



Board Facilities Update

Deputy Superintendent, Kellie Spencer
Tuesday, January 23, 2024



Agenda

- Bond 2021 Update
 - PROCEDEO Representatives
- Facility Master Planning
 - HPM Representatives
- Utilizing a PFC for an Administrative Facility
 - Chief Financial Officer, Carmen Arrieta-Candelaria

FORT WORTH INDEPENDENT SCHOOL DISTRICT
Board Workshop
2021 Bond Program – January 23, 2024

FWISD

Superintendent – Dr. Angélica Ramsey
Deputy Chief of District Operations – Kellie Spencer
Chief Financial Officer – Carmen Arrieta-Candelaria

PROCEDEO

Program Director – Brian Johnson
Deputy Program Director – Madeleine Sara

PROCEDEO



**CAPITAL IMPROVEMENT
PROGRAM**



AGENDA

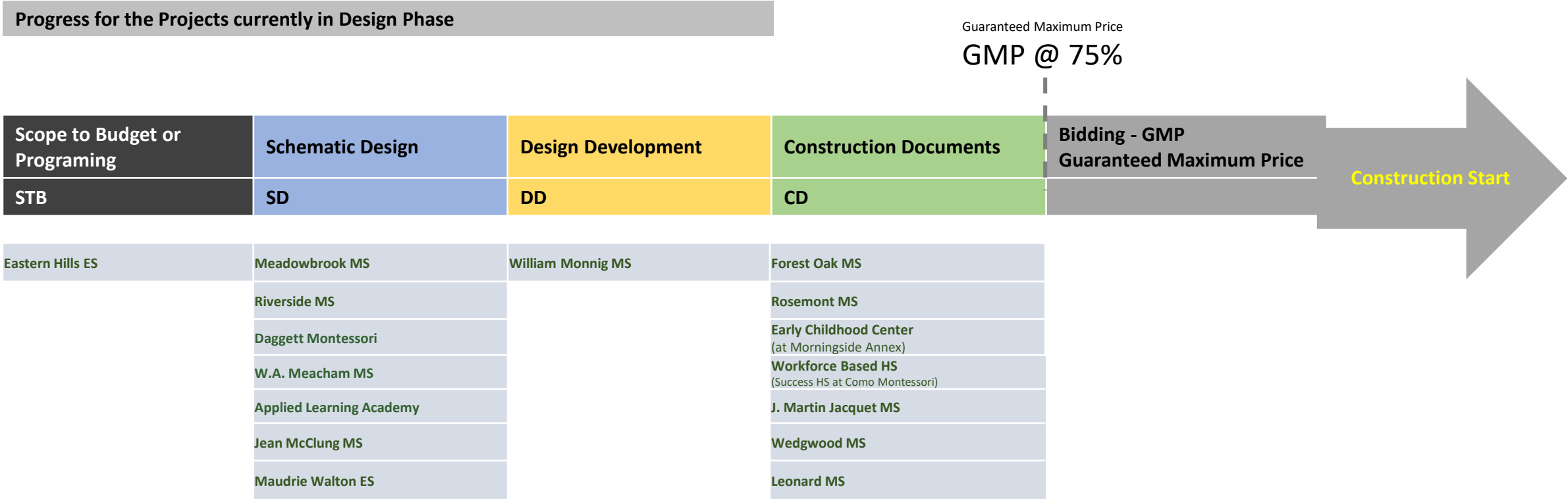
2021 FWISD Bond Program Update

Project & Location
Program Status Update
Schedule Update
Budget Update
HUB Update

2021 Bond Program Status – Program Status Update

Programming and Scope Definition Phase	Design Phase	Construction Procurement Phase	Construction Phase	Post –Construction Phase
YWLA	Workforce Based HS (Success HS at Como Montessori)	W.C. Stripling MS		Rolling Hills ES (formerly Westpark Relief ES)
Morningside MS	Wedgwood MS			
Worth Heights ES	J. Martin Jacquet MS			
W.P. McLean MS	Forest Oak MS			
McLean 6 th Grade Center	Meadowbrook MS			
J.P. Elder MS	Early Childhood Center (Morningside Annex)			
William James	Eastern Hills ES			
M.L. Kirkpatrick MS	Maudrie Walton ES			
Daggett MS	Daggett Montessori			
	Applied Learning Academy			
	Rosemont MS			
	Leonard MS			
	Riverside MS			
	William Monnig MS			
	W.A. Meacham MS			
	Jean McClung MS			

2021 Bond Program Status



As of **December 31, 2023**, the 2021 FWISD Bond Program has fully executed CMAR Pre-Construction agreements for **11 projects**:

1. Stripling MS
2. Jacquet MS
3. Workforce Based HS
4. Forest Oak MS
5. Wedgwood MS
6. Eastern Hills ES
7. Maudrie Walton ES
8. Meadowbrook MS
9. ECC @ Morningside
10. Daggett Montessori
11. Rosemont MS

APR

BOE
4.25.2023

Stripling MS – CMAR: Sedalco / Post L (JV). Contract executed, Pre-Construction NTP issued on 6/28/23.

Jacquet MS – CMAR: Con-Real. Contract executed, Pre-Construction NTP issued on 6/27/23.

Workforce Based HS – CMAR: Teinert. Contract executed, Pre-Con NTP issued on 6/26/23.

MAY

BOE
5.23.2023

Forest Oak MS – CMAR: Horus/EJ Smith (JV). Contract executed, Pre-Construction NTP issued on 8/7/2023.

Wedgwood MS – CMAR: Cadence / Morales (JV). Contract executed, Pre-Construction NTP issued on 9/18/2023.

JUN

BOE
6.27.2023

Eastern Hills ES -- CMAR: Sedalco/ Post L (JV) Contract executed, Pre-Construction NTP issued on 8/7/23.

Maudrie Walton ES – CMAR: Con Real Contract Executed, Pre-Construction NTP issued 7/28/23.

JUL

BOE
7.25.2023

N/A

AUG

BOE
8.22.2023

Meadowbrook MS – CMAR: Reeder/ Summit (JV) Pre-construction NTP in issued on 9/1/23.

ECC at Morningside Annex – CMAR: Morales. Contract executed, Pre-Construction NTP issued on 9/21/2023.

SEP

BOE
9.26.2023

Daggett Montessori – CMAR: Philips May Contract executed, Pre-Construction NTP issued 10/23/2023.

OCT

BOE
10.24.2023

Rosemont MS – CMAR: Reeder/ Summit (JV). Contract executed, Pre-Construction NTP issued 11/08/2023.

Applied Learning Academy – 1st ranked CMAR: McGough/Post-L Group, contract is progress.

NOV

BOE
11.7.2023

Construction NTE Budget –

- Workforce Based HS
- Forest Oak MS
- Meadowbrook MS
- Stripling MS
- Jacquet MS
- Wedgwood MS
- ECC - Morningside Annex

DEC

BOE
12.12.2023

Leonard MS – 1st ranked CMAR: Satterfield & Pontikes, contract in progress.

Land Acquisition Approval – Eastern Hills ES

Land Acquisition Approval – Daggett Montessori

JAN

BOE
1.30.2024

Tentative Land Acquisition – for Forest Oak MS

Riverside MS – 1st Ranked CMAR: Candence/Morales

FEB

BOE
2.27.2024

Meacham MS – first ranked CMAR: TBD

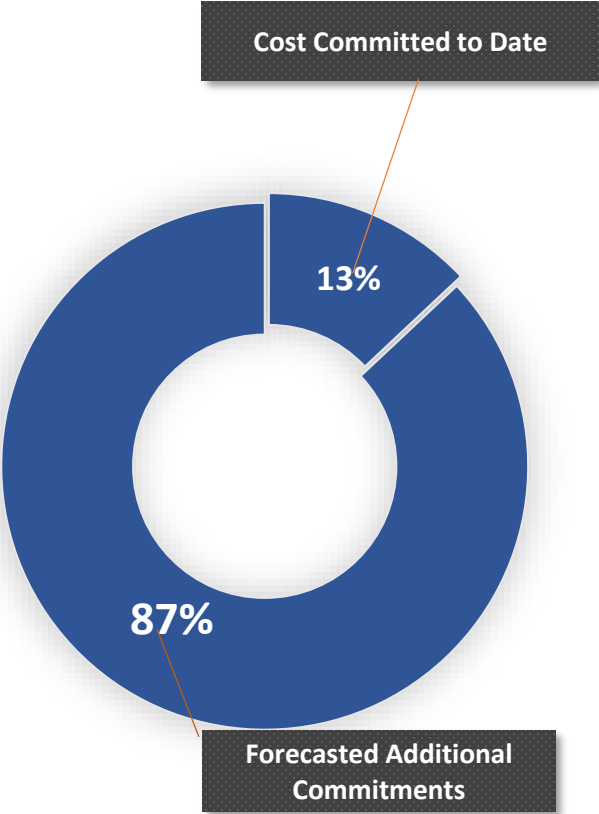
MAR

BOE
3.5.2024

2021 Bond Program Status – Budget Update - Overview

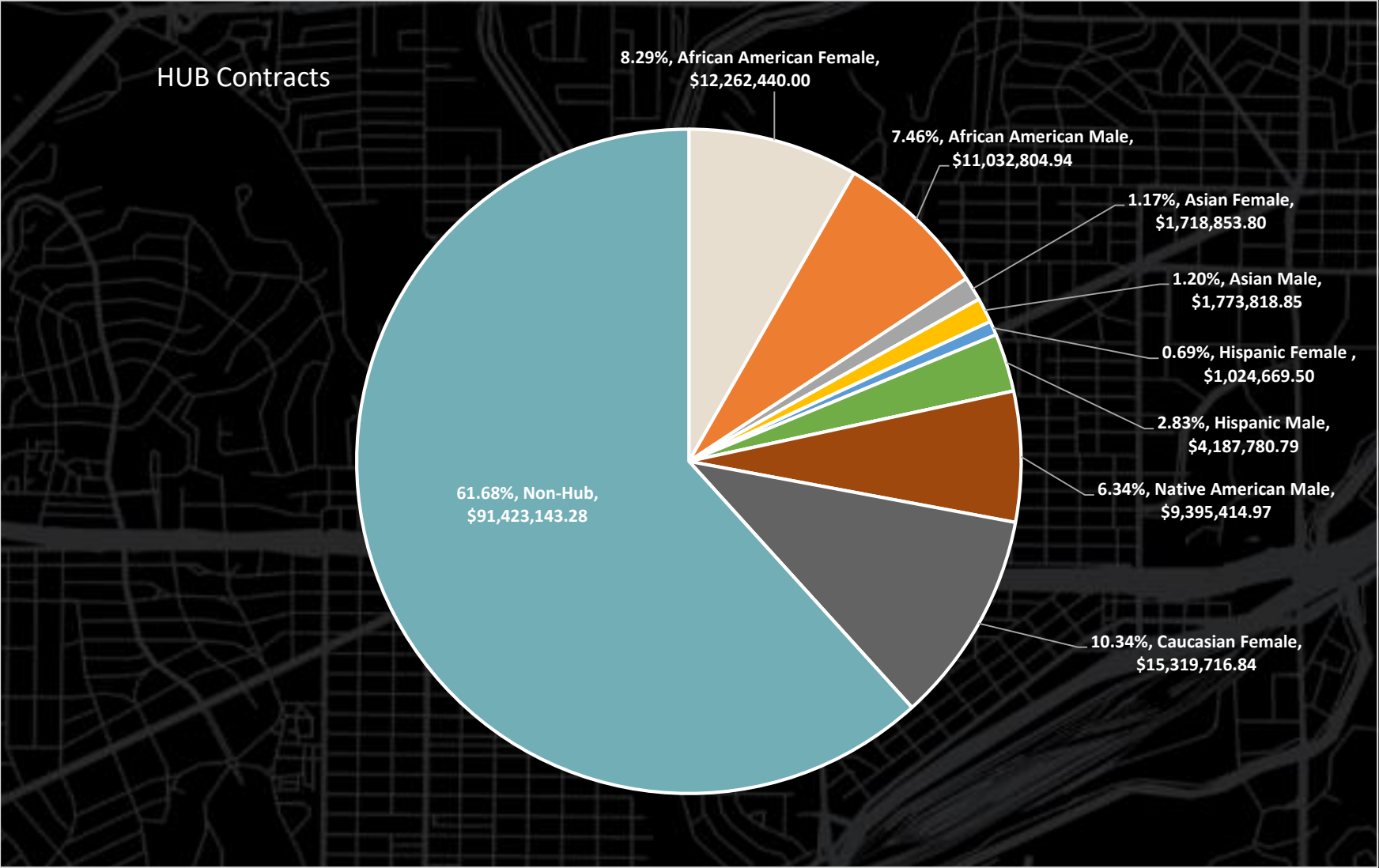
November 30, 2023

	Budget Managed by PROCEDEO	Budget Managed by FWISD	Total
New Facilities/Additions/Renovations	\$1,200,274,596		
Administration Managed Budget		\$10,917,043	
Interest Earned to Date		\$19,674,316	
FWISD 2021 Bond Program Total	\$1,200,274,596	\$30,591,359	\$1,230,865,955
Encumbered to Date			\$88,236,584
Amount Paid to Date			\$69,127,715
Forecasted Additional Commitments			\$1,053,827,340
Interest Earned To Date			\$19,674,316
FWISD 2021 Bond Program Total Budget			\$1,230,865,955



2021 Bond Program – Historically Underutilized Businesses

December 2023



COMMITTED

38.29%

HUB contracts to date

\$56,715,499.69

All numbers are as of
12/31/2023

2021 Bond Program – Historically Underutilized Businesses

December 2023

HUB OUTREACH

- November 8th | Dallas ISD & Dallas/Fort Worth Minority Supplier Development Council (DFWMSDC) Buyer & Vendor Networking Expo “ISD Day”
- November 9th | Regional Hispanic Contractors Association (RHCA) 2023 Luna Awards Luncheon
- November 14th | Riverside MS Pre-Proposal Meeting
- November 16th | Arlington Black Chamber of Commerce (ABCC) November Networking Mixer
- November 30th | ABCC 2nd Biannual “Meet the Purchasers” Networking Mixer
- December 5th | FW Hispanic Chamber of Commerce (FWHCC) Ambassador Holiday Celebration
- December 6th | FWHCC Ambassador Meeting & Partnership Tour
- December 14th | RHCA Membership Holiday Celebration
- December 18th | Meacham MS Pre-Proposal Meeting
- December 28th | Workforce Based HS Preproposal Meeting with Teinert Construction



2021 Bond Program – Student/Staff Engagement

FWISD 2021 Bond Program



Design Charrettes

In-person interactive design charrettes were conducted with a sample pool of both students (15 to 20) and staff representatives. These sessions provide participants the opportunity to think about present conditions of the campuses and what the future could hold from a design perspective. The fast pace and fun activities allowed for the identification of both challenges that needed to be addressed, and improvements that would provide an enhanced learning environment. All Ideas were captured for potential incorporation into the final design.

2021 Bond Program – Student Engagement

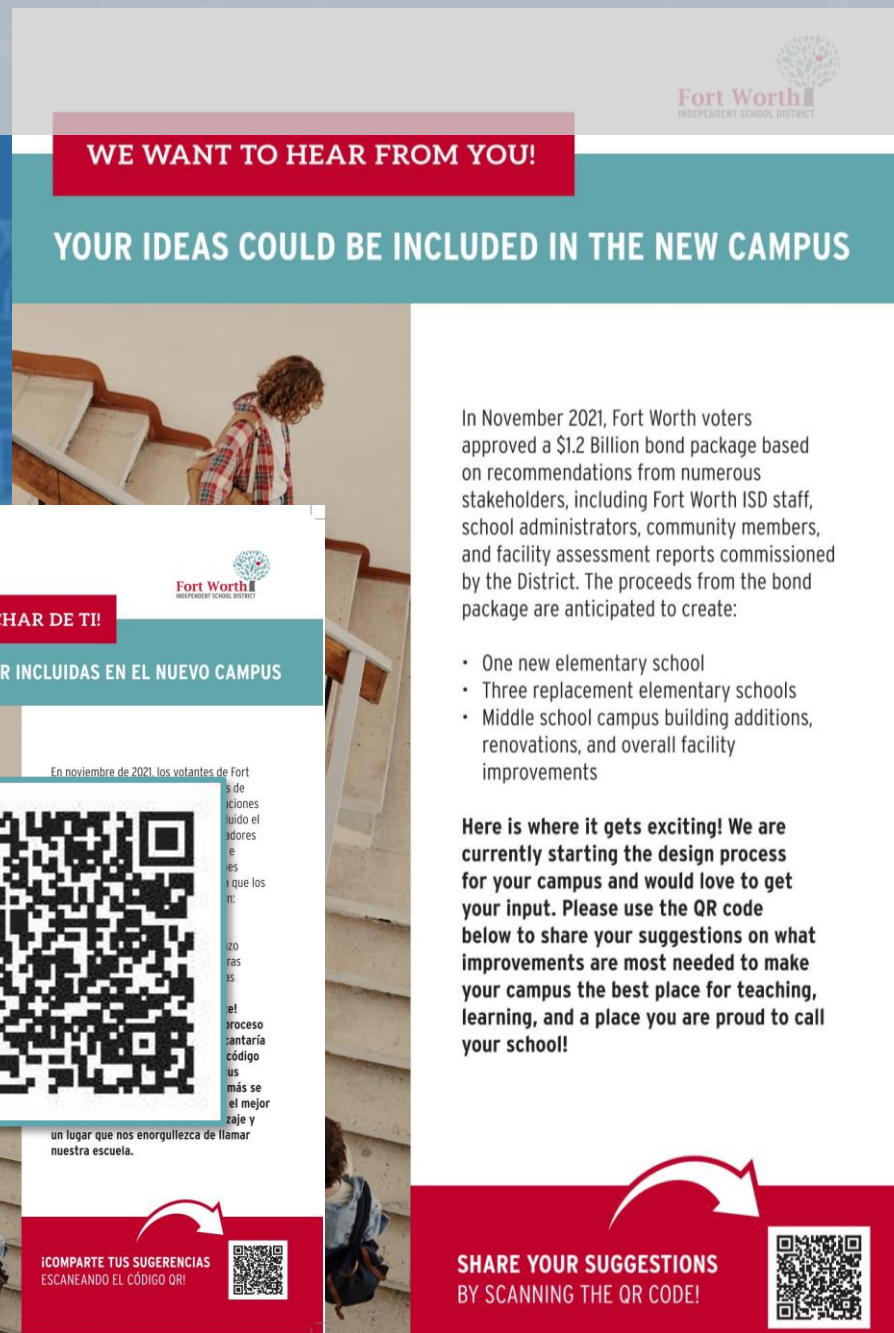
FWISD 2021 Bond Program



FWISD 2021 Bond Program

Additionally, to provide the opportunity for engagement from a broader audience, posters with QR codes were placed in high traffic areas (front lobby, cafeteria, gymnasium, media center, etc.). This allowed for transparent input from the Fort Worth ISD student and staff population, as well as community members.

WHAT DO YOU THINK WORKS WELL WITH THE EXISTING SCHOOL?

[illegible]

256-131 Rolling Hills ES

Formerly Westpark Relief

► Aerial Footage | November 2023



99% Construction Completion

► Interior Photos



99% Construction Completion

► Exterior View



► Existing



► Conceptual

► Exterior Rendering (Conceptual)



Approaching Construction

► Exterior Rendering (Conceptual)



Approaching Construction

► Interior View



► Existing



► Conceptual

► Interior View



► Existing



► Conceptual

► Exterior View



► Existing



► Conceptual



► Interior View



► Existing



► Conceptual

► Interior View



► Existing



► Conceptual

► Exterior View



► Existing



► Conceptual Front Entry

► Exterior Rendering (Conceptual)



In Design

► Interior Renderings (Conceptual)



► Conceptual Collaboration Area



► Conceptual Classroom

► Interior Renderings (Conceptual)



► Conceptual Band Hall



► Conceptual Media Center

► Exterior View



► Existing



► Conceptual Front Entry

► Exterior Rendering (Conceptual)



In Design

059-101 J Martin Jacquet MS

► Exterior Rendering (Conceptual)



In Design

► Exterior View



► Existing



► Conceptual Front Entry



► Exterior Conceptual Classroom Addition



In Design

► Interior Renderings (Conceptual)



► Conceptual Media Center



► Conceptual Collaboration Area

► Exterior View



► Existing



► Conceptual



► Interior Rendering (Conceptual)



In Design

► Exterior View



► Existing



► Conceptual

► Interior View



► Existing



► Conceptual

147-101 Early Childhood Center

Morningside Annex

► Exterior View



► Existing



► Conceptual

In Design

147-101 Early Childhood Center

Morningside Annex

► Exterior Rendering (Conceptual)



In Design

► Interior Rendering (Conceptual)



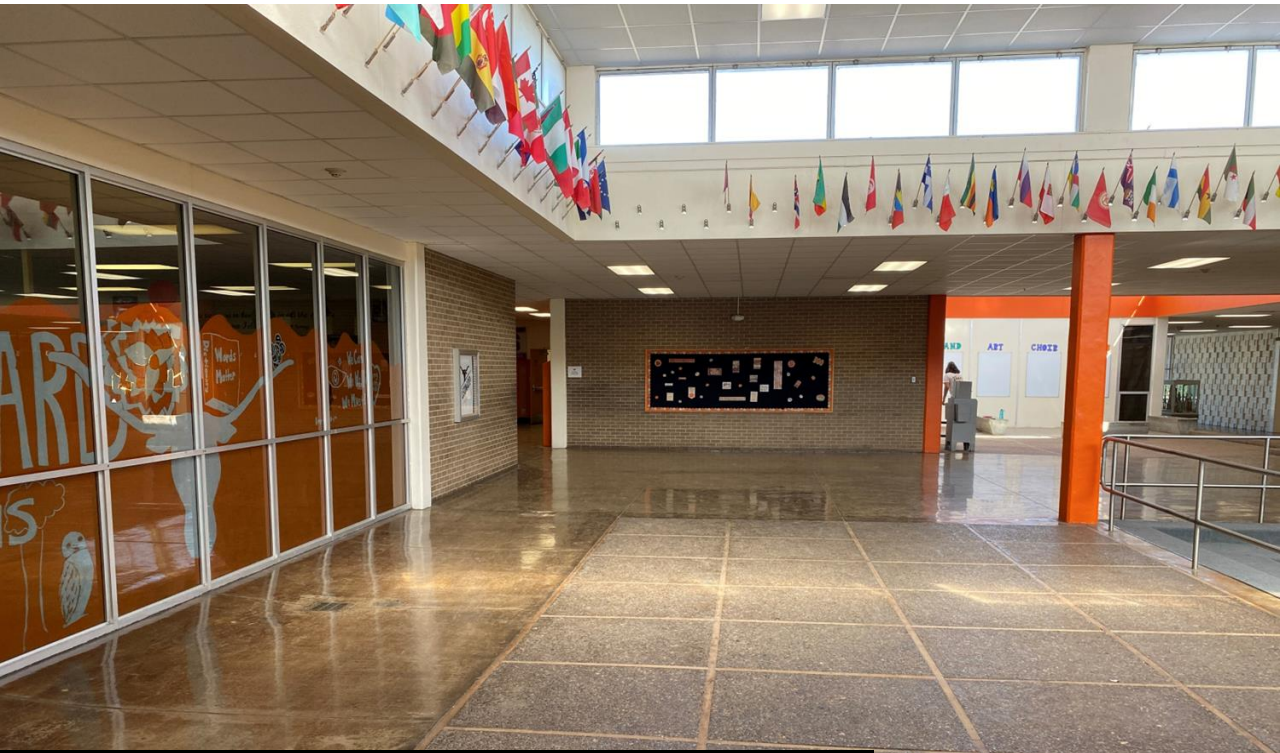
In Design

► Exterior Rendering (Conceptual)



In Design

► Interior View



► Existing



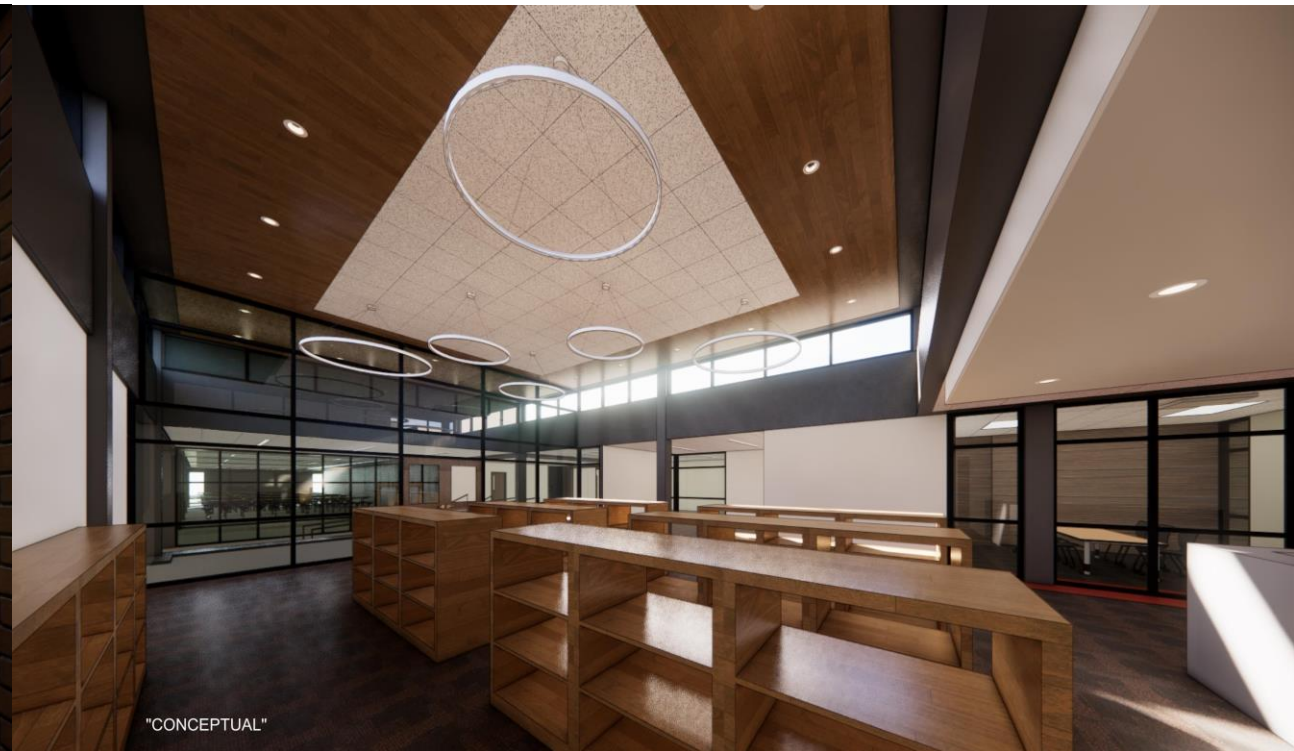
► Conceptual

► Interior Renderings (Conceptual)



"CONCEPTUAL"

► Conceptual Corridors



"CONCEPTUAL"

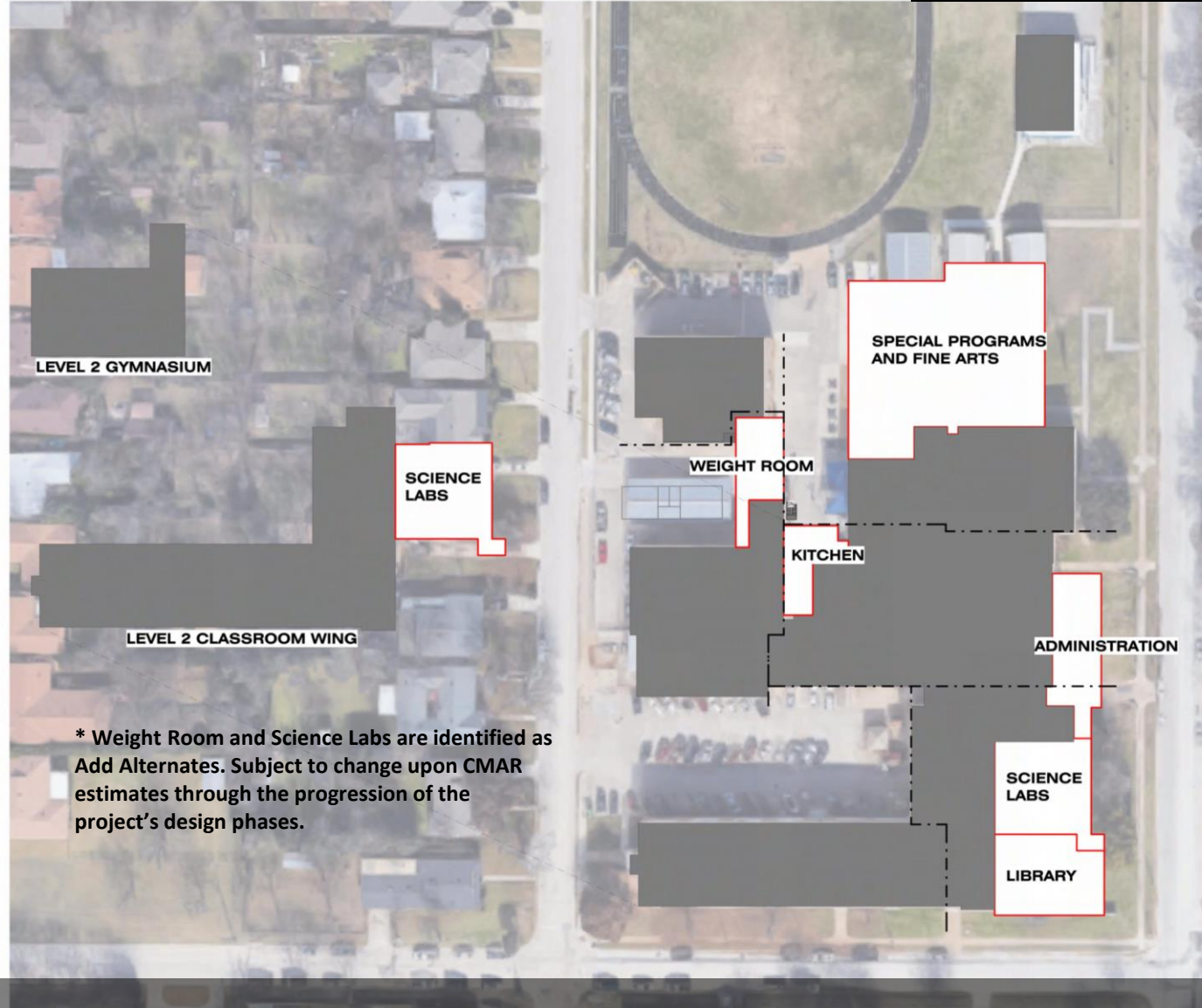
► Conceptual Library

► Existing



In Design

► Conceptual Site Development

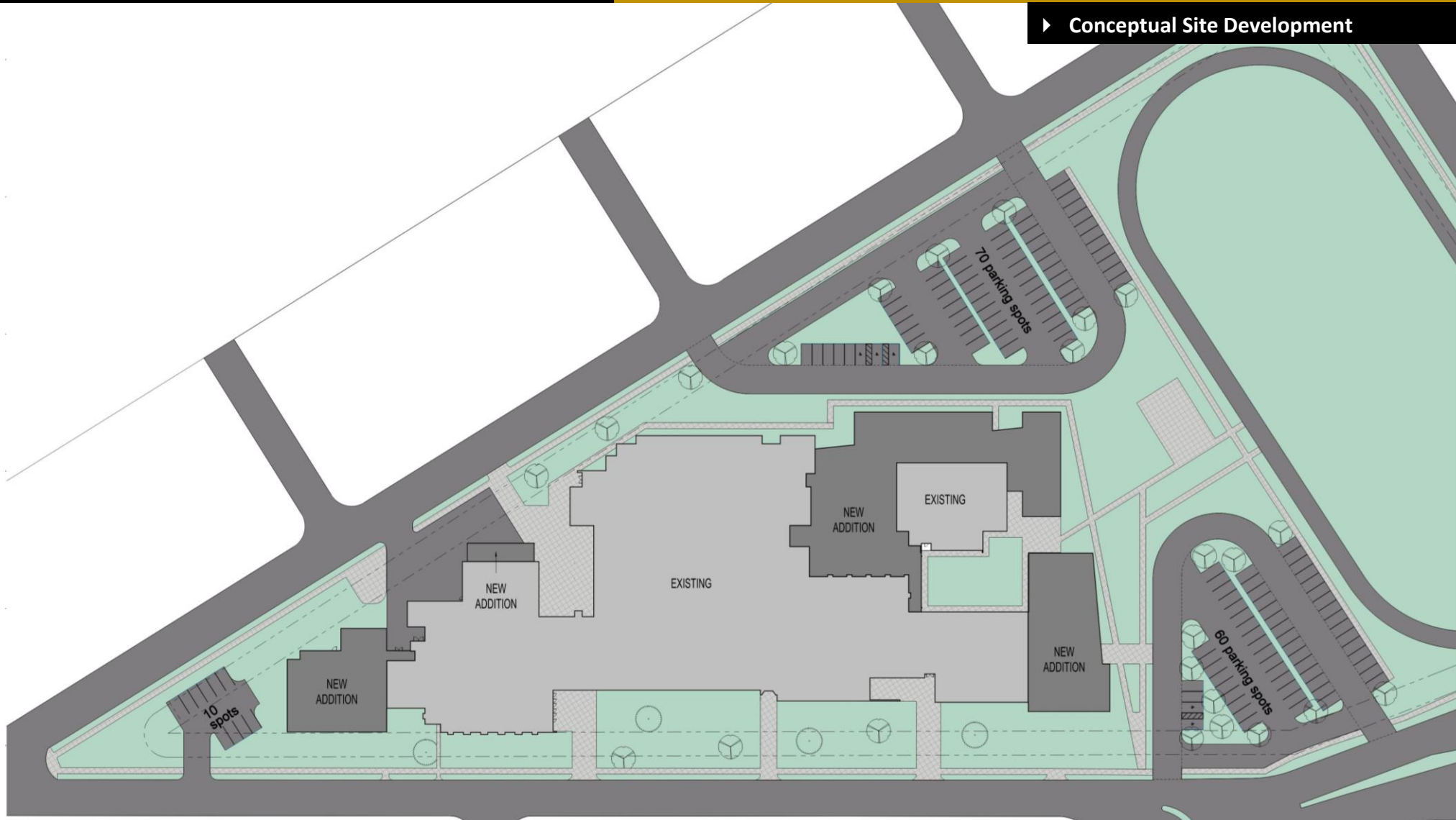


► Aerial View



In Design

► Conceptual Site Development



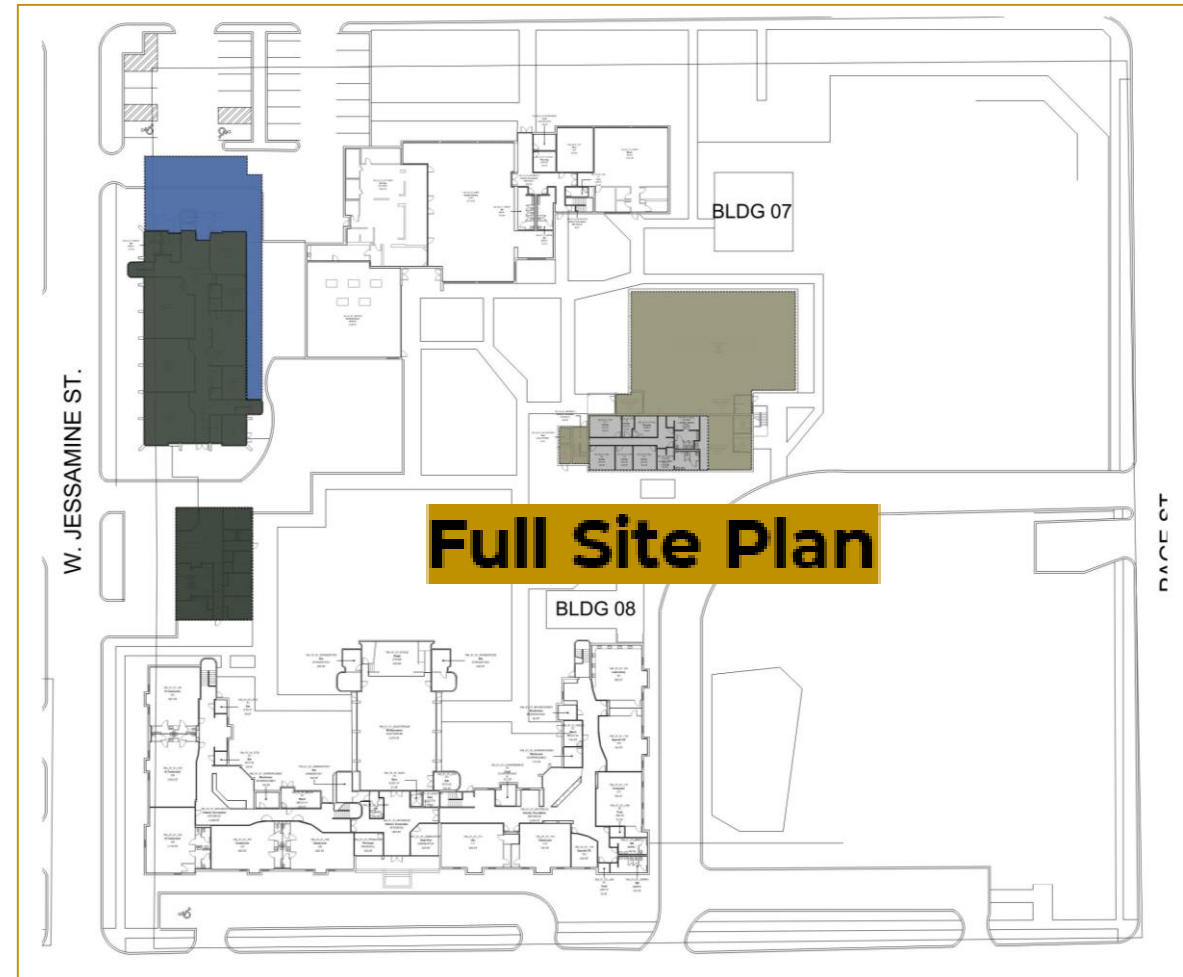
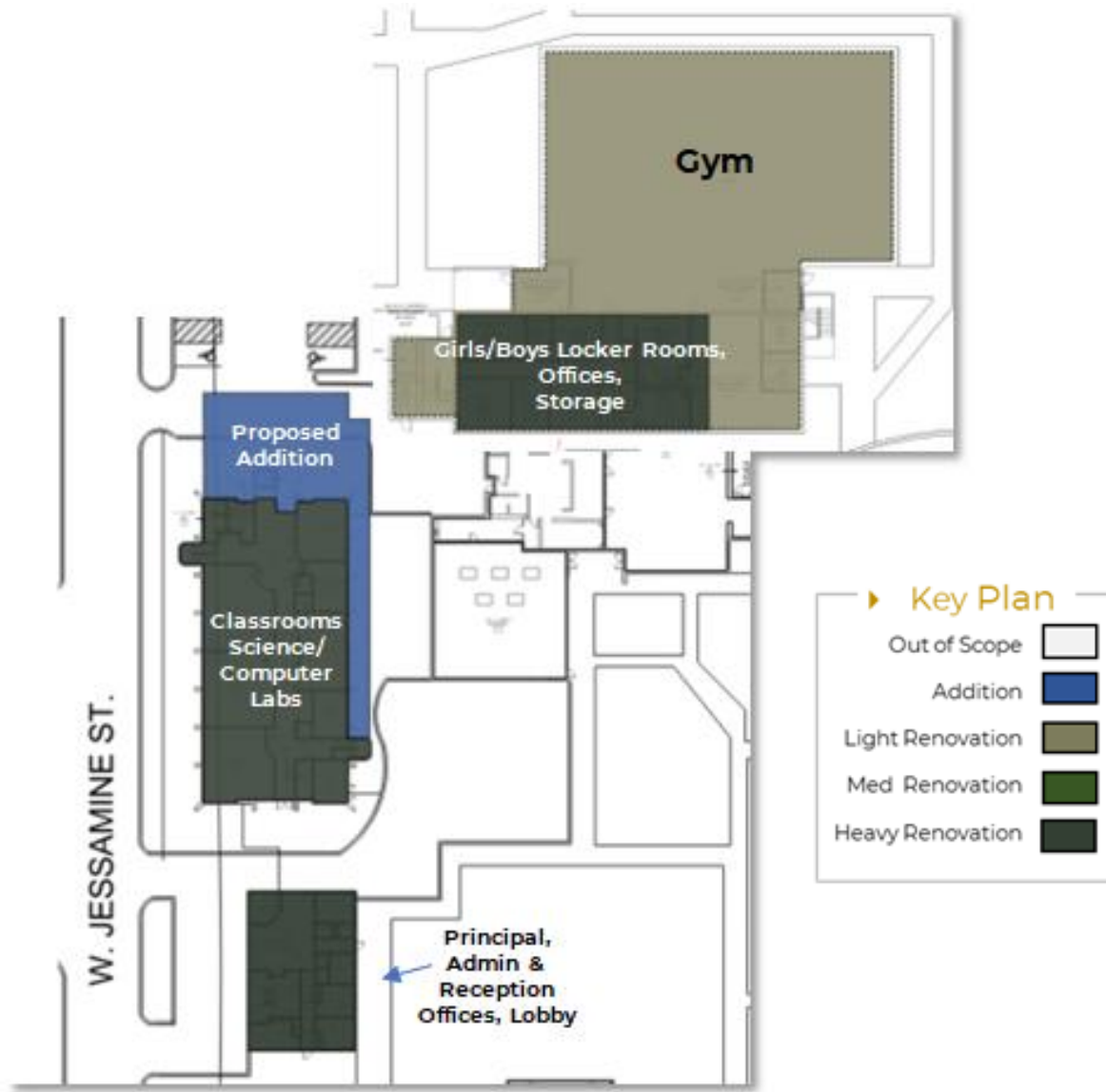
In Design

► Aerial View



In Design

► Conceptual Site Development





► Aerial View



In Design

► Conceptual Site Development



-  Site Improvement
-  Renovations
-  PFA Addition
-  Classrooms Addition

► Aerial View



In Design

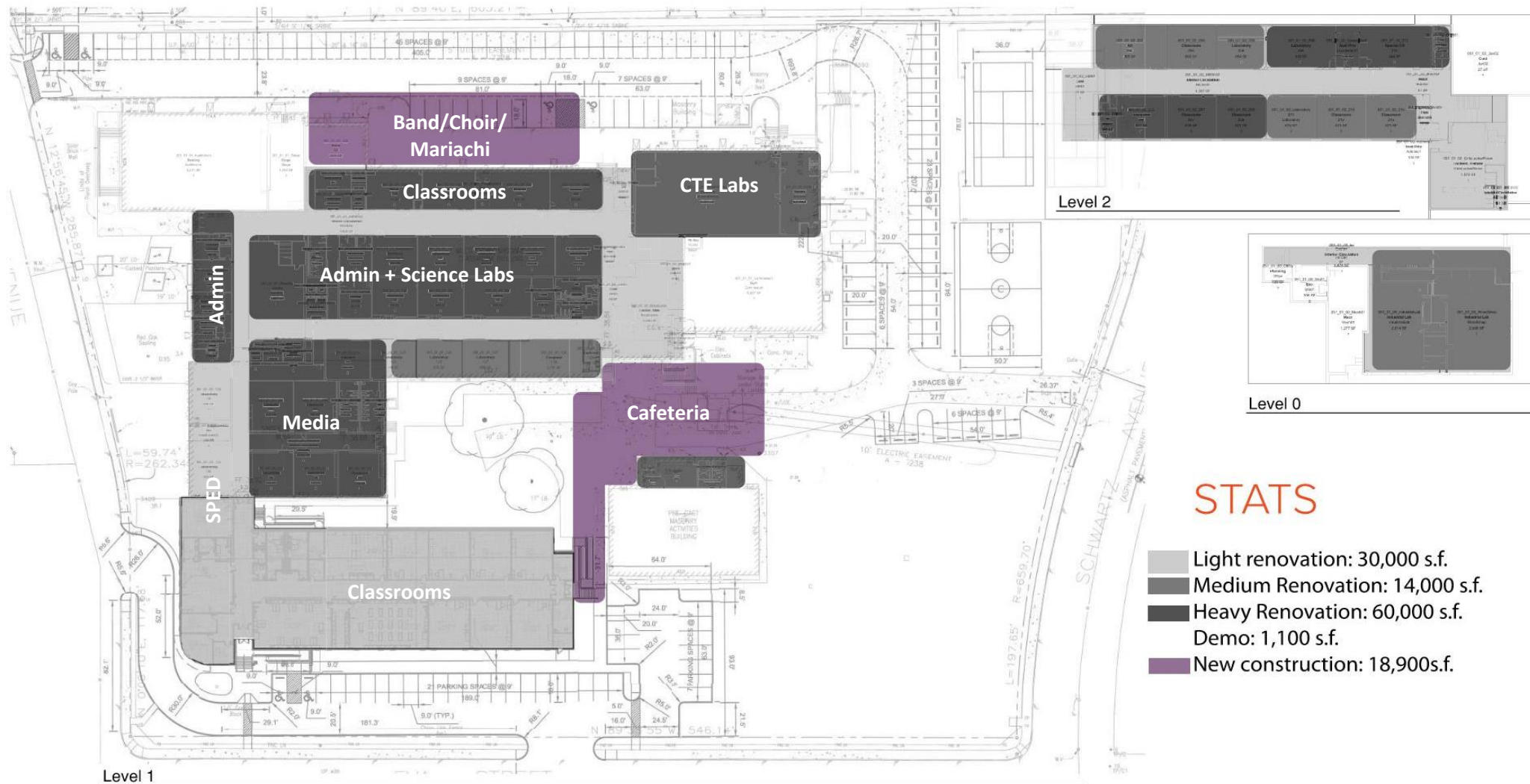
In Design

► Aerial View



In Design

► Conceptual Site Development

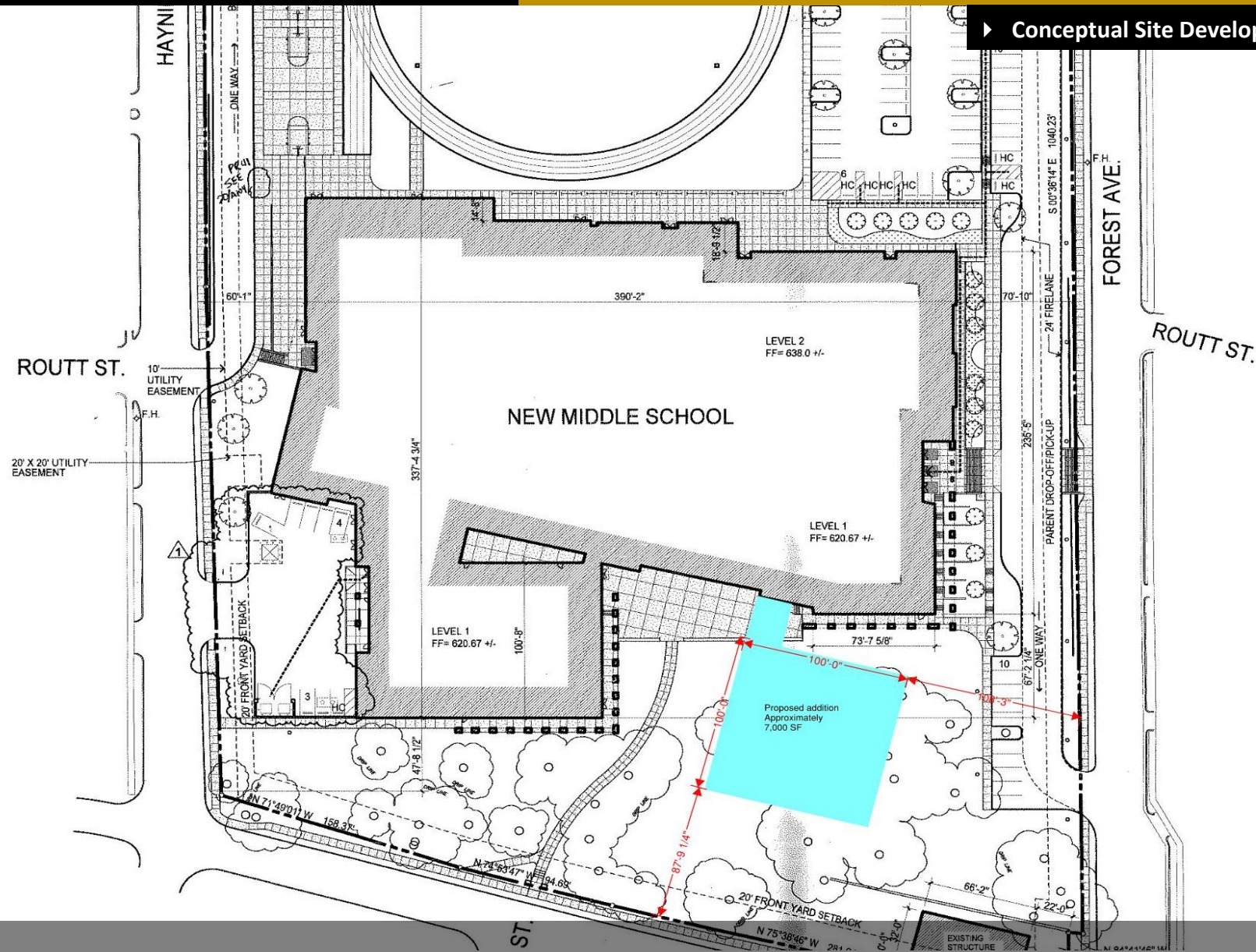


► Aerial View



In Design

► Conceptual Site Development



► Aerial View



In Design

► Conceptual Site Development

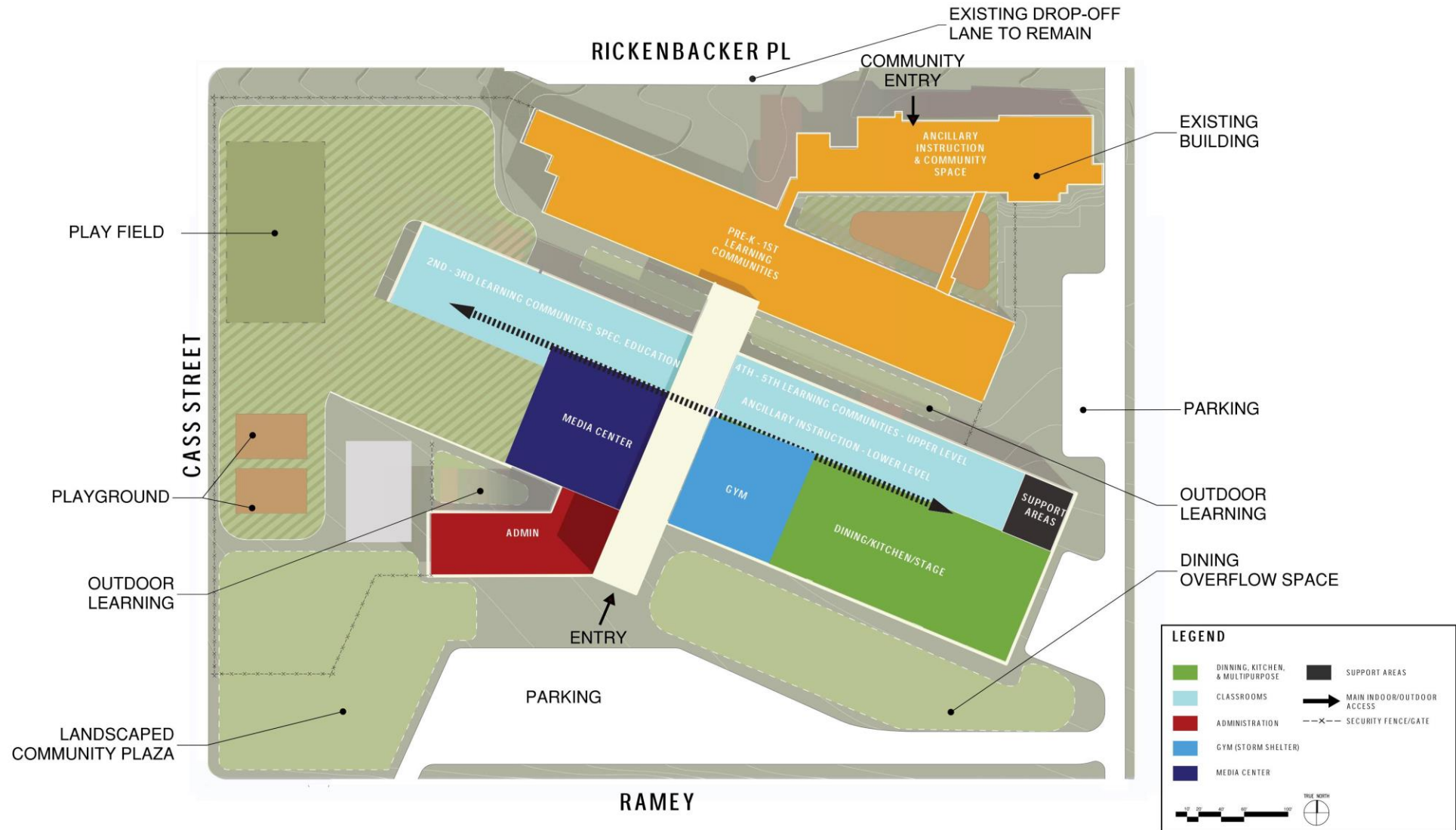


► Aerial View



In Design

► Conceptual Site Development



2021 Bond Program Status – CMAR Bid Tentative Dates

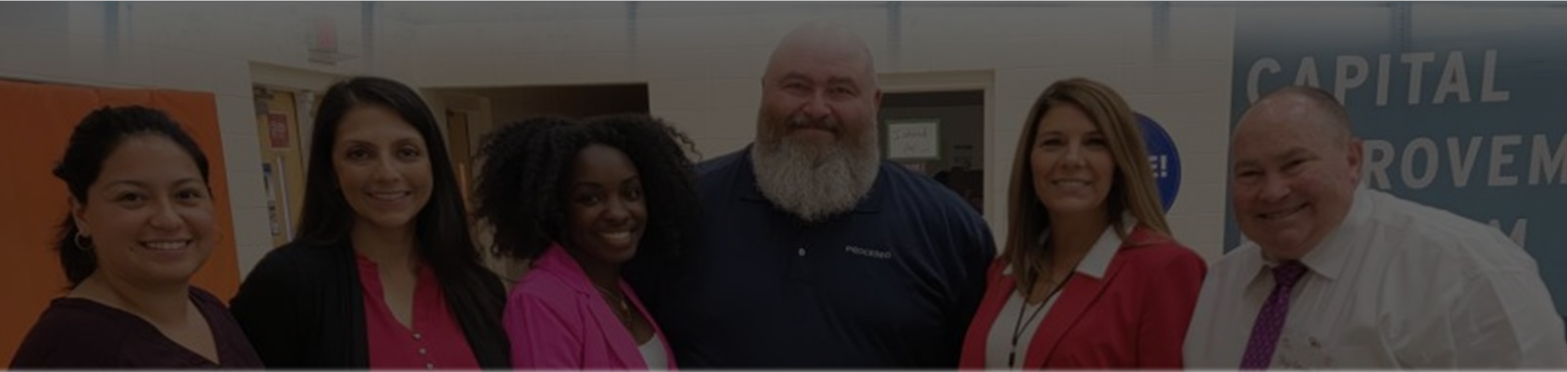
UPCOMING BIDS – check the website for updated dates!

Bid # ▲	Project Name ▲	Description ▲	Tentative First Advertisement Date ▼	Tentative Bid Closing Date ▲	Tentative Board Meeting Date ▲
24-042	W.A. Meacham Middle School	CMAR - Pre-Construction Services	Tuesday, December 12, 2023	Tuesday, January 9, 2024	Tuesday, February 27, 2024

<https://fwisd2021bond.com/>

2021 Bond Program – COC Engagement

FWISD 2021 Bond Program



Citizens' Oversight Committee

On April 26, 2022, the Fort Worth Independent School District Board of Education (BOE) approved the establishment of a Citizens' Oversight Committee (COC).

The Committee meets 5-6 times per year, with the purpose to assist the District in maintaining accountability and integrity of the 2021 Capital Improvement Program that was approved by voters on November 2, 2021.

The COC members are recommended by the Board of Education members, with expertise in areas such as construction, financial management, land development, public agencies coordination, or parent leadership.

PROCEDEO

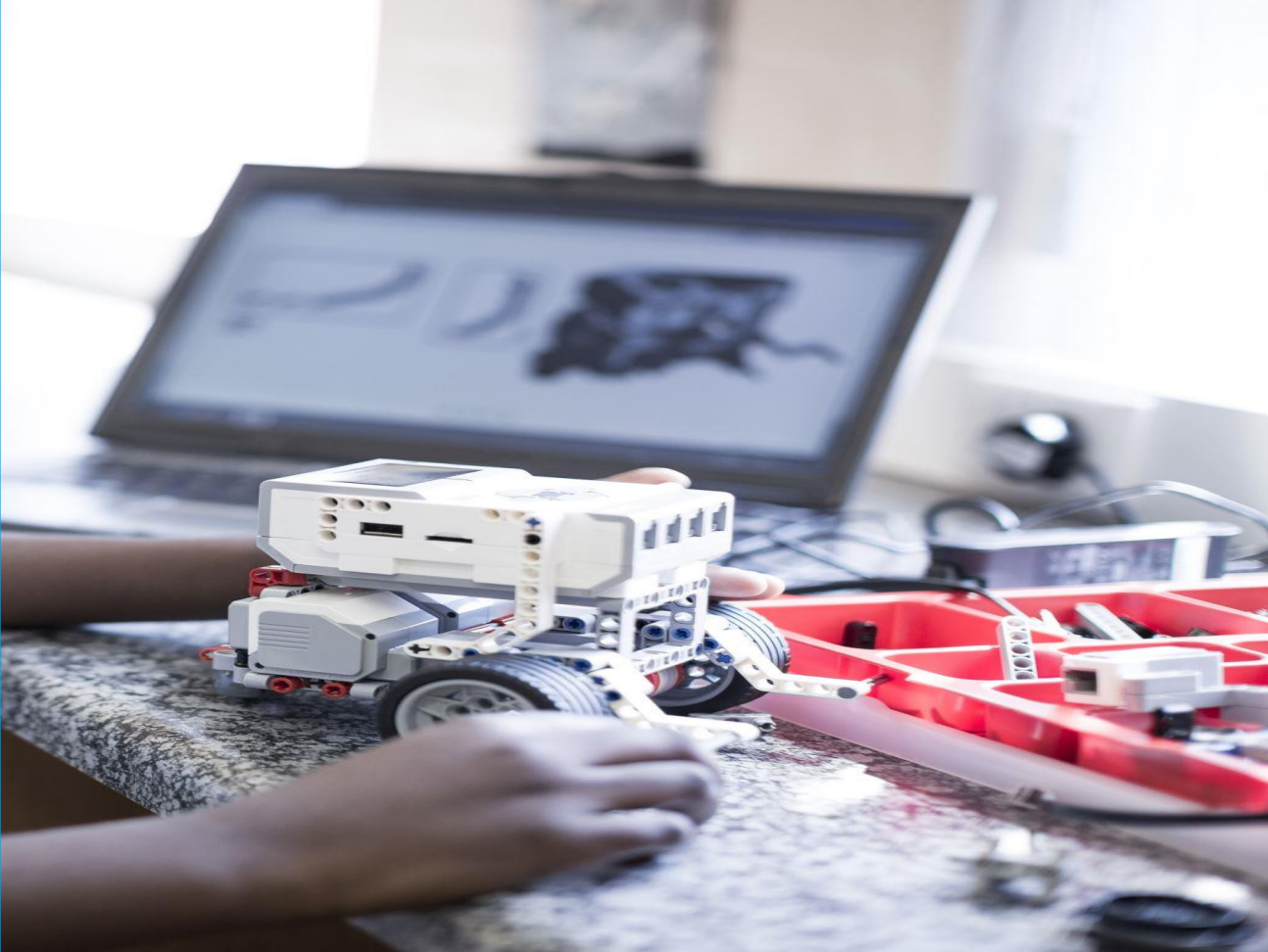
Thank You!



Facility Master Planning Update January 23, 2024



FMP Process Update



October – December 2023

FMP – FCA overview introduction mtg with Operations leadership 10.12

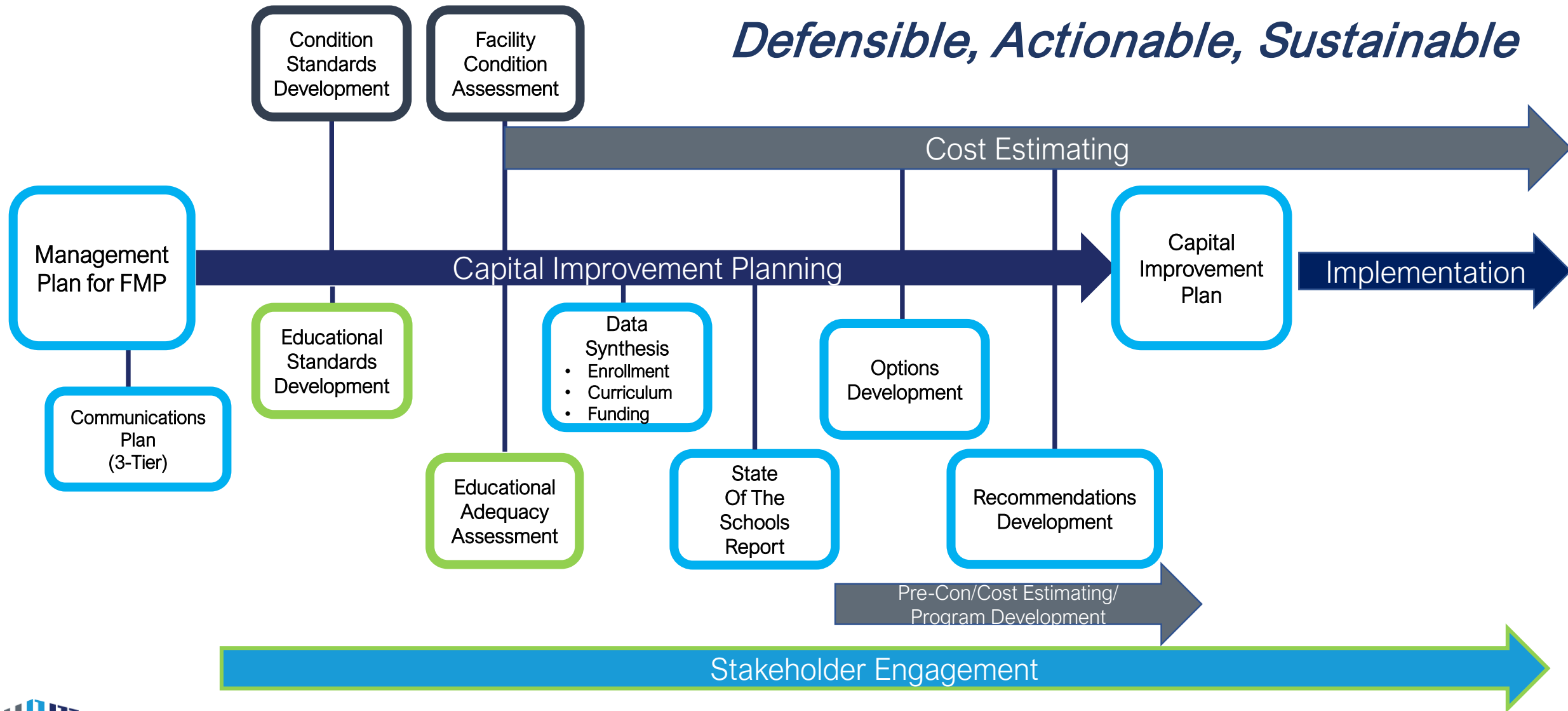
FMP – Communications Strategy mtg with Communications leadership 10.12

FMP – Student & Family Engagement and Family Action Ctr. Leadership mtg 12.18

FMP – Citizens Oversight Committee presentation 12.18

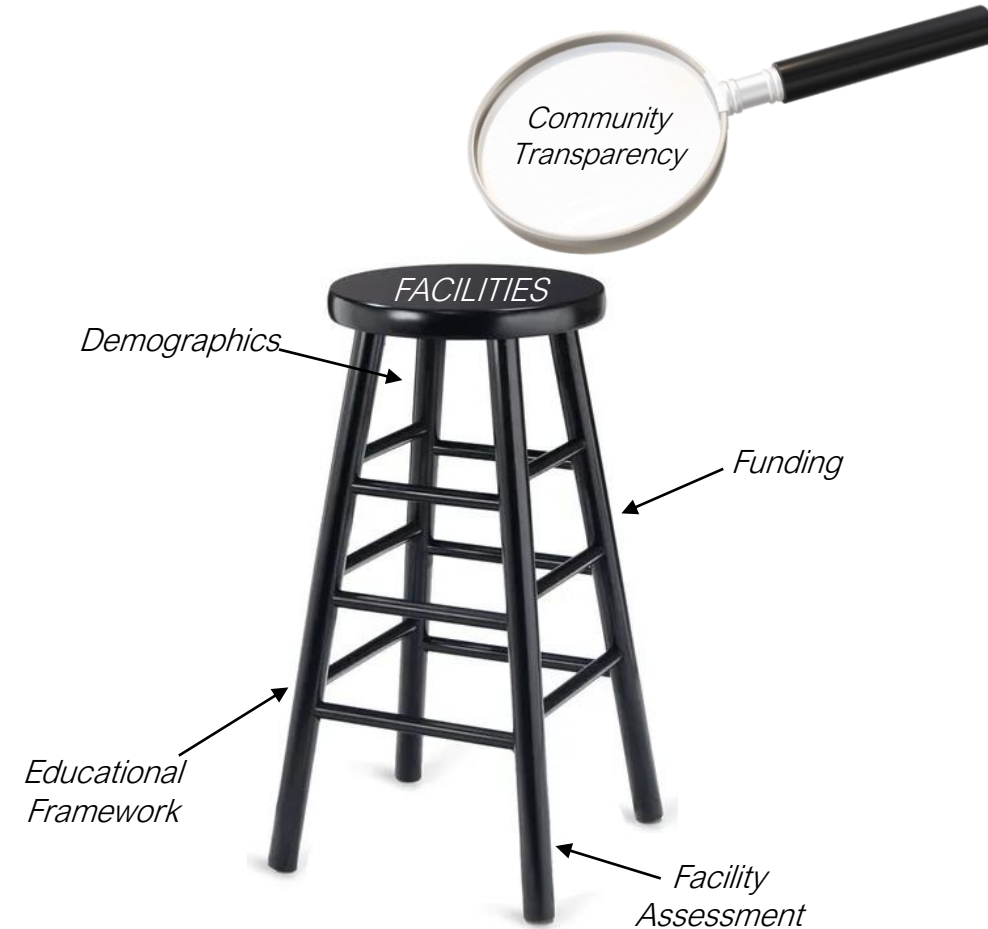
FMP – Board Facilities Committee presentation 12.5

What are we trying to solve, and how do we solve it?



Comprehensive Facilities Planning Goals

1. Development of a Facilities Plan, Not a Bond Plan
2. Comprehensive Data Approach
 - Demographics
 - Condition (Physical & Educational)
 - Educational Framework
 - Financial
3. Informs Current and Future Bond Programs
4. Recommendations that address:
 - New Construction/Renovation/Reinvestment
 - Boundary Realignment and Right Sizing
 - Deferred Maintenance



A photograph of three construction workers in profile, looking towards the right. The worker in the foreground is a Black man wearing a yellow hard hat, a red headband, and clear safety glasses. He is wearing a green button-down shirt over a blue t-shirt. Behind him, another worker in a white hard hat and safety glasses is visible, slightly out of focus. A third worker in a white hard hat is partially visible on the left, also out of focus. The image is split vertically: the left half has a blue overlay with the text 'Facility Condition', and the right half shows the workers in natural lighting.

Facility Condition

Project Goals/SOW – Facility Condition Assessments

School Assets cataloged, assessed, and prioritized

- Dynamic software database for enhanced decision-making
- Multi-year data defensible capital plan
- Communicating plans to the School District

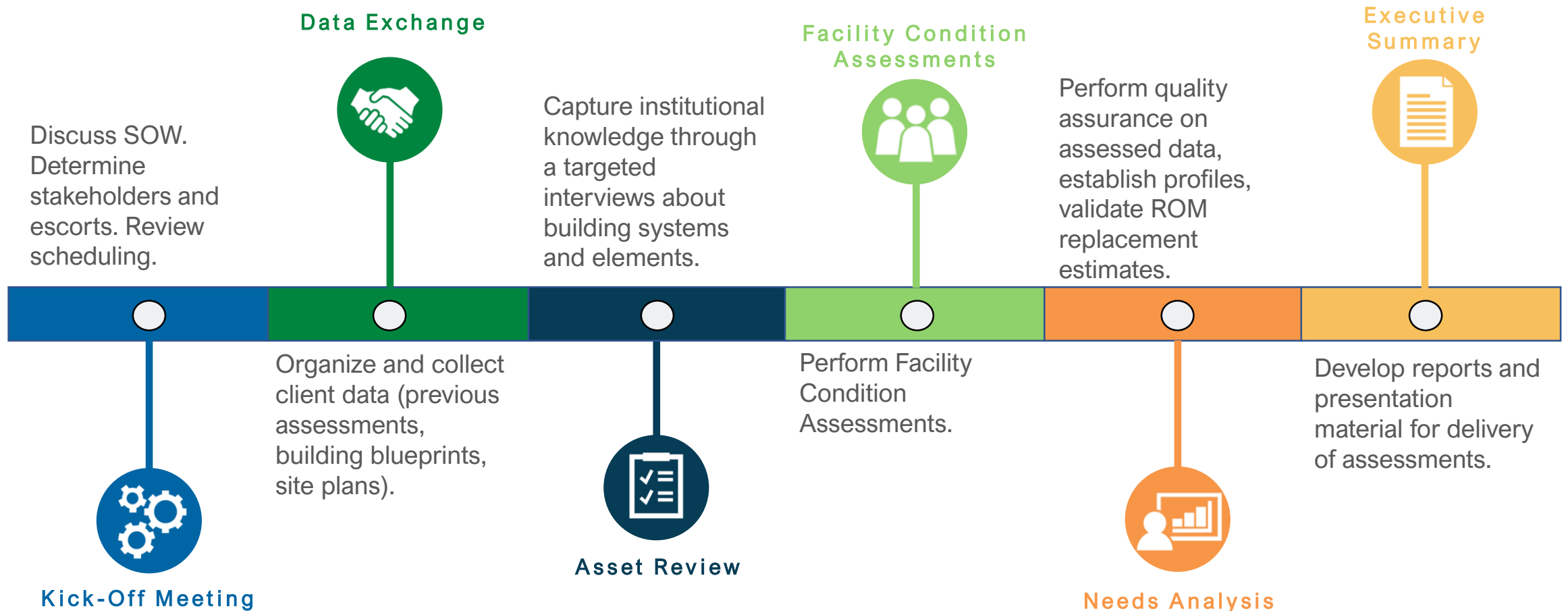
Category	Element Number	Attachments	Replacement Hard Cost	Last Major Action	Location/Name	Element Description	Commentary	Overall Condition	Action Summary	Action Type	Action Hard Cost	Total Action Cost	Action Year
A1010 - Standard Foundations	1		127,068	2000		Standard Foundation		Good					
A1030 - Slab On Grade	1		227,322	1991		Slab on Grade		Good					
B1010 - Floor Construction	1		344,030	1991	Admin space in SW...	Floor Construction		Good					
B1020 - Roof Construction	1		915,382	1991		Roof Construction		Good					
B2010 - Exterior Walls	1		784,962	1991		Exterior Walls		Good	Repair exterior walls.	Repair	117,742	170,726	2029
B2020 - Exterior Windows	1		28,519	1991		single pane metal frame windows		Fair	Upgrade windows to promote energy efficiency.	Replacement	28,519	41,353	2023
B2030 - Exterior Doors	1		55,215	1991		Hollow Metal - Fire Rated		Good	Replace exterior doors.	Replacement	55,215	80,062	2023
B203004 - Overhead And Roll-Up Doors	1		205,868	1991	East side of building	Metal Roll-up Door	Vehicle damage on almost every door. Weatherstripping at sides appear to have failed.	Fair	Replace door sections and weatherstripping as needed.	Replacement	205,868	298,508	2031
B3010 - Roof Coverings	1		589,941	1991	4A20-Roof	Standing Seam Metal Roof	Reported minor leaking of roofing system.	Fair	Needs additional research and repair as needed.	Replacement	589,941	855,415	2023
B301005 - Gutters And Downspouts	1		0	1991	4A20-Roof Gutters	ROOF GUTTER		Good	Replace roof gutters.	Replacement	0	0	2023
B301006 - Roof Openings And Supports	1		18,098	1991		Roof Openings		Good	Replace roof openings.	Replacement	18,098	26,243	2023
C1010 - Partitions	1		53,294	1991		Partitions		Good					
C1020 - Interior Doors	1		19,744	1991		Interior Doors		Good	Replace interior doors.	Replacement	19,744	28,628	2023
C102003 - Fire Doors	1		53,022	1991	4A20-Fire Doors	FIRE DOORS		Good	Replace fire doors.	Replacement	53,022	76,881	2023
C2010 - Stair Construction	1		43,938	1991		Stair Construction/Finishes		Good					
C3010 - Wall Finishes	1		32,757	1991		Wall Finishes		Excellent	Replace wall finishes.	Replacement	32,757	47,497	2023
C3020 - Floor Finishes	1		88,367	2017		New flooring in admin area, conference and office in high bay area. (2017) Remaining flooring is polished concrete/.		Excellent	Replace floor finishes.	Replacement	88,367	128,132	2041

What are we assessing?

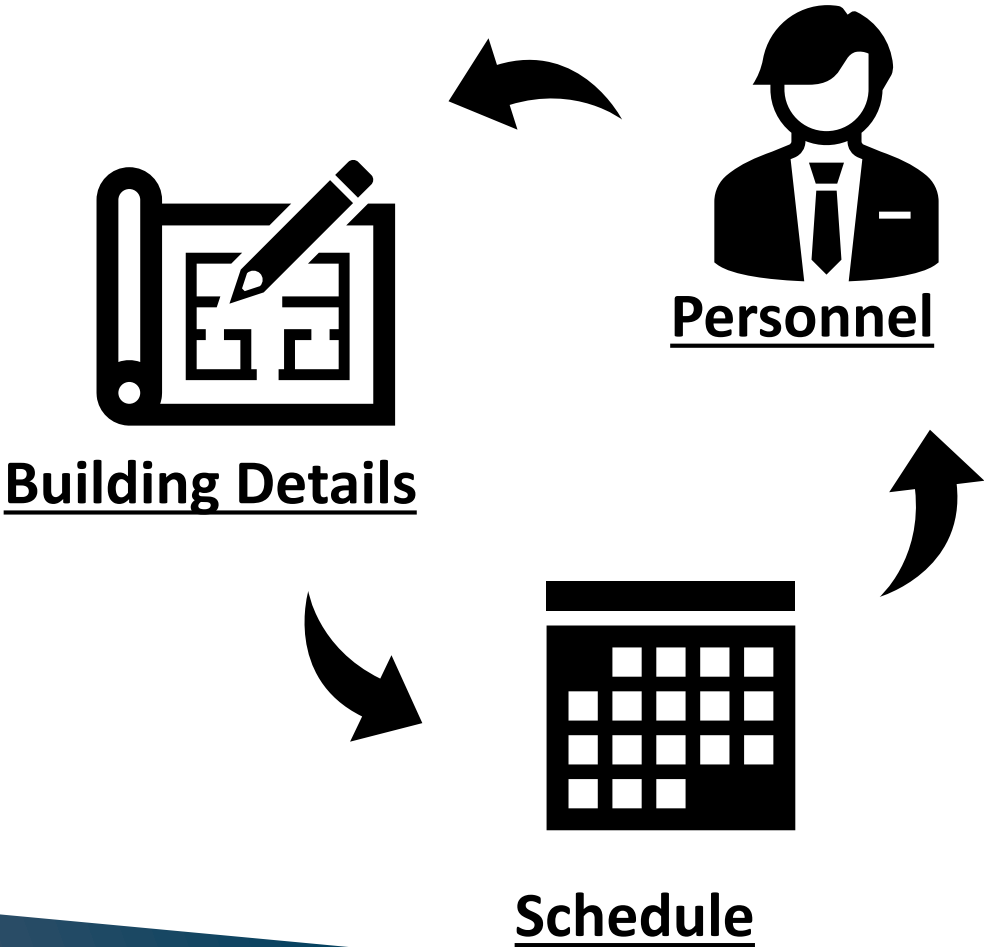
- Building Substructure and Shell
- Interior Finishes
- Mechanical, Electrical, and Plumbing (MEP)
- Elevators
- Life Safety Systems
- Equipment and Fixtures
- Campus/Site Systems







*visual observations, non-intrusive

Project Scope and Timeline



Site Visit Planning



Category	Responsibility	Detail
Personnel		<ul style="list-style-type: none">• Background Checks• Experienced K-12 Assessors
		<ul style="list-style-type: none">• Reliance on Maintenance Staff for Institutional Knowledge• School Personnel Support
Building Details		<ul style="list-style-type: none">• Asset Register Developed• Life Cycle Modeling
		<ul style="list-style-type: none">• Current Projects• Historical Costing Information• Floor/Site Plans
Schedule		<ul style="list-style-type: none">• Prioritized School Schedule• Developed with FWISD Planning• December 4th → Late Spring
		<ul style="list-style-type: none">• Communicate with School• Coordinate with Staff

Facility Condition Assessment

Activity	Timeline	
Collect Floor Plan & Facility list, previous assessment data	Nov.-Dec.	Middle School campuses Completed
Capture internal staff knowledge before and during site visits	Jan/Feb for Middle Schools Feb/March for ES and HS	Currently Ongoing: Maintenance & Operations support as needed
Physical walk through of spaces at MS campuses	Middle School campuses January 8- February 8	Currently Ongoing
Data import & review (QA/QC)	Middle Schools: Late January-early February Elem. Schools & High Schools: mid February-March	
Additional follow ups/edits	If necessary	ES and HS to follow after MS complete.





Educational Standards, Specifications, Education Adequacy

Educational Standards and Specifications

Review current Ed Specifications		2021 Ed Specs reviewed
Review floor plans and most recent MS campus for comparison and potential updates/changes. Elem. Schools and High Schools reviewed after high priority MS campuses.	MS comparisons ES and HS to commence in late Jan.	Continue to seek feedback from user groups
Interactive workshops with internal groups: Principals Advisory Group Academic leadership Operation Department leadership	Dec. 6 Mtg Dec. 6 Mtg Dec. 8 Mtg	Process overview & expectations of deliverables, request for participation and feedback for Educational teaching and learning needs in facilities.
Review current District Plans: Safety and Security Plan Technology Plan Strategic Plan- currently being updated by others	Reviewed Specs from 2021. Receiving feedback on requested changes.	Requested Changes- Middle School feedback: (ex.) Admin. Space +450 SQFT Kitchen & Dining +2,275 SQFT Perform./Visual Arts + 4,570 SQFT



Educational Adequacy

Activity	Timeline	
Education Specification updates	November - February	Currently collecting MS requests to be reviewed and approved by leadership ES and HS review to occur after MS
Develop Adequacy Assessment Survey: assessing by means of visual inspection for Space Type and requirements for each	December - January	Align with Updated Ed Specs And District Review
Physical walk through of spaces at MS campuses. Verifying SQFT and utilizing Ed Specs to build scores and cost Physical walk through of spaces at ES and HS campuses	January 16-22 February (dates TBD)	On-Site Schedule Prioritizes MS ES and HS follow MS assessments
Data import & review of MS campuses Data import & review of ES and HS campuses	January 23-31 February (dates TBD)	*Review with district
Additional follow ups/edits	If necessary	Quality Check District Input





Community Engagement

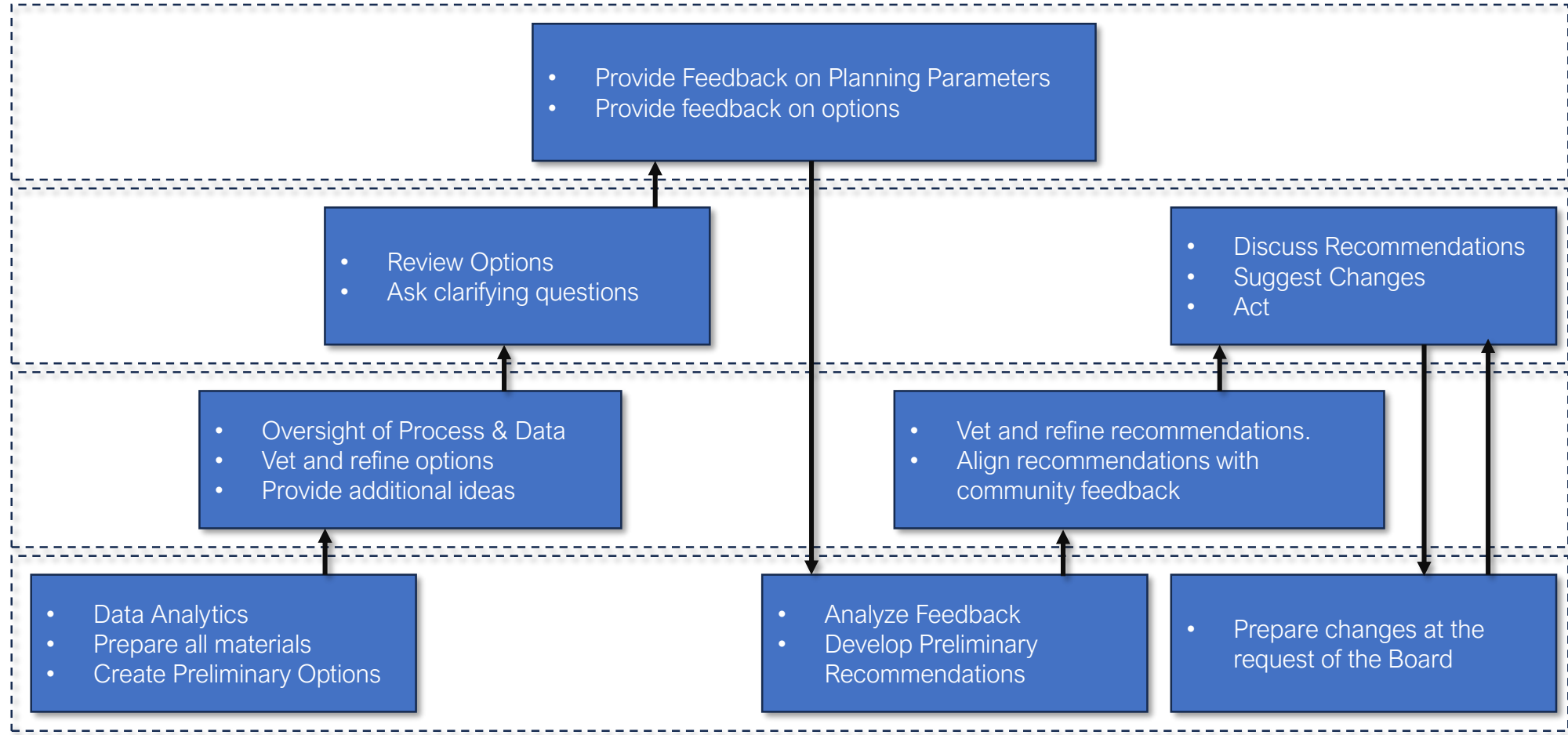
Community Engagement Stakeholder Perspective

Community

Board of Trustees

Working Groups /
Planning
Committees

Consultant Team /
District Staff



Projected Timeline

FWISD Long Range FacilitiesPlanning		Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
Pre-Planning Phase																
Plan for Planning (Internal FWISD Leadership)																
Demographic Analysis and Enrollment Projections																
Educational Standards / Specifications Middle Schools																
Educational Adequacy Assessment Middle Schools																
Educational Standards / Specifications Elementary & High Schools																
Educational Adequacy Assessment Elementary & High Schools																
Design Manual (Technical Guidelines) Update																
Facilities Condition Assessment Middle Schools																
Facilities Condition Assessment Elementary & High Schools																
State of the Schools Report																
Facilities Master Planning Web Page and Dashboard																
Planning Phase																
District Internal Staff Meetings / Updates																
Educational Framework Development																
Community Survey on Educational Framework																
Community Task Force Meetings																
Middle School Right Sizing																
Facilities Master Planning Options Development																
Options Community Meetings / Survey																
Facilities Master Planning Recommendations Development																
Recommendations Survey																
BoT/FacilityCommittee Meetings / Updates																



Utilizing a PFC for an Administrative Facility

Board of Trustees Meeting

January 23, 2024



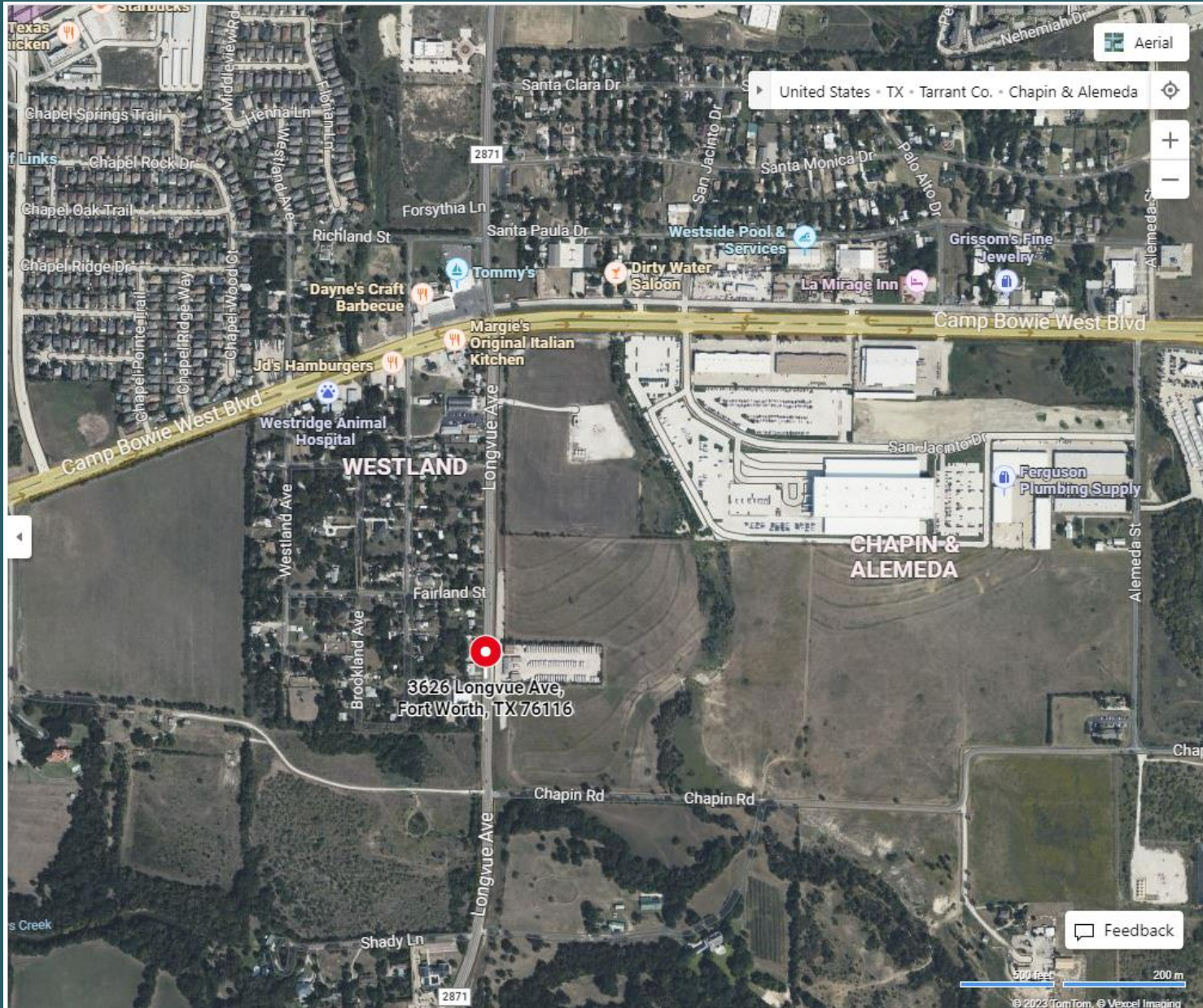
Project Details

Operations Facility
(Transportation/Warehousing/Maintenance)

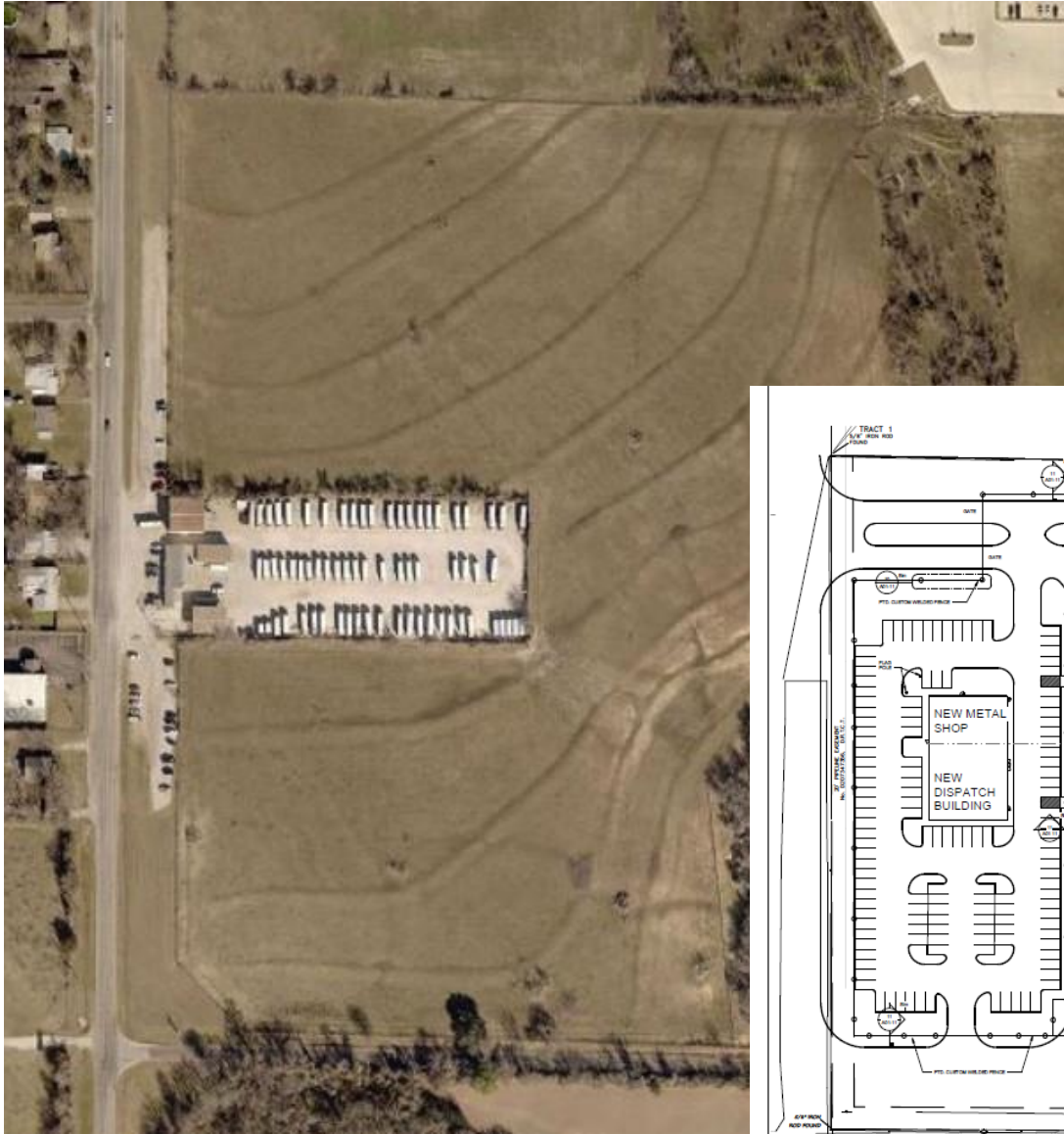


Background

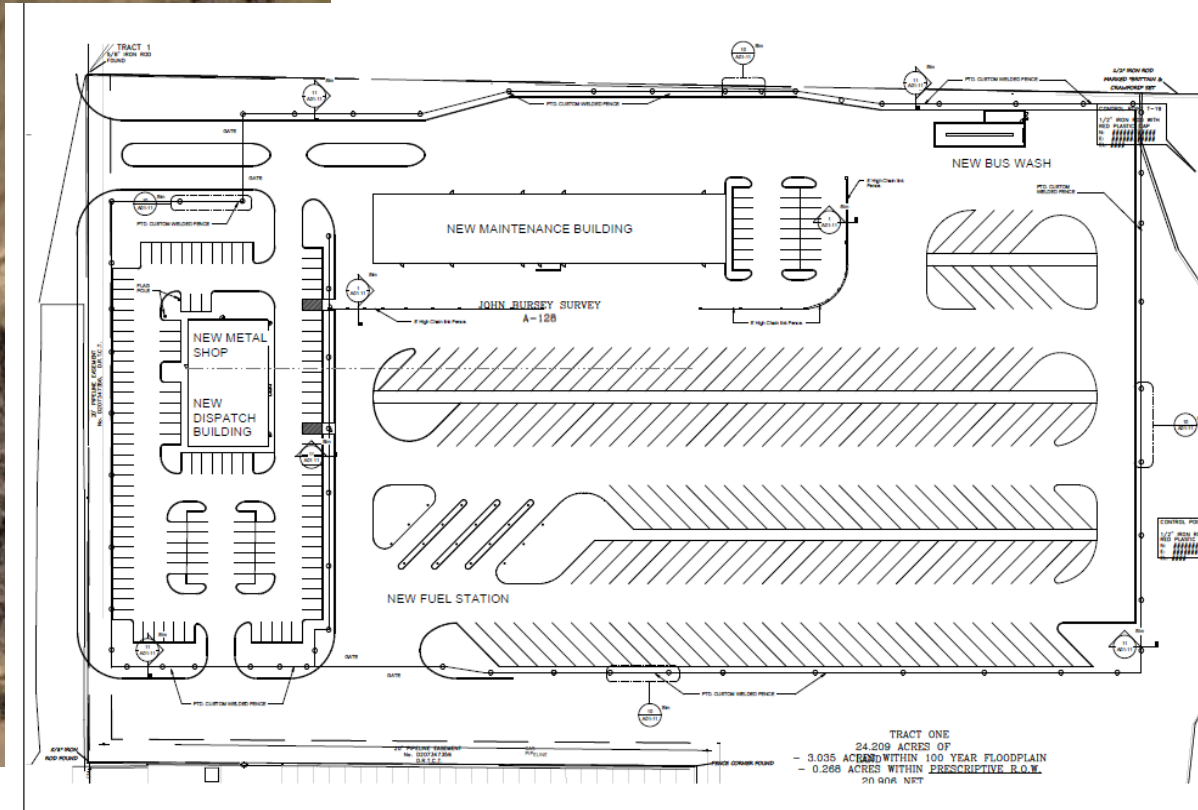
- On June 23, 2020, the Board approved an Architect Services Agreement with Corgan, to develop a new transportation facility to relocate the current existing bus barn into a more comprehensive transportation facility
- Agreement was funded by TRE funds (General Fund) in an amount of \$302,200
- Facility was identified as the Westside Operations Facility
- Located at 3626 Longvue Ave, Fort Worth, TX 76116
- TxDot RM 2871 Roadway Improvement Project will directly impact the current existing bus barn
- Updated estimated construction/project budget: Not to exceed \$30 million



Property Location:
***3626 Longvue Ave, Fort
Worth, TX 76116***



Property Location: 3626 Longvue Ave, Fort Worth, TX 76116



INDEPENDENT SCHOOL DISTRICT

DIVISION OF
BUSINESS AND FINANCE

RM 2871 ROADWAY IMPROVEMENTS

FORT WORTH DISTRICT



ESTIMATED PROJECT MILESTONES

Receive Environmental Clearance: 2021

Right-of-Way Acquisition: 2023

Design 100% Complete: 2024

Utility Coordination Complete: 2024

Begin Construction: 2025

Finish Construction: 2027

The environmental review, consultation, and other actions required by applicable Federal environmental laws for this project are being, or have been, carried-out by TxDOT pursuant to 23 U.S. Code Section 327 and a Memorandum of Understanding dated December 9, 2019, and executed by FHWA and TxDOT.

PROJECT OVERVIEW

Highway/Limits: Ranch-to-Market (RM) 2871 (Longview Avenue/Chapin School Road): From I-30 to US 377, Tarrant County

Project ID: 2855-01-022

Project Length: Approximately 5.12 mile

Description: The proposed improvements to RM 2871 include reconstructing and widening the existing roadway to a 4-lane divided urban roadway with a 6-foot to 18-foot wide raised-curb median from US 377 in the City of Benbrook north to I-30 in the City of Fort Worth for approximately 5.12 miles along RM 2871. Additional improvements being evaluated include an overpass bridge of RM 2871 over the Union Pacific Railroad (UPRR) and Aledo Road. The proposed project would enhance safety and mobility. The project would also include additional left and right turn bays, improvements to existing intersections, and bicycle and pedestrian accommodations on both sides of RM 2871.

Construction Cost: The proposed project would have an estimated construction cost of approximately \$50 million – depending on the alternative selected.

Right of Way: The project alternatives would require approximately 1 to 16 acres of additional right-of-way – depending on the alternative selected.

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Fort Worth District Office
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Phone: (817) 370-3519

RM 2871 Roadway Improvements

Source: [Fact Sheet \(txdot.gov\)](https://www.txdot.gov/fact-sheets/rm-2871-roadway-improvements.html)

Virtual Public Meeting | August 6, 2020
CSJ: 2855-01-022



DIVISION OF
BUSINESS AND FINANCE

RM 2871

(Longview Avenue/Chapin School Road)

Widening and Reconstruction

Project Overview

Project Limits

From I-30 to US 377 in Tarrant County in the cities of Fort Worth and Benbrook, Texas.

Project CSJ : 2855-01-022

Project Length: 5.08 miles

Right of Way: The proposed project would require 10.27 acres of new right of way.

Project Purpose

- Improve Mobility
- Enhance Safety
- Manage Congestion
- Improve Operational Efficiency

Construction Cost Estimate: The proposed project has an estimated construction cost of approximately \$155 million. Project is not currently funded; cost is subject to change once funding is available.

Project Description

The proposed improvements to RM 2871 include reconstructing and widening the roadway from a two-lane rural roadway to a four-lane divided urban roadway with a 6-foot-wide to 18-foot-wide curbed median from I-30 to U.S. 377 in the City of Benbrook for 5.08 miles. Additional improvements include an overpass bridge at the Union Pacific Railroad and Aledo Road. Aledo Road, Chaparral Pass, and Veale Ranch Parkway would be realigned so that each road has access to RM 2871. Other improvements include:

- Adding turn bays and other intersection improvements to various intersections;
- Improving drainage by converting it from open ditches to a curb and gutter system; and
- Providing bicycle and pedestrian accommodations on both sides of RM 2871.

RM 2871 Roadway Improvements

Source: [Fact Sheet \(txdot.gov\)](https://www.txdot.gov/fact-sheets/rm-2871-roadway-improvements.html)

Estimated Project Milestones



Project Funding

Lease Revenue Bonds
through the FWISD PFC



Funding the Project

- Assuming \$30 million maximum proceeds for the project
- Lease revenue bonds through a PFC



Utilizing a PFC to Fund the Project



General

- In Texas, public facility corporations (“PFC”) have been historically used by school districts, from time to time, as an alternative method to finance new construction.
- A school district forms a PFC pursuant to Chapter 303 of the Texas Local Government Code.
- The PFC is a special purpose, nonprofit public corporation that acts on behalf of the District.
- PFC must receive District approval to enter into the agreements related to any issuance of bonds and to issue bonds.
- In most cases, the PFC Board mirrors the District’s governing board (i.e., membership and tenure on the two boards are the same).
- PFC Board meetings are subject to Texas Open Meetings Act.
- Bond issuances by the PFC are typically structured as lease revenue bonds where the revenue to pay the PFC’s debt comes from a lease with the District for the facility that is being constructed (the “Project”).

Source of information: Norton Rose Fulbright (Paul Braden)



Lease Revenue Bonds

- Financing structure involves the District and PFC signing a Lease with an Option to Purchase (the “Lease”) for the to-be-constructed Project.
- The Lease provides the source for payment of bonds (“lease revenue bonds”) to be issued by PFC.
- The District must publish a 60-day notice of intent (“NOI”) before entering into the Lease.
- NOI describes the Project and the Lease in reasonable detail and the financing is thereby limited to the description in the published notice.
- NOI is also required to state the estimated construction cost.
- If 5% of registered voters petition District during the 60-day notice period, the District cannot move forward with the PFC financing without an election.
- If no petition, PFC and District enter into the Lease, and the PFC issues lease revenue bonds pursuant to a Trust Agreement.

Source of information: Norton Rose Fulbright (Paul Braden)



Lease Revenue Bonds (continued)

- No bids for Project construction or site demolition should be published before expiration of 60-day notice
- Proceeds from the sale of the bonds are used to construct the Project.
- Only revenues from the Lease are available to repay the bonds; no taxing authority of the District is pledged.
- Lease is subject-to-appropriation obligation of the District.
- PFC constructs and owns the Project; District has access and control of the Project through the Lease.



Source of information: Norton Rose Fulbright (Paul Braden)

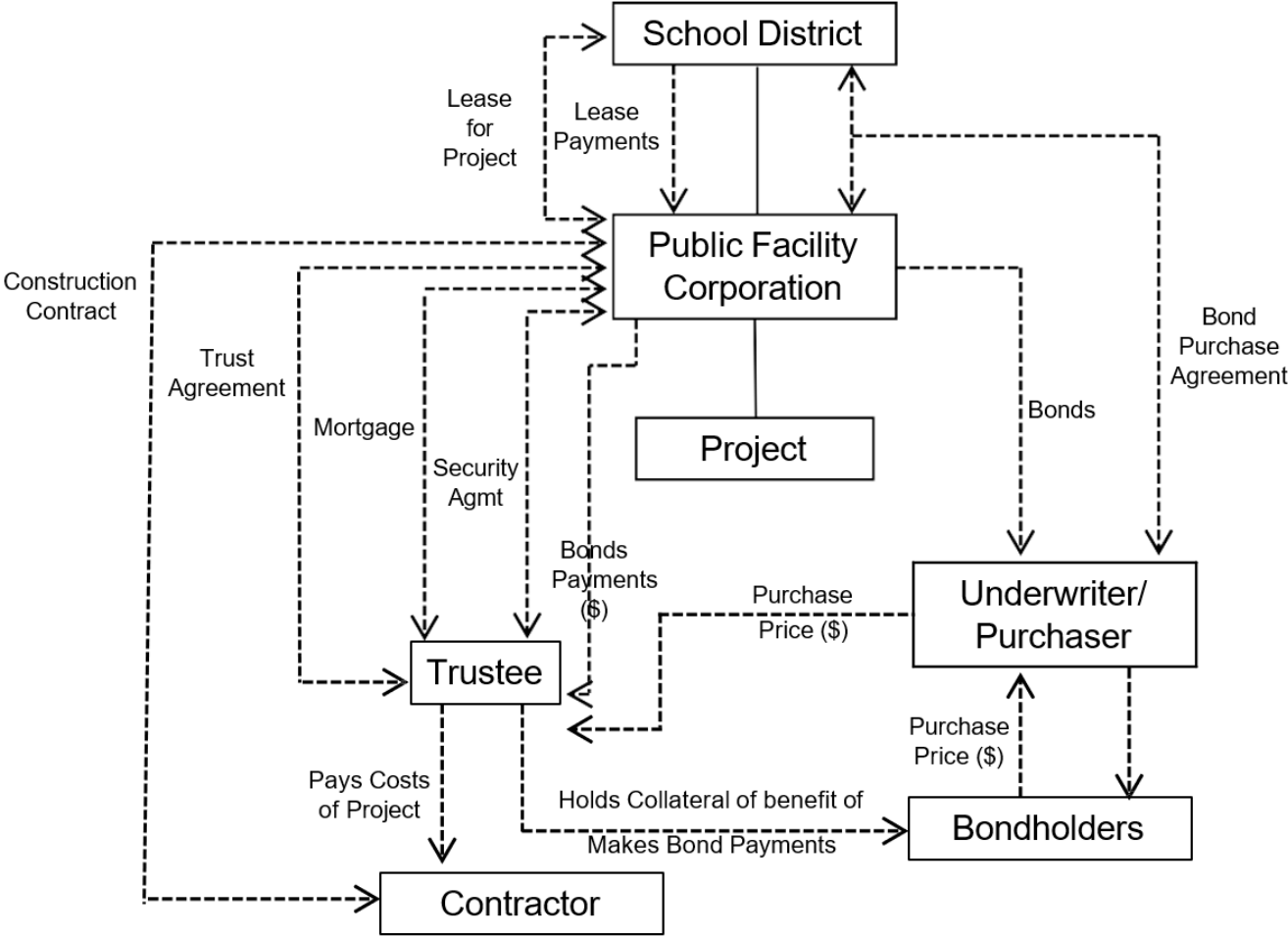
Lease Revenue Bonds (continued)

- District has option to purchase Project (for nominal consideration) upon repayment of bondholders.
- If District already owns land on which Project will be built, PFC has to purchase land at fair market value (but District contributes such funds back to the Project or Project-related expenses).
- District governing board also approves each of the PFC transactions and agreements.
- PFC transactions have many of the elements of a traditional real estate financing (e.g., need for title insurance, survey, appraisal, etc.) as well as a bond financing.
- Texas Attorney General reviews PFC transaction documents and approves any issuance of PFC bonds.



Source of information: Norton Rose Fulbright (Paul Braden)

Overview of Structure



Key:
—— Solid line denotes ownership/control
----- Broken line denotes contractual relationship

District/Board Action

- District staff identifies a necessary project that is well suited for financing through a PFC structure.
- District staff meets internally, and with appropriate Board committee, if needed, to review the Project and the differences associated with a PFC financing structure.
- Appropriate approvals are obtained to move forward with a PFC financing.
- Creation meeting – District Board of Education must meet to approve the Articles of Incorporation and Bylaws of PFC.
- At this meeting, the District can also authorize publication of NOI to enter into Lease with PFC to support the Project.
- PFC organizational meeting – After filing of Articles of Incorporation, PFC must hold organizational meeting.

District/Board Action (continued)

- Financing approval meeting – Governing boards of PFC and District must meet to approve Lease, bond issuance and other financing actions (e.g., forms of transaction documents, sale of land to PFC, etc.)
- Delegation is available for PFC transaction.
- Approval of bond sale and delivery of Lease – If not delegated, additional meetings must be held to approve bond issuance and execution and delivery of the Lease.

Advantages/Disadvantages

- Allows a school district to more quickly address new construction needs if a bond election is not immediately feasible
- Best suited as a limited tool for new construction that must be undertaken because of external pressures
- More complex structure than direct property tax bond financing
- More costly than the issuance of District property tax bonds (both in terms of interest cost and cost of issuance)
- PSF guarantee is not available for lease-revenue bonds
- Time schedule: approximately six months from initial Board approval (PFC formation) to receipt of funds
- Procurement process for design and guaranteed maximum price can take time
- Uses the District's M&O tax rather than I&S tax
- Upon subsequent voter approval, PFC obligation can be refinanced as an I&S tax obligation



Funding the Project

- Assuming \$30 million maximum proceeds for the project
- Lease revenue bonds through a PFC
- Aa2/AA rates with a 50 bps cushion
- 20-year level debt service with a 10-year call
- Level debt scenario of about \$2.387 million/year debt payment
- Funded out of the general fund
 - Subject-to-appropriation obligation of the District.



Next Steps

- Working with outside legal counsel, draft and finalize PFC documents for presentation and approval at February or March Board of Trustees Meeting





**THANK
YOU!**



Fort Worth
INDEPENDENT SCHOOL DISTRICT
Division of Business and Finance