



CAPITAL PROJECT UPDATE

October 26, 2021



BLIND BROOK-RYE UFSD

Community Objectives for BMRSS

- Voters in 2017 overwhelmingly supported investing in the modernization of the Bruno M Ponterio Ridge Street School for the first time in half a century
- From the outset, the mission has been to create a 21st century learning center for our students. A school that is a safe and comfortable space and is both environmentally appropriate and flexible enough to meet future programming needs
- Completing BMRSS will achieve this mission and provide a benefit to the community for years to come



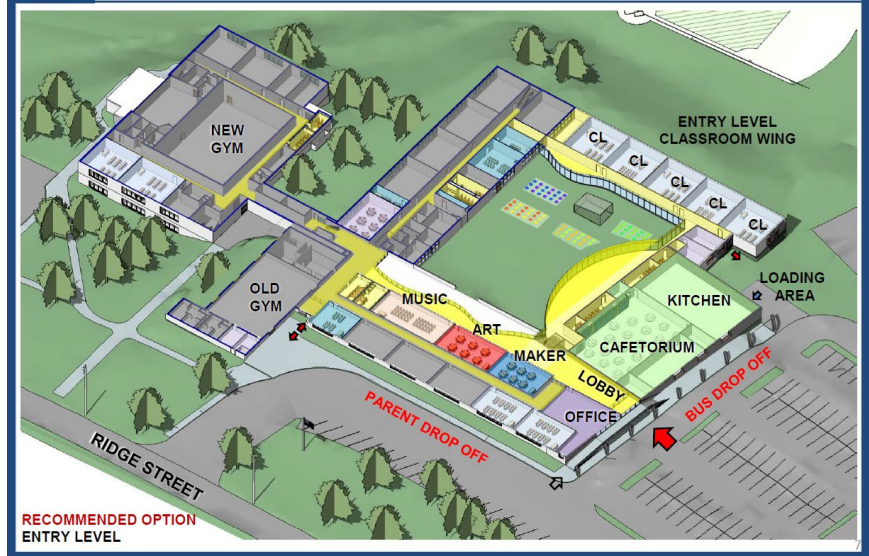
Original Budget

The BMRSS capital project was approved in October 2017 in an effort to modernize our aging elementary school

Why is the BMRSS Project being Proposed?

1. It has been 50+ years since the last significant renovation to the Bruno M. Ponterio Ridge Street School (BMRSS).
2. Maintaining the Butler Wing (kindergarten & 1st grade), kitchen, and cafeteria is no longer a justifiable expense.
3. Replacing outdated small classrooms with environmentally appropriate and flexible learning spaces will meet current and future programming needs for the 21st century.
4. Critical Infrastructure items such as electrical panels, fire alarms, and ventilation systems need replacement.
5. Renovations to Library Wing and Main Office Wing classrooms and offices.

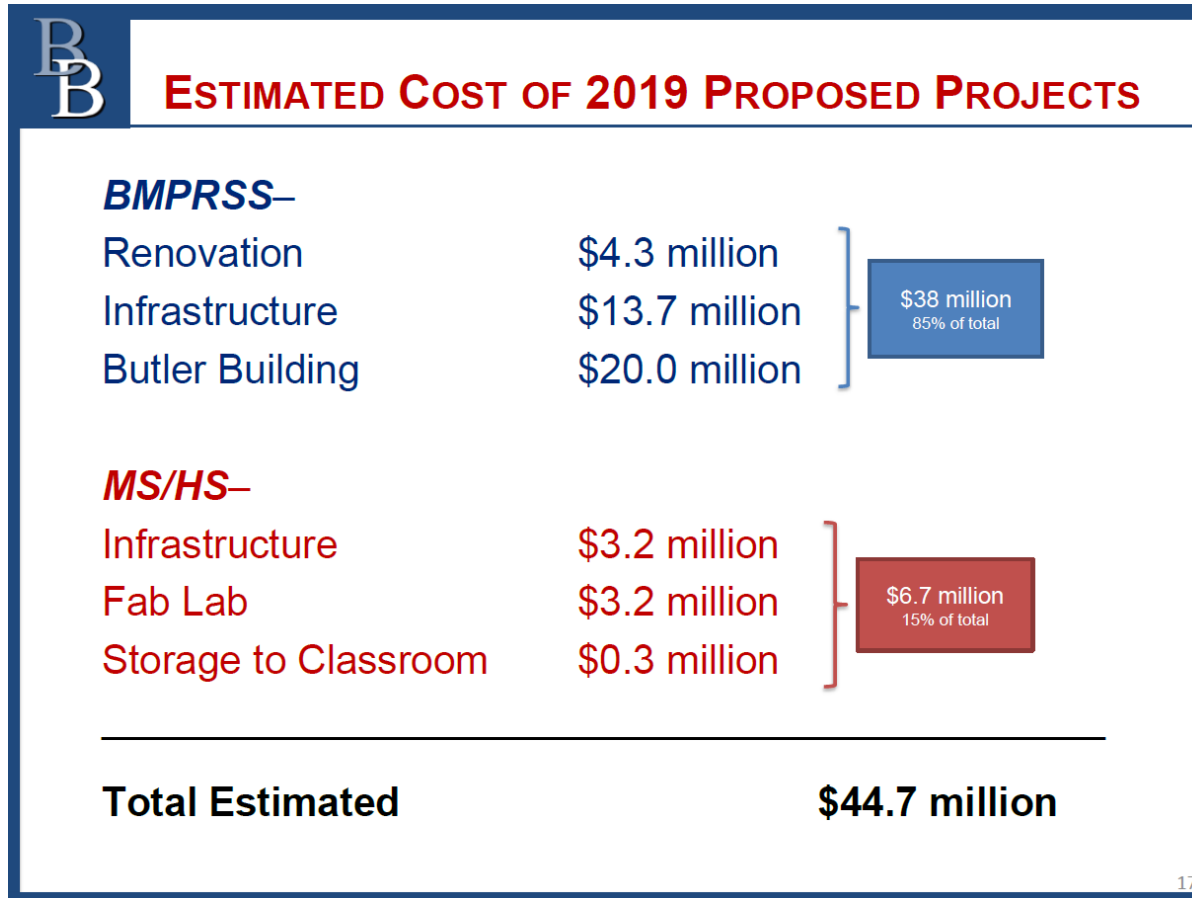
NEW CONSTRUCTION – BUTLER BUILDING





Original Budget

The overall project was scheduled to be completed at the end of 2020 and was estimated to cost \$44.7 million





Updated timing of RSS project

The updated schedule shows the completion of the project in the Spring of 2022

<u>Phase</u>	<u>Description</u>	<u>Completion Date</u>
Phase 1	24 classrooms, 2 gyms and alternative use spaces	September 2021
Phase 2	New K & 1 wing Enrichment center	November 2021
Phase 3	Courtyard	Winter/Spring 2022
Phase 4	Cafetorium	Spring 2022
Phase 5	Remaining spaces	Spring 2022



How much more money is needed?

There have been significant cost overruns on the project

Based on our current estimates, the district will need another \$4.8 to \$6 million to complete the project

Cost reconciliation (in thousands)	
Amounts expensed (as of 10/22/21)	\$39,453
Contractual amounts remaining	8,045
Less original budget	(44,700)
Current amount over budget	\$2,798
Plus anticipated professional fees	1,000-1,500
Plus future contingencies	500 - 2,000
Total amount needed	\$4,800 - \$6,000



Additional authorization

The district requests authorization for up to an additional \$6 million to complete the project with two core principles in mind

1. Act in a fiscally responsible manner by finding the smallest debt increase possible that provides certainty on the project and
2. Don't take away money from the classrooms and students

Cost Estimates (in thousands)	
Original estimate (voter authorization in October 2017)	\$44,700
Estimate of additional costs	4,800 - 6,000
Total	\$49,500 - 50,700
Needed additional authorization	Up to \$6,000



Financing alternatives

- District will request authorization to borrow up to \$6 million to finish the Ridge Street School project
- Decision on amount and form of borrowing does not need to be made until January
 - We will only borrow what we need
- Two main sources of financing options
 - Bond Anticipation Notes - short term, lower interest rate
 - Bonds - 20 year, not prepayable for 9 years
- Board deciding on options to finance
 - Trade-off between near term certainty on interest rate vs. flexibility
- Any amounts recovered in the future will be used to repay debt



Estimated Annual School Tax Increase if Debt = \$6.0 Million

The average annual school tax bill would increase by less than
1%

Home with an Average Assessed Value in 2021-2022 \$888,943

Current School Tax on Average Home \$15,793
(before STAR benefits applied)

Estimated School Tax on Average Home *(with \$6.0 million in new debt)* \$15,917
(before STAR benefits applied)

Annual Increase in School Taxes with \$6.0 million in new debt \$124

The additional bond debt service will be payable over 20 years with the first-year payment equal to \$345,361.52



Debt schedule

<u>Fiscal</u>	<u>Annual Debt Service - Old</u>	<u>Annual Debt Service - New</u>
	\$4,092,762.51	\$4,092,762.51
2021-2022	\$4,070,568.76	\$4,415,930.28
2022-2023	\$4,055,381.26	\$4,403,157.76
2023-2024	\$4,037,018.76	\$4,384,109.26
2024-2025	\$4,015,481.26	\$4,361,577.76
2025-2026	\$2,835,462.51	\$3,180,173.01
2026-2027	\$2,823,156.26	\$3,170,928.76
2027-2028	\$2,810,062.51	\$3,155,312.76
2028-2029	\$2,801,125.01	\$3,148,354.51
2029-2030	\$2,796,231.26	\$3,140,053.26
2030-2031	\$2,790,325.01	\$3,135,460.51
2031-2032	\$2,783,406.26	\$3,129,614.26
2032-2033	\$2,780,418.76	\$3,127,512.26
2033-2034	\$3,776,306.26	\$3,119,145.01
2034-2035	\$3,774,459.38	\$3,117,900.38
2035-2036	\$2,769,787.50	\$3,113,618.50
2036-2037	\$2,767,125.00	\$3,111,145.50
2037-2038	\$2,761,375.00	\$3,105,412.50
2038-2039	\$2,759,062.50	\$3,102,941.50
2039-2040	-	\$343,508.50
2040-2041	-	\$347,880.75
2041-2042		

Last year of 2005
Bond debt service
payments

Last year of 2019
Bond debt
service
payments



Why did costs escalate?

- Change Orders from General Contractor and other prime contractors of over \$5 million including:
 - Redesign of HVAC System
 - Steel frame issues on roof
 - Structural reinforcement of windows and temporary windows
 - Corridor redesign between 1955 wing and new classroom wing
 - Overtime
- Additional professional services were required
 - Project management has extended longer than anticipated
 - Other services including legal, architectural consultants, experts and other personnel

Two important notes

- All approved change orders are posted onto the district website and are available for public review
- It is premature at this time to discuss fault or liability issues



Steps taken

We understand the community's frustration with the project and have taken steps to increase the rigor and scrutiny applied at each step going forward

- Engaged BBS Architects as consultants
 - will remain involved as necessary to maintain progress
- Leveraged community input and expertise by reinstating the Facilities Committee
 - 17 members divided into Construction, Finance & Bond and Communications/Community Relations Subcommittees
 - Construction Project Subcommittee includes 7 community members with extensive project management experience
- Engaged EFPR Accountants to perform an independent review of the project financials
 - Tentatively scheduled to present at November 16th meeting



New processes put in place

- All change orders will receive increased scrutiny
 - BBS will review all proposed change orders
 - Facilities committee will remain involved
- Preparation for inspections
 - BBS to stage full walkthroughs of each phase prior to any inspection
 - Greater engagement with inspectors and SED
- Tap into community expertise
 - Standing weekly meeting with Facilities Committee to identify trouble spots and attempt to rectify issues quickly

A Reminder on the Cafetorium

- The cafetorium is both a cafeteria and an auditorium with retractable seating for up to 350 people.
- A modern and expanded kitchen will allow for preparation of new, healthy student lunch options.
- Create a large group assembly space, and fully functional performance space with full-sized stage.





What if bond vote fails?

- Project likely to run out of authorized funds somewhere between January and February, 2022
 - Cash will be available, but once invoiced amount exceeds authorized amounts, project will need to halt
- Without voter approval, district will likely be forced to close up unfinished cafetorium and utilize currently available space
 - Children continue to eat in gym, classrooms and outside
 - Outside of building will remain unfinished for an extended period of time
- The board would consider alternative solutions in consultation with counsel, including reviewing whether the incomplete building would create a public emergency



Important voting information

Bond Vote

Tuesday, December 21

7:00 am to 9:00 pm

Blind Brook High School

Other key voting dates

- If not registered to vote, **must register by December 13, 2021.** Please register through DMV (dmv.ny.gov) or District Clerk (for school elections only)
- Absentee ballot applications will be posted on district website and may be submitted: Nov. 21st - Dec. 20th



Upcoming Dates

November 16	EFPR presentation on audit of the capital project at regularly scheduled BOE meeting
November 21	First day to request absentee ballots
December 7	Construction update at regularly scheduled BOE meeting
December 13	Last day to register to vote (if not already registered)
December 21	VOTE at Blind Brook High School from 7 am to 9 pm

BMPRSS - A 21st Century School

When the ribbon is cut on the newly renovated and expanded Ridge Street School, it will be a centerpiece for community pride, a facility that demonstrates our shared commitment to the educational formation of our students.

It will also be a monument to this community's patience and active support in navigating a challenging process to bring it to completion.





Discussion

Q&A