AGENDA FOR THE HEARING

• Opening Remarks
• Purpose of the Hearing and Procedures for Public Comment
• Need for the Project and Alternatives Considered
• Project Description
• Direct Costs for the Project
• Indirect Costs for the Project
• Financial Alternates Considered and Effect on Project Costs on Taxes
• Public Comment
PURPOSE OF THE HEARING

To comply with the Pennsylvania School Code

To provide an opportunity for the public to again learn about the project

To obtain public comment
LEGAL REQUIREMENTS

Public Notice of Act 34 Hearing
December 4th 2019 in the Delaware County Daily Times

Availability of Information
December 4th 2019 at the District Administration Office
PROCEDURE FOR PUBLIC COMMENT

All interested individuals will have an opportunity to speak in the order in which they signed-up.

Each speaker is limited to 5 minutes

Additional written comments can be submitted to the Secretary of the School Board by 4pm February 6th 2020

When acknowledged, please approach the microphone, state your name, and where you live in the community
Need for the Project

Mr. Frank Salerno
Director of Elementary Education
Upper Darby School District
NEED FOR THE PROJECT

• Aronimink Elementary School has the space and opportunity to help alleviate overcrowding in the District and prevent adding additional space and costs to Hillcrest Elementary School and Garrettford Elementary School.

• In addition, Aronimink Elementary School will need additional classroom space and require a renovation in order to meet the goals and objectives established by the Board of School Directors.
  - All Elementary Schools operate as K-5 programs
  - Eliminate the need to lease Elementary School buildings
  - Eliminate the need for modular classrooms throughout the District
  - Use School Board approved class size guidelines
NEED FOR THE PROJECT

History of the Process

• Presentation to UDSD Board of Schematic Design of Aronimink Elementary School in May 2019

• Township Committee, Civic Association, Additional Community Meeting, Home and School Meeting

• Presentation to UDSD school board of Design Development of Aronimink Elementary School in November 2019
The existing Building was constructed in 1935. Renovations to the building were last completed in 2001.

• The building systems need to be entirely replaced or upgraded. These include the electrical and mechanical heating systems. These upgrades will incorporate air conditioning.
• Improved building security including a secure vestibules at main entrances.
• Improved site circulation with on-site parent drop-off/pick-up and bus loops.

Aside from the condition of the building, educationally, the building does not meet the District’s needs.

• Additional small group instruction and STEM spaces. Improved art, music, and gymnasium spaces provide additional educational opportunities.

The renovation and expansion of Aronimink Elementary School will support the district’s modern educational programs and enhance overall operability, security and energy efficiency.
Alternatives Considered

Mr. Frank Salerno
Director of Elementary Education
Upper Darby School District
OPTIONS CONSIDERED

Option 1  Build a new elementary school in the community, renovate and increase the capacity for Hillcrest Elementary School, Aronimink Elementary School, and Garrettford Elementary School.

Option 2  Build new elementary school, Kindergarten Center continues to operate as it currently exists, increase capacity of Hillcrest through renovation, renovate Aronimink Elementary School to add eight additional classrooms, and renovate and add an additional five to six classrooms onto Garrettford Elementary School.

Option 3  Build a new elementary school.

Option 4  Renovate Aronimink Elementary School and increase the capacity by 19 classrooms. Walter M. Senkow moves to Aronimink Elementary School. The K-Center remains as a kindergarten program.

Option 5  Renovate Aronimink Elementary School and increase the capacity by 19 classrooms. Walter M. Senkow moves to the K-Center as a swing space. The K-Center moves to the newly created space at Aronimink Elementary School.
Project Description

Mr. Ryan Orr, AIA
Project Manager
KCBA Architects
Renovation and Addition to Aronimink Elementary School

Site Features

- Increased student and vehicle safety
- All vehicle drop-offs / pick-ups occur on site and improve length of drop-off
- Open space and mature trees maintained
- Neighborhood character maintained with complementary stone on addition
PROJECT DESCRIPTION

Renovation and Addition to Aronimink Elementary School

Building Features

• 21st Century Learning Environments
• Increased building security utilizing secure vestibules
• Improved community asset with new full-size gymnasium for youth sports and neighborhood events
Direct Cost for the Project

Mr. Ryan Orr, AIA
Project Manager
KCBA Architects
<table>
<thead>
<tr>
<th>Item</th>
<th>PDE PlanCon Form Location</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Costs (Includes Site Development, Insurance, Fees, and Equipment)</td>
<td>D20, Line A</td>
<td>$12,695,809</td>
</tr>
<tr>
<td><strong>Minus</strong> Site Development Costs</td>
<td>D20, Line B4</td>
<td>2,378,161</td>
</tr>
<tr>
<td>Act 34 Maximum Building Construction Cost</td>
<td>D20, Line C</td>
<td>$10,317,648</td>
</tr>
<tr>
<td>Maximum Building Expenditure Standard</td>
<td></td>
<td>$11,143,060</td>
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</tbody>
</table>

The Act 34 Maximum Building Construction Cost is below the Maximum Building Expenditure Standard

Upper Darby School Board Adopted the Act 34 Maximum Building Cost of $10,317,648 at its 3 December 2019 Meeting
<table>
<thead>
<tr>
<th>Item</th>
<th>PDE PlanCon Form Location</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Costs (Includes Site Development, Insurance, Fees, and Equipment)</td>
<td>D02, Line D</td>
<td>$24,660,704</td>
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<tr>
<td>Sanitary Sewage Costs</td>
<td>D02, Line E6</td>
<td>185,938</td>
</tr>
<tr>
<td><strong>Plus Additional Construction &amp; Financing Costs (Testing, Permits, Fees, and Building Demolition)</strong></td>
<td>D03, Lines G9+H10</td>
<td>2,355,249</td>
</tr>
<tr>
<td>Total Project Costs</td>
<td>D03, Line I</td>
<td>$27,201,891</td>
</tr>
</tbody>
</table>

**Upper Darby School Board Adopted the Maximum Project Cost of $27,201,891 at its 3 December 2019 Meeting**
Indirect Costs for the Project

Craig Rogers
CFO & School Board Secretary
Upper Darby School District
# INDIRECT COST FOR THE PROJECT

## Factors:
- Move of K-Center to Aronimink
- Move of Senkow to K-Center
- It does NOT consider the new boundary, which will be applied after 69th street elementary school is built.

### Building Operating Costs

<table>
<thead>
<tr>
<th>[Building Operating Costs]</th>
<th>Kindergarten @ Aronimink 36,000 SF</th>
<th>Closure of St. George (Senkow)</th>
<th>Methodology / Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Utilities</td>
<td>30,600</td>
<td>-42,743</td>
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<tr>
<td>2</td>
<td>Trash Pick-Up</td>
<td></td>
<td>-3,843</td>
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<tr>
<td>3</td>
<td>Janitorial</td>
<td>38,880</td>
<td>-51,106</td>
</tr>
<tr>
<td>4</td>
<td>Bldg. Maintenance</td>
<td>18,720</td>
<td>-1,353</td>
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<tr>
<td>5</td>
<td>Lease Cost</td>
<td>205,000</td>
<td>-249,363</td>
</tr>
<tr>
<td>6</td>
<td>Other Misc.</td>
<td></td>
<td>-4,968</td>
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<tr>
<td>7</td>
<td><strong>Total</strong></td>
<td><strong>353,200</strong></td>
<td><strong>-353,376</strong></td>
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</tbody>
</table>

### Transportation Cost

<table>
<thead>
<tr>
<th>[Transportation Cost]</th>
<th>Trans. Current</th>
<th>No Change</th>
<th>93,605</th>
<th>15 Lamont Ave #1430 Glenolden, PA 19036</th>
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<tbody>
<tr>
<td></td>
<td>Trans. New</td>
<td>No Change</td>
<td>46,691</td>
<td>3200 State Rd Drexel Hill, PA 19026</td>
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<tr>
<td>10</td>
<td><strong>Total</strong></td>
<td>0</td>
<td><strong>-46,914</strong></td>
<td></td>
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<tr>
<td>11</td>
<td><strong>Total Recurring Cost</strong></td>
<td><strong>353,200</strong></td>
<td><strong>-400,291</strong></td>
<td><strong>Net Savings of $47,091</strong></td>
</tr>
</tbody>
</table>

**Note:**
The Estimated Annual Cost of the New Administration Building is $260,500 (Based on 401 Pilgrim) 1,212,500 for 5 years ($42,500) x Build out Average ($/SF X 10K) over 5 years = 18,000) + Other Misc. Costs. =242500+18000+4500=265,000.

**Senkow Transportation Detail**
- Current - 6 buses with an average daily distance to St. George (Senkow): 13.97 miles
- New - 6 buses with an average daily distance to K-Center: 6.97 miles
- 180 school days assumed
Financial Alternates Considered

Michael Lillys
Director
RBC Capital Markets
FINANCIAL ALTERNATES CONSIDERED

1. Cash
2. Short-Term Bank Loan
3. State Public School Building Authority (SPSBA) Bond Issue
4. Local Authority Bond Issue
5. General Obligation Bond Issue
## Summary of Financing Alternatives Analysis

**Sources and Uses of Funds:**

<table>
<thead>
<tr>
<th></th>
<th>SPSBA Bond Issue</th>
<th>Local Authority Bond Issue</th>
<th>General Obligation Bond Issue</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Uses of Funds</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction Related Costs</td>
<td>$26,756,642</td>
<td>$26,756,642</td>
<td>$26,756,642</td>
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<tr>
<td>Issuance Costs</td>
<td>$465,249</td>
<td>$485,249</td>
<td>$445,249</td>
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<tr>
<td></td>
<td>$27,221,891</td>
<td>$27,241,891</td>
<td>$27,201,891</td>
</tr>
<tr>
<td><strong>Sources of Funds</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Earnings</td>
<td>196,891</td>
<td>196,891</td>
<td>196,891</td>
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<tr>
<td>Bond Issue</td>
<td>$27,025,000</td>
<td>$27,045,000</td>
<td>$27,005,000</td>
</tr>
<tr>
<td></td>
<td>$27,221,891</td>
<td>$27,241,891</td>
<td>$27,201,891</td>
</tr>
</tbody>
</table>

**Increase in Total Annual Payments:**

<table>
<thead>
<tr>
<th></th>
<th>SPSBA</th>
<th>Local Authority</th>
<th>General Obligation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase in Annual Debt Service</td>
<td>$569,488</td>
<td>$578,956</td>
<td>$551,001</td>
</tr>
<tr>
<td>Plus: Annual Administrative Costs</td>
<td>-</td>
<td>7,500</td>
<td>-</td>
</tr>
<tr>
<td>Increase in Total Annual Payments</td>
<td>$569,488</td>
<td>$586,456</td>
<td>$551,001</td>
</tr>
</tbody>
</table>
Effect of Project Costs on Taxes

Mr. Michael Lillys
Director
RBC Capital Markets

Mr. Zachary Willard
Director
PFM Financial Advisors
EFFECT OF PROJECT COSTS ON TAXES

Series of 2020 Bonds = $27,005,000

Annual Direct Cost
- FYE 2021: $422,357 = 0.15 mills
- FYE 2022: $128,644 = 0.046 mills
- $551,000 = 0.196 mills

Budget Impact
- Annual Direct Cost: $551,001 = 0.196 mills
- Less: Annual Indirect Cost Savings: $47,091 = 0.018 mills
- Total millage impact of the Project: $503,910 = 0.178 mills