

East Lyme Board of Education
East Lyme Elementary Schools Design Steering Committee Meeting
March 9, 2016
4:30 p.m.

MINUTES

Members Present: Dr. Tim Hagen, Mr. Jeffrey Newton, Linda Anania, John Arnold, Eric Bauman, Melissa DeLoreto, Bill Derry, Dr. David Miko, John Rhodes, Al Jacunski from Jacunski Humes Architects, LLC

Members Absent: Candice Carlson, Gil Gallant, Linda Johansen, First Selectman Mark Nickerson, Ray O'Connor, Marc Salerno, Maria Whalen, Dr. John Whritner

The meeting began at 4:30 p.m.

Update on Elementary Schools Design Project

Superintendent Jeffrey Newton and Tim Hagen notified the Elementary School Design Steering Committee that they have meet with members of the Board of Selectman and Board of Finance for open discussion regarding the Board of Education's elementary design proposal, to assist in answering any questions they had, and gave them an opportunity to express their perspective the proposal's impact to the Town.

Jeff Newton presented an elementary school project update highlighting the following:

- The age and condition of our current elementary school facilities and the estimated \$22 million estimated to make significant repairs only.

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
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)

- The factors considered that led to the Board of Education's proposal of refurbishing Niantic Center School as new and building a new Flanders School.

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

- The conceptual budget cost estimates for a refurbished Niantic Center School and a new Flanders School. The Board of Finance and Board of Selectman have indicated that \$58,713,124 is too much for the community to embrace. The cost to the town would result in a 2 mil increase to the taxpayer, or an approximate \$500.00 tax increase for a house assessed at \$250,000.00.

Conceptual Budget Cost Estimates As of 11/9/15

	Niantic Center School	Flanders School
Projected Building Cost:	\$36,849,338.00	\$45,906,517.00
Projected State Reimbursement:	(10,970,671.00)	(13,072,060.00)
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.

5

- LEARN expressed an initial interest in relocating multiple programs to the Lillie B. Haynes site if it is returned to the Town, but they have since decided that the size of the building is too large for them to use. They might be interested in a smaller site (approximately 30-40 thousand sq. ft.)

Elementary Projects as of 3/9/16

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

6

- The Town has indicated that Lillie B. Haynes is too large of a building site for them to use, that Town cannot afford to do two projects simultaneously, and that the Niantic Center School site has potential options to sell, lease or repurpose for the Town. The Lillie B. Haynes property cannot be sold due to a previous agreement when the land was originally donated to the Town.

Elementary Projects as of 3/9/16

Superintendent's Perspective:

- 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
- 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

- A restructured proposal is being recommended to renovate as new Lillie B. Haynes School (101 thousand sq. ft / 5 classrooms per grade level) for an estimated \$34,000 million cost to the Town. Move Niantic Center School students and staff to Lillie B. Haynes for the 2017-2018 school year. Maintain Flanders Elementary School (70 thousand sq. ft. / 3 classrooms per grade level) for five to seven years before proceeding with building a new building.

Revised Project Plans

Superintendent's Recommendation of Plan Proposal Restructuring:

- Renovate as New Lillie B. Haynes (101K Sq. Ft. \$34 mil cost to the town)
- Maintain current Flanders facility for next 5-7 years
- Move NCS students and staff to LBH for the 17-'18 school year

Rationale:

- LBH is the least expensive stand alone option (which would maintain 101K Sq. Ft. of space). In combination with the existing Flanders we maintain the required 160 Sq. Ft. of needed space.
- Maintain 43% reimbursement with LBH project
- Renovating LBH can be accomplished through a phased construction model and would not require any portable classrooms and associated costs.
- Renovating our largest space allows for future options (adjusted size) with a new Flanders School.
- We can maintain the same project construction timeline.
- Previous LBH renovations (windows) can be retained saving money.

- The revised financial analysis to refurbish Lillie B. Haynes School at \$34,251,485 will increase the mil rate by 1.1244 with an annual property tax increase of \$281.00 for a home assessed at \$250,000.00

Financial Analysis		BOE Approved 11/9/16
<u>Revised Plan Proposal</u> <u>Financial Implications</u>	<u>Original 2-School Plan</u> <u>Financial Implications</u>	↓
- Lillie B. Haynes Elementary School Renovate as "New": 101,200 square feet	- Build New Flanders: 82,135 square feet, & Renovate as "New" NCS: 70,671 square feet	
- \$34,251,485 – Architect Estimate	- \$58,713,124 – Architect Estimate	
- \$2,248,755 Annual Debt Obligation	- \$3,854,766 Annual Debt Obligation	
- Assumes 2.85% Interest Rate	Assumes 2.85% Interest Rate	
- Assumes 20-year Bond, Issued Up-Front (No commingling of debt obligations)	- Assumes 20-year Bond, Issued Up-Front (No commingling of debt obligations)	
- No Annual Lease Revenue Off-Set to Debt Obligation	- No Annual Lease Revenue Off-Set to Debt Obligation	
- Assumes 1 Mil Increase Per \$2M Expenses	- Assumes 1 Mil Increase Per \$2M Expenses	
- 1.1244 Mil Increase	- 1.9274 Mil Increase	
- Annual property tax increase for home assessed at \$250,000: \$281	- Increase in annual property tax for home assessed at \$250,000: \$482	

Discussion:

- The recommended restructured proposal is based on what the Town can afford and is not what is best educationally for students.
- LEARN will need to vacate LBH during the project.
- Various options of where students will be housed during the refurbishing of Lillie B. Haynes was discussed including housing students at Niantic Center with the use of portables, to using two unused kivas at ELMS.
- If three schools remain in use during the project, then it could possibly be completed in two phases.
- At the next community forum, we need to include what maintenance and enhancements will be done to Flanders School to maintain equity in education, technology and safety for the next five to seven years.

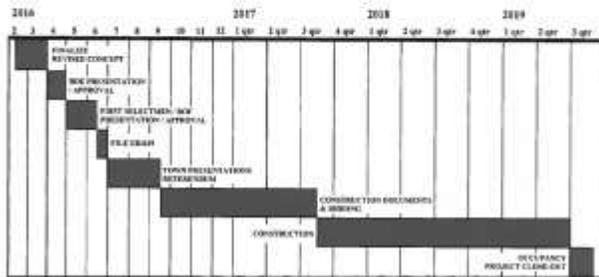
- There will be inequity in the amount of students housed at Lillie B. Haynes (500) and Flanders (300).
- An estimated \$2 million would be required to upgrade Flanders. Can money be bonded for the upgrades? Need a prioritized upgrade list.
 - Previous estimates from Jacunski & Humes:
 - * \$653,000 for new furniture
 - * \$524,000 for technology upgrades
 - * \$15,000 for security upgrades
- Unused contingency money will be used to pay down any bonds.
- If LEARN leases Niantic Center School, this revenue can be used to offset cost of upgrading Flanders.
- Can the Transition Program and Coastal Connections be housed at Niantic Center School to save on rental fees?
- The grass area next to Lillie B. Haynes School will be turned into a parking lot.

Next Steps:

- The Board of Education will be updated on the recommended proposal restructuring on Thursday evening, March 9th. The Board will continue discussion at the next regular Board of Education Meeting on March 14th. Board action is not expected on March 14th.
- Jacunski and Humes will have new conceptual plans available on the outline of Lillie B. Haynes School.
- Al Jacunski distributed an updated project timeline

PROJECT TIMELINE

SCHOOL FACILITIES NEEDS & UTILIZATION STUDY
EAST LYME PUBLIC SCHOOLS
EAST LYME, CT
February 8, 2016



- An informative community forum is recommended for May or June before summer vacation.
- Board of Finance endorsement is required before proceeding with the community forum.
- The referendum is planned for September. A May referendum would conflict with the Town Budget referendum.

Respectfully Submitted,

Dr. Timothy Hagen
Timothy Hagen, Ph.D.
Steering Committee Chair

Mr. Jeffrey Newton
Mr. Jeffrey R. Newton
Superintendent of Schools