WHITEHALL-COPLAY SCHOOL DISTRICT

New Elementary School (Grades K-1)
Whitehall Township, Lehigh County, Pennsylvania

PUBLIC HEARING IN COMPLIANCE WITH ACT 34

Public Hearing to be held
Monday, September 13, 2021 at 5:00 PM

Large Group Instruction Room of the
Whitehall High School
3800 Mechanicsville Road
Whitehall, Pennsylvania 18052

BRESLIN ARCHITECTS
AGENDA FOR THE
HEARING
September 13, 2021, at
5:00 PM

Whitehall-Coplay School District

I. Opening Remarks Dr. Robert Steckel
Superintendent

II. Hearing Duly Constituted David Comer, Esq.
Fox Rothschild LLP

III. Project History and Need for Construction Dr. Robert Steckel
Superintendent

IV. Options Considered / Option Chosen Dr. Robert Steckel
Superintendent

V. Project Description Stephen J. Behrens, A.I.A.
Breslin Architects

VI. Estimated Project Costs James Hanna
D’Huy Engineering, Inc.

VII. Financial Analysis Brad Remig
Independent Financial Advisor
PFM Financial Advisors, LLC

VIII. Public Questions and Comments David Comer, Esq.
Fox Rothschild LLP

IX. Adjournment

BRESLIN ARCHITECTS
OPENING REMARKS
Dr. Robert Steckel, Superintendent

• Welcome and introduction of the Board Members and Project Team.

• The Project vision and plan is a result of the input and engagement of various stakeholders.

• The intention is to construct a new K-1 elementary school for 700 students.

• The Board approved the development of the new K-1 elementary school Project. There have been various approvals and checkpoints up to tonight.

• A portion of the existing K-1 school (Gockley Elementary) will be repurposed as the District Administration Building.
“Act 34” requires this hearing.

Board Resolution was adopted on Monday, August 9, 2021.

Notice of Public Hearing was advertised on August 18, 2021.

Booklet describing Project has been made available.

After the presentation by the team, questions and statements will be taken.
Project HISTORY AND NEED FOR THE CONSTRUCTION

Dr. Robert Steckel, Superintendent

The current Elementary School program delivers regular education curriculum and special education services. Furthermore, students are provided with intervention, remediation, and enrichment strategies.

Challenges at Gockley Elementary:

- Targeted supports are delivered in common areas including hallways, pod areas, and meetings;
- Unable to fully house outside services such as Pre-K programs, mental health supports, and Intermediate Unit programs.

Justification for a New Elementary School:

Provide more opportunities for a comprehensive academic program for students in full-day Kindergarten and First Grade.

In the 2018/2019 school year, the WCSD elected to implement full-day Kindergarten for all eligible students to provide more instructional time and support the following goals and outcomes:

- Dive deeper into the rigorous PA Core Standards;
- Support students’ social and emotional skills;
- Prepare students fully for 1st grade; and
- Provide more creative and varied experiences in full-day kindergarten
OPTIONS CONSIDERED / OPTION CHOSEN

Dr. Robert Steckel, Superintendent

OPTION 1

- Renovate Gockley Elementary to modernize, replace demountable walls and address Capital Improvement Plan recommendations.
- Renovate High School to improve space utilization and address Capital Improvement Plan recommendations.

OPTION 2.1

- Construct a new Half-day K-1 Elementary School with a functional capacity of 630 students to replace Gockley Elementary.
- Renovate High School to improve space utilization and address Capital Improvement Plan recommendations.
- Renovate Gockley for District Administration and other uses.

OPTION 2.2 - Option Chosen

- Construct a new Full-day K-1 Elementary School with a functional capacity of 750 students to replace Gockley Elementary. (During Design, building capacity was reduced to 700 students.)
- Renovate Gockley for District Administration and other uses.
- Renovate High School to improve space utilization and address Capital Improvement Plan recommendations.

OPTION 3

- Build a new Full-day Kindergarten Center with a functional capacity of 320 students to replace Gockley Elementary.
- Move 1st grade to Steckel Elementary, renovate and construct an 8 classroom addition.
- Renovate High School to improve space utilization and address Capital Improvement Plan recommendations.
- Renovate Gockley for District Administration and other uses.

The conclusion of the elected Whitehall-Coplay School District Board of School Directors and the District Administration is to construct a new K-1 Elementary School. It has been determined through the feasibility study process that alteration and expansion of the aging Gockley Elementary School is not the most fiscally responsible option. Furthermore, the design of the new building will offer the best opportunity to provide a state-of-the-art learning environment.
The Project is a 93,480 square foot, two story, 700 student K-1 elementary school.

The school will house 14 kindergarten classrooms, 14 first grade classrooms, 4 special education classrooms and all related facilities including a library, art and music classrooms, and a multi-purpose room.

The site can accommodate 18 busses, 16 dedicated parent drop-off spaces, and 89 parking spaces.

The programmed areas in the New Elementary School are as follows:

1. Library
2. 14 Full-Time Kindergarten Classrooms
3. 14 First Grade Classrooms
4. 4 Special Education Classrooms
5. 9 Small Group Rooms
6. 1 Computer Classroom/Maker Space
7. 1 Music Classroom
8. 1 Art Room
9. 1 Large Group Room
10. 1 Multipurpose Room/Cafeteria
11. 1 Stage
12. 1 Full-Service Kitchen
13. 1 Nurse’s Suite
14. 1 Administration/Guidance Suite
• The Project is following the PDE PlanCon A and B approval process, however, PlanCon is in a moratorium.

• The Project has been submitted to various agencies including the Township for approval. Final approvals are pending.
  • The main Project will be competitively bid in January 2022.
  • Construction will start in March 2022.
  • Construction and site work are anticipated to be completed by June 24, 2024

• The Project costs are based on a very efficient and functional building.

• A value engineering study was performed on all of the building systems in order to provide the value to the District.
### PLANCON FORM-D02 - Project ACCOUNTING BASED ON ESTIMATES

**Whitehall-Coplay School District**

#### Project Accounting Based on Estimates (1 of 2)

<table>
<thead>
<tr>
<th>Item</th>
<th>Budget</th>
<th>Actual</th>
<th>Difference</th>
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<td><strong>TOTAL</strong></td>
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#### Project Accounting Based on Estimates (2 of 2)

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**PLANCON FORM-D03 - Project ACCOUNTING BASED ON ESTIMATES**

**Whitehall-Coplay School District**

#### Project Accounting Based on Estimates (1 of 2)

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**BRESLIN ARCHITECTS**

**REVISED JULY 1, 2010**

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**DEI Engineering, Inc.**

**FORM EXPIRES 6-30-12**

**PLANCON-D03**
# Advertised Act 34 Maximum Building Construction Cost
(PlanCon D20)

## ESTIMATED Project COSTS

**Whitehall-Coplay School District**

**PLANCON FORM-D20 - ACT 34 OF 1973 MAXIMUM BUILDING CONSTRUCTION COSTS**

**ACT 34 OF 1973: MAXIMUM BUILDING CONSTRUCTION COST**
FOR NEW BUILDING OR SUBSTANTIAL ADDITION ONLY

<table>
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<tr>
<th>Description</th>
<th>Amount</th>
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<tr>
<td><strong>Total Excludable Costs</strong></td>
<td>$28,966,336</td>
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<tr>
<td><strong>Act 34 Maximum Building Construction Cost</strong></td>
<td>$31,283,643</td>
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</table>

**A. STRUCTURE COST, ARCHITECT’S FEE, MOVABLE FIXTURES AND EQUIPMENT**

- **Advertised Act 34**
- **Maximum Building Construction Cost**

**B. EXCLUDABLE COSTS FOR NEW CONSTRUCTION**

1. Site Development Costs
   - (D04, line A-7-N) $4,287,216
2. Architect’s Fees on the above excludable costs
   - $2,569,388
3. Vocational Projects Only - Movable
   - Fixtures & Equipment (D02, line C-3-NEW)
   - $4,544,154
4. Total Excludable Costs
   - (B-1 plus B-2 and B-3)
   - $28,966,336

**C. Act 34 Maximum Building Construction Cost**

- (A minus B-4)
- $31,283,643

**IF THE MAXIMUM BUILDING CONSTRUCTION COST BASED ON BIDS IS EQUAL TO OR GREATER THAN THE MAXIMUM BUILDING CONSTRUCTION COST BASED ON ESTIMATES PLUS EIGHT PERCENT (LINE D), A SECOND PUBLIC HEARING WILL BE REQUIRED BEFORE ENTERING INTO CONTRACTS AND STARTING CONSTRUCTION ON ANY PLANNED WORK.**

**REVISED JULY 1, 2010**

**FORM EXPIRES 6-30-12**

**BRESLIN ARCHITECTS**

**DEI**
ESTIMATED Project COSTS

As adopted by the Board of School Directors:

• The Maximum Project cost is: $40,025,586
• The Maximum Building Construction Cost is: $28,966,336

There will be a number of alternate Bids including:

• Sod against the building
• Roofing alternates
• Floor finish alternates
• Alternate ATC and HVAC manufacturers
## COMPARISON OF LONG TERM FINANCING METHODS

<table>
<thead>
<tr>
<th>ITEM</th>
<th>GENERAL OBLIGATION</th>
<th>LOCAL AUTHORITY</th>
<th>SPSBA</th>
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<tbody>
<tr>
<td>Construction &amp; Related Costs</td>
<td>$ 35,567,700</td>
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<td>$ 35,567,700</td>
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<tr>
<td>Contingency &amp; Supervision</td>
<td>$ 3,427,000</td>
<td>$ 3,427,000</td>
<td>$ 3,427,000</td>
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<tr>
<td>Costs of Issuance</td>
<td>$ 839,737</td>
<td>$ 860,500</td>
<td>$ 850,500</td>
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<tr>
<td>Bond Insurance</td>
<td>$ 191,149</td>
<td>$ 210,000</td>
<td>$ 200,500</td>
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<tr>
<td>Total Costs</td>
<td>$ 40,025,586</td>
<td>$ 40,065,200</td>
<td>$ 40,045,700</td>
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<td>Less: Interest Earned</td>
<td>$ 38,017</td>
<td>$ 40,200</td>
<td>$ 40,000</td>
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<tr>
<td>Less: Original Issue Premium</td>
<td>$ 502,569</td>
<td>$ 505,000</td>
<td>$ 505,700</td>
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<tr>
<td><strong>BOND ISSUE</strong></td>
<td>$ 39,485,000</td>
<td>$ 39,520,000</td>
<td>$ 39,500,000</td>
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<tr>
<td>Average Annual Payment at 3.00%** for 20 years</td>
<td>$ 2,627,794</td>
<td>$ 2,677,870</td>
<td>$ 2,676,502</td>
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</tbody>
</table>

* 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 3.20% as a result of higher interest costs associated with selling revenue bonds.
OTHER WAYS TO REDUCE DEBT SERVICE AND LOCAL EFFORT

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

1. The School District utilized bond insurance on the 2021B Bonds and may consider the use of bond insurance on the future 2022, 2023 and 2024 Bonds. The cost of such insurance may increase the size of the Bond Issues but reduce the interest rate the School District must pay on the Bonds, and result in lower debt service.

2. The School District utilized a wrap-around structure on the 2021B Bonds and may consider the use of a wrap-around structure on the 2022, 2023 and 2024 Bonds in order to take advantage of a drop off in old debt service which will minimize the millage impact.

3. For discussion purposes only, we have provided Tables 1, 2, 3 and 4 to reflect the estimated wrap around amortization schedules which may be used to fund the Project.
STATE REIMBURSEMENT / INDIRECT COSTS / TOTAL MILLAGE IMPACT

The School District does not anticipate receiving reimbursement from the State on this Project due to the PlanCon moratorium that is currently in place.

INDIRECT COSTS

As a result of the completion of this project, it is only reasonable to assume that there will be additional indirect costs associated with services to be provided to accomplish long range objective of the School District.

The Business Office has estimated the annual indirect costs associated with the Project to be as follows:

<table>
<thead>
<tr>
<th>Additional Insurance</th>
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<tr>
<td>Additional Utilities</td>
<td>$73,320</td>
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<tr>
<td>Total Annual Costs</td>
<td>$88,320</td>
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Assuming a collected mill currently provides $2,378,612, the indirect costs will have a millage equivalent of .04 mills annually.

TOTAL MILLAGE EQUIVALENT

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

| Table 1 = G.O. Bonds, Series B of 2021 $500,000 = 0.01 mills |
| Table 2 = G.O. Bonds, Series of 2022 $24,950,000 = 0.32 mills |
| Table 3 = G.O. Bonds, Series of 2023 $10,000,000 = 0.12 mills |
| Table 4 = G.O. Bonds, Series of 2024 $4,035,000 = 0.07 mills |
| Total                           | 0.52 mills |

The millage equivalent from the estimated bond issues of 0.52 mills plus the indirect costs of 0.04 mills equals a total millage equivalent of 0.56 mills.
PUBLIC QUESTIONS AND COMMENTS

David Comer, Esq.

GUIDELINES

• Any and all interested persons will be given reasonable opportunity to be heard.

• Sign in sheets are available.

• Booklet describing the Project has been made available.

• The Board will call upon individuals signing such sign-in sheets in the order in which they appear. When recognized, please approach the microphone and first state your name and address. Please speak clearly as the comments are being transcribed by a stenographer.

• Testimony will be limited to five minutes per interested person.

• No person shall be allowed to speak a second time until all parties testifying the first time have been heard. The Board will allow public comment and/or questioning until the conclusion of the hearing.