



Act 34 Hearing

Public Hearing Agenda

- I. Opening Remarks
- II. Hearing – Duly Constituted: Mr. Ira Weiss, Esq.
- III. Project History and Need for Construction: Dr. Michael Panza, Superintendent
- IV. Project Description
 - a. Project Review: Mr. Lawrence J. Payne, AIA, WTW Architects
 - b. Cost Estimates: Mrs. Betsy Kane, Turner Construction Company
- V. Cost Analysis and Budget Impact
 - a. Alternate Methods of Financing: Mrs. Jamie Doyle, PFM
 - b. Budget Impact – Jamie Doyle, PFM
- VI. Questions and Answers
- VII. Comments
- VIII. Adjournment

Our School Board Members

- Mr. Anthony Angotti, President
- Mrs. Carolyn Bourgeois, 1st Vice President
- Mr. Alan Caponi, 2nd Vice President
- Mrs. Shauna D'Alessandro
- Dr. David Graham
- Mr. John Hosmer
- Mrs. Anna Louise Lilley
- Mrs. Marianne Neel
- Mrs. Darlene Schreiber

Community Construction Committee

- Mrs. Deborah Pozycki, Chairperson
 - Mrs. Kelly Magill, P.E.
 - Mr. Gregory O'Hare, P.E.
 - Mr. Keith Pancoast
 - Mr. Thomas Rislely, P.E.

District Personnel

- Mr. Ryan Snodgrass, Director of Facilities
 - Mrs. Tracy Harris, Director of Finance
- Mrs. Bonnie Dyer, Director of Curriculum, Instruction and Assessment
- Mr. Suhail Baloch, Director of Technology
- Mrs. Elizabeth Wheat, Supervisor Special Education/Pupil Personnel
- Mr. Christopher Sefcheck, Principal, Thomas Jefferson High School

Solicitor

Mr. Ira Weiss, Esq.

Financial Advisor

Mr. Glen Williard, PFM

Construction

Management Firm

**Turner Construction
Company**

Mrs. Betsy Kane

Architect of Record

WTW Architects

Mr. Larry Payne

Mr. Ira Weiss, Esq.

School Solicitor

**CREATION OF THE
MASTER
PLAN**

MASTER PLAN 2013

Buildings Discussed in the Plan:

- Gill Hall Elementary School
- Jefferson Elementary School
- McClellan Elementary School
- Pleasant Hills Middle School
- Thomas Jefferson High School
- Administration Building

MASTER PLAN 2013

Three Options to consider for the future of Thomas Jefferson High School:

- Option 1: Renovate current facility
- Option 2: Build new facility on current site
- Option 3: Build new facility at new location

MASTER PLAN 2013

- Based on all the available options, the Board of School Directors, in the Spring of 2013, selected Option 3.
- It should also be noted that the building of a new high school will not take away or reduce the quality of the other facilities within the district.
- School District then purchased 161 acres of land at a cost of \$1,100,000 in April 2013.

Search for Construction Manager Begins

✓ Advertised and interviewed
candidates

✓ Turner Construction was hired in
November 2013

Search for Community

Construction Committee Begins

- The purpose of the Committee is to review documents, drawings and other construction-related items.
- Make recommendations to the School Board
- Update the community at large

Search for Community

Construction Committee Begins

- ✓ Received more than 30 letters of interest from district residents
- ✓ School Board selected the Committee
- ✓ Meetings held third Thursday of every month

Guiding Principles for Community Construction Committee

A new building must:

...be a source of community pride;

Guiding Principles for Community
Construction Committee

A new building must:

...be an inspiring place of exceptional
achievement – academics, arts and
athletics;

Guiding Principles for Community Construction Committee

A new building must:

...provide a variety of powerful
learning environments; curriculum
drives design;

Guiding Principles for Community Construction Committee

A new building must:

...provide a variety of spaces students
will call their own; light, bright and
cheerful student-centered places;

Guiding Principles for Community Construction Committee

A new building must:

...be designed with growth in mind;
right-sized based on enrollment
projections;

Guiding Principles for Community Construction Committee

A new building must:

...be designed with efficiency in
operational costs;

Guiding Principles for Community Construction Committee

A new building must:

...be designed with fiscal
responsibility.

Mr. Chris Seftcheck

Principal

Thomas Jefferson High School

Search for Architect Begins

- ✓ More than a dozen firms were contacted and asked to provide information and interest in this project
- ✓ Five firms selected to continue in process
- ✓ Preliminary interviews held with each of these five firms

Search for Architect Begins

School Board hired, in May 2014, the Pittsburgh-based firm of W/TW Architects, along with Grimm+Parker as educational consultants.

Mr. Larry Payne

WTW Architects

Mrs. Betsy Kane

Turner Construction

Mrs. Tracy Harris

Director of Finance

Mr. Glen Williard

Public Financial Management

COMPARISON OF LONG TERM FINANCING METHODS

<u>ITEM</u>	<u>GENERAL OBLIGATION</u>	<u>LOCAL AUTHORITY*</u>	<u>SPSBA</u>
Construction & Related Costs	\$84,755,238	\$84,755,238	\$84,755,238
Contingency & Supervision	5,175,897	5,175,897	5,175,897
Costs of Issuance	1,415,158	1,435,500	1,425,250
Total Costs	<u>91,346,293</u>	<u>91,366,635</u>	<u>91,356,385</u>
Less: Cash Contribution	5,417,040	5,417,040	5,417,040
Less: Interest Earned	85,700	89,595	87,000
Less: Original Issue Premium	<u>143,553</u>	<u>145,000</u>	<u>142,345</u>
BOND ISSUE	85,700,000	85,715,000	85,710,000
Average Annual Payment at 4.25%** for 20 years	\$6,368,207	\$6,424,317	\$6,423,943

* A Local Authority would have annual administrative expenses, which have not been included in these calculations.

** Local Authority and SPSBA Annual Payments are calculated assuming 4.35% as a result of higher interest costs associated with selling revenue bonds.

COMPARISON OF LONG TERM FINANCING METHODS (cont'd)

The School District is considering other ways to reduce the debt service and local effort needed to fund the Project.

1. The School District most likely will not need to pay for bond insurance due to the District's Aa2 credit rating.
2. The School District has already issued the 2013A and 2014 Bonds in order to achieve a gradual phase in of the debt service and minimize the upfront millage impact of the project. The District will consider the use of a wrap around debt service structure for the future Bonds that will be needed to fund this project. The future Bonds, in conjunction with a \$5,417,040 School District cash contribution, will fully fund the project.
3. For discussion purposes only, we have provided on Table 1-6, wrap around amortization schedules to reflect the General Obligation issues which may be used to fund the Project.

Table 1 = G.O. Bonds, Series A of 2013	\$9,900,000	Table 4 = G.O. Bonds, Series of 2016	\$27,500,000
Table 2 = G.O. Bonds, Series of 2014	\$9,995,000	Table 5 = G.O. Bonds, Series of 2017	\$23,000,000
Table 3 = G.O. Bonds, Series of 2015	\$10,000,000	Table 6 = G.O. Bonds, Series of 2018	\$5,305,000

STATE REIMBURSEMENT

The State will reimburse the School District for a portion of the principal and interest which the School District pays each year on the bonds. The amount of the reimbursement is determined by two factors, the percentage of the Project determined by the Department of Education to be reimbursable and the School District's Market Value Aid Ratio ("MVAR"). It is estimated that the Project may be assigned \$15,305,487 in reimbursement. Based on a pro-forma calculation of reimbursement for a bond issue sized for this Project, the reimbursement percentage will be 16.76%. The School District's MVAR percentage is 58.51%. When these two percentages are multiplied, the result is an "effective" reimbursable percentage of 9.81%. Therefore, for each dollar paid by the School District toward principal and interest, the state will reimburse the School District 9.81 cents for the Project.

INDIRECT COSTS

As a result of the completion of this proposed Project, it is only reasonable to assume that there will be additional indirect costs associated with services to be provided to accomplish long range objectives of the School District. It is reasonable to assume that they will be needed at a cost of approximately \$534,400.

School District officials have estimated the additional annual indirect costs associated with the Project to be as follows:

Support Personnel	\$182,000
Additional Custodial Supplies	28,000
Additional Fuel and Utilities	90,000
Additional Contracted Maintenance & Repairs	30,000
Transportation	175,900
Additional Insurance Premium	<u>28,500</u>
Total	\$534,400

Assuming a collected mill currently provides \$1,365,171, the indirect costs will have a millage impact of 0.39 mills annually.

TOTAL MILLAGE EQUIVALENT

The total millage equivalent of the Project assuming wrap around payments is:

\$9,900,000 G.O. Bonds on Table 1 =	0.28 mills
\$9,995,000 G.O. Bonds on Table 2 =	0.24 mills
\$10,000,000 G.O. Bonds on Table 3 =	0.33 mills
\$27,500,000 G.O. Bonds on Table 4 =	0.92 mills
\$23,000,000 G.O. Bonds on Table 5 =	0.75 mills
\$5,305,000 G.O. Bonds on Table 6 =	0.17 mills
Plus: Indirect Costs	<u>0.39 mills</u>
TOTAL	3.08 MILLS

TIMELINE FOR NEW BUILDING

From now to September 2015	Planning, design and creating of bid documents
October 2015	Project goes to bid
November 2015	The School Board awards bids
January 2016	Construction begins

TIMELINE FOR
NEW BUILDING

<p>July 1, 2018</p>	<p>Target Date for Completion</p>
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**QUESTIONS/
COMMENTS**

MISSION STATEMENT

Students are the primary focus of the West Jefferson Hills School District where, in partnership with families and community, the mission is to educate and prepare all students to become active, contributing members of society by providing a challenging, innovative educational program guided by an exceptional staff in a safe, positive, caring environment, all of which promote excellence.

**Board to Vote on
PlanCon Part D on
June 25, 2015, at
7:30 PM in the
Thomas Jefferson
High School
Cafeteria**



**Thank You, and Good
Night!**