



## **AGENDA (01/09/23)**

**Follow Up from December**

**Finalized Survey Results & Key Takeaways**

**Suggested Scope to Fit Financials**

**Action Items**

**Next Steps**

## Follow Up from December

### GRANTS:

**OSCIM** - Rainier School District applied for, and received, a **\$4 million** matching grant commitment from the State that can only be applied to a May 2023 Bond. This has kept the bond ask at \$49.4M in lieu of \$53.4M.

**SEISMIC** – Rainier School District has applied for a **\$2.5 Million** seismic rehab grant from the state. If it is successful, that will not be known till May. It would have no impact on the proposed bond (no seismic upgrades in the bond now) but will influence designs. If received, this would be your second seismic grant.

**ENERGY** – NW Natural Gas is Rainier's only qualifying Energy Trust of Oregon (ETO) utility, which limits grant size. BPA has provided some electrical grants in the past (your new lighting). Both will be pursued post-bond as these are matching grants. If awarded, these are small (likely **under \$100k** total) but would reduce costs and allow the district to pursue other minor facility projects. It will have no impact on the bond amount.

**OTHER** – Most school facility grants on the market expired in 2015. Others will be pursued as part of the design and construction process but are typically nominal (i.e. **under \$25k**) and competitive and require matching funds so would not impact the bond amount.

## Follow Up from December

### SITE ASSESSMENTS:

Assessments were completed by Soderstrom Architects last year as part of the State TAP Grant.

Confirming observations were conducted on 1/4/23 by R&C Management, J2 Building Consultants, and MKE Engineering, accompanied by Rainier Facility Director , Boyd Brown.

#### **Observation Summary:**

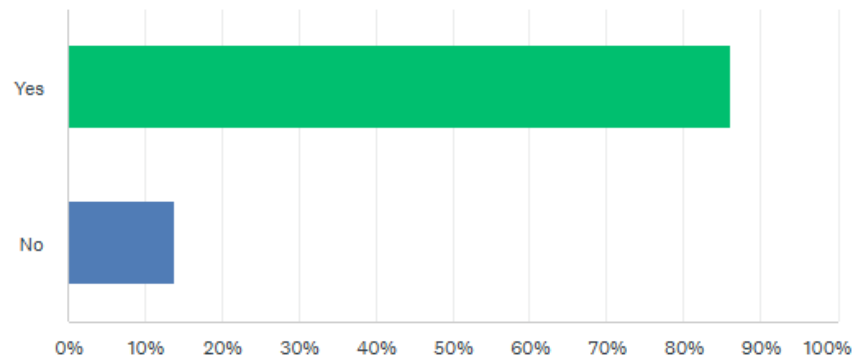
- Facility conditions are not the result of poor maintenance. The building systems of concern are simply beyond their useful life – most are original to the buildings.
- Siding systems are primarily cast in place concrete that need a water-proofing system applied
- About 30% of windows and doors have rusted or separated due to age and weather and should be replaced with the siding work.
- The rubber roofing systems are in serviceable condition – some need replacement and others need a coating. Some are nearly new due to the 2018 seismic work and require no immediate attention.
- Mechanical system performance is most impacted by the boiler and the piping distribution system. A portion of the pumps and fans should also be replaced.
- Safety and security improvements are related to growing risks identified universally among districts and should be focused on entry vestibules, fenced site areas, better flow of pedestrian and vehicular patterns, and upgrades to camera and access control systems. Eliminating modulares currently spread across the campus will also help to improve safety & security

## Follow Up from December

**SURVEY RESULTS:** A second community survey was initiated on 12/28/22 and closed on 1/5/23 after a drop off in responses. 127 responses were logged for the first survey and 154 responses for this subsequent survey. Results were as follows:

**Q1** From our first survey, we heard our community identify the highest priorities as safety & security, expanded job skills classes, upgrades to building siding, roofs, and mechanical systems, getting rid of all the portable classrooms, and improving parking conditions. Would you support a bond that included all of these priorities?

Answered: 152 Skipped: 2



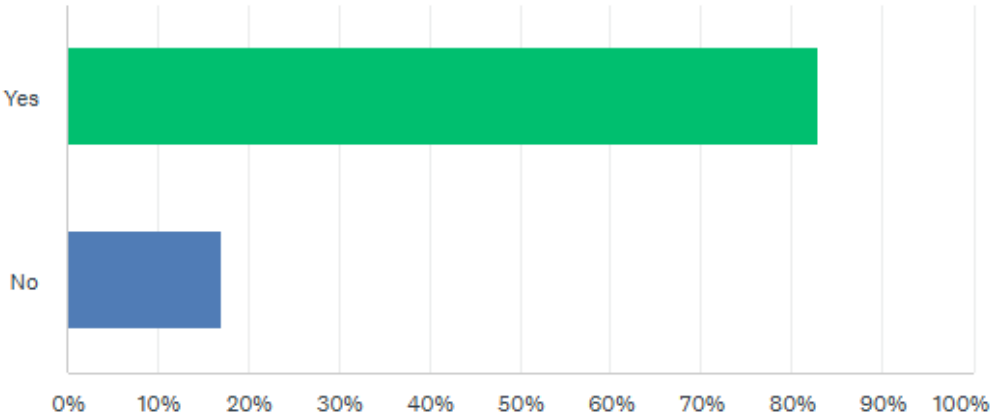
ANSWER CHOICES	RESPONSES	
Yes	86.18%	131
No	13.82%	21
TOTAL		152

Follow Up from December

SURVEY RESULTS:

**Q2** Would you support a bond that included a new elementary school on campus so as to repurpose Hudson Park for the junior high school and other programs currently housed in portables and to create a better and safer separation of elementary-aged students?

Answered: 153    Skipped: 1



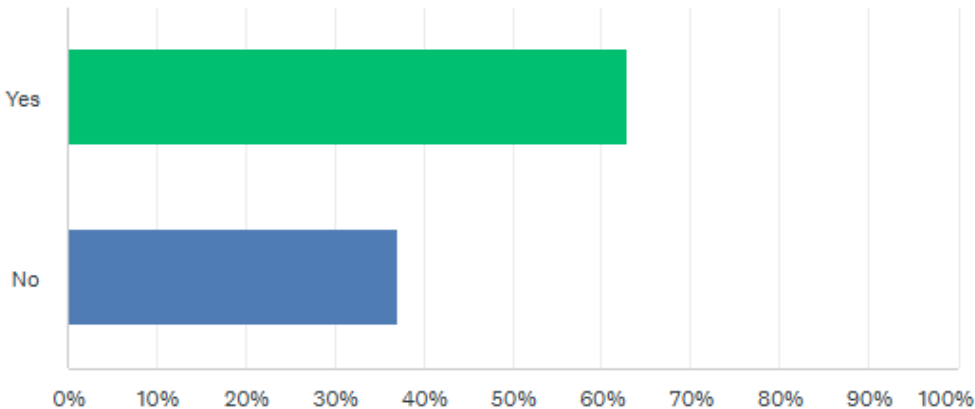
ANSWER CHOICES	RESPONSES	
Yes	83.01%	127
No	16.99%	26
TOTAL		153

Follow Up from December

SURVEY RESULTS:

**Q3** The district is considering a \$49.4 million bond issue in May 2023 to address these needs. The estimated tax rate would be \$2.99 per \$1,000 of ASSESSED home value. On an average county-assessed Rainier home of \$160,500, that would be about \$480 per year. Would you support that bond timing and size?

Answered: 154    Skipped: 0



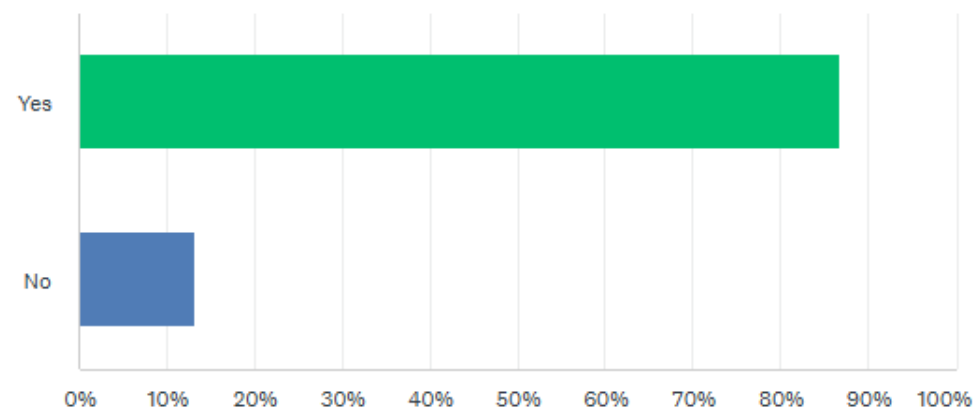
ANSWER CHOICES	RESPONSES	
Yes	62.99%	97
No	37.01%	57
TOTAL		154

Follow Up from December

SURVEY RESULTS:

**Q4** The district has applied for a state matching grant, a second seismic rehabilitation grant, and upcoming energy grants to help offset some of the costs. Are you more likely to support a bond knowing this information?

Answered: 151    Skipped: 3



ANSWER CHOICES	RESPONSES	
Yes	86.75%	131
No	13.25%	20
TOTAL		151

## Follow Up from December

### SURVEY RESULTS:

**Q5** What are your thoughts regarding these proposed Rainier School District projects and a potential bond as outlined above?

Answered: 62   Skipped: 92

### Summary of the 62 “Open Ended” Responses:

Support bond as proposed: 28

Taxes are too high now: 4

Bond is too high: 6

Bad timing: 2

Too fast: 1

Grants should pay for this: 3

Need more info: 4

Existing building stewardship concerns: 3

Non-building comments: 11



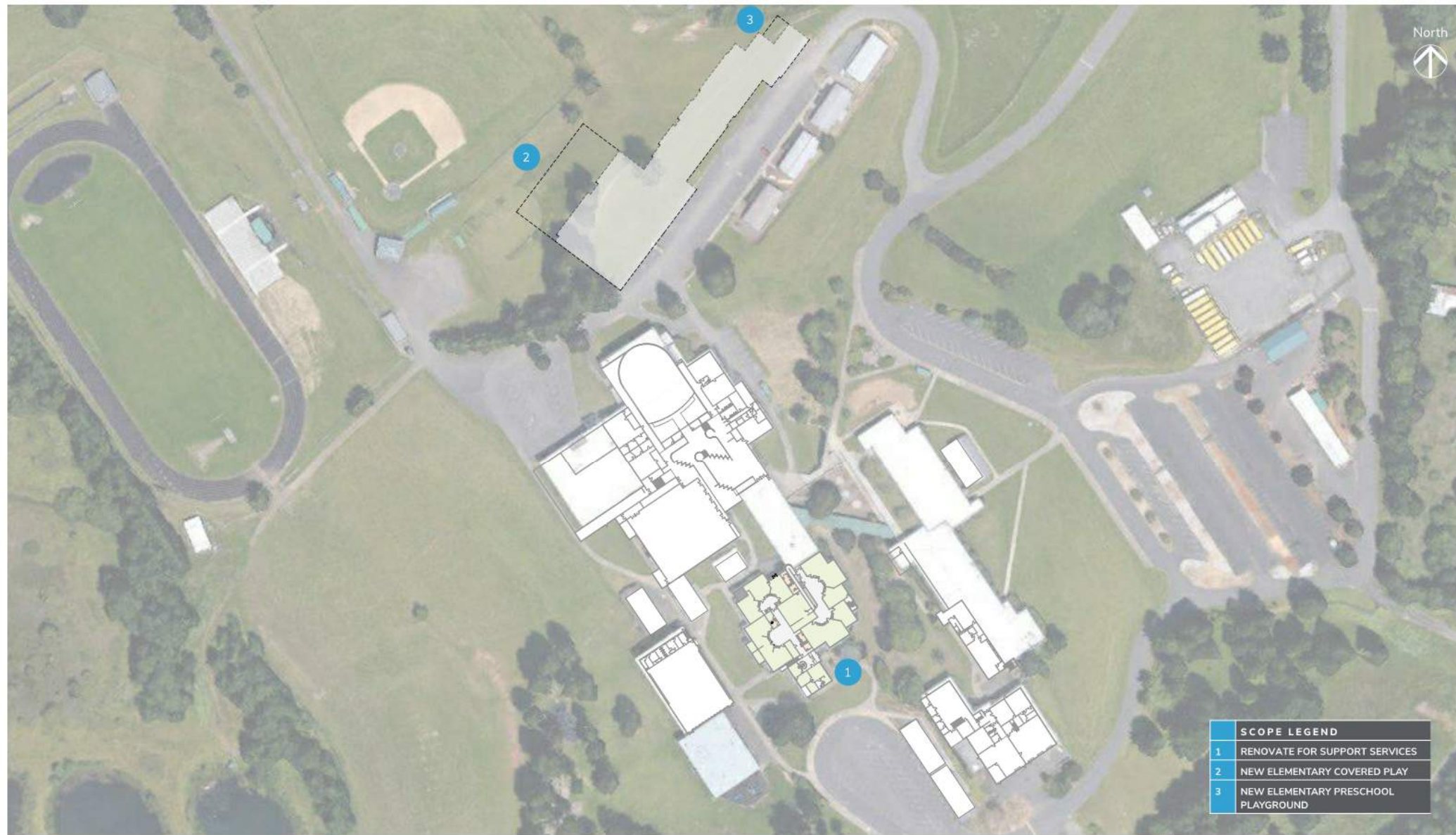
SURVEY RESULTS:

Key Points / Take Aways for District Communications:

1. Highlight the maintenance and capital work that has been done in the last 5 years
2. More detail for each scope item: what will elementary have, vocational/job skills commitment, and safety /security concepts proposed
3. Highlight prior, current, and future grants and explain what they can pay for
4. Progress on HPE gym resolution
5. Explain why a new elementary instead of a new junior high
6. Explain project break downs (budget and timing)
7. Explain how grants buy down the bond.
8. Explain the estimated tax rate (calculation and individual impact)
9. Explain assessed versus appraised home values
10. Explain the post-bond checks and balances to be implemented
11. Explain how ADA will be addressed with these improvements
12. Explain how unions and locals will be integrated into the work
13. Highlight the process to get to this point

## **SUGGESTED SCOPE (based on assessment, planning, and committee work)**

<b>New Elementary School:</b>	<b>\$43,040,000</b>
<b>Building Exteriors:</b>	<b>\$1,650,000</b>
<b>Mechanical System Upgrades:</b>	<b>\$2,350,000</b>
<b>Fire Alarm Replacement:</b>	<b>\$165,000</b>
<b>Site improvements (safety and parking revisions):</b>	<b>\$1,000,000</b>
<b>HPE Building Renovations (safety and program spaces to remove modulars):</b>	<b>\$1,850,000</b>
<b>Commons Building Renovations (safety and weight relocation for shop spaces):</b>	<b>\$2,165,000</b>
<b>Jr/Sr High Building Renovations (safety and expanded shop spaces):</b>	<b><u>\$1,180,000</u></b>
<b>TOTAL SCOPE: \$53,400,000</b>	



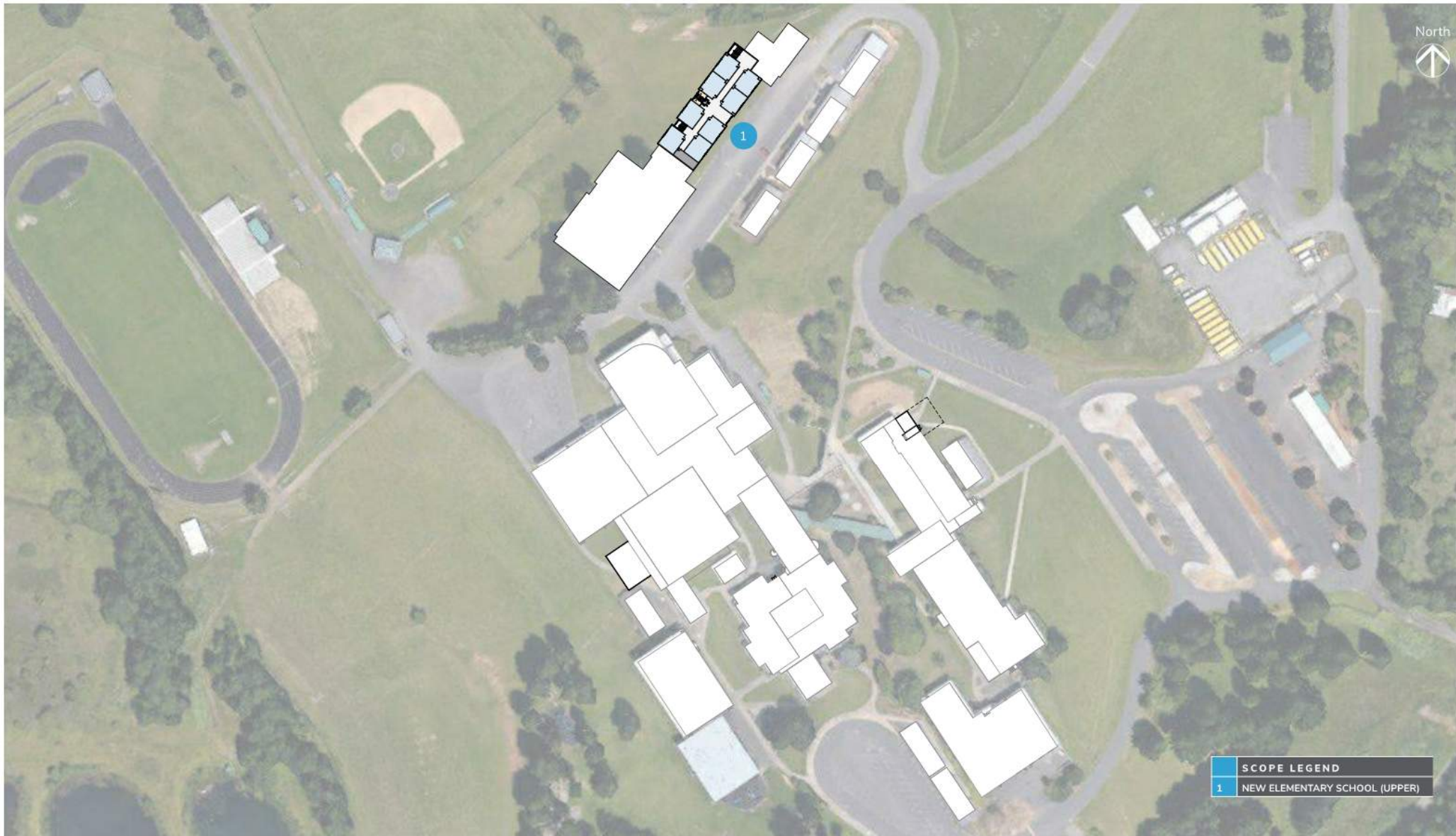
SCOPE LEGEND	
1	RENOVATE FOR SUPPORT SERVICES
2	NEW ELEMENTARY COVERED PLAY
3	NEW ELEMENTARY PRESCHOOL PLAYGROUND

















## SUGGESTED ELEMENTARY SCHOOL BUDGET

Recent Comparables		
Kalama Elementary School (Kalama, WA)		
Open	Fall 2022	
Size	80,000 SF	
Construction	\$ 35,400,000	443 \$/SF
Inflation to 2023**	\$ 37,771,800	472 \$/SF
Development Costs	unknown	
Mill Plain Elementary (Vancouver, WA)		
Open	Fall 2023	
Size	62,000 SF	
Construction	\$ 29,325,853	473 \$/SF
Development Costs***	\$ 8,136,663	28%
All In	\$ 37,462,516	
Rainier Elementary		
Open	Fall 2025	
Size*	61,491 SF	
Construction**	\$ 33,110,000	538 \$/SF
Development Costs***	\$ 9,930,000	30%
All In	\$ 43,040,000	

\*Size increased from original program of 51,799 SF (based on 11/29 meeting) with a larger kitchen (400 SF more as confirmed with HAI) and a high school regulation gym of 7,056 SF (assumed 7' run offs and 3 rows of bleachers during basketball games but full population during assemblies). Also added the 30% grossing factor.

\*\*Applied 6.7% annual inflation factor for two years based on current indicators.

\*\*\* Development Costs are all the other things outside of the pure construction cost: design, management, permits, surveyors, furnishings, contingency, and more. This is down from the 35% in the original planning and based on typical costs encountered by R&C Management Group



## SUGGESTED CAPITAL NEEDS ADJUSTMENTS

Description	Budget	Revised	Notes for Suggested Revisions
Exterior Envelope (all 3)	\$5,619,373	\$1,650,000	Addresses exterior siding, 30% windows & doors, and roofing. Confirmed in engineering review by J2 on 1/4/23
Interior Finishes (all 3)	\$3,448,173	\$0	Hopefully stretch dollars of the renovations below to get an interior paint job; replace door hardware on a long term maintenance cycle of a little each year
ADA Upgrades (all 3)	\$759,967	\$0	Combined with site upgrades and minor building renovations
Mechanical (all 3)	\$3,100,000	\$2,350,000	Critical based on polling, but dialed back to address critical issues. Confirmed in engineering review by MKE on 1/4/23
Electrical (all 3)	\$165,000	\$165,000	Fire alarm is life safety issue and will be triggered by renovations anyway
Site (all 3)	\$1,759,348	\$1,000,000	Modest amount to fence perimeter and improve parking / flow
HPE Renovations & Upgrades	\$3,655,125	\$1,850,000	Security vestibule and renovations to get rid of modulars
Commons Upgrades & Addition	\$5,437,125	\$2,165,000	Security vestibule and displaced weights area to make room for added shop space
JR/SR High Renovations & Upgrades	\$1,597,050	\$1,180,000	Security vestibule and shop spaces
<b>TOTALS</b>	<b>\$25,541,161</b>	<b>\$10,360,000</b>	

## SUGGESTED BOND

A May 2023 Bond Election at no higher than an estimated rate of \$2.99 / thousand dollars of assessed home value, garnering approximately \$49.4 million.

- Considerations: This is a quick time frame, but May results are better than November results by 9 points.
- Inflation may be a factor if we wait.
- A May bond gets the new school open in Fall 2025, November is Fall of 2026.
- The \$4 million OSCIM grant received applies to May 2023 election. No guarantee that grant for November election will be successful.

### Project Funding:

Bond:	\$49,400,000
OSCIM Grant:	<u>\$4,000,000</u>
TOTAL SCOPE:	\$53,400,000

### Potential Added Capital (not in scope):

Seismic Rehab Grant:	\$2,500,000
Energy Grants:	~\$100,000
Program / CTE Grants:	TBD (apply to equipment & technology)

## **NEXT STEPS (if approved) in Next 30 Days**

1. Hire bond legal counsel.
2. Generate informational collateral for staff & community
3. Generate and approve ballot language (February Board)
4. Establish communications calendar & events
5. Hire polling and communications consultants

# QUESTIONS??

Scott Rose, 503-312-5404, [scott@randcmanagement.com](mailto:scott@randcmanagement.com)