Update on the School Building Project by School Superintendent Record
Cape Elizabeth Town Council
Special Meeting 8/22/22

Executive Summary

- Since 2017, there have been 85 public meetings to date regarding how to address the school building deficiencies (2 Building Oversight Committees & Subcommittees/School Board/Town Council)

- On 8/9/22, the School Board voted unanimously (5-0) in favor of moving this project (building 2 new schools & renovating aspects of CEHS) & additional fundraising forward for Town Council referendum consideration on 8/22/22

- This SB vote included a cost reduction savings since the last TC/SB workshop (7/26) of $10.6M
    - Original project cost: $126,583,113 | Current project cost: $115,943,324
        - Project cost validation by local contractor & sq. footage $ by MDOE
        - Validated costs for Operations & Maintenance, energy, and construction costs
    - A square footage reduction of 30,000+ SF
    - A decision to remove 1933 building from the site plan & retain 2004 Kindergarten wing (possible pre-K location)
    - Included a SB endorsement to pursue private donations of up to $5M to enhance the project

	ITEM	COST	FUNDRAISING COST	FUNDRAISING "NEEDS BY" DATE
Original Estimate	Pond Cove Elementary School	$41,099,116	$0	
	Cape Elizabeth Middle School	$54,428,559	$0	
	Common Areas	$15,551,017	$0	
	Site work	$9,981,323	$0	
	High School Renovations	$4,923,809	$0	
	1933 Building Closure	$599,290		
Adjustments	Classroom Size Reduction	($770,000)	$0	
	Gym SF Reduction	($450,000)	$0	
	Gym: Fitness Area Reduction	($150,000)	$150,000	Jun-23
	Gym: Concession Reduction	($50,000)	$50,000	Jun-23
	Athletic Field - Gull Crest Field	($750,000)	$0	
	Overall +/- 8% Sq. Ft. Reduction	($5,750,000)	$0	
	1933 Building Modifications	($599,290)	$0	
	1933 Building Removal	$240,000	$0	
	K-wing Building Removal	($112,500)	$0	
	K-wing Building Modifications	$450,000	$0	
	Auditorium: Seating and Lobby Reduction	($2,000,000)	$2,000,000	Feb-23
	Solar PV Array Installation	($350,000)	$350,000	None
	"Green Roof" Installation	($148,000)	$148,000	None
	Amphitheater Installation	($200,000)	$200,000	None
	PROJECT TOTALS	**$115,943,324.00**	**$2,898,000.00**	
	Recommended Bond Amount	**$115,943,324**		
	Recommended Fundraising Amount		**$5,000,000**	

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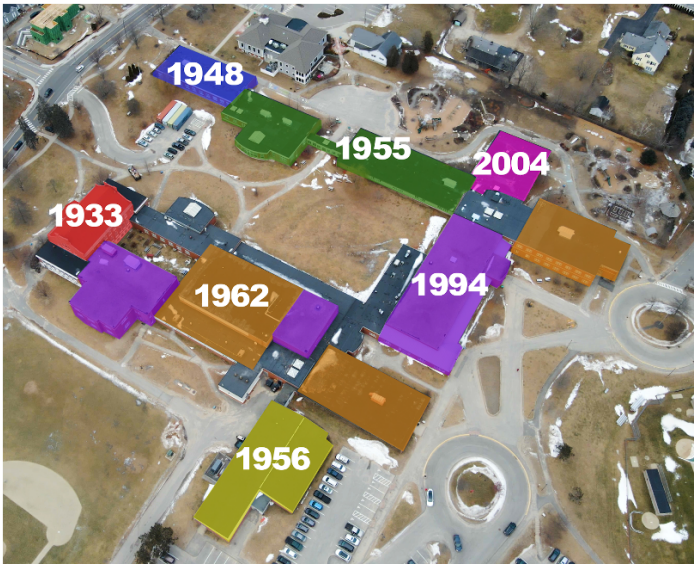
Why Build Two New Schools Now?

Dates of additions to the current CEMS & Pond Cove buildings:



As you can see, there have been numerous additions to our schools decades ago leading to a sprawling, energy inefficient complex with a deteriorating infrastructure, a slab with no insulation, and classrooms that are not conducive to 21st century teaching and learning. New schools are a better investment than costly renovations because of the following reasons:

- New schools can be purposefully built for programming needs. The current schools do not have adequate purposefully designed space for the cafeteria, auditorium, special education, nurses, RTI, ELL, PT, OT, Speech, social workers & counselors, nurses, outdoor learning, etc. Additionally current classrooms, hallways, stairwells, and bathrooms are extremely cramped, dark, and demoralizing.
- The amount of renovation required to suit the needs of the district would require bringing the building down to its foundation (which is cracked in places) and building back up, however still not with enough square footage.
- The building envelope cannot be changed/fixed and is very energy inefficient & crumbling.
    - There will be an increase in annual Operations and Maintenance costs, due to emergent repairs (which is already happening).
- Annual energy costs (heating and cooling) will be higher than a new build.
- Many of the major deficiencies identified in the Needs Assessment still won't be addressed.
- Renovations would require our students and staff to be in an unsightly & costly modular city for several years.
- Further, the cost of waiting one year to begin the project at 3% escalation is approximately $4M.

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Household Tax Implications for 30 or 20 Year Bond (years will be determined by Town Finance Team)

What will the project cost me over the first four years?

Assumptions: Project Cost: $115.9M; Repayment Term: 30 Years; Rate 4.0%

Project Cost: $115.9M Rate: 4.0% Repayment: 30 Years	Taxes for Property Assessed in Current Year	Estimated Taxes for Property with School Project	Estimated Year to Year Change	% Change
Year 1 (Est. FY 2026/2027)	$10,000 $7,000 $5,000	$12,347 $8,642 $6,174	$2,347 $1,642 $1,174	23.47%
Year 2	$10,000 $7,000 $5,000	$12,304 $8,613 $6,152	$2,304 $1,613 $1,152	23.04%
Year 3	$10,000 $7,000 $5,000	$12,262 $8,583 $6,130	$2,262 $1,583 $1,130	22.62%
Year 4	$10,000 $7,000 $5,000	$12,219 $8,553 $6,109	$2,219 $1,583 $1,109	22.19%

Data as of August 9, 2022

What will the project cost me over time?

Assumptions: Project Cost: $115.9M; Repayment Term: 30 Years; Rate 4.0%

Project Cost: $115.9M Rate: 4.0% Repayment: 30 Years	Taxes for Property Assessed in Current Year	Estimated Taxes for Property with School Project	Estimated Year to Year Change	% Change
Year 1 (Est. FY 2026/2027)	$10,000 $7,000 $5,000	$12,347 $8,642 $6,174	$2,347 $1,642 $1,174	23.47%
Year 5	$10,000 $7,000 $5,000	$12,176 $8,524 $6,088	$2,176 $1,524 $1,088	21.76%
Year 10	$10,000 $7,000 $5,000	$11,963 $8374 $5982	$1,963 $1,374 $982	19.63%
Year 15	$10,000 $7,000 $5,000	$11,749 $8225 $5875	$1,749 $1,225 $875	17.49%

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What will the project cost me over the first four years?

Assumptions: Project Cost: $115.9M; Repayment Term: 20 Years; Rate 4.0%

Project Cost: $115.9M Rate: 4.0% Repayment: 20 Years	Taxes for Property Assessed in Current Year	Estimated Taxes for Property with School Project	Estimated Year to Year Change	% Change
Year 1 **(Est. FY 2026/2027)**	$10,000 $7,000 $5,000	$12,881 $9,016 $6,440	$2,881 $2,016 $1,440	28.81%
Year 2	$10,000 $7,000 $5,000	$12,816 $8,972 $6,408	$2,816 $1,972 $1,408	28.16%
Year 3	$10,000 $7,000 $5,000	$12,752 $8,927 $6,376	$2,752 $1,927 $1,376	27.52%
Year 4	$10,000 $7,000 $5,000	$12,688 $8,882 $6,344	$2,688 $1,882 $1,344	26.88%

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What will the project cost me over time?

Assumptions: Project Cost: $115.9M; Repayment Term: 20 Years; Rate 4.0%

Project Cost: $115.9M Rate: 4.0% Repayment: 20 Years	Taxes for Property Assessed in Current Year	Estimated Taxes for Property with School Project	Estimated Year to Year Change	% Change
Year 1 **(Est. FY 2026/2027)**	$10,000 $7,000 $5,000	$12,881 $9,016 $6,440	$2,881 $2,016 $1,440	28.81%
Year 5	$10,000 $7,000 $5,000	$12,624 $8837 $6312	$2,624 $1,837 $1,312	26.24%
Year 10	$10,000 $7,000 $5,000	$12,304 $8613 $6152	$2,304 $1,613 $1,152	23.04%
Year 15	$10,000 $7,000 $5,000	$11,984 $8389 $5992	$1,984 $1,389 $1,992	19.84%

Data as of August 9, 2022

*** Data projection by School Finance Director Marci Weeks**

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Town Council Referendum Questions for Consideration:

Question 1: Authorizing Expenditures of up to $115,943,324 to Design, Construct and Equip a New Elementary School and a New Middle School and to Renovate Cape Elizabeth High School and Issuance of the Town's General Obligation Bonds Therefor

Question 2: Vote Authorizing Expenditures of up to $5,000,000 in the form of Gifts and Grants to pay for Additional Auditorium Seating, Solar Panels and Other Miscellaneous Improvements to Enhance the New Elementary School and New Middle School

CEMS ENTRANCE

POND COVE ENTRANCE