

# Board Work Session on Facilities

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Board of Education Special Meeting  
October 29, 2018

Ludington High School Media Center

6:00 PM



MAY, 2019 BOND PROPOSAL  
FINANCIAL PRESENTATION

LUDINGTON AREA SCHOOL DISTRICT

**UMBAUGH**

It's all about experience

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# VOTED BOND ISSUES (UNLIMITED TAX GENERAL OBLIGATION)

## Overview:

The community approves a not to exceed maximum amount of bonds to be issued. Bond proceeds may only be used on items contained in the ballot language. The debt service millage rate is recalculated each year based upon the change in taxable value and the annual bond payment. The debt service millage rate can increase or decrease. Key items the community is approving:

- 1) Maximum par amount of bonds allowed
- 2) Allowable items that bond proceeds can be used for

## Multiple Bond Series Option:

Voted bonds do not have to be issued immediately and all at once. District can issue bonds in different amounts in series over a longer period of time. This option assists with creating long-term planning including bus and technology replacement programs as well as maximizing project funding by allowing for repayment of existing bonds before new bonds are added.

## Allowable Uses:

Pretty broad. Allowable uses include school buildings, real estate purchases, technology equipment and **buses**. Restricted to ballot language.

## Non Allowable Uses:

May not be used for salaries, maintenance, or operating related items.

## Restrictions:

Technology equipment purchases must be amortized over a 5 year period from the point purchased.

Bus purchases must be amortized over a 6 year period from the point purchased.

Maximum bond issue length is 30 years.

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# PROPOSED CAPITAL IMPROVEMENT PLAN – MAY, 2019 ELECTION

**Bonds issue year**

**Estimated sources of funds**

Par amount of bonds

Interest income [1]

Total Sources of Funds

**Estimated uses of funds**

Construction amounts

Underwriter's discount allowance

Bond issuance/election costs

Total Uses of Funds

	<u>06/27/19</u>	<u>06/25/23</u>	Total
	2019 Bonds	2023 Bonds	Proposal
	\$35,000,000	\$65,000,000	\$100,000,000
	330,519	620,640	951,159
	<u>\$35,330,519</u>	<u>\$65,620,640</u>	<u>\$100,951,159</u>
	\$34,819,369	\$64,817,540	\$99,636,909
	350,000	565,500	915,500
	161,150	237,600	398,750
	<u>\$35,330,519</u>	<u>\$65,620,640</u>	<u>\$100,951,159</u>

[1] Assumes a 24 month construction period with earnings at 1.00%.

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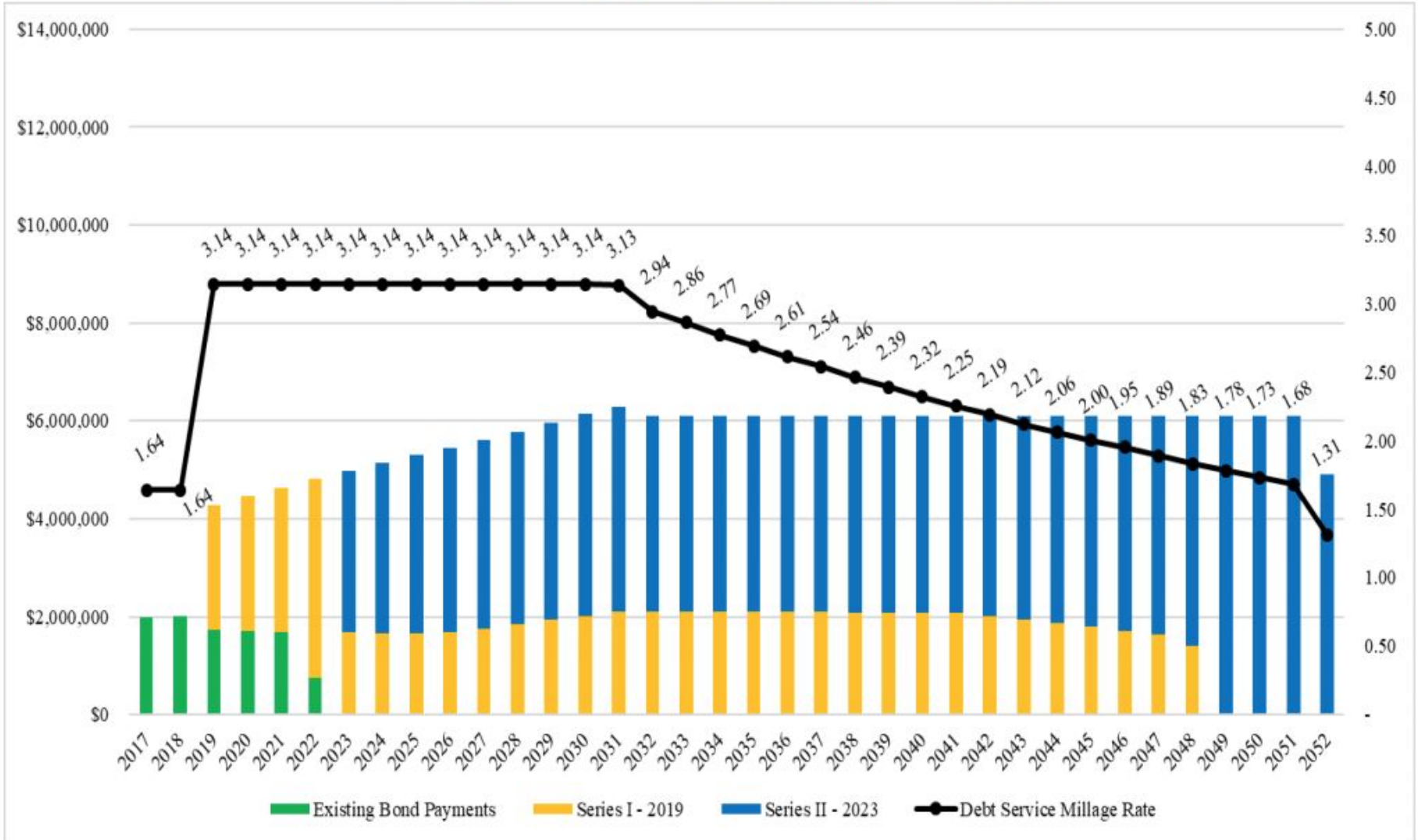
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# ESTIMATED PROPOSED MILLAGE STUDY – 2 SERIES – CHART FORMAT

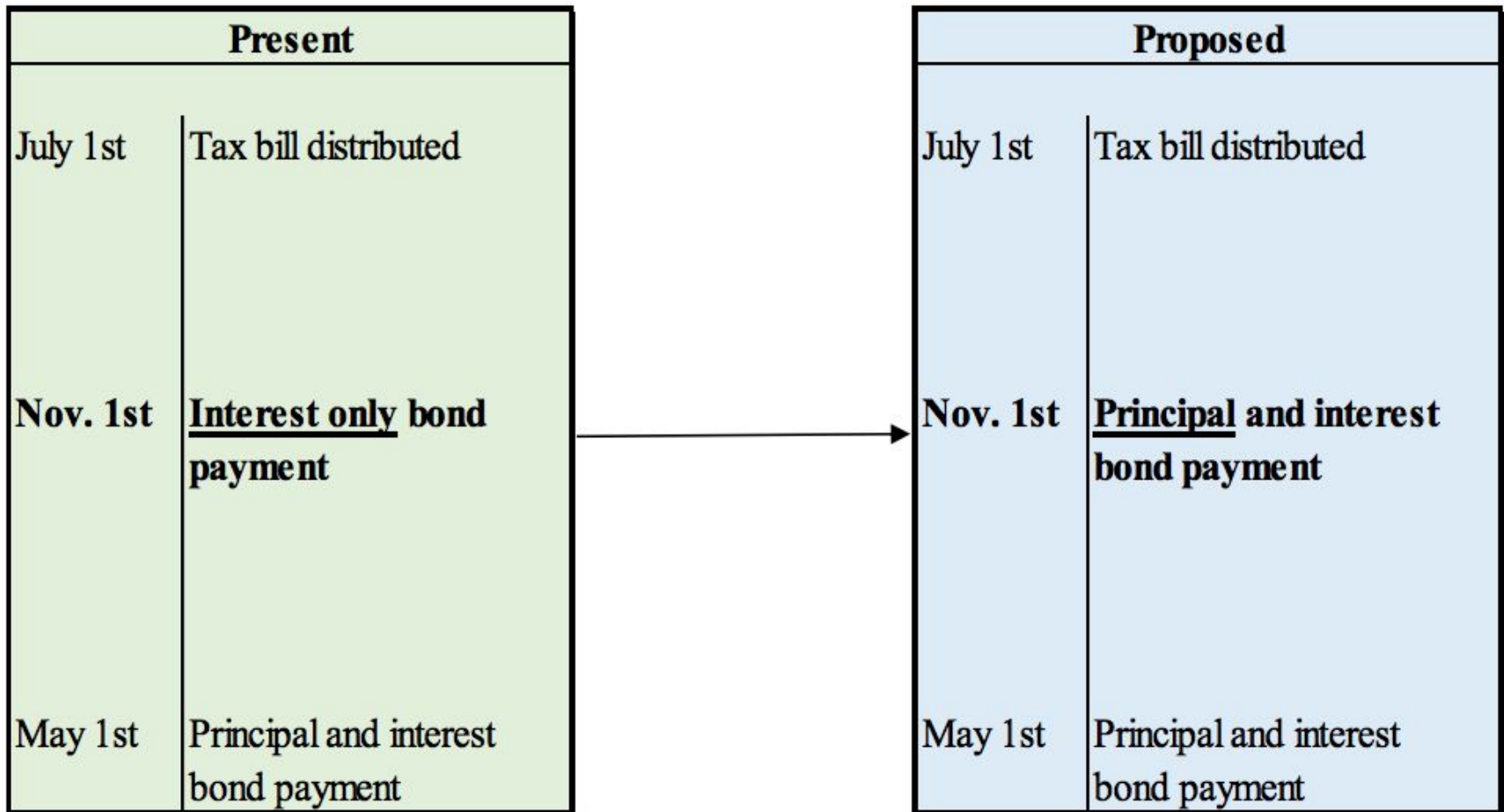
(Assumes taxable value growth of 3.00 – 4.00%)



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# NOVEMBER 1<sup>st</sup> PRINCIPAL PAYMENT ADJUSTMENT



**\*Bonds are repaid six months faster each year greatly decreasing interest expense.**

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# 2019 SCHOOL BUILDING AND SITE BONDS PROPOSED SCHEDULE OF EVENTS

<u>Date</u>	<u>Description</u>
01/03/19	Qualification meeting at Michigan Department of Treasury at 1:30 PM.
03/27/19	Official statement data request is provided to school district management. School district begins process of selecting bond investment strategy/company.
04/24/19	Data received from school district.
05/02/19	Draft Preliminary Official Statement ("POS") is provided to the working group.
05/07/19	Election. Polls will open at 7:00 AM and close at 8:00 PM.
05/09/19	Due diligence call to review Preliminary Official Statement ("POS") at 10 AM eastern time.
05/13/19	Special Board meeting. Board adopts authorizing resolution.
05/14/19	Request bond rating.
05/28/19	POS printed. Notice of sale printed in the Bond Buyer.
05/31/19	Receive bond rating.
06/05/19	School district provides construction account information for bond proceeds.
06/10/19	Bond sale. Bids received at 11 AM. Superintendent/CFO approves lowest bidder. Qualification application signed by Board Secretary.
06/11/19	Draft Final Official Statement ("FOS") is distributed to the working group. Thrun Law Firm files the final qualification application with Treasury.
06/17/19	FOS is printed.
06/24/19	Regular Board meeting. Board approves ratification resolution.
06/25/19	Receive final qualification from Treasury.
06/27/19	Bond closing.

# Board Work Session on Facilities

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## Review of Preliminary Community Survey Findings





# Review of Preliminary Community Survey Findings

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- Survey closes on November 1, 2018.
- 622 completed responses received thus far.
- 58.8% of respondents are parents of current LASD students.
- 41.2% of respondents are not parents of current LASD students.
- 90.35% of respondents stated that they were at least moderately informed about LASD.



## Review of Preliminary Community Survey Findings

All respondents (black); Parents of current LASD students (green); Not parents of current LASD students (red)

- 83.78% of respondents would support site improvement to address pedestrian and traffic challenges (88.92%; 75.76%).
- 53.88% of respondents stated that overall safety and security was excellent or acceptable (59.00%; 45.89%).
- 70.29% rate the importance of technology to student learning as very important or extremely important (65.92%; 77.37%).
- 26.08% of respondents support a bring your own device (BYOD) to school policy (17.90%; 39.82%).
- 81.69% of respondents support additional computer and device purchase to support accessibility (81.56%; 81.90%); 84.11% support upgrading accessibility to Wireless (83.80%; 84.62%).
- 89.04% of respondents rate the District's performance as good, very good, or excellent (92.95%; 82.72%).

## Review of Preliminary Community Survey Findings

All respondents (black); Parents of current LASD students (green); Not parents of current LASD students (red)

- 71.48% of respondents support a pre-K through grade 2 consolidation of buildings (72.24%; 70.24%).
- 40.19% of respondents support maintaining Foster Elementary's current location through renovations (39.70%; 40.97%).
- 64.44% of respondents support consolidating grades 3-5 with a consolidated pre-k through grade 2 facility (68.06%; 58.54%).
- 62.77% of respondents support consolidating a pre-k through grade 5 facility on the Outcalt Property (65.67%; 58.05%).
- 36.29% of respondents support purchasing a new piece of land to build a pre-k through grade 5 facility on (36.12%; 37.85%).
- 73.52% of respondents support renovations and new additions to LHS to facilitate 21st century learning (73.43%; 73.66%).
- 74.25% of respondents support a bond proposal equivalent to increasing the millage rate to 3.14 mills (77.58%; 68.81%).

# Next Steps on Community Survey

- Does the Board feel that it has the appropriate survey information that it needs?
- Have we reached all sectors of the population that the District serves?
- Consider extension of the survey until November 15, 2018 (Two weeks)
  - Create one more push to get surveys completed; Consider bulk mailing to all addresses.
- Other suggestions or ideas?





# Board Work Session on Facilities

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## Review of Concept Summaries and Facilities Assessment



# LUDINGTON AREA SCHOOLS

## Snapshot of Current Facilities



Ludington Area Schools Building Summary		
<b>Name of Building:</b> Lakeview Elementary		
<b>Total Square Feet:</b>	29,000	
<b>Current Student Population:</b>	212	
<b>Number of Classrooms:</b>	15	
<b>Approximate Year of initial Construction:</b>	1964	
Additions:		
Year	Square Feet	Description
1971	6,500	Library, Gym and Kitchen
1991	750	Office Area
<b>Name of Building:</b> Foster Elementary		
<b>Total Square Feet:</b>	45,000	
<b>Current Student Population:</b>	451	
<b>Number of Classrooms:</b>	16	
<b>Number Used:</b>	12	
<b>Approximate Year of initial Construction:</b>	1925	
	Includes 2008 addition	
Additions:		
Year	Square Feet	Description
1969	10,500	Library, 5 classes
1991*	9,400	Renovation, extension
2008	4000	Renovation, extend 2 rooms.
* 1991 project 3 phases		

Ludington Area Schools Building Summary		
<b>Name of Building:</b> Franklin Elementary		
<b>Total Building Square Feet:</b>	26,500	
<b>Current Student Population:</b>	263	
<b>Number of (Building) Classrooms:</b>	15	
<b>Approximate Year of initial Construction:</b>	1957	
Additions:		
Year	Square Feet	Description
1963	8,712	5 Classes
1973	4,500	Library
<b>Name of Building:</b> South Hamlin		
<b>Total Building Square Feet:</b>	18,835	
<b>Current Student Population:</b>	Unknown	
<b>Number of (Building) Classrooms:</b>	9	
<b>Approximate Year of initial Construction:</b>	1953	
Additions:		
Year	Square Feet	Description
1956	3,380	4 classes
1973	8,690	Library, kitchen, gym, office

# LUDINGTON AREA SCHOOLS

## Snapshot of Current Facilities



Ludington Area Schools Building Summary		
<b>Name of Building:</b> Pere Marquette Elementary		
<b>Total Building Square Feet:</b>	14,346	
<b>Current Student Population:</b>	175	
<b>Number of (Building) Classrooms:</b>	7	
<b>Additional Portable Classes:</b>	2	
<b>Approximate Year of initial Construction:</b>	1965	
Additions:		
Year	Square Feet	Description
1997	560	Title 1, Health/speech room, Conference and Office space
	1,680	Portable, 2 classes
<p>The portable is not part of square footage total above. It is not attached to the building.</p>		
<b>Name of Building:</b> O.J.. DeJonge Jr. High		
<b>Total Square Feet:</b>	105,867	
<b>Current Student Population:</b>	537	
<b>Number of Classrooms:</b>	30	
<b>Approximate Year of initial Construction:</b>	1965	
Includes 1997 square footage		
Additions:		
Year	Square Feet	Description
1970	34,000	18 classes
1974	42,400	Auditorium, Gym/Cafeteria
1997	5,867	Renovate, and add 2 science rooms.

Ludington Area Schools Building Summary		
<b>Name of Building:</b> Ludington High School		
<b>Total Square Feet:</b>	95,280	
<b>Current Student Population:</b>	667	
<b>Number of Classrooms:</b>	41	
<b>Approximate Year of initial Construction:</b>	1953	
Additions:		
Year	Square Feet	Description
1957	31,800	17 Classes: shop, kitchen, and cafeteria
1969	3,730	3 Classes: S.E. complex
1974	9,250	4 classes: Auto, draft, graph
1990	2,000	Expand/Remodel Science
<b>Name of Building:</b> Administration Building		
<b>Total Square Feet:</b>	13,050	
<b>Current Student Population:</b>	Not applicable	
<b>Number of Classrooms:</b>	Not applicable	
<b>Approximate Year of initial Construction:</b>	1974	
Additions:		
Year	Square Feet	Description
1984	8,685	ERC and warehouse



	LOCATION	Subtotal Cost: (Rounded)
	Franklin Elementary	\$4,965,000
	Lakeview Elementary	\$6,506,000
	High School	\$7,526,000
	Middle School	\$7,774,000
	Transportation Building	\$443,700
	Foster Elementary	\$3,996,513
	Athletics	\$3,576,000
	Pere Marquette	\$486,935
<b>TOTAL DIRECT TRADE COSTS:</b>		<b>\$35,273,000</b>
<b>SUBTOTAL INDIRECT CONSTRUCTION COSTS:</b>		<b>\$7,196,000</b>
<b>TOTAL CONSTRUCTION COSTS:</b>		<b>\$42,468,000</b>
<b>TOTAL OWNER COSTS:</b>		<b>\$12,629,000</b>
<b>TOTAL CONSTRUCTION &amp; OWNER COSTS:</b>		
<b>TOTAL ESTIMATED PROJECT COST :</b>		<b>\$55,097,000</b>

Executive Summary from Facility Assessment





**Concept Scenarios**

# LUDINGTON AREA SCHOOLS



Scenario	Description	Cost	Millage Change	Annual Tax Bill Change
A	<ul style="list-style-type: none"> <li>New Pre K-2</li> <li>New 3-5</li> <li>Additions/Renovations MS/HS, Retain PAC &amp; Pool</li> <li>Improved Transportation Center</li> <li>Improve Athletics</li> </ul>	\$132,214,000	+2.86	\$143
B	<ul style="list-style-type: none"> <li>New Pre K-2</li> <li>New 3-5</li> <li>MS/HS Additions and Renovations, Retain PAC &amp; Pool</li> <li>New Transportation Center</li> <li>Relocate Athletics</li> </ul>	\$136,299,000	+2.86	\$143
C	<ul style="list-style-type: none"> <li>Renovate Pre K-2 in existing MS/HS</li> <li>Renovate 3-5 in existing MS/HS</li> <li>New MS/HS Retain PAC &amp; Pool</li> <li>New Transpiration Center</li> <li>Improve Athletics</li> </ul>	\$110,028,900	+2.01	\$100
D	<ul style="list-style-type: none"> <li>New Pre K-2</li> <li>Renovate 3-5 (Foster)</li> <li>MS/HS Additions and Renovations, Retain PAC &amp; Pool</li> <li>Improve Transpiration Center</li> <li>Improve Athletics</li> </ul>	\$96,586,000	+1.5	\$75
E	<ul style="list-style-type: none"> <li>New Pre K-2</li> <li>New 3-5</li> <li>New MS/HS, New PAC &amp; Pool</li> <li>Improved Transportation Center</li> <li>Improve Athletics</li> </ul>	\$160,222,000	+3.46	\$173

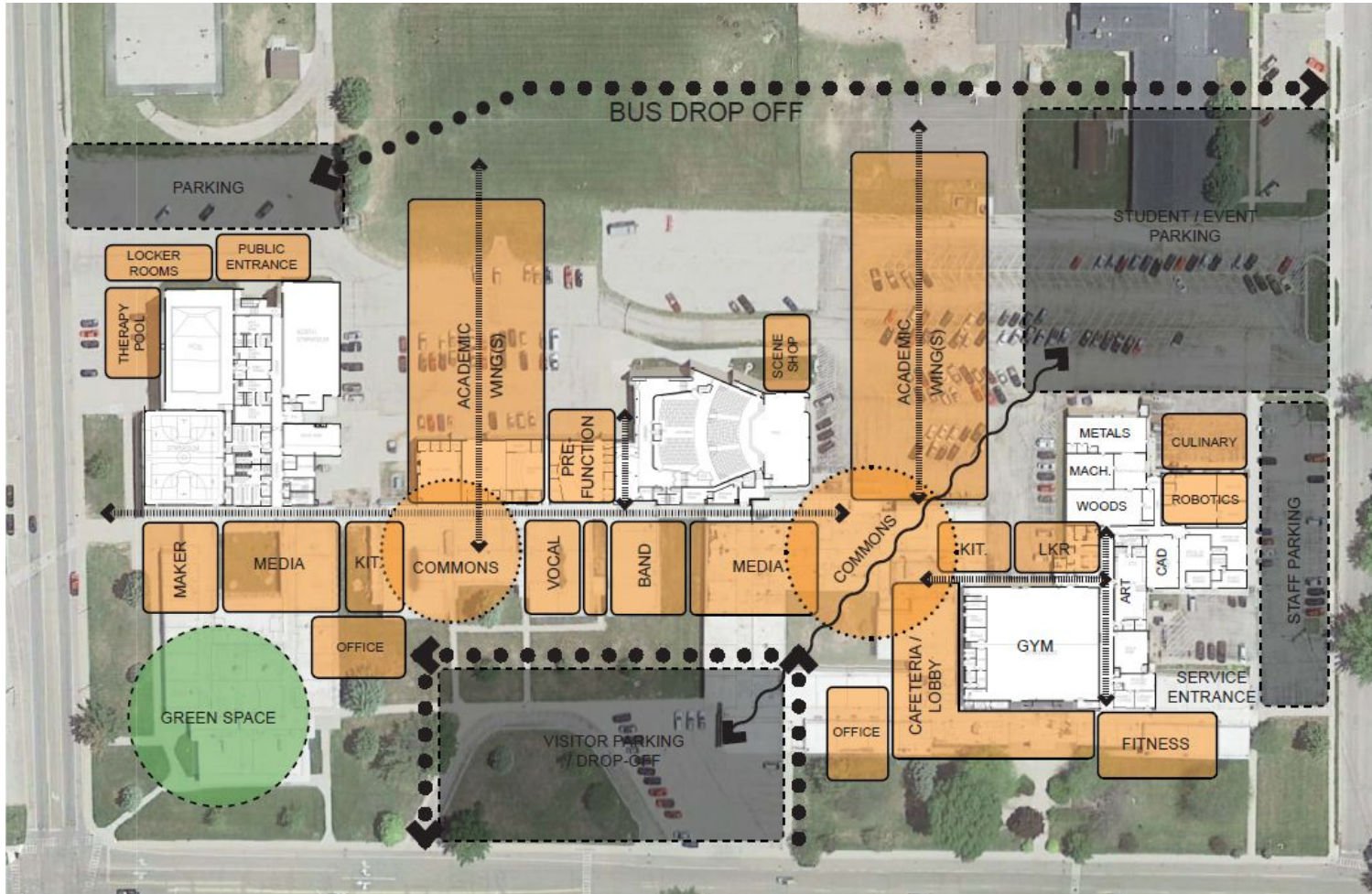




Scenario	Description	Cost
F	<ul style="list-style-type: none"> <li>• New Pre K-5</li> <li>• Additions/Renovations MS/HS, Retain PAC &amp; Pool</li> <li>• Improved Transportation Center</li> <li>• Improve Athletics</li> </ul>	\$96,827,000
G	<ul style="list-style-type: none"> <li>• New Pre K-5</li> <li>• MS/HS Additions and Renovations, Retain PAC &amp; Pool</li> <li>• New Transportation Center</li> <li>• Relocate Partial Athletics (Stadiums &amp; Softball) &amp; Improve Portion of Athletics</li> </ul>	\$111,141,000
H	<ul style="list-style-type: none"> <li>• New Pre K-5</li> <li>• MS/HS Additions and Renovations, Retain PAC &amp; Pool</li> <li>• New Transportation Center</li> <li>• Relocate Partial Athletics (Stadiums &amp; Baseball) &amp; Improve Portion of Athletics</li> </ul>	\$110,680,000

# LUDINGTON AREA SCHOOLS

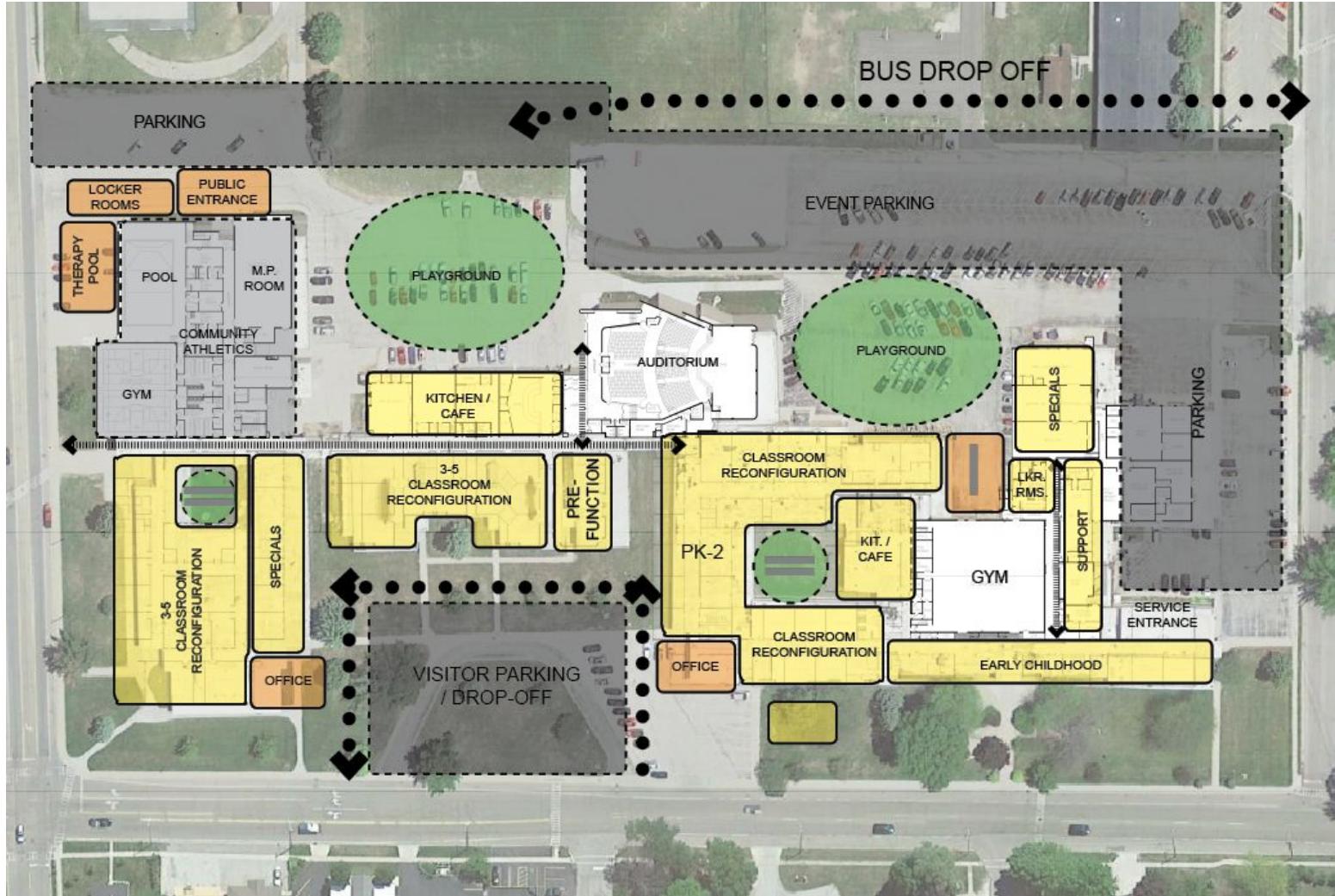
## Middle School / High School Addition & Renovation Concept (Scenarios A & B)





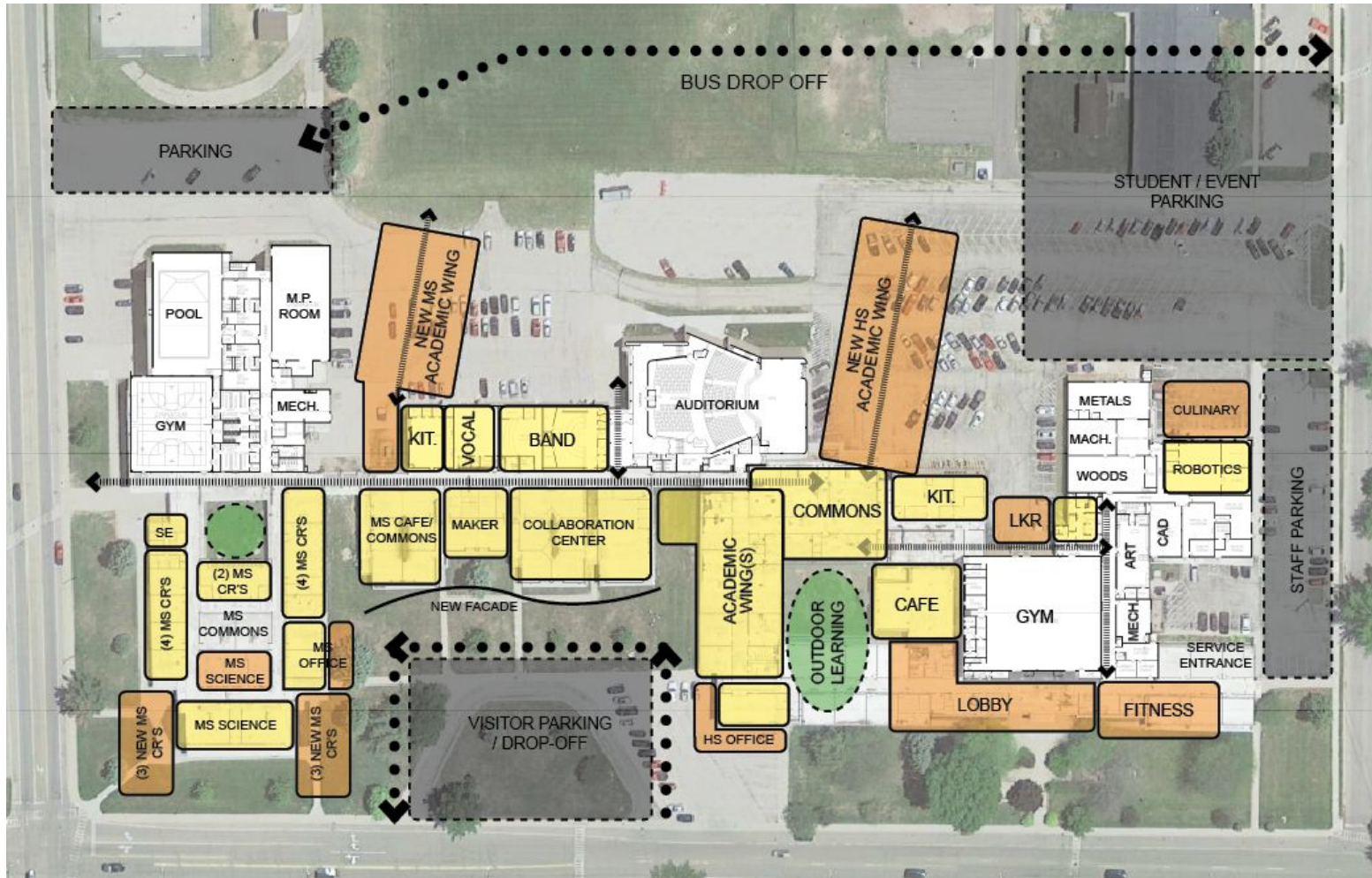
# LUDINGTON AREA SCHOOLS

## Elementary Remodel Concept (Scenario C)



# LUDINGTON AREA SCHOOLS

## Middle School / High School Addition & Renovation Concept (Scenario D)





# LUDINGTON AREA SCHOOLS

## Foster Elementary Concept (Scenario D)



TYPICAL CLASSROOM RENOVATIONS:  
FLOORING  
CEILING  
CASEWORK  
LIGHTING  
HVAC



Scenario	Description	Cost
<p><b>Outcalt Property</b> (See Map)</p>	<ul style="list-style-type: none"> <li>• New Pre K-5; One elementary campus</li> <li>• Additions/Renovations MS/HS, Retain PAC &amp; Pool; One secondary campus</li> <li>• Improved Transportation Center</li> <li>• Improve Athletics</li> </ul>	<p>\$96,000,000 - \$100,000,000</p>
<p><b>New Property Purchase</b></p>	<ul style="list-style-type: none"> <li>• New Pre K-5; One elementary campus</li> <li>• Additions/Renovations MS/HS, Retain PAC &amp; Pool; One secondary campus</li> <li>• Improved Transportation Center</li> <li>• Improve Athletics</li> </ul>	<p>\$96,000,000 - \$100,000,000</p>

**Add \$250,000 for improvement on Bryant per MCRC; Add left turn lane and right turn deceleration lane.**



# LUDINGTON AREA SCHOOLS



LIBER 500 PAGE 1856

preceding the date of said instrument, and that there are no Liens or Taxes held by the State for a period of five years as of the date of said instrument.  
 This certification does not include current taxes, Board of Finance changes, Michigan Tax Tribunal changes, or changes due to Homestead exemptions or corrections.  
*Graham D. Smith* Date MAY 27 1999  
 Mason County Treasurer, Ludington, MI

STATE OF MICHIGAN, COUNTY OF MASON  
 Recorded May 27, 1999  
 at 11:07 AM Lib. 500 Page 1856  
*Robert A. Smith*  
 Register of Deeds

**WARRANTY DEED**

The Grantor, HERMAN A. OUTCALT as Receiver for MARK C. OUTCALT and HERMAN A. OUTCALT, whose address is 16088 West Eagle Ridge, Surprise, Arizona 85374, conveys and warrants to Grantee, LUDINGTON AREA SCHOOL DISTRICT, a Michigan general powers school district operating under the provisions of the Revised School Code, MCLA 380.1, et seq, as amended, whose address is 809 East Tinkham Avenue, Ludington, Michigan 49431 1594, the following described premises situated in the Township of Pere Marquette, Mason County, Michigan:

The East Half (E-1/2) of the Southeast Quarter (SE-1/4) of Section 11, Township 18 North, Range 18 West, Except the South 10 acres thereof.

for the sum of Seven Hundred Thousand and no/100 (\$700,000.00) Dollars.

The Grantor grants to the Grantee the right to make all division(s) under Section 108 of the Land Division Act, Act 1288 of the Public Acts of 1967. This property may be located within the vicinity of farmland or a farm operated under generally accepted agricultural and management practices which may generate noise, dust, odors, and other associated conditions may be used and are protected by the Michigan Right to Farm Act.

Dated this 13th day of May, 1999.

Signed in presence of: HERMAN A. OUTCALT, as Receiver for MARK C. OUTCALT and HERMAN A. OUTCALT

*Gerald W. Turley, MD* By *Herman A. Outcalt*  
 FRANCES J. TURLEY  
 Herman A. Outcalt

STATE OF ARIZONA )  
 ) SS.  
 COUNTY OF Maricopa )

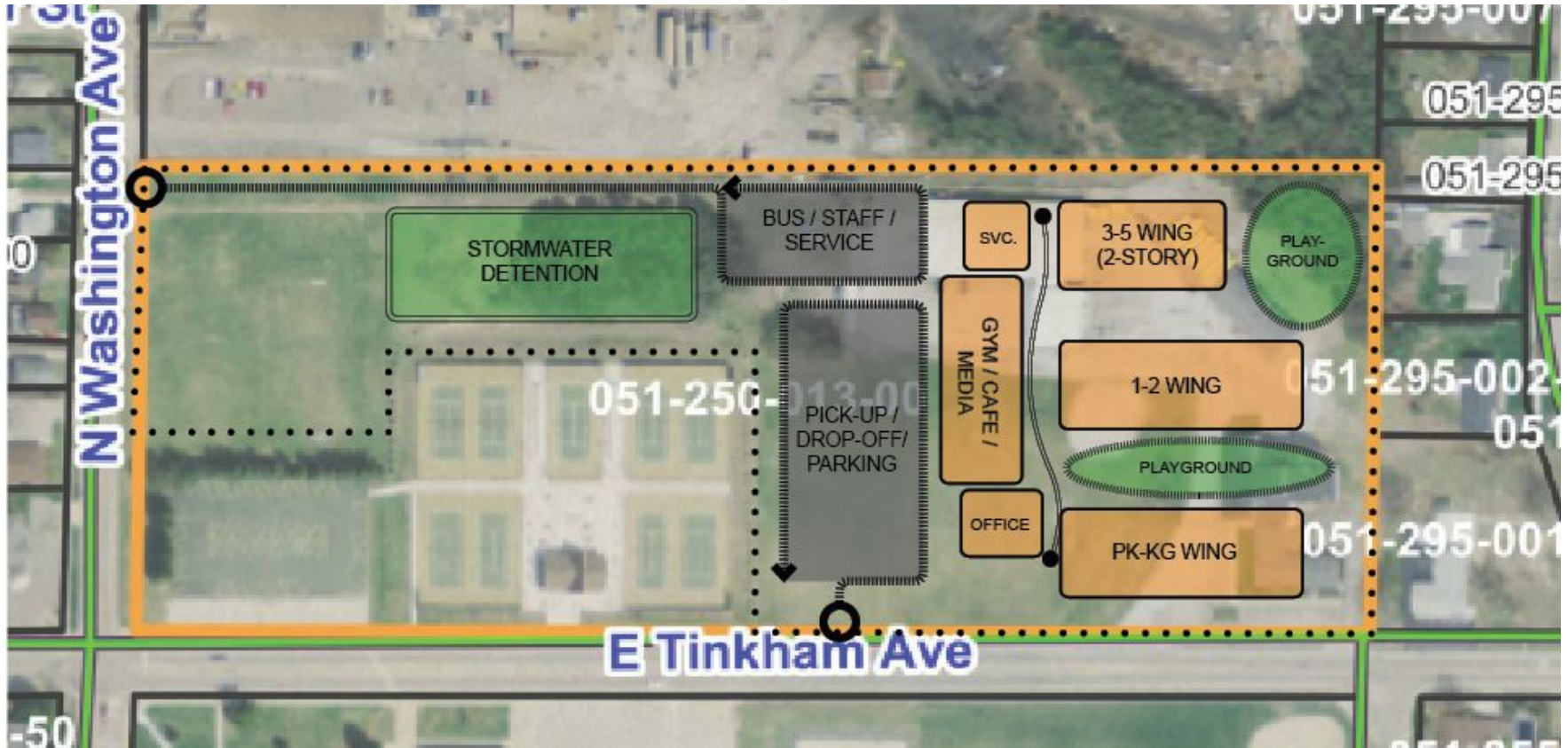
The foregoing instrument was acknowledged before me this 13 day of May, 1999, by Herman Outcalt, appeared before and signed the aforesaid document as his free act and deed.

*Jane Lindsay*  
 Notary Public  
 Maricopa County, Arizona  
 My Commission Expires: 6/29/2002



# LUDINGTON AREA SCHOOLS

New Pre-K through Grade 5 Elementary Concept



# LUDINGTON AREA SCHOOLS

New Pre-K through Grade 5 Elementary Concept





**EXECUTIVE SUMMARY RECOMMENDATIONS**

	<b>LOCATION</b>	<b>Subtotal Cost:</b>
	<b>New PreK-5 Building (on Current Transportation Site), 132K SF</b>	<b>\$25,043,040</b>
	<b>MS/HS - Concept 3 (Additions/Renovations)</b>	<b>\$39,034,587</b>
	<b>Relocate Transportation Building</b>	<b>\$2,115,000</b>
	<b>Improve Existing Athletics</b>	<b>\$2,627,520</b>
<b>TOTAL DIRECT TRADE COSTS:</b>		<b>\$68,820,000</b>
<b>SUBTOTAL INDIRECT CONSTRUCTION COSTS:</b>		<b>\$10,411,000</b>
<b>TOTAL CONSTRUCTION COSTS:</b>		<b>\$79,231,000</b>
<b>TOTAL OWNER COSTS:</b>		<b>\$19,867,000</b>
<b>TOTAL CONSTRUCTION &amp; OWNER COSTS:</b>		
<b>TOTAL ESTIMATED PROJECT COST :</b>		<b>\$99,098,000</b>

# Board Work Session on Facilities

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## Pros and Cons of Concept Scenarios





# Review of Concept Scenarios

	<u>Pros</u>	<u>Cons</u>
<b><u>Secondary Complex</u></b>		
Renovate and additions to the secondary complex at the current location		
Build a new secondary complex at a new location		
Auditorium, gym, and pool (Renovations or new build)		
Athletic facilities (Renovations or new build)		
Resonating idea(s):		

# Review of Concept Scenarios

	<u>Pros</u>	<u>Cons</u>
<b><u>Elementary Buildings</u></b>		
Renovate current buildings		
Consolidate pre-k through grade 2 into a new building		
Consolidate pre-k through grade 5 into a new building		
Resonating idea(s):		

# Review of Concept Scenarios

	<u>Pros</u>	<u>Cons</u>
<b><u>Building Locations</u></b>		
Renovate or new additions in current locations		
Build new on the Outcalt Property		
Build new on a newly purchased piece of land		
Resonating idea(s):		

# Review of Concept Scenarios

	<u>Pros</u>	<u>Cons</u>
<u>Miscellaneous</u>		
Transportation Building		
Transportation Fleet		
Technology		
Central Business Office		
Resonating idea(s):		

# Board Work Session on Facilities

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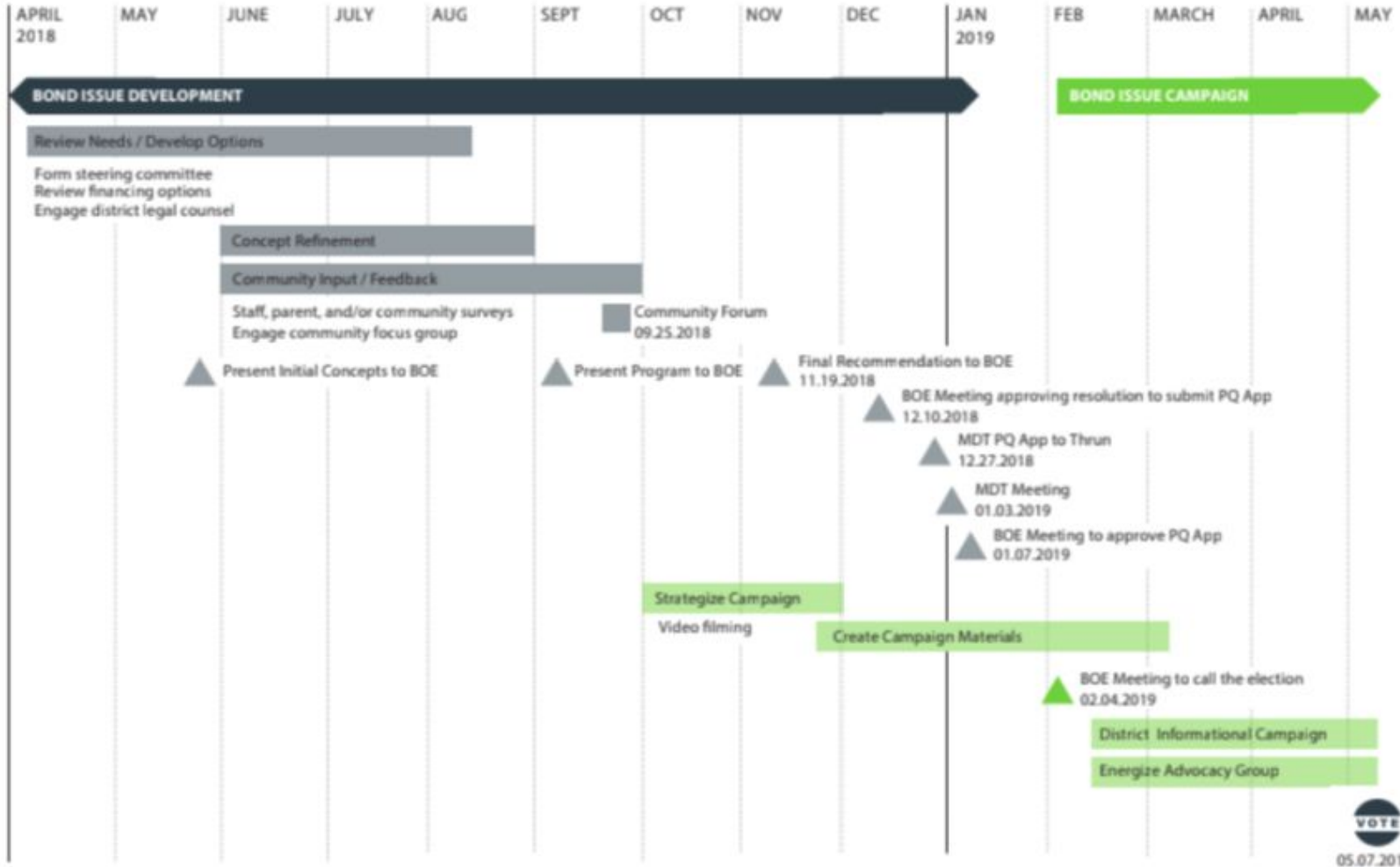
## Next Steps and Timeline





# LUDINGTON AREA SCHOOLS

## BOND TIMELINE



# Next Steps and Timeline

- Do you feel like this is a realistic time frame?
- What information do you want before making any decision?
- Is an additional workshop meeting needed? Would you like to see any additional community forum meeting(s) prior to the November Board meeting?
- Other thoughts? Thank you!

