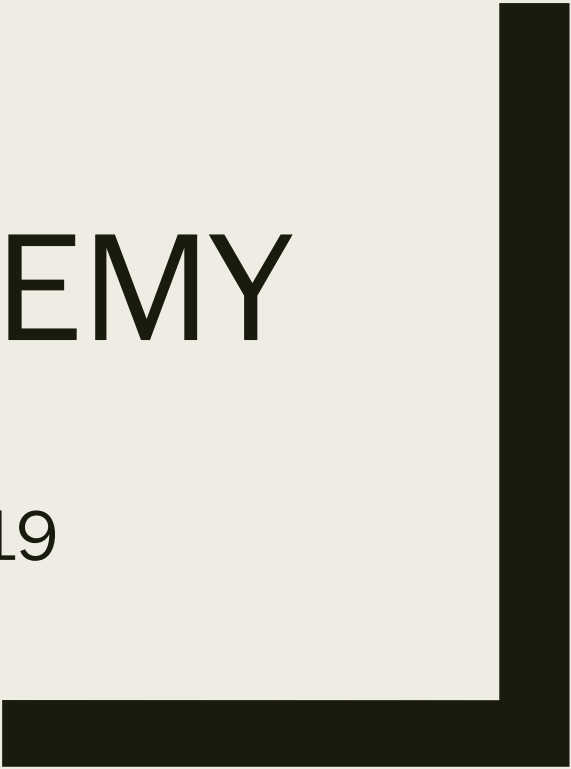




LINCOLN ACADEMY

Jeffco 5B Bond &
Master Plan Update - 2019



Facilities Committee Makeup

■ Staff Members:

- *Principal Johnson*
- *Mr. Niemiec (MS Science)*
- *Mrs. Coyle (DSS Director)*
- *Mr. Fries (Technology Coordinator)*
- *Mr. Miller (Facilities Manager)*

■ Owner's Rep Professionals:

- *Cheryl Humann (Vanir)*
- *Annette Ernst (Vanir)*
- *Amy Lalone (Wold Architects)*

■ Parents:

- *Larry McGurer*
- *Jason Wennen*
- *Jeff Adams*
- *Micah Gilbreath*
- *Doug Neely (former Board President)*
- *Lori Woods (Committee Chair)*

5B Bond Background

- Jeffco is sharing 9.29% of the district bond with the district charters (based on FTE)
- Each charter campus receives an equal portion of that 9.29% (JCSC decision)
 - \$3.09 Million (*total project funding*)
 - Will receive monthly interest earnings
 - Less a 1% Jeffco Admin fee
 - Less our owner's rep fee
- Funds to be spent on any capital expenditure (\$5,000 or greater)
 - Capital Renewal – replacing a system that is at the end of it's life or has failed
 - Capital Investment – upgrading a current system/building
 - New Construction
 - Pay off/down debt

5B Bond – MOU w/ JeffCo

- Would like to clarify/discuss in writing:
 - *Bond Premiums Shared with Charters?*
 - *Required Administration Fee and Expected Services?*
 - *Land Transfers from Previous Warm, Safe, Dry Bond?*
 - *Required Project Approvals?*
 - *All money spent within 3 years?*
- The Board should charge the Facilities Committee and Board President to work with LA's lawyer to draft and negotiate terms and report back.

Existing Campus



Existing Debt

- CECFA Bond - Building Corp for Bldg. A & B
 - *Current principal owed is \$5.6 million*
 - \$4.78 million principal owed if paid off in 2029
 - \$3.7 million principal owed if paid off in 2034
 - Scheduled to be paid off in 2043
 - *When paid off: \$500,000 a year available for R/I or for future facilities savings*
- CSDC Loan - Property Corp for Bldg. C
 - *Current principal owed is \$745,000*
 - *Paid off in 2 years*
 - *If paid off now: \$300,000 a year available for R/I or for future facilities savings*

2015 Master Plan Recap

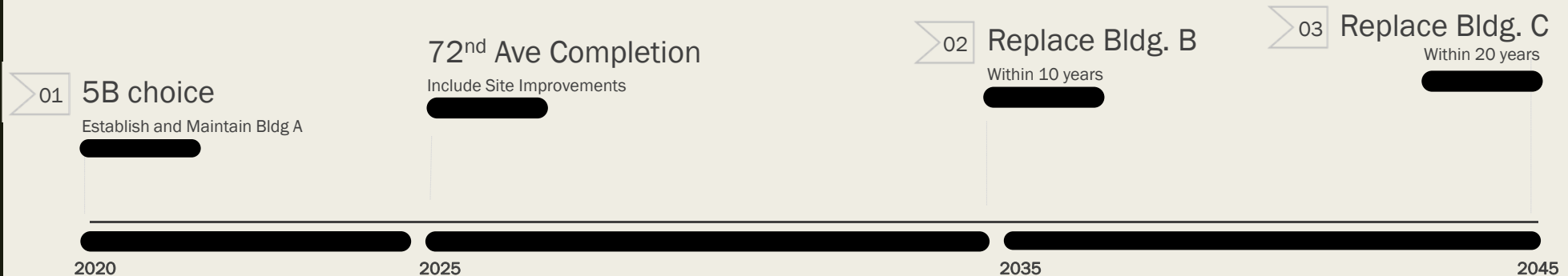
- The Board requested a master plan be drawn up to present options for additional classroom space in preparation for the BEST grant application and to provide full capacity for the planned student growth

Options included:
- Start of a New Building in the North Parking Lot (\$37M in 2015)
- Full Campus Remodel (\$10M in 2015)
- Partial Remodel and Addition to Bldg A (\$12M in 2015)
- Location Change
- Addition of Modular Building

- Board decided to add modular classrooms – Building C
 - Solved immediate growth needs at a low cost
- Never revisited a long term plan to map out future facilities and funding plans

Update to 2015 Master Plan

- Facility Committee Recommends Long-term Planning Goals to Board
- Proposed Goals & Timelines:
 1. Establish Building A as the Core of the Campus
 - Maintain and Invest in that Asset
 - Site Improvements (paving, parking and playground) within 5 years
 - *Coordinate all site improvements with the City of Arvada 72nd Avenue project*
 2. Replace Building B – within 10 years (additional financing req'd)
 3. Replace Building C – within 20 years (additional financing req'd)



Proposed Options – Based on Goals

- A. Capital Renewal/Improvements (R/I) to Building A
- B. Pay Off CSDC Loan (Building C) + Capital Improvement to Building A
- C. Replace Building B w/Modular Building
- D. Small Addition to Building A

Option A: Capital Renewal/Improvement to Building A

- Maintain Existing Campus Configuration
- Invest in Building A
- Maintain Building B
- In 2 years, when CSDC loan (Bldg. C) is paid off: \$25,000/month can be put towards other R/I or future facilities savings
- List of Capital Projects will be further prioritized if/when Option A is selected

Advantages

- Invests in core of campus – buys longevity
- Responds to parent and staff requests

Disadvantages

- Won't do it all

Option B: Pay Off CSDC Loan + Capital R/I to Bldg. A

- Maintain Existing Campus Configuration
- Invest in Building A
- Maintain Building B
- List of Capital Projects will be further prioritized if/when Option B is selected

Advantages

- Reduces overall school debt (Bldg. C)
- Invests in core of campus, buys longevity
- Responds to parent and staff requests

Disadvantages

- Addresses only very high priority R/I projects

Option C:

Replace Building B with Modular Building

- Alters Existing Campus Configuration
- Modular Building to Replace Building B – New or Used
- Demolish Building B – when funds allow

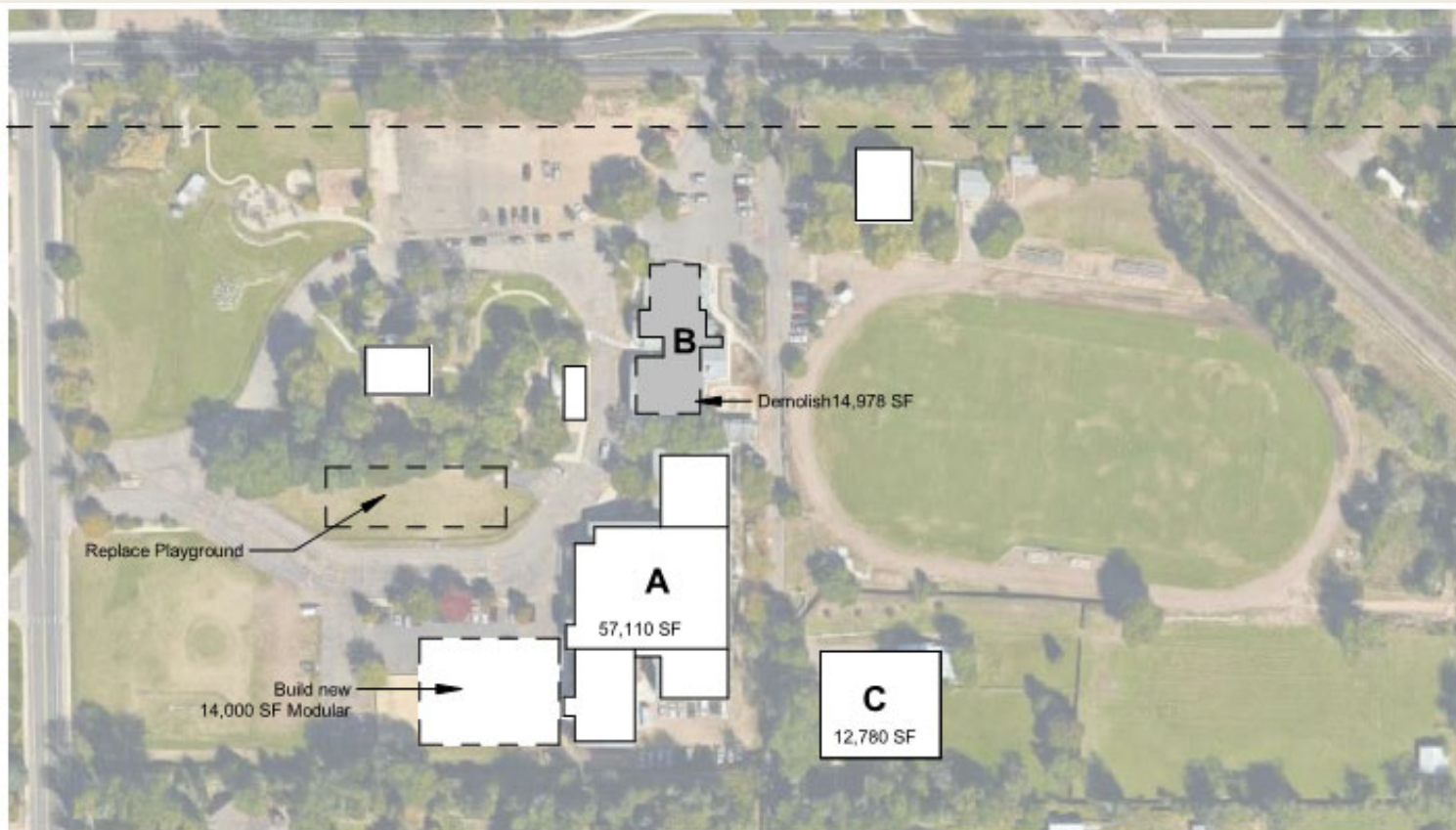
Advantages

- Removes Building B

Disadvantages

- May not have enough budget to demo Building B now (maintenance costs remain)
- Places playground across drive
- Modular Building is not a long term solution
- Tough to get future funding for required Bldg A capital projects
- Loss of parking spaces

Option C: Replace Building B with Modular Building



Option D: Addition to Building A

- Alters Existing Campus Configuration
- Addition to Building A (Approx. 6,500 SF)
- Maintain Building B for Partial Use

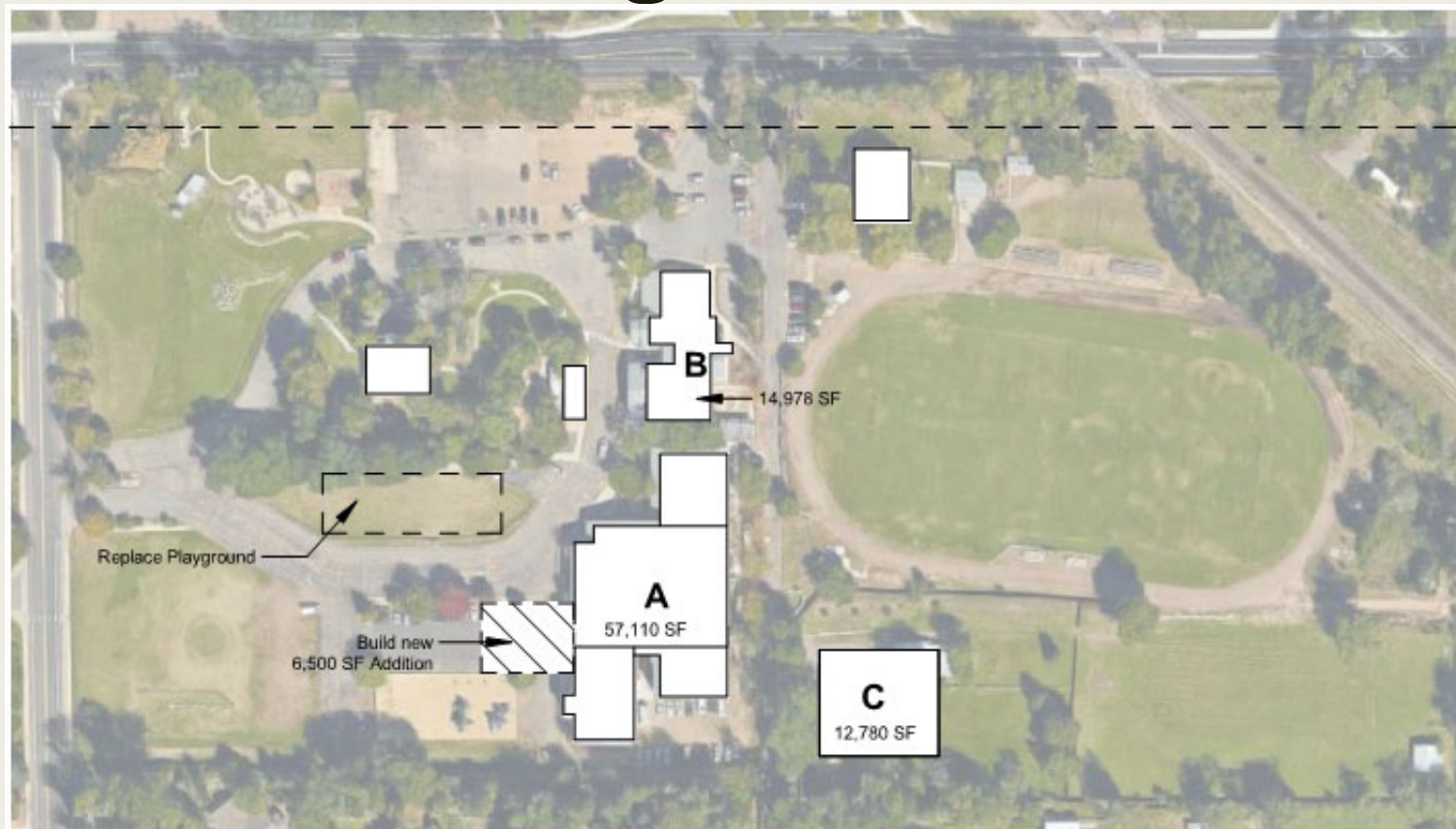
Advantages

- High quality permanent square footage

Disadvantages

- New square footage does not replace Building B entirely (some students remain and maintenance costs remain)
- Places playground across drive
- Tough to get future funding for required Bldg A capital projects

Option D: Addition to Building A



Financial Recap of Options

Description	Option A	Option B	Option C	Option D
Budget	\$3,090,000	\$3,090,000	\$3,090,000	\$3,090,000
Less Loan Repayment		-\$745,000		
Remaining Budget		\$2,345,000		
Less 25% Soft Costs (Design Fees, Permits, Inspections, Testing, Admin Fees)	-\$772,500	-\$586,250	-\$772,500	-\$772,500
Remaining for Construction	\$2,317,500	\$1,758,750	\$2,317,500	\$2,317,500

Other Considerations

- Pursue Grant Options

- *CO Department of Homeland Security –SAFER Grant*
- *Greater Outdoors of Colorado (GOCO) Playground/Site*
- *BEST*
- *Energy Improvements (LED Lighting, HVAC, Commissioning)*

- City of Arvada

- *Maintain Connection*
- *Develop Site Plan*

Path Forward

■ Facilities Committee Recommendation:

- *Modified Option B:*
 - Combination of Debt Payoff with a Heavy Investment into campus core
- *Choose to cover HVAC improvements and Safety Items FIRST*
- *Use remaining funds to pay down building C debt (may or may not be the full \$745,000)*
 - Depends on prioritized list and hopeful grants
- *Debt Paydown allows for further burn down of capital projects list in time and then for more aggressive facility savings plan towards replacement of buildings B & C.*

■ Upcoming Committee Work with Vanir/Wold:

- *Continue to collect pricing on capital projects list*
- *Continue to research other avenues of funding*
- *Potential Jeffco Negotiations*

■ Next Full Committee Meeting (Monday, 4/1, 3:45pm, conference room)

- *Return to next Board meeting with prioritized capital projects list*

Questions?

Appendix A: Background Info

2015 Options	Description	2015 estimated cost	2019 estimated cost (4years at 12% increase)
1	Remodel Current Facilities	\$ 10,067,268	\$ 14,899,557
2A	Remodel South A with west wing and north wing addition	\$ 21,404,574	\$ 31,678,770
2B	2A with private financing and guidelines	\$ 12,263,357	\$ 18,149,768
2C	Remodel all of A with building B replacement and west wing addition	\$ 17,723,448	\$ 26,230,703
3A	All new buidling	\$ 34,964,558	\$ 51,747,546
3B	3A with private financing and guidelines	\$ 25,174,752	\$ 37,258,633

Parent Survey Results		
HVAC	50.49%	104
Asphalt and Sidewalks	44.66%	92
Campus Security (lighting, cameras, traffic barriers)	39.81%	82
Others (interior finishes, bathroom upgrades, playgrounds, gym acoustics)	13.59%	28

Appendix B: Background Info (funding details)

	Official			Revenue		Expenses		
	Oct 1 2018			Bond Proceeds	Election Costs	Cost of Issuance	Under-writers Discount	Net Allocation
	FTE			<u>\$567,000,000</u>	<u>\$127,661</u>	<u>\$1,272,229</u>	<u>\$383,120</u>	
District Schools	72,726.8	90.71%		\$514,301,700	\$115,796	\$1,153,985	\$347,512	\$512,684,407
Charter Schools	7,452.0	9.29%		\$52,698,300	\$11,865	\$118,244	\$35,608	\$52,532,583
Jeffco Schools Total Bond Request	80,178.8	100.00%		\$567,000,000	\$127,661	\$1,272,229	\$383,120	\$565,216,990
Charter Schools Net Allocation is spread to 17 buildings equally.								
Charter Schools				\$52,698,300	\$11,865	\$118,244	\$35,608	\$52,532,583
School								
Lincoln Academy				\$3,099,900.00	\$697.94	\$6,955.53	\$2,094.59	\$3,090,151.94