

THE CITY OF NEWPORT

**RESOLUTION
OF THE COUNCIL
No.2024-68**

RESOLUTION OF THE NEWPORT CITY COUNCIL REGARDING FUNDING FOR THE
ROGERS CONSTRUCTION PROJECT

WHEREAS, on May 14, 2024, the Newport School Building Committee notified the Newport City Council that it is seeking a commitment of \$2.2MM in additional funds by July 1, 2024 to fund improvements needed to obtain a Temporary Certificate of Occupancy and potentially up to an additional \$6.4MM in funds by December 1, 2024 in order to complete the new Rogers High School project and obtain a Final Certificate of Occupancy; AND

WHEREAS, in 2020 voters approved the borrowing of \$98.5MM for the construction of a new high school, the maximum amount permitted by the State given the projected size of the student population; AND

WHEREAS, authority over the construction project was vested, in accordance with state law, to the Newport School Building Committee, comprised of officials from both the City of Newport and Newport Public Schools and the cost of the project has continuously escalated, with the total cost now projected to be in excess of \$132.1MM; AND

WHEREAS, this November the City plans to put forth to Newport voters a \$98.5MM bond, which includes \$12.5MM of expenses related to the high school project, including \$10MM for remediation of the soil underlying the stockpile from the construction and \$2.5MM for administrative offices for the school department. Including these expenses the total cost of the new High School total \$144.6MM; AND

WHEREAS, the City of Newport has consistently supported the project, contributing an additional \$20.71MM to complete the project, including \$14.41MM of bond premium in 2022 and \$6.3MM of general taxpayer funds in 2023; AND

WHEREAS, total reserve and contingencies either under the control of the Newport School Committee or the Newport School Building Committee as of the end of May 2024 total \$7.51MM, including the Owner's Contingency of \$1.6MM, the Construction Contingency of \$2MM and the Newport School Committee's reserves totaling \$3.91MM; AND

WHEREAS, the City of Newport's fund balance is primarily intended to serve as a "Rainy Day Fund" to be used to help the City sustain operations through catastrophic events, such as hurricanes, public health crises and other natural disasters; AND

WHEREAS, the school project is projected to be open by Fall 2025 but will require support from both the City Council and School Committee, both of which support providing students with a top tier education system, including both facilities and curriculum befitting such a system; NOW, THEREFORE BE IT


RESOLVED, that the Newport City Council commits to funding up to an additional \$3MM to the high school construction project to address current and projected shortfalls as reported in the Newport School Building Committee's correspondence on May 14th; AND BE IT FURTHER

RESOLVED, that this funding be provided contingent upon the Newport School Committee's reserves being spent down to below 3% of its annual operating budget on either the school construction project, safety improvements to the entrance of Thompson Middle School, or restoring classroom positions for reading or Multi Language Learner programs for the upcoming school year; and BE IT FURTHER

RESOLVED, that the funding to meet the projected needs for the Final Certificate of Occupancy in December be provided contingent on the spend down of the Owner's Contingency to the minimum contractually permitted.

XAY KHAMSYVORAVONG
CHARLIE HOLDER

IN COUNCIL
READ AND PASSED
JUNE 26, 2024


LAURA C. SWISTAK, CMC
CITY CLERK