

Special School Board Meeting
Wednesday, June 7, 2017
ESC Boardroom
6:00 P.M.

AGENDA

- I. Roll call of members
- II. Views and comments by the public
- III. Discussion/Action – Resolution No. 334 to Exceed Revenue Limit on Non-Recurring Basis (Debt Service Payments on Energy Efficiency Measures) – Bradford High School Project
- IV. Discussion/Action - Resolution No. 335 to Exceed Revenue Limit on Non-Recurring Basis (Debt Service Payments on Energy Efficiency Measures) – Tremper High School Project
- V. Discussion – PLC/Prep Time Teacher Survey Results
- VI. Adjournment

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Kenosha Unified School District
Kenosha, Wisconsin

June 7, 2017

Resolution No. 334 to Exceed Revenue Limit on Non- Recurring Basis
(Debt Service Payments on Energy Efficiency Measures)
- Bradford High School Project

Resolution No. 335 to Exceed Revenue Limit on Non- Recurring Basis
(Debt Service Payments on Energy Efficiency Measures)
- Tremper High School Project

At the April 25, 2016, regular School Board meeting, the Board approved a proposal to implement a Phase II series of energy efficiency projects using the energy efficiency revenue limit exemption based on the provisions in 2011 Wisconsin Act 32 and subsequent legislation.

Phase II consists of a series of projects as detailed in the May 10, 2016, report presented by Mr. Patrick Finnemore, Director of Facilities. These projects are being performed over a six year time period and the administration is working closely with the District financial advisor, PMA Securities, Inc. to time the issuance of debt to align with project spending needs.

The first bond sale was unanimously approved by the Board on June 28, 2016, in the amount of \$28,495,000 to provide the necessary funds to complete the first project

Administrative Recommendation

The attached resolutions to exceed the revenue limit for 20 years, on a non-recurring basis, are for the purpose of servicing debt issued to finance Projects 2 and 3 of the previously approved Energy Efficiency Projects in Phase II.

Administration requests that the Board approve Resolution No. 334 to Exceed Revenue Limit on Non-Recurring Basis (Debt Service Payments on Energy Efficiency Measures) - Bradford High School Project and Resolution No. 335 to Exceed Revenue Limit on Non-Recurring Basis (Debt Service Payments on Energy Efficiency Measures) - Tremper High School Project.

Dr. Sue Savaglio-Jarvis
Superintendent of Schools

Tarik Hamdan
Chief Financial Officer

RESOLUTION NO. 334 TO EXCEED

The Board has entered into a 20 year performance contract under s. 66.0133, Stats., with McKinstry for a project to implement the following energy

Use to collect information for resolution to exceed the revenue limit for energy efficiency projects.

Name of School District	Kenosha Unified School District
Name of Qualified Contractor	McKinstry
Contract Length (years)	20
Total Project Cost*	\$23,726,640
Total Project Payback Period	19.5
Years of Debt Payments	20
Remaining Useful Life of the Facility	50 years

SUMMARY COST/SAVINGS ANALYSIS

Specific Energy Efficiency Measure or Products	PROJECT EXPENDITURES			Payback Years	PROJECT COST SAVINGS			
	Project Cost	Financing Cost (Interest)	Total Project Cost Including Financing		Cost/Savings	Total Annual Utility Cost Savings	Total Annual Non Utility Cost Savings	
Exterior Envelope Upgrades/Additions	2,702,566	1,114,371	3,816,937	19.72	650	192,899		28
HVAC/Controls/Electrical/Fire Alarm Upgrades	12,067,305	4,975,820	17,043,125	18.78	30,295	875,969		28,000
Lighting & Ceiling Improvements	2,372,100	978,131	3,350,231	15.55	30,915	184,649		0
Roofing Upgrades	1,358,697	560,242	1,918,939	19.31	1,683	97,671		0
Water Conservation	2,051,283	845,822	2,897,105	19.62	960	146,708		0
Windows/Exterior Door Replacements	3,174,627	1,309,019	4,483,646	19.62	1,364	227,197		0
Entire Energy Efficiency Project*	23,726,640	9,783,392	33,510,032	18.70	65,867	1,724,944		28,728

MeasurementUnits	Costper		MeasurementUnit	Costper		MeasurementUnits	Costper		
KwH	UnitSavings	Unit	Therms	Unit Savings	Unit	Gallons	Unit Savings	Unit	CostSavings
KwH	0	0.11	\$0 Therms	1,066	0.61	\$650 Gallons			
KwH	71,577	0.11	\$7,873 Therms	36,757	0.61	\$22,422 Gallons			
KwH	300,10	0.11	\$33,011 Therms	8,436	0.61	\$2,095 Gallons			
KwH	430	0.11	\$47 Therms	2,681	0.61	\$1,635 Gallons			
KwH	0	0.11	\$0 Therms	0	0.61	\$0 Gallons	392	750.00246	960
KwH	1,373	0.11	\$151 Therms	1,989	0.61	\$1,213 Gallons			

RESOLUTION NO. 335 TO EXCEED REVENUE LIMIT ON NON-RECURRING BASIS

Debt Service Payments on Energy Efficiency Measures TREMPER HIGH SCHOOL PROJECT

Be it resolved that the School Board of the Kenosha School District No. 1 is exercising its taxing authority under s. 121.91 (4) (o), Wis. Stats., on or before October 1st, to exceed the revenue limit on a non-recurring basis by an amount the District will spend on principal and interest payments for debt issued for new energy efficiency measures and energy efficiency products for the 2017-18 school year.

The projects are financed with \$30,140,000 G.O. Corporate Bonds and \$16,355,000 State Loan \$16,355,000 of 1 Tfb

The amounts to be expended, which represent the portion of those debt projects, are shown below.

<u>Levy Year</u>	<u>Year Due</u>	<u>Amount</u>
2017	2018	\$882,357
2018	2019	\$851,350
2019	2020	\$1,101,961
2020	2021	\$1,503,880
2021	2022	\$1,505,190
2022	2023	\$1,503,109
2023	2024	\$1,887,513
2024	2025	\$1,889,282
2025	2026	\$1,889,992
2026	2027	\$1,889,160
2027	2028	\$1,725,981
2028	2029	\$1,725,981
2029	2030	\$1,724,843
2030	2031	\$1,725,345
2031	2032	\$1,723,961
2032	2033	\$1,726,153
2033	2034	\$1,724,537
2034	2035	\$1,725,426
2035	2036	\$1,726,229
2036	2037	\$1,724,365

After review of the recommendations report per s. 66.0133 (2) (b), Stats., the District has determined that the \$32,156,617 it would spend on energy efficiency projects recommended in the report is not likely to exceed the amount to be saved in total utility costs of \$1,399,259 and non-utility costs of \$32,105,672 over the remaining 40 year useful life of the facility to which the measures apply.

The Board has entered into a 20 year performance contract under s. 66.0133, Stats., with Nexus Solutions, LLC for a project to implement the following energy efficiency measures or to purchase energy efficiency products. The Board has also identified the following cost recovery performance indicators to measure energy savings and/or operational savings for each measure or product, including the timeline for cost recovery:

Please See Attached Cost/Savings Analysis (TREMPEL #110 Tj / TDLD005 Tc (savings) Tj / TT5 1

Use to collect information for resolution to exceed the revenue limit for energy efficiency projects.

Name of School District	Kenosha Unified School District
Name of Qualified Contractor	Nexus Solutions
Contract Length (years)	20
Total Project Cost*	\$22,768,357
Total Project Payback Period	19.2
Years of Debt Payments	20
Remaining Useful Life of the Facility	40

SUMMARY COST/SAVINGS ANALYSIS							
PROJECT EXPENDITURES				Payback Years	PROJECT COST SAVINGS		
Specific Energy Efficiency Measure or Products	Project Cost	Financing Cost (Interest)	Total Project Cost Including Financing	Cost/Savings	Total Average Annual Utility Cost Savings Over Term	Total Average Annual Non-Utility Cost Savings Over Term	One-time Savings
HVAC & Control Replacement	\$11,845,848	\$4,884,491	\$16,730,339	21.6	\$20,694	\$750,076	\$45,000
Lighting & Ceiling Replacement	\$2,590,203	\$1,068,039	\$3,658,241	16.9	\$42,683	\$172,761	\$7,500
Window & Door Replacement	\$2,533,205	\$1,044,537	\$3,577,742	26.6	\$2,031	\$132,506	\$0
Electrical System Modifications	\$1,795,011	\$740,151	\$2,535,162	16.6	\$73	\$152,916	\$0
Plumbing System Modifications	\$2,637,829	\$1,087,677	\$3,725,506	18.6	\$3,413	\$196,407	\$0
Roofing Replacement & Repairs	\$768,176	\$316,748	\$1,084,924	13.8	\$725	\$78,063	\$0
New Vestibules and Secure Entrances	\$598,088	\$246,615	\$844,703	7.0	\$343	\$119,930	\$0
Entire Energy Efficiency Project *	\$22,768,360	\$9,388,257	\$32,156,617	19.2	\$69,963	\$1,602,659	\$52,500

Measurement		Cost per		Measurement	Unit
Unit kWh	Unit Savings	Unit	Cost Savings	Unit Therms	



Cost Saving(Recovery) Performance Indicators and Measures					
Annual Operational Savings		Annual Capital Cost Avoidance		One-Time Savings	
Description	Cost Savings	Description	Cost Savings	Description	Cost Savings
Reduced maintenance and repair costs	\$16,200	Labor, Maintenance & Repair, Increased Productivity	\$514,270	Focus on Energy Incentives	\$45,000
Reduced maintenance and repair costs	\$12,945	Labor, Maintenance & Repair, Increased Productivity	\$109,235	Focus on Energy Incentives	\$7,500
Reduced maintenance and repair costs	\$3,702	Labor, Maintenance & Repair, Increased Productivity	\$90,010		
Reduced maintenance and repair costs	\$3,240	Labor, Maintenance & Repair, Increased Productivity	\$104,906		
Reduced maintenance and repair costs	\$2,268	Labor, Maintenance & Repair, Increased Productivity	\$136,636		
Reduced maintenance and repair costs	\$1,602	Labor, Maintenance & Repair, Increased Productivity	\$53,605		
Reduced maintenance and repair costs	\$0	Labor, Maintenance & Repair, Increased Productivity	\$84,817		