



# **PUBLIC HEARING**

On the proposed

## **Construction Of A New BERMUDIAN SPRINGS MIDDLE SCHOOL**

To be held in the  
Bermudian Springs Middle School

Located at  
7335 Carlisle Pike  
York Springs, PA 17372

on  
**Tuesday, October 22, 2019**  
**7:00 pm**

Bermudian Springs School District  
ACT 34 PUBLIC HEARING  
New Construction  
of the  
Bermudian Springs Middle School

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## **AGENDA**

- |           |   |  |
|-----------|---|--|
| <b>1.</b> | <b>CALL TO ORDER / INTRODUCTION</b>                               | <b>Michael Wool<br/>Board President</b>                  |
| <b>2.</b> | <b>HEARING, DULY CONSTITUTED</b><br>By Stock and Leader           | <b>David Jones, Esquire<br/>Solicitor</b>                |
| <b>3.</b> | <b>PURPOSE OF THE MEETING</b><br>(Need for the Project)           | <b>Dr. Shane Hotchkiss<br/>Superintendent of Schools</b> |
| <b>4.</b> | <b>PROJECT DESCRIPTION</b><br>By Crabtree, Rohrbaugh & Associates | <b>Anthony Colestock<br/>Senior Project Manager</b>      |
| <b>5.</b> | <b>FINANCIAL ANALYSIS</b><br>By RBC Capital Markets               | <b>Ken Phillips<br/>Bond Underwriter</b>                 |
| <b>6.</b> | <b>PUBLIC COMMENT</b><br>Question and Answer Period               |  |
|           | A. Pre-registered speakers / comments                             |  |
|           | B. Please raise hand, stand, and state name, address              |  |
|           | C. One question at a time - five minute limitation per speaker    |  |
| <b>7.</b> | <b>ADJOURNMENT</b>  |  |

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## **INTRODUCTION**

The Board of School Directors of the Bermudian Springs School District, York Springs, Pennsylvania is providing this opportunity to inform the public as to the School Board's consideration of a project to fully construct a new Bermudian Springs Middle School, located in Huntington Township, Pennsylvania to replace the existing Bermudian Springs Middle School.

The project is in response to a district-wide review of physical facility and academic program needs for the middle school population.

This public hearing is being held in accordance with Act 34 of 1973 of the Commonwealth of Pennsylvania. The purpose is to have the District Administration, Architect and Financial Advisors present a proposal for new construction.

The specific purposes for this hearing are as follows:

1. Establish the **need** for the project by reviewing events leading to the Board's consideration to build a new middle school.
2. Review the various **options** considered by the Board prior to the decision to proceed with the current project proposal.
3. Describe the **construction elements** proposed to meet the educational program that serves as the basis for the project under consideration.
4. Present the estimated **construction cost**, the total project cost, indirect costs and the financial needs and estimate of the local tax impact of the project.
5. Provide citizens and residents an opportunity to offer **comments** and written testimony concerning the project.

Please feel free to participate during the comment period at the latter part of the presentation. An official transcript of the hearing is being recorded in order for the Board to consider and study your constructive comments, insights and observations.

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## **PROJECT NEED**

The Bermudian Springs School District desires to undertake a new Bermudian Springs School District building project to replace the existing Bermudian Springs Middle School building in order to better address the safety and security of students and staff, to address educational programmatic and physical plant deficiencies existing at the current middle school building and to create an appropriate educational environment for all students.

Educational programmatic deficiencies that exist in the current middle school building include, but are not limited to, grade level team teaching and organization, state and federal mandates for special education and other programs, undersized spaces for curriculum specific classrooms for various subject matters and instructional technology.

With a new middle school facility, the School District will also address physical plant deficiencies existing in the current middle school building including heating, ventilation/air quality and cooling, electrical and plumbing systems, energy efficiency, technology and equipment, ADA accessibility and building life safety code issues.

With the need to enhance safety and security measures, new technologies, evolving curriculum and increasing accountability standards, the existing Bermudian Springs Middle School building is not spatially or educationally adequate to serve the programs of a 21st Century elementary/secondary education.

The above noted deficiencies indicate that the current middle school building has been used beyond its maximum capabilities and service life and is unable to accommodate the educational and operational services required by students, faculty, staff and administration with ever changing curriculums, state and federal mandates. Attaining future educational program goals will increase in difficulty as the operational needs increase and student capacity deficiencies exist.

This new Middle School is needed to address the aforementioned program and physical plant deficiencies, provide equity to the educational program, facilitate the academic achievement of the students and provide for a more efficient utilization of operational costs that benefit not only the school district but the community as well. These issues support the need for this new building program.

The Bermudian Springs School District is a rural school district encompassing 75 square miles comprised of the boroughs of East Berlin and York Springs, as well as the townships of Huntington, Latimore, Reading and part of Hamilton. Bermudian Springs is within easy access to metropolitan areas such as Washington, DC, Baltimore, MD, Harrisburg, PA and York, PA. The District serves students in one K-4 elementary building (Bermudian Springs Elementary School), one 5-8 middle school (Bermudian Springs Middle School) and one 9-12 high school (Bermudian Springs High School). The school district employs approximately 250 employees which includes 150 instructional staff members.

The mission of the Bermudian Springs School District is “Inspiring to lead, learn, compete, and Serve”. While its vision, in partnership with parents and the community, is to empower all students to become responsible and respectful citizens, while inspiring them to lead, learn, compete, and serve in a global society, and to ensure that each student seeks to achieve

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personal excellence in order to serve their community. Bermudian Springs School District works to provide a safe, caring, learning environment where students are expected to achieve and graduate ready to work, serve and succeed. The Board acknowledges that the learning environment plays a critical role in providing educational opportunities for our children. In 2018, the District hired Crabtree, Rohrbaugh & Associates (CRA) to complete a district-wide feasibility study of the district's facilities. This study, dated March 2018, assisted the District with identifying options to address safety and security concerns, enrollments and anticipated enrollments; current and anticipated square footage; and physical conditions of all district buildings.

Educational specifications were developed by District Administration documenting the District's educational practices, planned curricula and state mandates.

A thorough analysis of existing facilities considered the physical conditions of the buildings, life cycle of core systems, heating, ventilation, plumbing and electrical systems, existing building codes, ADA requirements, safety issues, and overall facility improvements required to meet current construction standards. The analysis took into full consideration it's demographic, enrollment, census, and capacity of facilities.

As the feasibility study was conducted, CRA Architects met with district administration and board on numerous occasions to review current conditions, discuss options, review program requirements, and research and investigate building designs. Crabtree, Rohrbaugh & Associates developed several preliminary facility options and made recommendations to the Board of Directors and administration to assist in the decision-making process regarding the future utilization of the educational buildings. Using the information provided, the District chose to build a new middle school rather than renovation to the current middle school.

A new middle school will address the following:

- ✓ Follow-through with the feasibility study done in March 2018
- ✓ Implement a building design for grade-level teaming and educational collaboration
- ✓ Incorporate current instructional technology, including a fully-functioning wireless network
- ✓ Provide a building layout that allows for safe, smooth student flow and improve supervision
- ✓ Provide natural light in the classrooms and common areas
- ✓ Addresses the infrastructure deficiencies of the current middle school built in 1976 and renovated in 1992.
- ✓ Address the Americans with Disabilities Act (ADA) safety and building codes
- ✓ Address the infrastructure deficiencies of the current middle school with new HVAC, plumbing, electrical and safety systems
- ✓ Provide curriculum-specific classrooms and labs for the related arts
- ✓ Provide curriculum-specific classrooms and practice rooms for band and chorus
- ✓ Provide curriculum-specific classrooms for health education and project-based learning
- ✓ Meet the IDEA mandates for special education classrooms and support services
- ✓ Provide student lockers in the grade-level team areas for best student use and supervision
- ✓ Enhance community use and access to the cafeteria, gymnasium, media center, and athletic fields
- ✓ Address student safety by improving bus & parent drop-off and pick-up during arrival and dismissal times

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- ✓ Capitalize on currently favorable construction costs
- ✓ Capitalize on favorable borrowing rates and implement the financing plan.

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## **SUMMARY OF DISTRICT OWNED BUILDINGS AND LAND**

	<b>Present</b>				<b>Planned</b>		
	<b>Construction and/or Renovation Dates</b>	<b>Site Size (Acres)</b>	<b>Current Grade Levels</b>	<b>Current Building Capacity</b>	<b>Planned Completion Date</b>	<b>Proposed Grade Levels</b>	<b>Planned Building Capacity</b>
Bermudian Springs ES	1989/2019	89	K-4	975	n/a	No Change	No Change
Bermudian Springs MS	1976/1992	89	5-8	650	2022	No Change	750
Bermudian Springs HS	1961, 2008	89	9-12	n/a	n/a	No Change	No Change
District Administration Office	2008	89	n/a	n/a	n/a	n/a	n/a



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## **OPTIONS CONSIDERED**

During 2018 the District completed a Facility Study that focused on adding secure vestibules to the elementary and middle schools and a facility assessment of the middle school. Various options and ideas were explored that culminated in the following options:

- Elementary School - Secure Vestibule Improvements
- Middle School – Secure Vestibule Improvements
- Middle School – Selective Renovation
- Middle School – Comprehensive Renovation and Building Addition
- Middle School – New Construction and Vacate Existing Middle School

The details and cost estimates for these options are detailed in the Middle School Study, dated September 10, 2018 and Secure Vestibule Study, dated October 8, 2018.

### **Option One**

- Middle School Selective Renovation
- Elementary Secure Vestibule Addition

### **Option Two**

- Middle School Additions and Renovation
- Elementary Secure Vestibule Addition

### **Option Three**

- New Middle School
- Selective Demolition to existing Middle School
- Elementary Secure Vestibule Addition

Option Three was selected to avoid extensive re-organization and improve safety deficiencies of the existing Middle School. Construction of a new Middle School will address existing infrastructure deficiencies and provide curriculum-specific classrooms absent from the existing Middle School. Additionally, these improvements can be made with no disturbance to students which would occur in renovation options. Option 3 also improves traffic circulation for the entire campus and clearly organized parent and bus drop-off driveways for the new Middle School.

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## **PROJECT DESCRIPTION**

### **Summary of Site**

**Site Size / Condition:** 89 Acres (Campus Total) 22 Acres (Middle School portion)

**Current Site Usage:** AC – Agriculture Conservation District

**Wetlands:** Yes, on Eastern and South-Western part of site

**Available Utilities:** Electricity, Sewer, Water, Gas Service

**Proposed Community Use Areas:** Open Playfields

**Parking Count:** Estimated 180 spaces including overflow parking

**Safety Measures:**

Separate Bus and Parent drop-off / pick-up area

Separate Loading Dock and Receiving Area

Emergency Vehicle Access Drive

### **Summary of Proposed Building**

New 5-8 Facility with 750 Student Capacity

One and Two Level Masonry Structure

Total Square Footage: 140,000 SF

### **Program Spaces include:**

General Classrooms, Science Classrooms and Labs, Special Education Classrooms, Music Classrooms, Small Group Instruction, Media Center, Art and Tech. Ed. Classrooms, Creative Arts Lab (STEAM Lab), Gymnasium, Administration Offices, Cafeteria, Food Court and Kitchen (all spaces meet PA Department of Education guidelines).

**Building Systems:** VAV HVAC system, Lighting and Lighting Control System, Plumbing, Fire Suppression System, Fire Protection Alarm, Emergency Lighting, Integrated Communications & Clock System.

**Building Codes:** The building will be designed under the following:  
2015 IBC/PA UCC, ADA and NFPA

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## **PROJECT DESCRIPTION**

### **Project Description:**

The facility is designed with a “Main Street” Lobby which separates the large program spaces, such as the Gymnasium, Cafeteria/Food Court and Media Center, from the academic spaces. Two academic wings, which connect to the Main Street, will house 5<sup>th</sup>/6<sup>th</sup> Grades and 7<sup>th</sup>/8<sup>th</sup> grades respectively. Each floor of the academic wing will consist of a cluster of six general classrooms and two specialty classrooms. Academic wings will also include a collaborative Learning Commons, with multiple access points from the Main Street Lobby and within the academic wing. Support spaces for general classrooms are centrally located within the academic wings.

Between the academic wings, and parallel to the Main Street on the first floor, is the Creative Arts classrooms and lab. This department consists of Art, Tech Ed and two Creative Arts classrooms. Above the Creative Arts department, on the second floor, is the Science department which consists of four classrooms and a shared lab.

Entry into the school is controlled through a secure entrance vestibule which allows supervision of visitors through the Administration area. The secure entry vestibule design provides security card access control and prohibits direct access directly into the school. The structure is one or two story masonry load-bearing walls, brick veneer with steel joists and EPDM roof.

The site work includes a separated bus drop and parent drop off which avoids vehicular congestion and enhances safety. Visitor parking is located at the front of the building, while faculty parking is located at the front and back of the facility with clear access to the Main Street Lobby. The site also consists of an emergency vehicle access road and a service drive for deliveries to the loading dock. A recreational field is located at the southern portion of the site. Careful considerations will be placed on pedestrian traffic through the site.





# NEW MIDDLE SCHOOL

HUNTINGTON TOWNSHIP - ADAMS COUNTY - PENNSYLVANIA









**CRABTREE ROHRBAUGH & ASSOCIATES - ARCHITECTS**  
 401 EAST WINDING HILL ROAD  
 MECHANICSBURG PA 17055  
 717-458-0272

TOWSON, MARYLAND  
 CHARLOTTESVILLE, VIRGINIA  
 WHITE SULPHUR SPRINGS, WEST VIRGINIA

[www.cra-architects.com](http://www.cra-architects.com)

NEW CONSTRUCTION  
**NEW MIDDLE SCHOOL**  
 BERMUDIAN SPRINGS SCHOOL DISTRICT  
 7335 CARLISLE STREET, YORK SPRINGS, PA 17372

1.2

**PROJECT ACCOUNTING BASED ON ESTIMATES (1 of 2)**

District/CTC: Bermudian Springs School District	Project Name: Bermudian Springs Middle School	Project #:
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**ROUND FIGURES TO NEAREST DOLLAR**

<b>PROJECT COSTS</b>	<b>NEW</b>	<b>EXISTING</b>	<b>TOTAL</b>
<b>A. STRUCTURE COSTS</b> (include site development)			
1. General (Report costs for sanitary sewage disposal on line E-1.)	17,063,100		17,063,100
2. Heating and Ventilating	4,620,000		4,620,000
3. Plumbing (Report costs for sanitary sewage disposal on line E-1.)	2,240,000		2,240,000
4. Electrical	3,640,000		3,640,000
5. Asbestos Abatement (D04, line C-3)	X X X X X X		
6. Building Purchase Amount	X X X X X X		
7. Other * (Exclude test borings and site survey)			
a. _____			
b. _____			
c. _____			
d. _____			
e. PlanCon-D-Add't Costs, Total			
A-1 to A-7 - Subtotal	27,563,100		27,563,100
8. Construction Insurance			
a. Owner Controlled Insurance Program on Structure Costs (Exclude asbestos abatement, building purchase and other structure costs not covered by the program)			
b. Builder's Risk Insurance (if not included in primes)			
c. Construction Insurance - Total			
9. TOTAL-Structure Costs (A-1 to A-7-Subtotal plus A-8-c)	27,563,100		27,563,100
<b>B. ARCHITECT'S FEE</b>			
1. Architect's/Engineer's Fee on Structure	2,015,751		2,015,751
2. EPA-Certified Project Designer's Fee on Asbestos Abatement	X X X X X X X X X X X X		
3. TOTAL - Architect's Fee	2,015,751		2,015,751
<b>C. MOVABLE FIXTURES AND EQUIPMENT</b>			
1. Movable Fixtures and Equipment	1,460,043		1,460,043
2. Architect's Fee			
3. TOTAL - Movable Fixtures & Equipment	1,460,043		1,460,043
<b>D. STRUCTURE COSTS, ARCHITECT'S FEE, MOVABLE FIXTURES &amp; EQUIPMENT - TOTAL (A-9 plus B-3 and C-3)</b>	<b>31,038,894</b>		<b>31,038,894</b>
<b>E. SITE COSTS</b>			
1. Sanitary Sewage Disposal			
2. Sanitary Sewage Disposal Tap-In Fee and/or Capacity Charges	50,000		50,000
3. Owner Controlled Insurance Program/Builder's Risk Insurance on Sanitary Sewage Disposal			
4. Architect's/Engineer's Fee for Sanitary Sewage Disposal			
5. Site Acquisition Costs		X X X X X X	
a. Gross Amount Due from Settlement Statement or Estimated Just Compensation		X X X X X X X X X X X X	
b. Real Estate Appraisal Fees		X X X X X X	
c. Other Related Site Acquisition Costs		X X X X X X	
d. Site Acquisition Costs - Total		X X X X X X	
6. TOTAL - Site Costs	50,000		50,000
<b>F. STRUCTURE COSTS, ARCHITECT'S FEE, MOVABLE FIXTURES &amp; EQUIPMENT, AND SITE COSTS - TOTAL (D plus E-6)</b>	<b>31,088,894</b>		<b>31,088,894</b>

\* Type "No Fee" beside each item for which no design fee is charged.

**PROJECT ACCOUNTING BASED ON ESTIMATES (2 of 2)**

District/CTC: Bermudian Springs School District		Project Name: Bermudian Springs Middle School		Project #:
<b>ROUND FIGURES TO NEAREST DOLLAR</b>				
<b>PROJECT COSTS (CONT.)</b>				<b>TOTAL</b>
G. ADDITIONAL CONSTRUCTION-RELATED COSTS				
1. Project Supervision (inc. Asbestos Abatement Project Supervision)				
2. Construction Manager Fee and Related Costs				40,000
3. Total Demolition of Entire Existing Structures and Related Asbestos Removal to Prepare Project Site for Construction of New School Building and Related AHERA Clearance Air Monitoring and EPA-Certified Project Designer's Fee on Asbestos Abatement (Exclude costs for partial demolition.)				
4. Architectural Printing				50,000
5. Test Borings				38,000
6. Site Survey				33,800
7. Other (attach schedule if needed)				
a. _____				
b. PlanCon-D-Add't Costs, Total				786,360
8. Contingency				828,393
9. TOTAL - Additional Construction-Related Costs				1,776,553
H. FINANCING COSTS FOR THIS PROJECT ONLY	BOND ISSUE/NOTE SERIES OF 2019	BOND ISSUE/NOTE SERIES OF 2020	BOND ISSUE/NOTE SERIES OF _____	X X X X X X X X X X X X
1. Underwriter Fees	77,450	195,000		272,450
2. Legal Fees	19,600	27,000		46,600
3. Financial Advisor				
4. Bond Insurance	19,410	50,000		69,410
5. Paying Agent/Trustee Fees and Expenses	795	1,500		2,295
6. Capitalized Interest				
7. Printing	5,780	9,000		14,780
8. CUSIP & Rating Fees	12,800	35,000		47,800
9. Other				
a. SEC Counsel	2,385	4,000		6,385
b. _____				
10. TOTAL-Financing Costs	138,220	321,500		459,720
I. TOTAL PROJECT COSTS (F plus G-9 plus H-10)				33,325,167
REVENUE SOURCES	BOND ISSUE/NOTE SERIES OF 2019	BOND ISSUE/NOTE SERIES OF 2020	BOND ISSUE/NOTE SERIES OF _____	TOTAL
J. AMOUNT FINANCED FOR THIS PROJECT ONLY	8,775,000	22,850,000		31,625,000
K. ORIGINAL ISSUE DISCOUNT/ PREMIUM FOR THIS PROJECT ONLY	1,235,235	239,932		1,475,167
L. INTEREST EARNINGS FOR THIS PROJECT ONLY	100,000	125,000		225,000
M. BUILDING INSURANCE RECEIVED				
N. PROCEEDS FROM SALE OF BUILDING OR LAND				
O. LOCAL FUNDS - CASH (SEE INSTRUCTIONS)				
P. OTHER FUNDS (ATTACH SCHEDULE)				
Q. TOTAL REVENUE SOURCES				33,325,167



[illegible]

DETAILED COSTS			
District/CTC:		Project Name:	
Bermudian Springs School District		Bermudian Springs Middle School	
		Project #:	
	NEW	EXISTING	TOTAL
<b>A. SITE DEVELOPMENT COSTS</b> (exclude Sanitary Sewage Disposal)			
1. General (include Rough Grading to Receive Building)	1,710,000		1,710,000
2. Heating and Ventilating			
3. Plumbing			
4. Electrical			
5. Other: _____			
6. Other: _____			
7. A-1 thru A-6 - Subtotal	1,710,000		1,710,000
<b>8. Construction Insurance</b>			
a. Owner Controlled Insurance Program on Site Development Costs			
b. Builder's Risk Insurance (if not included in primes)			
c. Construction Insurance - Subtotal			
9. Site Development Costs - Total	1,710,000		1,710,000
<b>B. ARCHITECT'S FEE ON SITE DEVELOPMENT</b>	347,600		347,600
			<b>EXISTING</b>
<b>C. ASBESTOS ABATEMENT</b>			
1. Asbestos Abatement			
2. AHERA Clearance Air Monitoring			
3. Asbestos Abatement - Total (D02, line A-5)			
<b>D. EPA-CERTIFIED PROJECT DESIGNER'S FEE ON ASBESTOS ABATEMENT (D02, LINE B-2)</b>			
<b>E. ROOF REPLACEMENT/REPAIR</b>			
1. Roof Replacement Repair			
2. Owner Controlled Insurance Program on Roof Replacement/Repair			
3. Builder's Risk Insurance (if not included in primes)			
4. Roof Replacement/Repair - Total			
<b>F. ARCHITECT'S FEE ON ROOF REPLACEMENT/REPAIR</b>			

**ACT 34 OF 1973: MAXIMUM BUILDING CONSTRUCTION COST  
FOR NEW BUILDING OR SUBSTANTIAL ADDITION ONLY**

District/CTC:

Bermudian Springs School District

Project Name:

Bermudian Springs Middle School

Project #:

Act 34 applies only to costs for new construction. The legal requirements do not address the costs for alterations to existing structures. For this reason, costs associated with the existing structure and other related costs should not be included in the following calculations.

A. STRUCTURE COST, ARCHITECT'S FEE, MOVABLE FIXTURES  
AND EQUIPMENT (D02, line D-NEW)

\$ 31,038,894

B. EXCLUDABLE COSTS FOR NEW CONSTRUCTION

1. Site Development Costs (D04, line A-7-NEW) \$ 1,710,000

2. Architect's Fees on the above  
excludable costs \$ 347,600

3. Vocational Projects Only - Movable  
Fixtures & Equipment (D02, line C-3-NEW) \$

4. Total Excludable Costs  
(B-1 plus B-2 and B-3) \$ 2,057,600

C. ACT 34 MAXIMUM BUILDING CONSTRUCTION COST  
(A minus B-4)

\$ 28,981,294

**THE BOARD MUST ADOPT THE FIGURE ON  
LINE C BEFORE SCHEDULING THE FIRST  
ACT 34 HEARING.**

IF THE MAXIMUM BUILDING CONSTRUCTION COST BASED ON BIDS IS EQUAL  
TO OR GREATER THAN THE MAXIMUM BUILDING CONSTRUCTION COST BASED ON  
ESTIMATES PLUS EIGHT PERCENT (LINE D), A SECOND PUBLIC HEARING WILL  
BE REQUIRED BEFORE ENTERING INTO CONTRACTS AND STARTING CONSTRUCTION  
ON ANY PLANNED WORK.

D. ACT 34 MAXIMUM BUILDING CONSTRUCTION COST  
TIMES 1.08 (C times 1.08)

\$ 31,299,798

**THE FIGURE ON LINE D  
SHOULD NOT BE ADOPTED BY  
THE BOARD.**

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## **ANALYSIS OF FINANCING ALTERNATIVES**

We have analyzed several alternative methods of financing the construction of a new Middle School (the "Project"). We have also estimated the direct costs of financing, all as required by Department of Education regulations issued November 4, 1978.

### **Analysis of Alternatives**

The alternatives of financing which we examined are:

1. Cash or a short-term loan.
2. A local general obligation bond issue.
3. A local authority issue.
4. State Public School Building Authority (SPSBA).

Analysis of the School District's recent financial statements and of the financing projections in connection with this Project indicated that a short-term bank loan was not feasible.

We also analyzed the remaining alternatives which would require the School District to incur long-term debt. For each alternative we estimated a bond issue and average annual debt service. Financing costs for each were slightly different due to the nature of the issue structure and entity issuing the debt. These costs are presented on the attached Table I.

Based on these estimates, at this time the least costly alternative for financing the capital projects is through the use of General Obligation Bond Issues. This alternative also offers the School District the advantage of increased flexibility and control over the construction of the project, structure of the Bond Issue, lower interest rates through the general obligation issue, investment of Bond Proceeds and more favorable refunding provisions. The School District anticipates funding the Project with a Series of 2019 general obligation bond issue and a proposed Series of 2020 general obligation bond issue.

### **STATE REIMBURSEMENT**

There is no Pennsylvania State Reimbursement for this issue.

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## **COMPARISON OF VARIOUS METHODS OF FINANCING**

**TABLE I**

<u>Costs</u>	<u>General Obligation</u>	<u>Local Authority</u>	<u>SPSBA</u>
Costs of Construction:			
Middle School (1)	32,865,447	32,865,447	32,865,447
Financing Costs: (2)			
Bond Discount	272,450	295,000	290,000
Legal Fees	46,600	65,000	65,000
Bond Insurance	69,410	77,500	76,900
Printing & Miscellaneous	14,780	20,000	20,000
Rating & CUSIP	42,800	55,000	55,000
Compliance/PDE Filing	6,385	9,000	9,000
Paying Agent/Trustee	<u>2,295</u>	<u>6,000</u>	<u>6,000</u>
Total Requirements	33,320,167	33,392,947	33,387,347
Less:			
Interest Earned (3)	225,000	225,000	225,000
Bond Premium (3)	1,585,167	1,587,947	1,587,347
Size of Bond Issue(s)	31,510,000	31,580,000(4)	31,575,000(5)

- (1) Includes total Project Costs for Project appearing on PLANCON D-02, Line F; Contingency Fund Allowances and funds for Project Management occurring on PLANCON D-03, Line G-9.
- (2) Financing Costs are estimates based upon recent averages and fees realized from bond issues sold in the municipal market.
- (3) Interest earnings on construction funds being available from investments based upon approximate payout schedule and possible use for millage phase-in. Bond Premium estimates based on coupon/yield ratios.
- (4) A local authority would have annual administrative expenses, which have not been included in these calculations and also higher rates due to revenue bond issue.
- (5) SPSBA average annual payment is calculated assuming higher interest rates for a general obligation bond issue as compared to rates for a revenue bond issue.

**Bermudian Springs School District  
ACT 34 PUBLIC HEARING  
New Construction  
of the  
Bermudian Springs Middle School**

## **DEBT SERVICE AND MILLAGE IMPACT**

Table IIA and IIB is a summary of the projected debt service and approximate millage impact anticipated by the completion of the Project. The School District is funding the Project with a Series of 2019 general obligation bond issue and a proposed Series of 2020 general obligation bond issue, both in a wrap-around debt structure.

It is anticipated that the required funds for the School District's share of debt service requirements will be derived from using a phase-in of new mills and the budget surplus in the early years of these new mills and, in later years, using existing debt related mills currently in the budget which become available as previous bond issues are retired. ***Table IIB illustrates one option for the District to phase-in the new millage requirements from the issuance of the new debt. The District will continue to study phase-in options throughout the financing process to reflect final bid costs and interest rates.***

Based upon an estimated future value of 1 collected mill being \$1,100,000, a summary millage impact and debt service analysis is shown on Tables IIA. The supporting bond amortization schedules are shown as attachments.

**Table IIA**

<u>Average Annual Debt Service (1)</u>	<u>Net Debt Service After State Reimbursement (2)</u>	<u>Mills Required for Direct Debt</u>	<u>Total Mills Required for Direct and Indirect Costs</u>
\$3,028,016	\$3,028,016	2.752 Mills 0.28 Mills (3)	2.800 Mills 0.328 Mills (3)(4)

1. Average annual share from Fiscal Total column totals on attached debt service schedules assuming a level debt average. (The Project will require 100% of the total \$8,660,000 Series of 2019 Bond issue and 100% of the total \$22,850,000 Series of 2020 Bond issue). ***PLEASE NOTE:*** Per the attached wrap around debt schedules the average annual debt service is less the first seven/eleven years of the debt structures and greater the last five/nine years of the structures, respectively for the 2019 and 2020 bond structures. This wrap-around structure minimizes the new millage requirements required for the Project to .28 mills)
2. Assumes a zero project reimbursement for the Bonds.
3. Table IIB attached to show the millage impact of the wrap-around debt structure for the Series of 2019 and Series of 2020 Bonds.
4. The breakdown of Indirect Costs follows the discussion on the Direct Costs.

# Bermudian Springs School District

Middle School Project

Table 11B

ACT 34 STUDY

Date	Total Net Outstanding D/S (1)	Actual Series 2019 \$8,660,000 Bond Issue (2)	Proposed Series 2020 \$22,850,000 Bond Issue (3)	Less: Interest Earnings/ SD Reserves	Total Net Debt	Value of 1 Mill (4)	Total Mills Required	New Mills	Total Mills in Place (5)	Dollars Appropriated	Budget Surplus (Deficit)
2018	2,829,395				2,829,395	1,100,000	2.57	0.000	2.57	2,831,658	2,263
2019	2,827,082				2,827,082	1,100,000	2.57	0.000	2.57	2,831,658	4,576
2020	1,681,108	355,712			2,036,820	1,100,000	1.85	0.070	2.64	2,908,658	871,838
2021	1,699,661	401,943	1,032,470	148,416	2,985,658	1,100,000	2.71	0.070	2.71	2,985,658	0
2022	1,701,268	401,850	1,032,353	72,813	3,062,658	1,100,000	2.78	0.070	2.78	3,062,658	0
2023	1,698,672	401,750	1,037,231		3,137,653	1,100,000	2.85	0.070	2.85	3,139,658	2,005
2024	1,699,558	401,650	1,031,983		3,133,191	1,100,000	2.85	0.000	2.85	3,139,658	6,467
2025	1,702,936	396,450	1,036,856		3,136,242	1,100,000	2.85	0.000	2.85	3,139,658	3,416
2026	1,700,330	401,450	1,031,590		3,133,370	1,100,000	2.85	0.000	2.85	3,139,658	6,288
2027	341,224	1,711,250	1,081,450		3,133,924	1,100,000	2.85	0.000	2.85	3,139,658	5,734
2028	0	2,053,650	1,083,975		3,137,625	1,100,000	2.85	0.000	2.85	3,139,658	2,033
2029	0	2,055,250	1,081,275		3,136,525	1,100,000	2.85	0.000	2.85	3,139,658	3,133
2030	0	2,056,250	1,078,575		3,134,825	1,100,000	2.85	0.000	2.85	3,139,658	4,833
2031	0	2,052,750	1,080,875		3,133,625	1,100,000	2.85	0.000	2.85	3,139,658	6,033
2032	0		3,132,950		3,132,950	1,100,000	2.85	0.000	2.85	3,139,658	6,708
2033	0		3,137,550		3,137,550	1,100,000	2.85	0.000	2.85	3,139,658	2,108
2034	0		3,137,650		3,137,650	1,100,000	2.85	0.000	2.85	3,139,658	2,008
2035	0		3,133,250		3,133,250	1,100,000	2.85	0.000	2.85	3,139,658	6,408
2036	0		3,134,350		3,134,350	1,100,000	2.85	0.000	2.85	3,139,658	5,308
2037	0		3,135,500		3,135,500	1,100,000	2.85	0.000	2.85	3,139,658	4,158
2038	0		3,136,475		3,136,475	1,100,000	2.85	0.000	2.85	3,139,658	3,183
2039	0		3,137,050		3,137,050	1,100,000	2.85	0.000	2.85	3,139,658	2,608
2040	0		2,717,000		2,717,000	1,100,000	2.47	0.000	2.85	3,139,658	422,658
2041	0				0	1,100,000	0.00	0.000	2.85	3,139,658	3,139,658
2042	0				0	1,100,000	0.00	0.000	2.85	3,139,658	3,139,658
2043	0				0	1,100,000	0.00	0.000	2.85	3,139,658	3,139,658
2044	0				0	1,100,000	0.00	0.000	2.85	3,139,658	3,139,658
<b>TOTAL</b>	<b>17,881,233</b>	<b>12,689,955</b>	<b>39,410,408</b>	<b>221,229</b>	<b>69,760,366</b>			<b>0.280</b>			

(1) Annual Net Debt Service for Series of 2015 Note (remaining after restructure), 2016 Bonds and restructuring portion of 2019 Notes.

(2) Series of 2019 New Money Portion, \$8,660,000 dated June 13, 2019. Arbitrage Yield 2.18%. Local Effort 100%.

(3) Proposed Series of 2020, \$22,850,000 dated May 1, 2020. Arbitrage Yield 4.41% (current rates + 150bps). Local Effort 100%.

(4) FY2017-18 collected mill is worth \$1,100,000 and it remains constant (per the administration February 2018)

(5) District currently funded to approximately \$2,831,658 for annual debt service

**BOND DEBT SERVICE****Bermudian Springs School District  
GO Notes, Series of 2019 - Act 34 Study**

<b>Period Ending</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Debt Service</b>	<b>Annual Debt Service</b>
11/01/2019			152,195.79	152,195.79	
05/01/2020	5,000	1.800%	198,516.25	203,516.25	355,712.04
11/01/2020			198,471.25	198,471.25	
05/01/2021	5,000	1.850%	198,471.25	203,471.25	401,942.50
11/01/2021			198,425.00	198,425.00	
05/01/2022	5,000	2.000%	198,425.00	203,425.00	401,850.00
11/01/2022			198,375.00	198,375.00	
05/01/2023	5,000	2.000%	198,375.00	203,375.00	401,750.00
11/01/2023			198,325.00	198,325.00	
05/01/2024	5,000	4.000%	198,325.00	203,325.00	401,650.00
11/01/2024			198,225.00	198,225.00	
05/01/2025			198,225.00	198,225.00	396,450.00
11/01/2025			198,225.00	198,225.00	
05/01/2026	5,000	4.000%	198,225.00	203,225.00	401,450.00
11/01/2026			198,125.00	198,125.00	
05/01/2027	1,315,000	4.000%	198,125.00	1,513,125.00	1,711,250.00
11/01/2027			171,825.00	171,825.00	
05/01/2028	1,710,000	4.000%	171,825.00	1,881,825.00	2,053,650.00
11/01/2028			137,625.00	137,625.00	
05/01/2029	1,780,000	5.000%	137,625.00	1,917,625.00	2,055,250.00
11/01/2029			93,125.00	93,125.00	
05/01/2030	1,870,000	** %	93,125.00	1,963,125.00	2,056,250.00
11/01/2030			48,875.00	48,875.00	
05/01/2031	1,955,000	5.000%	48,875.00	2,003,875.00	2,052,750.00
	8,660,000		4,029,954.54	12,689,954.54	12,689,954.54



**BOND DEBT SERVICE****Bermudian Springs School District  
Proposed Series of 2020 - Act 34 Study**

<b>Period Ending</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Debt Service</b>	<b>Annual Debt Service</b>
11/01/2020			513,735.00	513,735.00	
05/01/2021	5,000	2.350%	513,735.00	518,735.00	1,032,470.00
11/01/2021			513,676.25	513,676.25	
05/01/2022	5,000	2.430%	513,676.25	518,676.25	1,032,352.50
11/01/2022			513,615.50	513,615.50	
05/01/2023	10,000	2.480%	513,615.50	523,615.50	1,037,231.00
11/01/2023			513,491.50	513,491.50	
05/01/2024	5,000	2.540%	513,491.50	518,491.50	1,031,983.00
11/01/2024			513,428.00	513,428.00	
05/01/2025	10,000	2.660%	513,428.00	523,428.00	1,036,856.00
11/01/2025			513,295.00	513,295.00	
05/01/2026	5,000	2.800%	513,295.00	518,295.00	1,031,590.00
11/01/2026			513,225.00	513,225.00	
05/01/2027	55,000	4.500%	513,225.00	568,225.00	1,081,450.00
11/01/2027			511,987.50	511,987.50	
05/01/2028	60,000	4.500%	511,987.50	571,987.50	1,083,975.00
11/01/2028			510,637.50	510,637.50	
05/01/2029	60,000	4.500%	510,637.50	570,637.50	1,081,275.00
11/01/2029			509,287.50	509,287.50	
05/01/2030	60,000	4.500%	509,287.50	569,287.50	1,078,575.00
11/01/2030			507,937.50	507,937.50	
05/01/2031	65,000	4.500%	507,937.50	572,937.50	1,080,875.00
11/01/2031			506,475.00	506,475.00	
05/01/2032	2,120,000	4.500%	506,475.00	2,626,475.00	3,132,950.00
11/01/2032			458,775.00	458,775.00	
05/01/2033	2,220,000	4.500%	458,775.00	2,678,775.00	3,137,550.00
11/01/2033			408,825.00	408,825.00	
05/01/2034	2,320,000	4.500%	408,825.00	2,728,825.00	3,137,650.00
11/01/2034			356,625.00	356,625.00	
05/01/2035	2,420,000	4.500%	356,625.00	2,776,625.00	3,133,250.00
11/01/2035			302,175.00	302,175.00	
05/01/2036	2,530,000	4.500%	302,175.00	2,832,175.00	3,134,350.00
11/01/2036			245,250.00	245,250.00	
05/01/2037	2,645,000	4.500%	245,250.00	2,890,250.00	3,135,500.00
11/01/2037			185,737.50	185,737.50	
05/01/2038	2,765,000	4.500%	185,737.50	2,950,737.50	3,136,475.00
11/01/2038			123,525.00	123,525.00	
05/01/2039	2,890,000	4.500%	123,525.00	3,013,525.00	3,137,050.00
11/01/2039			58,500.00	58,500.00	
05/01/2040	2,600,000	4.500%	58,500.00	2,658,500.00	2,717,000.00
	22,850,000		16,560,407.50	39,410,407.50	39,410,407.50

**Bermudian Springs School District  
ACT 34 PUBLIC HEARING  
New Construction  
of the  
Bermudian Springs Middle School**

## **INDIRECT COSTS**

To determine the indirect costs associated with this project, budgetary expenditures for staffing, supplies, utilities and transportation were analyzed. Additional employees and support staff are expected as a result of the project as well as increased maintenance costs. The proposed additions will increase in total square footage, thereby increasing utility costs.

**Support Personal** **\$35,000**

It is anticipated that an additional 1.0 custodial positions will be required in the new functional space.

**Utilities/Fuel** **\$12,000**

There is an estimate, based on current utility cost for the current building and the estimated increase in capacity that the utility cost will increase.

**Building Operation & Maintenance** **\$3,000**

Increased costs for maintenance and custodial supplies.

**Insurance Premium** **\$2,500**

The insurance premium to cover the additional square footage of the additions.

**Total Annual Indirect Costs** **\$52,500**

Value of One Mil	\$1,087,724
Millage Impact on Indirect Costs	0.048 Mils

**Bermudian Springs School District  
ACT 34 PUBLIC HEARING  
New Construction  
of the  
Bermudian Springs Middle School**

**BOARD RESOLUTION  
MAXIMUM BUILDING and PROJECT COSTS**

**ADOPTING MAXIMUM PROJECT COSTS AND MAXIMUM BUILDING  
CONSTRUCTION COSTS FOR THE CONSTRUCTION OF A  
NEW MIDDLE SCHOOL AND  
AUTHORIZING OTHER ACTION IN CONNECTION THEREWITH**

WHEREAS, the Public School Code of 1949, as amended by Act 34, approved June 27, 1973 (the "Act"), requires, among other things, that a public hearing be held prior to the construction of new buildings or additions or the substantial renovation of existing buildings; and

WHEREAS, the Bermudian Springs School District (the "District") has determined to undertake the construction of a new Middle School referred to herein as the "Project"; and

WHEREAS, the Board of School Directors of the District proposes to adopt a maximum project cost and maximum building construction cost for the Project; and

WHEREAS, the Board of School Directors of the District intends to conduct a public hearing to inform the residents of the District with respect to the Project.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Board of School Directors of the District hereby adopts a Maximum Project Cost of \$33,325,167 and an Act 34 Maximum Building Construction Cost of \$28,981,294 for the Project.
2. The Board of School Directors of the District hereby authorizes and directs a public hearing to be held in accordance with the requirements of Act 34 of the Pennsylvania School Code (the "Act") on October 22, 2019, at 7:00 p.m. in the Cafeteria of the Bermudian Springs Middle School, 7335 Carlisle Pike, York Springs, PA 17372, to provide information to the residents of the District with respect to the Project. The Secretary of the Board of School Directors is hereby authorized and directed to cause a notice of such public hearing to be published once in the Gettysburg Times, such publication to appear not later than Tuesday, September 17, 2019, not less than 20 days prior to the date of the public hearing stated above. A copy of such notice is attached hereto as Exhibit "A" and made a part hereof.
3. The Board of School Directors of the District hereby approves the description of the Project and related material attached hereto as Exhibit "B" which has been prepared in accordance with the requirements of the Act, and further authorizes the use and distribution thereof as required by the Act, including the availability thereof to the public and media (mailed to them, not later than 14 days prior to said hearing) not later than September 17, 2019.

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4. The Board of School Directors of the District hereby authorizes and directs the proper officers of the District to submit to the Pennsylvania Department of Education (the "Department") a certified copy of this Resolution, together with a copy of the minutes or transcript of the aforementioned public hearing, a proof of publication of the notice thereof, and a complete description of the Project, all as required by the Act, as well as any other documents required by the Department in connection therewith.
5. The Board of School Directors of the District hereby authorizes and directs its (i) administrative staff; (ii) Bond Counsel – Stock and Leader; (iii) Solicitor – David Jones, Esquire; Stock and Leader; (iv) Architect – Crabtree, Rohrbaugh & Associates, and (v) Bond Underwriter – RBC Capital Markets, to do and perform or cause to be done and performed, on behalf of the District, any and all acts and things as may be necessary in connection with the Project in order to carry out the purposes of the Act and this Resolution.
6. The proper officers of the District are hereby authorized and directed to execute any and all papers and to do and cause to be done any and all acts and things necessary or proper for the execution or carrying out of this Resolution.
7. All resolutions or parts of resolutions inconsistent herewith be and the same are hereby rescinded, canceled and annulled.

I, the undersigned Secretary of the Bermudian Springs School District, DO HEREBY CERTIFY that the foregoing is a true and correct copy of a Resolution duly adopted by the affirmative vote of a majority of the members of the Board of School Directors of the District at a public meeting held on September 10, 2019; that proper notice of such meeting was duly given as required by law; and the said Resolution has been duly entered upon the Minutes of said Board, showing how each member voted thereon.

IN WITNESS WHEREOF, I have hereunto set my signature as such official and affixed the seal of Bermudian Springs School District this 10<sup>th</sup> day of September, 2019.

\_\_\_\_\_  
Douglas Knight, Board Secretary

\_\_\_\_\_  
Date

[SEAL]

**Bermudian Springs School District  
ACT 34 PUBLIC HEARING  
New Construction  
of the  
Bermudian Springs Middle School**

**CERTIFICATE**

I, the undersigned, Secretary of the Bermudian Springs School District, Adams County, Pennsylvania (the "District"), certify: that the foregoing is a true and correct copy of a Resolution which was duly adopted by affirmative vote of a majority of all members of the Board of School Directors of the District duly convened and held according to law on September 10, 2019, at which meeting a quorum was present; that said Resolution has been duly recorded in the Minutes of the Board of School Directors of the District; and that said Resolution is in full force and effect without amendment, alteration or repeal, as of the date of this Certificate.

I further certify that the Board of School Directors of the District met the advance notice requirements of the Sunshine Act, Act No. 1986-84 of the General Assembly of the Commonwealth of Pennsylvania, approved July 3, 1986, as amended, and supplemented by advertising said meeting and by posting prominently a notice of said meeting at the principal office of the District or at the public building in which said meeting was held, all in accordance with such Act.

IN WITNESS WHEREOF, I set my hand and affix the official seal of the Bermudian Springs School District, this 10<sup>th</sup> day of September, 2019.

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Douglas Knight, Board Secretary

[SEAL]

**Bermudian Springs School District  
ACT 34 PUBLIC HEARING  
New Construction  
of the  
Bermudian Springs Middle School**

## **PUBLIC HEARING NOTICE**

Please take notice that a public hearing will be held in the Cafeteria at the Bermudian Springs Middle School located at 7335 Carlisle Pike, York Springs, PA on Tuesday, October 22, 2019 for the newly proposed Bermudian Springs Middle School, starting at 7:00 p.m. The purpose of this hearing is to review all relevant matters relating to the construction and equipping of the newly proposed Bermudian Springs Middle School.

A description of the Project, including facts relative to educational, physical, administrative, budgetary and fiscal matters of the project, will be presented and will be available for consideration at this public hearing, and, beginning Tuesday, September 17, 2019 a description booklet for the Project will be available during business hours at the Bermudian Springs District Administration Office located at 7335 Carlisle Pike, York Springs, PA 17372.

The Board of School Directors of the Bermudian Springs School District by resolution duly adopted has authorized the following maximum project cost and maximum building construction cost in connection with the project:

Act 34 Maximum Building Construction Cost (Structure Cost, Design Fees, Movable Fixtures and Equipment, <i>LESS</i> Site Costs)	\$ 28,981,294
Other Project Costs (Site Costs and remaining Project 'Soft' Costs)	\$ 4,343,873
Maximum Project Cost	\$ 33,325,167

This public hearing is being held pursuant to the requirements of the Pennsylvania Public School Code of 1949, approved March 10, 1949, as amended and supplemented, including amendments made pursuant to Act 34 of the session of 1973 of the General Assembly.

Any and all interested parties are invited to attend and be heard at the public hearings. Interested parties that want to be placed on the public hearing agenda or wish to submit written testimony, or both, may submit their names and/or written testimony to the attention of the School Board Secretary, at the District Office (address listed above) by 12:00 noon on Friday, October 18, 2019. All testimony will be limited to five minutes per speaker. Additional testimony will be received from the floor at the hearing, by sign-in sheet.

Additional written comments from the public regarding this project will be received by the School Board Secretary via submission at the District office (listed above), until 12:00 noon on November 22, 2019.