

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



D'HUY Engineering, Inc.

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**

OPENING
REMARKS

Whitehall-Coplay School District

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.

HEARING **DULY**
CONSTITUTED
David Comer, Esq.

Whitehall-Coplay School District

- “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

Whitehall-Coplay School District

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

Whitehall-Coplay School District

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.

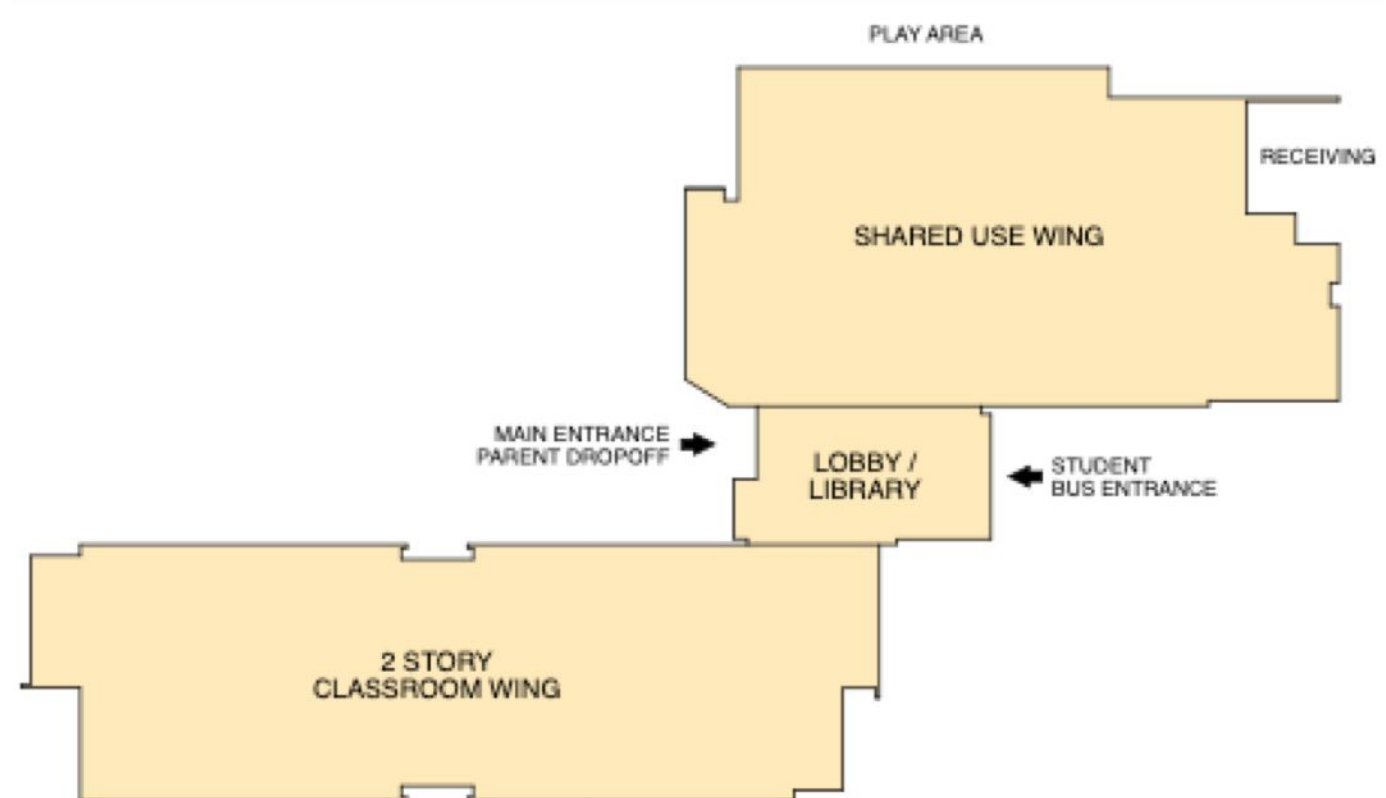
Project **DESCRIPTION**

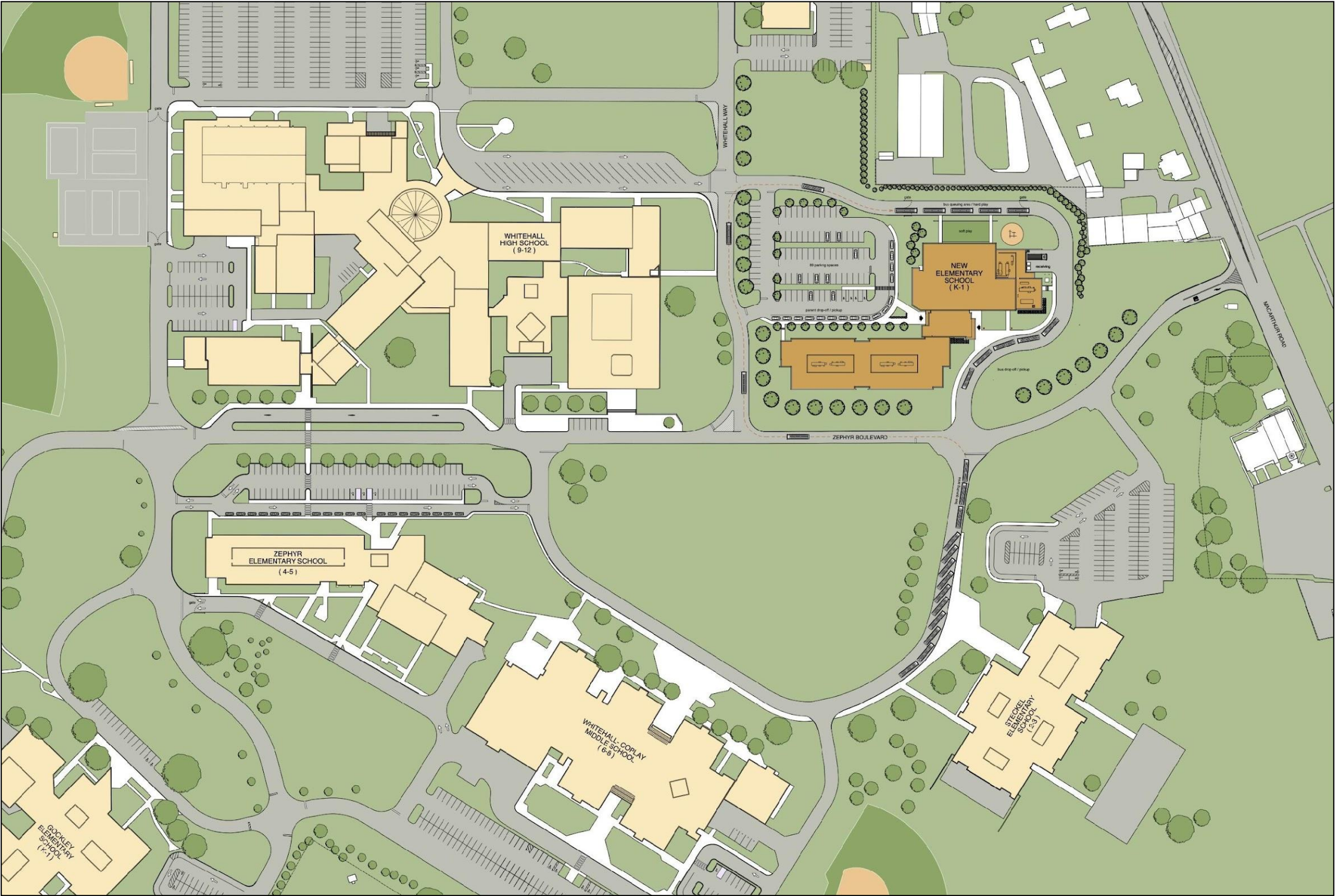
Whitehall-Coplay School District

Stephen J. Behrens, AIA

- 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:

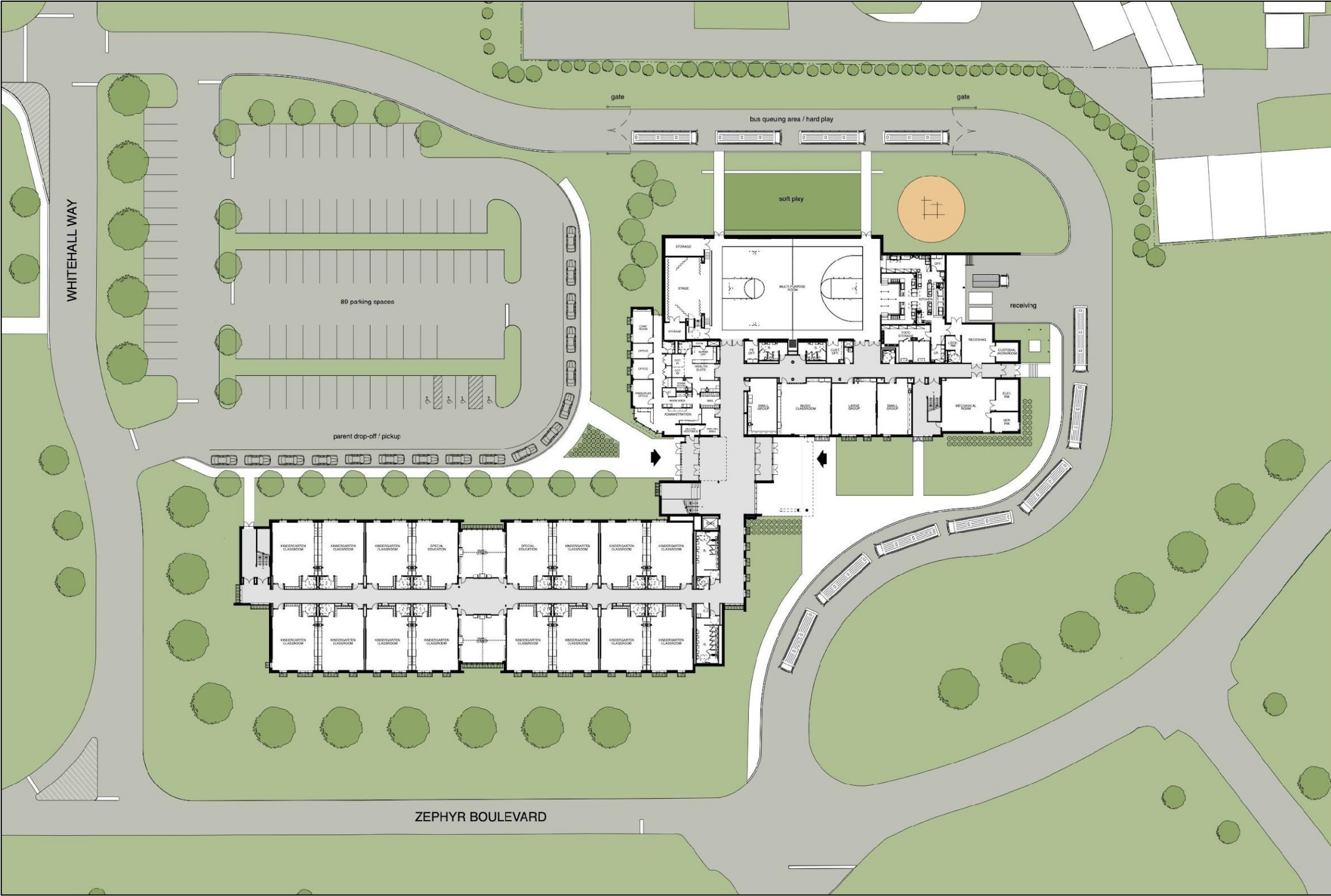
- 1 Library
- 14 Full-Time Kindergarten Classrooms
- 14 First Grade Classrooms
- 4 Special Education Classrooms
- 9 Small Group Rooms
- 1 Computer Classroom/Maker Space
- 1 Music Classroom
- 1 Art Room
- 1 Large Group Room
- 1 Multipurpose Room/Cafeteria
- 1 Stage
- 1 Full-Service Kitchen
- 1 Nurse's Suite
- 1 Administration/Guidance Suite





**FIRST FLOOR
PLAN**

Whitehall-Coplay School District



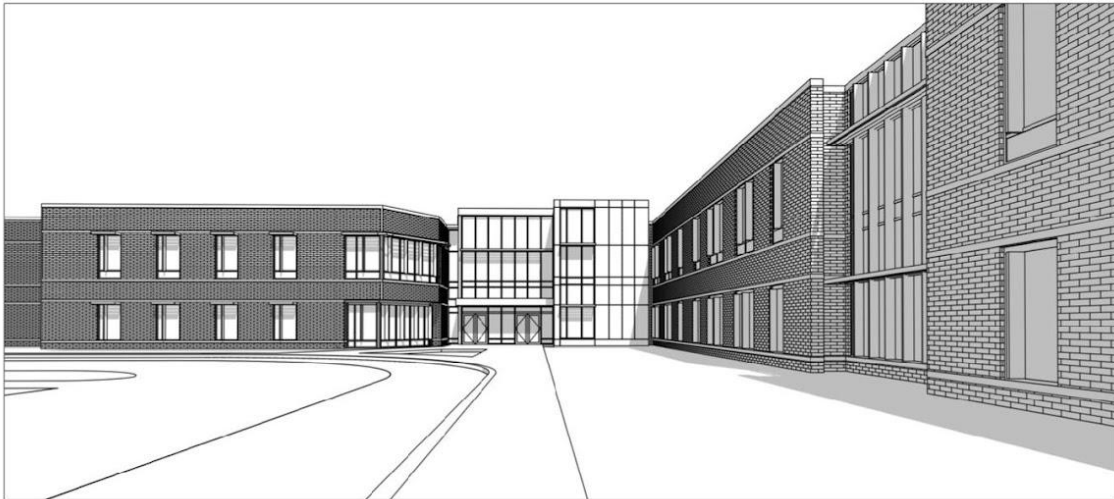
**SECOND FLOOR
PLAN**

Whitehall-Coplay School District



RENDER
INGS

Whitehall-Coplay School District



VIEW OF WEST PUBLIC ENTRANCE



VIEW OF EAST STUDENT ENTRANCE



VIEW OF WEST PUBLIC ENTRANCE



VIEW OF EAST STUDENT ENTRANCE

ESTIMATED Project COSTS

James Hanna

Whitehall-Coplay School District

- 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.

ESTIMATED Project COSTS

Whitehall-Coplay School District

PLANCON FORM-D02 - Project ACCOUNTING BASED ON ESTIMATES

PROJECT ACCOUNTING BASED ON ESTIMATES (1 of 2)			
District/CTC: Whitehall-Coplay School District	Project Name: New K-1 Elementary School	Project #:	
ROUND FIGURES TO NEAREST DOLLAR			
PROJECT COSTS	NEW	EXISTING	TOTAL
A. STRUCTURE COSTS (include site development)			
1. General (Report costs for sanitary sewage disposal on line E-1.)	21,114,100		21,114,100
2. Heating and Ventilating	4,074,200		4,074,200
3. Plumbing (Report costs for sanitary sewage disposal on line E-1.)	1,721,500		1,721,500
4. Electrical	4,239,000		4,239,000
5. Asbestos Abatement (D04, line C-3)	X X X X X X		
6. Building Purchase Amount	X X X X X X		
7. Other * (Exclude test borings and site survey)			
a. _____			
b. _____			
c. _____			
d. _____			
e. PlanCon-D-Add't Costs, Total			
A-1 to A-7 - Subtotal	31,148,800		31,148,800
8. Construction Insurance			
a. Owner Controlled Insurance Program on Structure Costs (Exclude asbestos abatement, building purchase and other structure costs not covered by the program)			
b. Builder's Risk Insurance (if not included in pri	39,930		39,930
c. Construction Insurance - Total	39,930		39,930
9. TOTAL-Structure Costs (A-1 to A-7-Subtotal plus A-8-	31,188,730		31,188,730
B. ARCHITECT'S FEE			
1. Architect's/Engineer's Fee on Structure	1,821,760		1,821,760
2. EPA-Certified Project Designer's Fee on Asbestos Abatement	X X X X X X X X X X X X		
3. TOTAL - Architect's Fee	1,821,760		1,821,760
C. MOVABLE FIXTURES AND EQUIPMENT			
1. Movable Fixtures and Equipment	500,000		500,000
2. Architect's Fee			
3. TOTAL - Movable Fixtures & Equipment	500,000		500,000
D. STRUCTURE COSTS, ARCHITECT'S FEE, MOVABLE FIXTURES & EQUIPMENT - TOTAL (A-9 plus B-3 and C-3)	33,510,490		33,510,490
E. SITE COSTS			
1. Sanitary Sewage Disposal	54,000		54,000
2. Sanitary Sewage Disposal Tap-In Fee and/or Capacity Charges	60,000		60,000
3. Owner Controlled Insurance Program/Builder's Risk Insurance on Sanitary Sewage Disposal	70		70
4. Architect's/Engineer's Fee for Sanitary Sewage Disposal	3,240		3,240
5. Site Acquisition Costs		X X X X X X X X X X X X X X X X X X	
a. Gross Amount Due from Settlement Statement or Estimated Just Compensation			
b. Real Estate Appraisal Fees		X X X X X X	
c. Other Related Site Acquisition Costs		X X X X X X	
d. Site Acquisition Costs - Total		X X X X X X	
6. TOTAL - Site Costs	117,310		117,310
F. STRUCTURE COSTS, ARCHITECT'S FEE, MOVABLE FIXTURES & EQUIPMENT, AND SITE COSTS - TOTAL (D plus E-6)	33,627,800		33,627,800
* Type "No Fee" beside each item for which no design fee is charged.			

PLANCON FORM-D03 - Project ACCOUNTING BASED ON ESTIMATES

PROJECT ACCOUNTING BASED ON ESTIMATES (2 of 2)				
District/CTC: Whitehall-Coplay School District	Project Name: New K-1 Elementary School		Project #:	
ROUND FIGURES TO NEAREST DOLLAR				
PROJECT COSTS (CONT.)				TOTAL
G. ADDITIONAL CONSTRUCTION-RELATED COSTS				
1. Project Supervision (inc. Asbestos Abatement Project Supervision)				
2. Construction Manager Fee and Related Costs				960,500
3. Total Demolition of Entire Existing Structures and Related Asbestos Removal to Prepare Project Site for Construction of New School Building and Related AHERA Clearance Air Monitoring and EPA-Certified Project Designer's Fee on Asbestos Abatement (Exclude costs for partial demolition.)				125,000
4. Architectural Printing				10,000
5. Test Borings				30,000
6. Site Survey				13,500
7. Other (attach schedule if needed)				
a. _____				
b. PlanCon-D-Add't Costs, Total				1,761,400
8. Contingency				2,466,500
9. TOTAL - Additional Construction-Related Costs				5,366,900
H. FINANCING COSTS FOR THIS PROJECT ONLY	BOND ISSUE/NOTE SERIES OF 2021B	BOND ISSUE/NOTE SERIES OF 2022	BOND ISSUE/NOTE SERIES OF 2023	X X X X X X X X X X X X
1. Underwriter Fees	5,000	336,100	130,000	523,555
2. Legal Fees	391	40,000	40,000	105,391
3. Financial Advisor	358	40,000	40,000	105,358
4. Bond Insurance	1,218	124,549	47,200	191,149
5. Paying Agent/Trustee Fees and Expenses	21	750	750	1,955
6. Capitalized Interest				
7. Printing	63	12,000	12,000	31,000
8. CUSIP & Rating Fees	167	30,000	17,500	56,338
9. Other				
a. Internet Auction Administrator	27	2,750	2,750	7,117
b. Advertising/ Phone/ Fed-Ex		3,500	3,500	9,023
10. TOTAL-Financing Costs	7,245	589,649	293,700	1,030,866
I. TOTAL PROJECT COSTS (F plus G-9 plus H-10)				40,025,586
REVENUE SOURCES	BOND ISSUE/NOTE SERIES OF 2021B	BOND ISSUE/NOTE SERIES OF 2022	BOND ISSUE/NOTE SERIES OF 2023	TOTAL
J. AMOUNT FINANCED FOR THIS PROJECT ONLY	500,000	24,950,000	10,000,000	39,485,000
K. ORIGINAL ISSUE DISCOUNT/ PREMIUM FOR THIS PROJECT ONLY	38,998	467,638	30,603	502,569
L. INTEREST EARNINGS FOR THIS PROJECT ONLY	500	23,482	10,000	38,017
M. BUILDING INSURANCE RECEIVED				
N. PROCEEDS FROM SALE OF BUILDING OR LAND				
O. LOCAL FUNDS - CASH (SEE INSTRUCTIONS)				
P. OTHER FUNDS (ATTACH SCHEDULE)				
Q. TOTAL REVENUE SOURCES				40,025,586

TOTAL Project COST



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		
District/CTC: Whitehall-Coplay School District	Project Name: New K-1 Elementary School	Project #:
<p>Act 34 applies only to costs for new construction. The legal requirements do not address the costs for alterations to existing structures. For this reason, costs associated with the existing structure and other related costs should <u>not</u> be included in the following calculations.</p>		
A. STRUCTURE COST, ARCHITECT'S FEE, MOVABLE FIXTURES AND EQUIPMENT (D02, line D-NEW) \$ 33,510,490		
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 \$ 256,938		
3. Vocational Projects Only - Movable Fixtures & Equipment (D02, line C-3-NEW) \$		
4. Total Excludable Costs (B-1 plus B-2 and B-3) \$ 4,544,154		
C. ACT 34 MAXIMUM BUILDING CONSTRUCTION COST (A minus B-4) \$ 28,966,336		
<p>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.</p>		
D. ACT 34 MAXIMUM BUILDING CONSTRUCTION COST TIMES 1.08 (C times 1.08) \$ 31,283,643		

**Advertised
Act 34
Maximum
Building
Construction
Cost
(PlanCon D20)**

ESTIMATED Project
COSTS

Whitehall-Coplay School District

- 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

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

* 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:

Additional Insurance	\$	15,000
Additional Utilities	\$	<u>73,320</u>
Total Annual Costs	\$	88,320

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

Whitehall-Coplay School District

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.