



# Council Rock School District Facilities Committee Items

March 23, 2021



# **AGENDA**

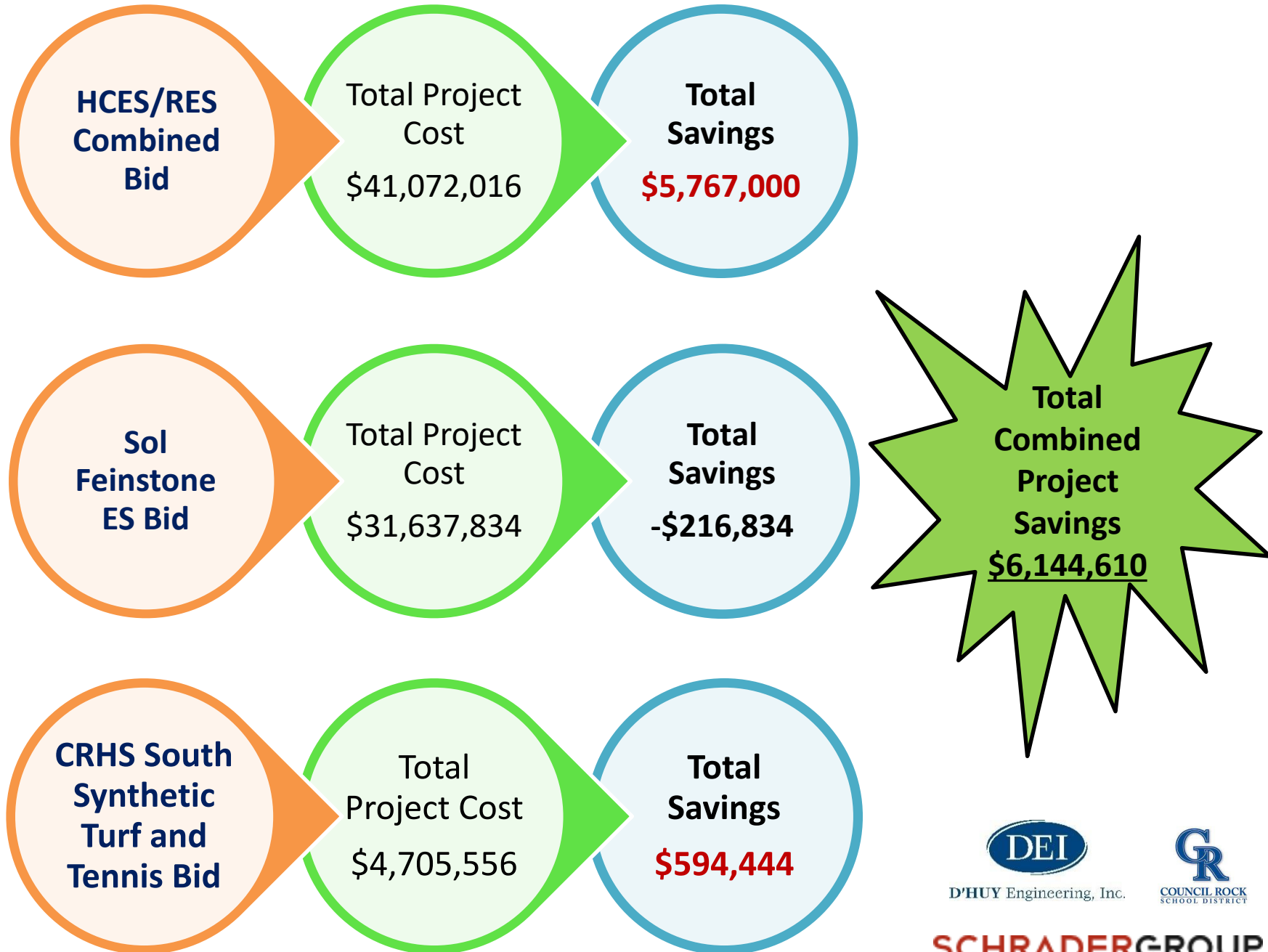
## **Facilities Improvement Projects Update**

- **Single Page Summary – All Projects**
- **Financial Considerations/Options – Mr. Stone**
- **Considerations and Risks of Postponement of Projects**

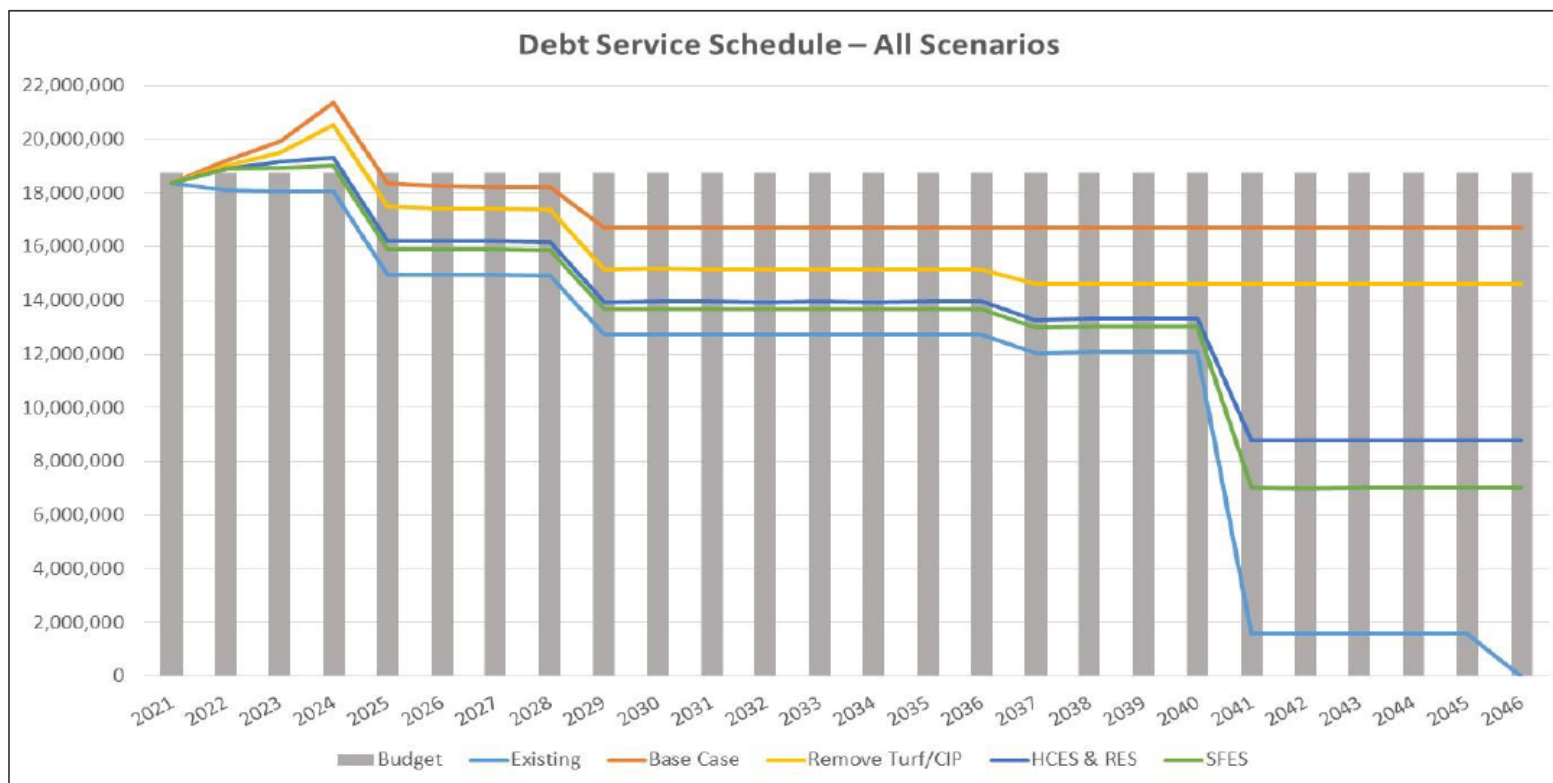
# Single Page Cost Summary – HCES, RES, SFES and CRHS South Turf

Project	Total 90% CD Construction Budget	Total 90% CD Project Budget	Base Bid w/ Value Added Alternates	Total Project Budget Based on Actual Bids	Comments
<b>Hillcrest ES</b> Additions and Renovations	\$ 19,062,900	\$ 24,230,175 <u>(\$ 1,269,873)</u> <b>\$ 22,960,302</b>	\$ 18,502,000 <u>(\$ 815,000)</u> <b>\$ 17,687,000</b>	<b>\$ 21,136,402</b>	<b>(\$ 1,823,900)</b> <b>Under Project Budget</b>
<b>Richboro ES</b> Additions and Renovations	\$ 19,405,600	\$ 25,147,087 <u>(\$ 1,268,373)</u> <b>\$ 23,878,714</b>	\$ 19,089,000 <u>(\$ 781,000)</u> <b>\$ 18,308,000</b>	<b>\$ 21,533,114</b>	<b>(\$ 2,345,600)</b> <b>Under Project Budget</b>
<b>Hillcrest ES</b> <b>Richboro ES</b> Combined Bid	\$ 38,468,500	\$ 49,377,262 <u>(\$ 2,538,246)</u> <b>\$ 46,839,016</b>	\$ 36,090,000 <u>(\$ 1,692,500)</u> <b>\$ 34,397,500</b>	<b>\$ 41,072,016</b>	<b>(\$ 5,767,000)</b> <b>Under Project Budget</b>
<b>Sol Feinstone ES</b> Additions and Renovations	\$ 24,807,900	<b>\$ 31,500,000</b>	\$ 27,185,524 <u>(\$ 41,600)</u> <b>\$ 27,143,924</b>	<b>\$ 31,716,834</b>	<b>\$ 216,834</b> <b>Over Project Budget</b>
<b>CRHS South</b> Synthetic Turf Field Project	\$ 3,294,880	<b>\$ 3,600,380</b>	\$ 2,259,356 <u>\$ 63,000</u> <b>\$ 3,122,056</b>	<b>\$ 3,490,556</b>	<b>(\$ 109,824)</b> <b>Under Project Budget</b>
<b>CRHS South</b> Tennis Court Reconstruction	\$ 1,549,620	<b>\$ 1,699,620</b>	\$ 1,040,000 <u>\$ 00</u> <b>\$ 1,040,000</b>	<b>\$ 1,215,000</b>	<b>(\$ 484,620)</b> <b>Under Project Budget</b>

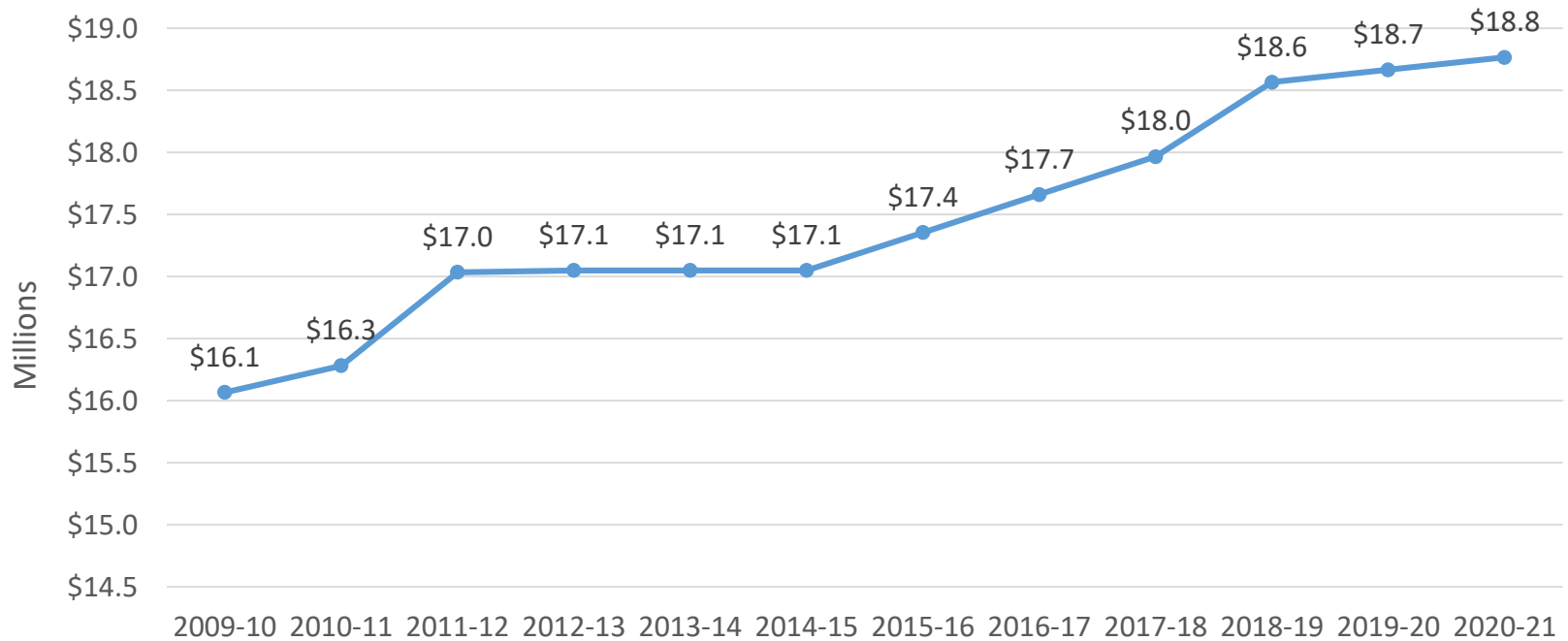
# Summary of Approval Recommendations and Budget Impact



SCENARIO	TOTAL NEW DEBT SERVICE		Budget Increases				Difference from		Cap I Estimates
		Difference from Base	2021-22	2022-23	2023-24	TOTAL	Base		
Base Case-Updated Bids-No Cap I	\$162,169,853		\$450,852	\$1,144,237	\$2,586,297	\$4,181,386			\$6,606,590
No CIP, No Turf	\$124,326,520	-\$37,843,333	\$264,317	\$736,087	\$1,753,114	\$2,753,518	-\$1,427,868		\$4,350,558
Hillcrest & Richboro ONLY	\$67,974,374	-\$94,195,479	\$144,891	\$393,214	\$544,554	\$1,082,659	-\$3,098,727		\$1,710,601
Sol Feinstone ONLY	\$52,166,891	-\$110,002,962	\$144,891	\$187,157	\$252,504	\$584,552	-\$3,596,834		\$923,592



# Debt Service Budget History





# Approve SFES, HCES/RES, CIP and CRS Projects

Fiscal Year	Est. Debt Service	Budget	Difference
2021-22	\$19,217,253	\$18,766,401	-\$450,852
2022-23	\$19,910,638	\$19,217,253	-\$693,385
2023-24	\$21,352,698	\$19,910,638	-\$1,442,060

Total Budget Increase = \$2,586,297

Cash/Fund Balance (alternative) =  
\$4,181,386

Capitalized Interest (alternative) =  
\$6,605,590



Proceed with all projects

Addresses CIP backlog

No Cap I

Favorable joint bid

Increase to 21-22 budget deficit

Largest financial impact

Future budget increases, cash or Cap I



# Approve SFES, HCES/RES, ~~CIP and CRS~~ ~~Projects~~

Fiscal Year	Est. Debt Service	Budget	Difference
2021-22	\$19,030,718	\$18,766,401	-\$264,317
2022-23	\$19,502,488	\$19,030,718	-\$471,770
2023-24	\$20,519,515	\$19,502,488	-\$1,017,027

Total Budget Increase = \$1,753,114

Cash/Fund Balance (alternative) =  
\$2,753,518

Capitalized Interest (alternative) =  
\$4,350,558



Proceed with the major  
school projects

Favorable joint bid

Lesser financial impact  
than Base Case

No Cap I

Impact to CRS

Increase to 21-22  
budget deficit

Future budget  
increases, cash or Cap I

Further CIP backlog





# Approve ~~SFES~~, HCES/RES, ~~CIP~~ and ~~CRS~~ Projects

Fiscal Year	Est. Debt Service	Budget	Difference
2021-22	\$18,911,292	\$18,766,401	-\$144,891
2022-23	\$19,159,615	\$18,911,292	-\$248,323
2023-24	\$19,310,955	\$19,159,615	-\$151,340

Total Budget Increase = \$544,554

Cash/Fund Balance (alternative) =  
\$1,082,659

Capitalized Interest (alternative) =  
\$1,710,601



Proceed with two of the major school projects

Favorable joint bid

Lesser financial impact than previous scenarios

No Cap I

Impact to CRS and SFES

Increase to 21-22 budget deficit

Future budget increases, cash or Cap I

Future bid increases

Further CIP backlog



# Approve SFES, ~~HCES/RES, CIP and CRS~~ ~~Projects~~

Fiscal Year	Est. Debt Service	Budget	Difference
2021-22	\$18,911,292	\$18,766,401	<del>-\$144,891</del>
2022-23	\$18,953,558	\$18,911,292	<del>-\$42,266</del>
2023-24	\$19,018,905	\$18,953,558	<del>-\$65,347</del>

Total Budget Increase = \$252,504

Cash/Fund Balance (alternative) =  
\$584,551

Capitalized Interest (alternative) =  
\$941,127



Proceed with two of the  
major school projects

Lesser financial impact than  
previous scenarios

No Cap I

Impact to CRS, HCES and  
RES

Increase to 21-22 budget  
deficit

Future budget increases,  
cash or Cap I

Future bid increases

Further CIP backlog



# \$24 Million Option

- Approve borrowing resolution for \$24 million now
  - Amount does not increase 2021-22 Budget OR use capitalized interest
  - Allows projects to begin without delay



Proceed with some/all work on current schedule

No increase to 21-22 budget deficit

No Cap I

Opportunity to gain consensus on Cap I and future borrowing

**Must pay for what is approved**

Future increases or cash are inevitable

Possible future bid increases

Further CIP backlog

# \$24 million Option

## Projects < \$24 million

- Hillcrest ES = \$21.1 million
- Richboro ES = \$21.5 million
- CR South Turf & Courts = \$4.7 million

## Projects > \$24 million

- Sol Feinstone ES = \$31.7 million
- Hillcrest/Richboro ES Joint = \$41.1 million

The Board can approve any combination of the above projects and still proceed with this \$24 million approach. Once projects are approved in excess of \$24 million, a decision will need to be made with respect to budget increases or use of capitalized interest. That decision is simply delayed until later in 2021 in this option.



# Hillcrest, Richboro and Sol Feinstone ES Additions and Renovations Projects

## Considerations/Risks of Not Moving Forward

1. These are the highest priority projects district wide. Not addressing the needed facility improvements may result in capital improvement project expenditures at SFES including, but not limited to:
  - a. HVAC Systems (i.e.: ventilation and air conditioning)
  - b. Electrical Systems (i.e.: new service, life safety systems, PA systems)
  - c. Utilities (ie: on site sanitary and domestic well systems)

### **Additionally:**

- ✓ HCES and RES have similar infrastructure concerns but at a lesser scale. Both roof systems are due for replacement at an estimated total project cost of \$5.75M. (Note: the roof replacement is included in the current bid results).
- ✓ The former RMS has similar infrastructure concerns as the SFES. The systems at this building are removed from the capital improvements plan but regular systems preventative maintenance continues in an effort to prolong the life. This building is due for a new roof system estimated at \$4.25M.

# Hillcrest, Richboro and Sol Feinstone ES Additions and Renovations Projects

## Considerations/Risks of Not Moving Forward

2. Postponement of the HCES and RES projects risk not having a phasing plan available. Considerations include, but are not limited to:
  - a. The former RMS is nearing the end of its useful life. The use as a 'swing school' has a limited time period before its not a feasible and responsible solution.
  - b. Losing this building as a phasing option would necessitate a 24 month, phased and occupied projects at HCES and RES, adding significant costs to each (estimated at \$2.25M per project for modular leases and extended contractors overhead and profit).
3. Current bid savings exceeding \$4.4M are at risk, excluding the Alternative and Clean Energy Grant funds (ACE). A rebid would likely result in additional costs.
4. The ACE Grant funds for HCES and RES totaling \$1.6M are at risk. The current grant funds must be expended by 30JUN23.

# Hillcrest, Richboro and Sol Feinstone ES Additions and Renovations Projects

## Considerations/Risks of Not Moving Forward

5. Regardless of the decision of the bid awards, the HCES, RES and SFES schools will be included in the IAQ improvements project (addition of bipolar ionization units) to mitigate viruses, mold spores, pollen, bacteria and odors. Note: This project will not address heating, ventilating or air conditioning and controls. All three schools will not be air conditioned.
6. Site safety issues will not be addressed. Including, but not limited to separation of parent vehicles and busses, clearly defined drop-off areas with sidewalk improvements, poor sight lines at the driveway exit onto Eagle Road, etc.
7. Environmental remediation at the SFES will not immediately commence. In addition, the existing 10,000 gallon above ground no. 2 fuel oil tank will remain one additional year to serve the existing boilers.



# Thank you!

Next Facilities Committee Meeting:  
Thursday, April 22, 2021 @ 7:00pm

