



Reynolds Response to Board Question Supplied on 4/10
Upper Adams School District – Our Answers to Your Questions

Question 1: Why are Reynolds savings over 20 years significantly different than McClure's?

Answer: There are multiple categories of savings and the following is a breakdown of each:

- **Energy Savings:** The McClure proposal states that they did not use actual utility data from Upper Adams School District, but instead used "average utility consumption, operational hours and rates" and stated that they will "adjust" these numbers later.

Reynolds did use actual utility usage and the results prove the facilities staff at UASD is doing a fantastic job of saving energy, and because the project will add air conditioning it is impossible to get significant additional metered savings. The maximum practical energy savings contribution to this project is less than \$500,000 over 20 years.

- **Maintenance Savings:** McClure's proposal claims maintenance cost savings from closing the Arendtsville and Bendersville schools. Reynolds discussions with UASD staff indicate that these two facilities have very low maintenance. The new facilities that replace these will have routine maintenance right from the start, and while there may be some savings it is likely that it is greatly over-stated. The cash flow escalates this savings over 20 years, assuming that the equipment installed now will never need additional maintenance, which over-states the value by two to three times its actual value. Reynolds typically investigates this type of savings after the options have been narrowed to those that have the greatest benefits so that the numbers can be more accurately portrayed.
- **Transportation Savings:** McClure has included an estimated savings for transportation; this savings is direct to the district and not unique to McClure. Again, Reynolds typically investigates these savings after the options have been narrowed so the district's transportation department can focus on fewer options and we are able to provide more detailed and accurate savings estimates.
- **Full-Time Employees:** The McClure proposal includes a reduction of staff at a rate of \$200,000 per year/ per staff member, which seems to be very high for one staff member. Reynolds asked the administration about staff reduction and was told that staff reductions are very unlikely. Further, the feasibility study performed by CRA mentions a potential increase in staff. Additionally, the text mentions this occurring in year five, but the cash flow appears to include it beginning in year 1, again significantly overstating the value. **This single item accounts for \$5,374,000 of the proposed \$7mil in savings.**



Additional notes: The McClure proposal indicates that the projected savings will offset \$7mil of project cost. This is false. The entire project amount must be paid by the district up front and financed through a bond. These savings occur over time and therefore interest paid on the bond must be considered. The net value of the proposed \$7mil in savings will offset about \$5mil in project cost. However, the actual savings will be significantly lower than this. The district should understand that less than 10% of these savings are guaranteed and the remaining are "stipulated by the district", meaning that if, and when, there is a shortfall, the district will be responsible to pay it. **A decision based off this date could potentially force the district to raise taxes or eliminate positions at an otherwise accelerated/un-projected rate to pay for the project. This may potentially require a referendum.**

Question 2: Your MEP Upgrades and Alternates are not included in the base cost. What are MEP upgrades? Are they needed now? Are they looming costs to be dealt with later?

Answer: We have included your immediate current needs in our base scope. The money that is reserved for 5-10 years includes a budget estimate for mechanical, electrical, and security upgrades that will be necessary based on the life-cycle of the existing building systems. When you accomplish this work depends on how your systems age (based upon how well they were maintained). However, we have accounted for ALL potential cost items in our base and 5-10 years. Those numbers were provided to establish an appropriate price range for your budget planning purposes.

Question 3: Are all the windows at Biglerville Elementary being replaced?

Answer: All wood-framed windows are being replaced. The primary cause of the damage to these wood-framed windows is the existing conditions of the BES gutter system. However, these windows are residential grade windows that were likely an alternate at the time of original construction and are not well-suited for this type of facility.

Question 4: Bendersville ES moisture-problem?

Answer: The Reynolds Dehumidification system that is proposed for installation would resolve this issue in totality. The current moisture problem stems from several things; a likely contributor is the current location of the outside air dampers.



Question 5: 18 inches to the side of all doorways? Is this a new ADA requirement? Is it necessary if we 'open' the building for renovation? Would an electronic switch suffice?

Answer. This would be optional work. The district is not required to do anything under the proposed scopes of work. However, 18 inches is the current ADA requirement for new construction. This scope would be part of a comprehensive ADA upgrade program, if that were something the Board wanted to pursue.

Question 6: Deferred Maintenance is mentioned. To calculate the real costs over the next 20 years, we need to have a realistic idea of that cost estimate for each building.

Answer: This information is provided in our proposal. It can be found in the 5-10 year category. Otherwise, our base scopes were developed and are recommended to achieve a facility program/upgrades that would provide your building systems a 'new' 20-year life cycle.

Question 7: You recommend new tile floors, ceiling tiles, and locker replacement at the middle school?

Answer: This recommendation and scope of work is provided for you to consider. These items are mostly 'aesthetic' upgrades and are optional scopes of work. In our base projects we included architectural scopes of work if we felt they would help the district to achieve 'aesthetic continuity'. The locker replacement was considered because it was mentioned that the current size renders them less than effective for today's student demands. None of these items *require* replacement and can be selected or removed in development.

Question 8: You included \$8 Million in MEP Upgrades and alternates at the High School. Please explain?

Answer: Both proposals included only partial replacement of the MEP systems – addressing only the most pressing conditions. The balance of the systems components will need to be addressed in the next 5-10 years. Reynolds provided this additional estimate to accurately demonstrate the future costs associated with the MEP system. Our estimate includes all the necessary base work, plus allowances for additional work such as security, controls, and other related needs the district may have.

Further, these estimates are not provided to be aggressive to 'sell' you on a project. They are provided to be realistic for budget planning purposes.



Question 9: There are nearly \$4 Million in MEP Upgrades and flooring alternates at BES?

Answer: The \$4 million dollars allocated is again located in Reynolds 5-10 year category and this information was provided for the same reasons as stated above. We have revised the close to \$4 million to \$1.6 million on the version that was provided on 4/10. We did not remove the MEP 'base' scope of work from our life-cycle costs analysis at that facility; therefore, it was counted twice. Our base program includes addressing \$1.8 million in MEP needs in the base project. This scope of work was discussed heavily with your Aramark staff and reflects their immediate concerns for the building system. In addition, this is a legitimate estimate – it is not an aggressive project sale point estimate. Due to the location of your existing Mechanicals and the Design of that facility, there needs to be dollars allocated for the ancillary work that will be required to occur during install and demo of those systems. Our estimate includes those dollars.