

East Lyme Public Schools

Elementary School Projects Update

Presented to East Lyme Board of Education

March 14, 2016

Superintendent Jeffrey Newton and BOE Chair Tim Hagen



Age and Quality of the Facilities



The buildings have reached the age where significant expenditures are required to maintain our elementary schools' infrastructure, systems and educational quality and reputation.

Niantic Center
(50,643 sq. ft.)

Built in 1952
Alterations 1976



Lillie B. Haynes
(100,819 sq. ft.)

Built in 1957
Alterations 1972
and 2002



Flanders School
(66,927 sq. ft.)

Built in 1964
Alterations 1976



2011 Feasibility Study by Kaestle Boos, Associates, Inc.

Significant infrastructure and repair requirements

Cost to repair all three buildings, with no improvement to layout or appearance and limited to NO financial assistance from the state.

Cost to EL: \$22 million

Problems include:

- Degraded boilers and ventilation systems
- Poor insulation and inefficient windows and doors
- Asbestos in some storage and attic areas
- No air-conditioning during many school days
- Inadequate layout for collaborative learning and teaching
- Expensive to maintain
- Need to point, repair or replace exterior brickwork
- Unsafe drop off and pick up areas (combined bus and parent drop off)



Still have aging structures if problems are addressed



Factors Considered in Selecting Two Elementary School Sites



- Educational Quality and Experience
- Site Location
- Site Size
- Community Culture and Tradition
- Building/Renovation Costs
- Operating Cost Savings
- Disposition of Vacated School Site
- Other Long Term Considerations



Conceptual Budget Cost Estimates

As of 11/9/15

	<u>Niantic Center School</u>	<u>Flanders School</u>
Projected Building Cost:	\$36,849,338.00	\$45,906,517.00
Projected State Reimbursement:	<u>(10,970,671.00)</u>	<u>(13,072,060.00)</u>
Total Cost to Town of East Lyme:	\$25,878,667.00	\$32,834,457.00
Total Cost to Town of East Lyme:	*\$58,713,124	

***This cost would double the current debt burden for the town of East Lyme.**

***The financial impact to the tax payer would result in an increase of approximately 2.0 mills. This translates to approximately \$500 in additional taxes for a \$250,000 assessed house value.**

Elementary School Projects: The Path Forward

Exploratory Assessment of a LEARN Partnership

February Discussions:

- Initial interest in 80K Sq. Ft. of space for multiple programs
- East Lyme is a very favorable location for LEARN
- Desire is present to maintain relationship and expand if possible
- LBH is too large of a structure for LEARN to take over
- LEARN is concerned about decreased state funding
- LEARN could utilize 30K to 40K Sq. Ft. of space

Elementary School Projects: The Path Forward

Superintendent's Perspective:

- 1. Essential to ensure every child has an equal opportunity to learn in the best educational setting to prepare them for 21st century learning and skills.*
- 2. We must ensure that staff are provided the best opportunity to educate our children in a safe and positive environment.*
- 3. We need to move forward in creating a finalized school construction plan.*
- 4. We must remain focused on educational needs and fiscal responsibility with our elementary school projects.*

Elementary School Projects: The Path Forward

Superintendent's Perspective (continued):

- There remains a need for 2 schools that represent a combined 160K Sq. Ft. of space
- Can't do 2 schools at once – too expensive
- Deferring one school project for 5 – 7 years allows for decreased upfront costs and additional time to monitor student enrollment

Additionally:

- The established LBH structure is too large and not conducive for town use at any foreseeable time in the future
- The property of LBH cannot be sold
- The Flanders property is not a conducive sale site due to location
- The NCS property provides options:
 - Sell Property
 - Lease Space
 - Repurpose the space for town use

Revised Project Plans

Superintendent's Recommendation of Plan Proposal Restructuring:

- 1. 'Renovate as New' Lillie B. Haynes (101K Sq. Ft. *\$34 mil cost to the town*)**
- 2. Update current Flanders facility for next 5-7 years**

Rationale:

- We are supporting the largest number of children first (combined LBH and NCS).
- We can still invest in current Flanders structure to maintain educational equity and student safety (i.e. front entrance security, technology, furniture, etc.).
- LBH is the least expensive stand alone option (to obtain 101K Sq. Ft. of space). In combination with the existing Flanders we meet the required 160 Sq. Ft. of needed space for all students.
- Maintain 43% reimbursement with the LBH project.

Revised Project Plans

Superintendent's Recommendation of Plan Proposal Restructuring:

Rationale Continued:

- Renovating our largest space allows for future options (adjusted size) with a new Flanders School.
- We maintain the same project construction timeline.
- Previous LBH renovations (windows) can be retained saving money.
- Potential to use the operating cost savings of NCS to help with the overall budget, new initiatives, and/or minor Flanders upgrades for next 5-7 years.

Why Not Flanders First?

- Lose the positive impact of servicing the most elementary students in district first.
- FL first as new construction would cause an increased project cost due to 10% less state reimbursement (**\$35.9 mil** cost to the town for an 80K Sq. Ft. structure).
- Lose the option of constructing a new school structure in the future that meets the needs of enrollment in 5-7 years.
- Lose the most cost effective manner in obtaining the most renovated building space (101K vs. 80K).
- Lose the ability to salvage previous LBH renovations (windows) that took place back in 2002.
- If do Flanders first and move NCS students to LBH, swing space is lost with the loss of the NCS structure.

Importance of Investing in our Schools

- Millions of dollars in costs to fix aging structures

Renovations that will bring:

- New air-handling systems to improve building environments
- More efficient facility structures (energy, annual cost savings)
- Larger elements of natural light
- Adaptable space and work areas for students and staff
- 'Campus' type layout

Financial Analysis

BOE Approved 11/9/16

Revised Plan Proposal Financial Implications

- Lillie B. Haynes Elementary School Renovate as "New": **101,200** square feet
- **\$34,251,485** – Architect Estimate
- **\$2,248,755** Annual Debt Obligation
- Assumes **2.85%** Interest Rate
- Assumes 20-year Bond, Issued Up-Front
(No commingling of debt obligations)
- **No** Annual Lease Revenue Off-Set to Debt Obligation
- Assumes 1 Mil Increase Per \$2M Expenses
- **1.1244** Mil Increase
- Annual property tax increase for home assessed at \$250,000: **\$281**

Original 2-School Plan Financial Implications

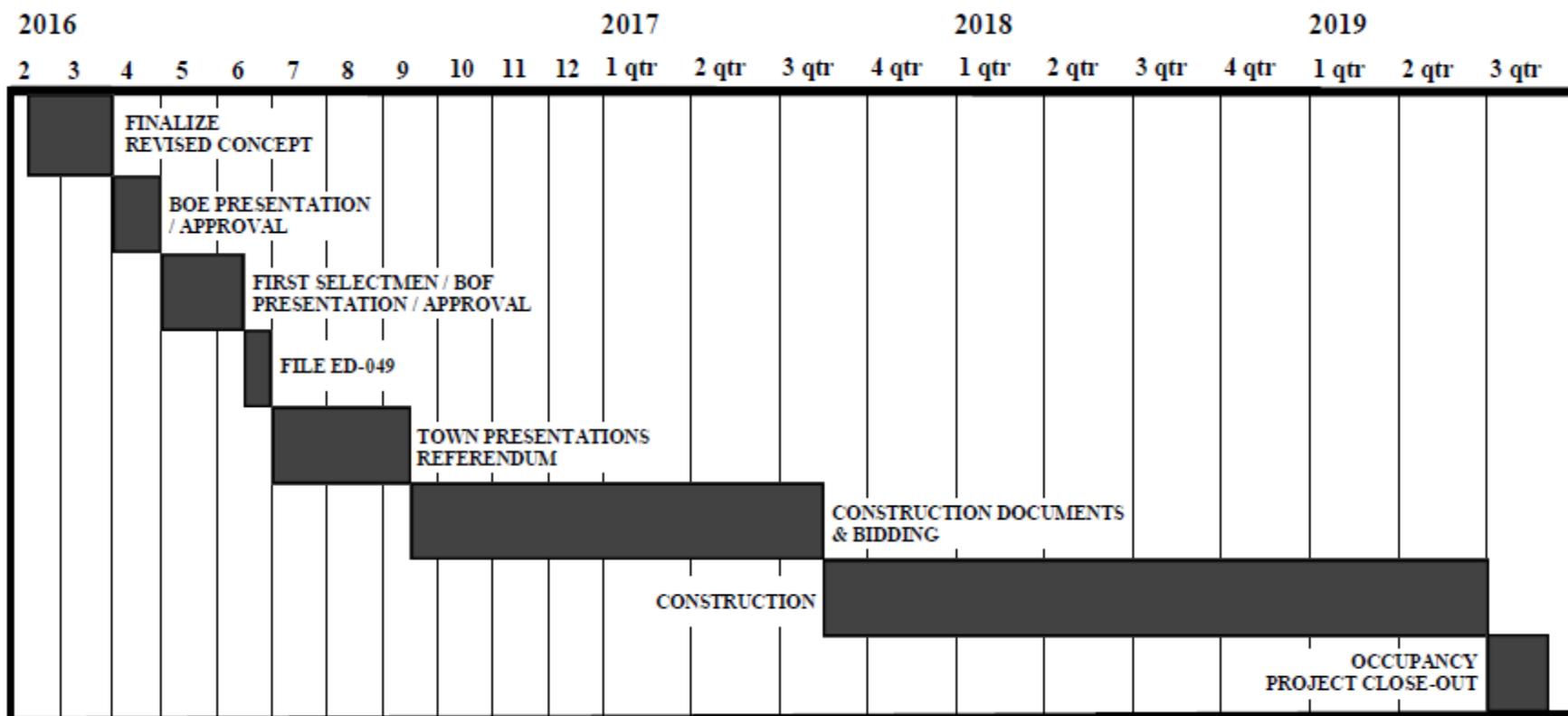


- Build New Flanders: **82,135** square feet, & Renovate as "New" NCS: **70,671** square feet
- **\$58,713,124** – Architect Estimate
- **\$3,854,766** Annual Debt Obligation
- Assumes **2.85%** Interest Rate
- Assumes 20-year Bond, Issued Up-Front
(No commingling of debt obligations)
- **No** Annual Lease Revenue Off-Set to Debt Obligation
- Assumes 1 Mil Increase Per \$2M Expenses
- **1.9274** Mil Increase
- Increase in annual property tax for home assessed at \$250,000: **\$482**

PROJECT TIMELINE

SCHOOL FACILITIES NEEDS & UTILIZATION STUDY EAST LYME PUBLIC SCHOOLS EAST LYME, CT

February 8, 2016



Consideration of Next Steps:

What's Occurred:

1. Design Steering Committee has reviewed and discussed revised proposal
2. BOE discussed proposal at 'Committee of the Whole' Meeting
3. Board discussion at BOE meeting on 3/14/16

Next Steps:

1. Joint meeting with BOS and BOF to review and discuss plan proposal
2. Community Forum
3. BOE final endorsement
4. Proposal moves to BOS and BOF

Outstanding Considerations and Needs:

1. Construction rendering of LBH structure
2. Identify construction logistics and transitions
 - Phased approach
 - Portables
 - Move kids between FL and NCS
3. Develop a prioritized FL list of required improvements

Questions, Comments and Discussion