

Source: October 2022 Phase II Compliance Report from ICO



RSMP Fiscal Overview

Enabling Legislation

The Rochester Schools Facilities Modernization Program Act (“the Act”) created the Rochester Joint Schools Construction Board (the RJSCB), which serves as agent for both the City of Rochester and the City School District. The Act authorized Phase I, Phase II, and Phase III of the multi-year Program known as the Rochester Schools Modernization Program (RSMP).

A ‘game’ changing innovation of the RSMP Phase II was the amendment to the special legislation (i.e., Chapter 92 of the laws of 2016) signed by the Governor in July 2016. The amendment authorized multi-year Maximum Cost Allowances (MCA’s) on select elementary schools where the needs and costs profoundly exceeded the SED’s traditional MCA allocations. While the extended MCA’s still cannot exceed the statutory 98% of all eligible costs, the RSMP Phase III allows for up to six (6) proposed Projects to Utilize the MCA allocations accordingly:

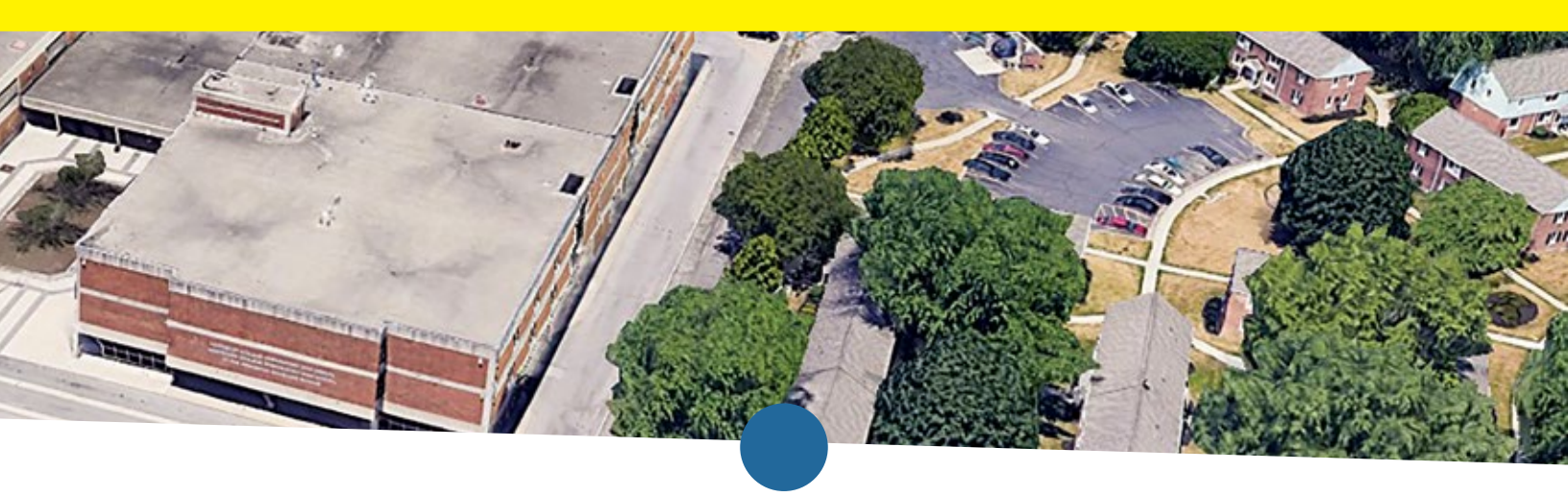
- The double MCA extends over a 10-year period, compared to the typical 5-year reset for a single MCA that NYSED would ordinarily provide for Projects approved for Phase III.
- The doubled MCA will allow more complex and comprehensive construction projects to occur, rather than the disruptions and inefficiencies of spreading the already overdue work scope, and duration of students in Swing Spaces over multiple phases to achieve equitable learning facilities for the 21st century.

In June 2021, the NYS Legislature approved RSMP Phase III Enabling Legislation (Assembly Bill A-993A sponsored by Assembly Member Bronson, with companion Bill S-1761C sponsored primarily by Senator Cooney) as an amendment to chapter 416 of the laws of 2007. The Phase III amendment authorized another \$475M of funding that was signed by the Governor in November 2021 to continue the modernization program. The Phase III Strategic Plan and the Financial Plan were submitted to NYSED and the Office of the State Comptroller last month (May 14, 2024).

Financing

The Rochester Schools Act requires the RJSCB and the District to compare the financing alternatives for the RSMP through the County of Monroe Industrial Development Agency (COMIDA), with the financing available through the Dormitory Authority of the State of New York (DASNY). The objective is to employ the financing mechanism that will result in the lowest cost to taxpayers of the City and State.

The comparative analysis was conducted and the RJSCB requested that COMIDA provide financing for the prior Phases of the Program. Regarding Phase II, the associated resolution was adopted for Phase II in December 2016, authorizing the issuance of up to \$435 million in tax-exempt bonds to accomplish the purposes of the Rochester Schools Act. Public



hearings were held by COMIDA in 2016, 2017, 2018 and 2020 concerning the issuance of the tax-exempt bonds for the Phase II projects.

The cash flow estimates by the Program Manager in the Financial Plan suggested three tranches of RSMP Phase II COMIDA Tax- Exempt bond financing.

- Tranche 1 - 2017 Series (combining 2017 A and 2017 B series) to finance expenses until the 2nd quarter of 2018.
- Tranche 2 - 2018 Series to finance expenses from 3rd quarter 2018 to fourth quarter 2019; and
- Tranche 3 - 2020 Series to finance expenses from first quarter of 2020 to end of the program.



The first tranche (2017 Bonds Series) fully reimbursed the District bridge loan and the \$32M bond anticipation note (BAN) provided by the City of Rochester, and the proceeds also funded early design and construction projects until the approvals of final plans and specifications by the NYSED Commissioner.

The second tranche of Capital Bonds were sold in July 2018, and the final tranche occurred in May 2020 to complete Phase II of the Program. The proceeds of the Series 2020 Bonds were applied to finance the remaining portion of the Phase II Projects; fund capitalized interest for the Series 2020 Bonds, and finance certain costs of issuance of the Series 2020 Bonds.

During Phase II planning, the RJSCB utilized the supplemental \$8.5M of Smart Schools Bond Act (SSBA) money to support construction at three elementary schools for pre-kindergarten classroom spaces, replacement of existing and obsolete classroom trailers with permanent spaces, and high-tech school safety improvements. The SSBA application was accordingly submitted for all three schools designated in Phase II, and approved by NYSED in the final Financial Plan.

The RJSCB worked closely with the School District to completely wrap up closeout documentation for Phase II by July 2022. As of June 2022, the RJSCB had approximately a \$6.6 million balance in



its Cash Capital Account; of which \$2.4 million was committed for the remaining balances on existing contract services, and 4.3 million left in contingency for discretionary expenditures by the RJSCB (contract extensions, site development, Board support, customary administrative work for Phase III of the program, etc.)

Phase III was delayed since 2018, which forced a costly shutdown of the program in addition to the complicated logistics of Phase II Additional Scope while waiting for Phase III to start. Accordingly, the need is urgent secure financing for planning and pre-construction costs associated with Phase III. Until a Financial Plan is approved by the State Comptroller, and until NYSED approves the Phase III Projects in planned stages, COMIDA (or DASNY) will not be able to issue General Obligation Bonds on behalf of the RJSCB. The issuance of bonds for the Program are restricted to specific NYSED approved projects because the debt service payment is tied to the State aid reimbursement.

The Phase III legislation contains new criteria that adds more SED review controls and restrictions in the implementation of the Program. Phase III also allows for a double multi-year Cost Allowance for no more than six projects.

The Program-wide (DWT) project that was intended to relieve pressure off the local share using a program-wide cost code to charge certain unavoidable “program-wide” incidental costs (i.e., in addition to the standardizing instructional digital technology, also unique expenses such as Program Manager, Independent Compliance Officer, Project Labor Agreement, Move Management, Swing Space Planning, workforce development, warehousing needs, etc.) was completely removed from the Phase III legislation. The scope and budget of each project was adjusted to allow pro-rated incorporation of these unavoidable expenses.





SEQRA

The RJSCB has served for the prior Phases and will continue to serve as State Environmental Quality Review Act (SEQRA) Lead Agency for the Phase III Strategic Plan. In Phase II, the RJSCB through its SEQRA consultant, has conferred with the New York State Office of Parks, Recreation and Historic Preservation (SHPO) and with other involved or interested agencies to provide the rationale supporting the SEQRA Negative Declaration, and determined that the action, as proposed, will not result in any significant adverse environmental impacts. In addition, the RJSCB has incorporated comments and correspondence received from involved and interested agencies to address any potentially significant adverse impacts in this Type 1 Action that required mitigation measures. The final determination of no significant adverse impacts for the Phase III SEQRA process was completed in March 2024.

On June 20, 2016, the RJSCB, as the duly designated Lead Agency for the RSMP - Phase II 'Strategic Plan', formally issued a Negative Declaration of environmental significance. This Determination included supporting documentation outlining specific reasons for the Negative Declaration for 14 schools within the Rochester City School District. A number of these schools were chosen to advance from the initial concepts outlined in the Strategic Plan to proceed with subsequent development of construction documents.

In Phase III, the formal environmental determinations for the six (6) schools were based on the conceptual designs and recommendations contained within the Strategic Plan.

Litigation

In the RSMP Phase II, the RJSCB received a Notice of Claim from a Contractor at East High School in connection with defective work that was rejected by the RJSCB and its consultants. The RJSCB actively worked with the PM and its general counsel along with the contractor's attorney to resolve the claim as expeditiously as possible during a brief mediation process.

Economic Development

The anticipated cost to complete all phases of the Program is currently estimated to be approximately \$1.7 billion. To date, \$1.2 billion has been authorized, and will be updated according to future needs.





The RJSCB thanks the Legislative Sponsors, the Stakeholders and all Program Participants for the heartfelt dedication throughout the planning, financing and implementation of the Rochester Schools Modernization Program.



Rochester Joint Schools Construction Board

ANNUAL REPORT 2024