



Issue Paper #17: School Bond Package Alternatives (Revised January 31, 2017)

1. Background

Following the January 4th Bond Advisory Committee meeting, staff reviewed the comments and recommendations from the table discussions and has developed three (3) new Bond Packages for the Committee's consideration. The assumptions between the packages include:

- The assumptions used for Assessed Value growth are the same for each alternative (see Issue Paper #16).
- The assumption used for period for the initial tax rate is 9 years (not 7 years) for all three alternatives.
- There is one new elementary school in South Hillsboro and one new elementary school in North Plains in all three of the alternatives. A second new South Hillsboro elementary school in the largest bond package only.
- A Brookwood replacement school is included in two of the three revised packages.
- All technology projects are included in each revised package (strong BAC support).
- We have added the "gymatoriums" to each revised package (strong BAC support).

At the February 1st Committee meeting we will present the revised bond package alternatives and then provide an opportunity for committee members to:

- Discuss the bond scenario packages as a group.
- Suggest modifications to the revised bond package alternatives.
- Prioritize a short-list of bond package alternatives that District staff can share with the community at a Community Open House on February 16th (see Issue Paper #18).

2. Bond Package Alternatives

At Bond Advisory Committee Meeting #3, staff shared six bond package alternatives at varying levels of funding. Committee members identified many comments and suggestions and directed staff to return to the February 1st Committee meeting with a set of revised bond packages. Based on this direction and comments received, staff has prepared the following three bond packages. Each bond package alternative continues to include "Mandatory" projects (highlighted in red type) and "Strongly Recommended Items" (highlighted in blue type). Based on comments and the assumptions noted above the following three revised bond package alternatives were developed:

1. Bond Package A: \$2.24 / \$1000. Maintain current rate. Bond rate drops to \$1.24 / \$1000 AV in 2028
 - Funding Level = \$374.4 million



- Notable Projects: Two new Elementary Schools (N. Plains and S. Hillsboro), satellite transportation facility, Hillhi upgrade and Glencoe and Evergreen Additions.
- All Seismic and Safety Upgrades.
- All Parent/Bus Drop-off Improvements
- Install Cameras on All Buses
- All Classroom and Technology Infrastructure
- Convert Libraries to Learning Centers
- Construct New Gymnasiums at Elementary Schools w/Cafegymatoriums

2. Bond Package B: \$2.24 / \$1000 AV Maintain current rate. Bond rate drops to \$1.41 / \$1000 AV in 2028

- Funding Level = \$395.0 million
- Notable Projects: Identical to Bond Package A

With the addition of:

- Brookwood Elementary School Replacement

And the elimination of:

- All Parent / Bus Drop-off Improvements
- Paint Building Exteriors

3. Bond Package C: \$2.50 / \$1000 AV. Bond rate drops to \$1.50 / \$1000 AV in 2028

- Funding Level = \$442.6 million
- Notable Projects: Identical to Bond Package A

With the addition of:

- 2nd New Elementary School in South Hillsboro
- Classroom Furniture Replacement
- Brookwood Elementary School Replacement
- Land Purchase

And the elimination of:

- All Parent / Bus Drop-off Improvements
- Paint Building Exteriors

Larger versions (11 x7) of the Bond Packages will be distributed at the February1st meeting.

Assumptions:
Debt Service Maintain \$2.24/\$1,000 AV through 2027

Rate drops to \$1.24/\$1,000 AV in 2028

4.2% AV Growth 2018

4.3% AV Growth 2019

4.4% AV Growth 2020

4.4% AV Growth 2021

3.5% AV Growth 2022-2038

Bond Proceeds
\$374,325,000
Bond Package A
\$2.24/\$1,000 AV Bond Package A 2/1/17

			Description	Totals based on Escalation
1.0	Safety & Security		SAFETY & SECURITY TOTAL	\$76,721,866 20.48%
	Entire Column 1	School Safety Upgrades		\$11,790,694
	Entire Column 2	School Seismic Upgrades		\$51,275,992
	Entire Column 3	Parent/Bus Drop Off Improvements		\$11,020,992
	Entire Column 4	Install Cameras on All Buses		\$744,188
	Entire Column 5	Playground Upgrades		\$1,890,000
2.0	Technology		TECHNOLOGY TOTAL	\$31,320,508 8.36%
	Column 6 - Rows 1-35	Technology-Classroom		\$14,562,861
	Column 6 - Portion of Row 41	Technology-Infrastructure		\$15,932,500
	Entire Column 7	Convert Libraries to Learning Centers		\$825,147
3.0	Capacity		CAPACITY TOTAL	\$165,973,124 44.31%
	Column 8, Row 43	New Elementary School in North Plains		\$38,587,500
	Column 8, Row 44	New Elementary School in South Hillsboro 1		\$38,587,500
	Column 8, Row 29	Evergreen Middle School Addition		\$18,786,600
	Column 8 - Portion of Row 32	Hilhi Upgrade (Not addition) *		\$11,011,248
	Column 8, Row 31	Glencoe Addition		\$18,600,276
	Entire Column 9	High School CTE Investment		\$20,000,000
	Entire Column 38	Construct New Gymnasiums-Eliminate Gymcafetoriums		\$20,400,000
4.0	Modernization		MODERNIZATION TOTAL	\$68,075,443 18.17%
	Column 10, Portion of Row 42	Classroom Furniture Replacement *		\$10,000,000
	Entire Column 11	Roofing		\$20,781,192
	Entire Column 12	Add Air Conditioning		\$17,283,616
	Entire Column 13	Upgrade HVAC		\$3,488,307
	Entire Column 14	Add Heat to HVAC		\$194,378
	Entire Column 15	Water Pipe Replacement		\$3,510,735
	Entire Column 16	Boiler Replacement		\$2,619,705
	Entire Column 17	Direct Digital Controls (DDC)		\$4,657,735
	Entire Column 18	Walk-In Freezer		\$341,208
	Entire Column 19	Upgrade Electrical Service/Generator		\$554,112
	Entire Column 21	Rooftop Condensor Replacement		\$114,604
	Entire Column 22	Chiller Replacement		\$957,211
	Entire Column 29	Seal Brick Exteriors		\$624,922
	Entire Column 30	Paint Building Exteriors		\$2,947,718
5.0	Replacement Schools		REPLACEMENT SCHOOLS TOTAL	\$0 0.00%
	Column 37, Row 49	Brookwood Elementary		\$0
6.0	Support Facilities		SUPPORT FACILITIES TOTAL	\$16,352,831 4.37%
	Column 39, Row 48	Satellite Transportation Facility		\$16,352,831
7.0	Land		LAND TOTAL	\$0 0.00%
			TOTALS	\$358,443,772
8.0	Bond Issuance Cost (1.5%)		BOND ISSUANCE COST TOTAL	\$5,376,657 1.44%
9.0	District Bond Costs (3.0%)		DISTRICT BOND COSTS TOTAL	\$10,753,313 2.87%
				\$374,573,742 100.00%

Mandatory Items	Life/Safety and Capacity/Bond Program Costs	\$193,758,532
Strongly Recommended Items	Necessary Infrastructure not possible from General Fund	\$43,264,463
TOTAL Mandatory/Strongly Recommended		\$237,022,995

\$2.24 Bond Package A 2/1/17 (Base Alternative)

* Funding Level - \$374.3 Million

* Notable Projects: Two new Elementary Schools (N. Plains and S. Hillsboro), satellite transportation facility, Hilhi upgrade and Glencoe and Evergreen Addition

* All Seismic and Safety Upgrades

* All Parent/Bus Drop-off Improvements

* Install Cameras on All Buses

* All Playground Upgrades

* All Classroom and Technology Infrastructure

* Convert Libraries to Learning Centers

* Construct New Gymnasiums at Elementary Schools w/ Cafegymatoriums

Assumptions:
Debt Service Maintain \$2.24/\$1,000 AV through 2027

Rate drops to \$1.41/\$1,000 AV in 2028

4.2% AV Growth 2018

4.3% AV Growth 2019

4.4% AV Growth 2019

4.4% AV Growth 2020

3.5% AV Growth 2021-2038

Bond Proceeds \$395,000,000

Bond Package B
\$2.24/\$1,000 AV Bond Package B 2/1/2017

				Totals based on	
Description			Escalation		
1.0	Safety & Security	SAFETY & SECURITY TOTAL	\$58,975,805	14.96%	
	Entire Column 1	School Safety Upgrades	\$11,365,846		
	Entire Column 2	School Seismic Upgrades	\$45,164,771		
	Entire Column 4	Install Cameras on All Buses	\$744,188		
	Entire Column 5	Playground Upgrades	\$1,701,000		
2.0	Technology	TECHNOLOGY TOTAL	\$31,320,508	7.94%	
	Column 6 - Rows 1-35	Technology-Classroom	\$14,562,861		
	Column 6 - Portion of Row 41	Technology-Infrastructure	\$15,932,500		
	Entire Column 7	Convert Libraries to Learning Centers	\$825,147		
3.0	Capacity	CAPACITY TOTAL	\$165,973,124	42.09%	
	Column 8, Row 43	New Elementary School in North Plains	\$38,587,500		
	Column 8, Row 44	New Elementary School in South Hillsboro 1	\$38,587,500		
	Column 8, Row 29	Evergreen Middle School Addition	\$18,786,600		
	Column 8 - Portion of Row 32	Hilhi Upgrade (Not addition) *	\$11,011,248		
	Column 8, Row 31	Glencoe Addition	\$18,600,276		
	Entire Column 9	High School CTE Investment	\$20,000,000		
	Entire Column 38	Construct New Gymnasiums-Eliminate Gymcafetoriums	\$20,400,000		
4.0	Modernization	MODERNIZATION TOTAL	\$62,721,855	15.91%	
	Column 10, Portion of Row 42	Classroom Furniture Replacement *	\$10,000,000		
	Entire Column 11	Roofing	\$19,815,133		
	Entire Column 12	Add Air Conditioning	\$16,122,270		
	Entire Column 13	Upgrade HVAC	\$3,488,307		
	Entire Column 14	Add Heat to HVAC	\$194,378		
	Entire Column 15	Water Pipe Replacement	\$3,487,086		
	Entire Column 16	Boiler Replacement	\$2,619,705		
	Entire Column 17	Direct Digital Controls (DDC)	\$4,657,735		
	Entire Column 18	Walk-In Freezer	\$86,392		
	Entire Column 19	Upgrade Electrical Service/Generator	\$554,112		
	Entire Column 21	Rooftop Condensor Replacement	\$114,604		
	Entire Column 22	Chiller Replacement	\$957,211		
	Entire Column 29	Seal Building Exterior	\$624,922		
5.0	Replacement Schools	REPLACEMENT SCHOOLS TOTAL	\$41,993,410	10.65%	
	Column 37, Row 49	Brookwood Elementary	\$41,993,410		
6.0	Support Facilities	SUPPORT FACILITIES TOTAL	\$16,352,831	4.15%	
	Column 39, Row 48	Satellite Transportation Facility	\$16,352,831		
7.0	Land	LAND TOTAL	\$0	0.00%	
TOTALS			\$377,337,533		
8.0	Bond Issuance Cost (1.5%)	BOND ISSUANCE COST TOTAL	\$5,660,063	1.44%	
9.0	District Bond Costs (3.0%)	DISTRICT BOND COSTS TOTAL	\$11,320,126	2.87%	
			\$394,317,722	100.00%	

Mandatory Items	Life/Safety and Capacity/Bond Program Costs	\$188,072,682
Strongly Recommended Items	Necessary Infrastructure not possible from General Fund	\$42,274,755
TOTAL Mandatory/Strongly Recommended		\$230,347,437

\$2.24B Bond Package 2/1/17

* Funding Level - \$395.0 Million

* Notable Projects: Identical to \$2.24 Bond Package (Base Bond Package)

with the addition of:

* Add Brookwood Elementary Replacement

And the elimination of:

* All Parent/Bus Drop-off Improvements

* Paint Building Exteriors

Assumptions:
Debt Service **Maintain \$2.50/\$1,000 AV through 2027**
Rate drops to \$1.50/\$1,000 AV in 2028

4.2% AV Growth 2018

4.3% AV Growth 2019

4.4% AV Growth 2019

4.4% AV Growth 2020

3.5% AV Growth 2021-2038

Bond Proceeds **\$442,555,000**

Bond Package C
\$2.50/\$1,000 AV Bond Package 2/1/2017

		Description	Totals based on Escalation	
1.0	Safety & Security	SAFETY & SECURITY TOTAL	\$58,975,805	13.33%
	Entire Column 1	School Safety Upgrades	\$11,365,846	
	Entire Column 2	School Seismic Upgrades	\$45,164,771	
	Entire Column 4	Install Cameras on All Buses	\$744,188	
	Entire Column 5	Playground Upgrades	\$1,701,000	
2.0	Technology	TECHNOLOGY TOTAL	\$31,320,508	7.08%
	Column 6 - Rows 1-35	Technology-Classroom	\$14,562,861	
	Column 6 - Portion of Row 41	Technology-Infrastructure	\$15,932,500	
	Entire Column 7	Convert Libraries to Learning Centers	\$825,147	
3.0	Capacity	CAPACITY TOTAL	\$206,489,999	46.66%
	Column 8, Row 43	New Elementary School in North Plains	\$38,587,500	
	Column 8, Row 44	New Elementary School in South Hillsboro 1	\$38,587,500	
	Column 8, Row 45	New Elementary School in South Hillsboro 2	\$40,516,875	
	Column 8, Row 29	Evergreen Middle School Addition	\$18,786,600	
	Column 8 - Portion of Row 32	Hilhi Upgrade (Not addition) *	\$11,011,248	
	Column 8, Row 31	Glencoe Addition	\$18,600,276	
	Entire Column 9	High School CTE Investment	\$20,000,000	
	Entire Column 38	Construct New Gymnasiums-Eliminate Gymcafeteriums	\$20,400,000	
4.0	Modernization	MODERNIZATION TOTAL	\$63,395,768	14.32%
	Column 10, Portion of Row 42	Classroom Furniture Replacement *	\$11,700,000	
	Entire Column 11	Roofing	\$19,815,133	
	Entire Column 12	Add Air Conditioning	\$15,096,183	
	Entire Column 13	Upgrade HVAC	\$3,488,307	
	Entire Column 14	Add Heat to HVAC	\$194,378	
	Entire Column 15	Water Pipe Replacement	\$3,487,086	
	Entire Column 16	Boiler Replacement	\$2,619,705	
	Entire Column 17	Direct Digital Controls (DDC)	\$4,657,735	
	Entire Column 18	Walk-In Freezer	\$86,392	
	Entire Column 19	Upgrade Electrical Service/Generator	\$554,112	
	Entire Column 21	Rooftop Condensor Replacement	\$114,604	
	Entire Column 22	Chiller Replacement	\$957,211	
	Entire Column 29	Seal Building Exterior	\$624,922	
5.0	Replacement Schools	REPLACEMENT SCHOOLS TOTAL	\$41,993,410	9.49%
	Column 37, Row 49	Brookwood Elementary	\$41,993,410	
6.0	Support Facilities	SUPPORT FACILITIES TOTAL	\$16,352,831	3.69%
	Column 39, Row 48	Satellite Transportation Facility	\$16,352,831	
7.0	Land	LAND TOTAL	\$5,000,000	1.13%
		Land Purchase	<u>\$5,000,000</u>	
		TOTALS	\$423,528,321	
8.0	Bond Issuance Cost (1.5%)	BOND ISSUANCE COST TOTAL	\$6,352,925	1.44%
9.0	District Bond Costs (3.0%)	DISTRICT BOND COSTS TOTAL	\$12,705,850	2.87%
			\$442,587,095	100.00%

Mandatory Items	Life/Safety and Capacity/Bond Program Costs	\$190,151,267
Strongly Recommended Items	Necessary Infrastructure not possible from General Fund	\$42,274,755
	TOTAL Mandatory/Strongly Recommended	\$232,426,022

\$2.50 Bond Package 2/1/17

* Funding Level - \$442.5 Million

* Notable Projects: Identical to \$2.24 Bond Package (Base Bond Package) with the addition of:

* Add 2nd New Elementary School in South Hillsboro

* Add additional Classroom Furniture

* Add Brookwood Elementary Replacement

* Add Land Purchase

And the elimination of:

* All Parent/Bus Drop-off Improvements

* Paint Building Exteriors