

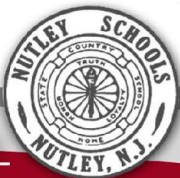
# Referendum: November 2018



# Proposal #1

The Board of Education of the Township of Nutley in the County of Essex, New Jersey is authorized: (a) to provide for the construction of additions, renovations, alterations and improvements at John H. Walker Middle School, Washington Elementary School and Yantacaw Elementary School and to undertake renovations, alterations and improvements at Nutley High School, including acquisition and installation of furnishings, fixtures, equipment and site work; (b) to appropriate \$56,825,000 for such improvements; and (c) to issue bonds of the School District in the principal amount of \$56,825,000.

The final eligible costs of the improvements approved by the Commissioner of Education are \$20,672,037 (consisting of \$12,289,932 for John H. Walker Middle School, \$2,165,642 for Washington Elementary School, \$3,041,463 for Yantacaw Elementary School and \$3,175,000 for Nutley High School. The State debt service aid percentage will equal 40% of the annual debt service due with respect to the final eligible costs of the projects. The proposed improvements include \$376,805 for John H. Walker Middle School for school facility construction elements in addition to the facilities efficiency standards developed by the Commissioner of Education or not otherwise eligible for State support pursuant to N.J.S.A. 18A:7G-5(g). The Board of Education is authorized to transfer funds between the projects.



# What's Included in Proposal 1:

**Washington** = 6 classrooms with bathrooms,  
elevator **\$7.4 million**

**Yantacaw** = 7 classrooms with bathrooms,  
administrative offices, security entrance, elevator,  
small group instruction space **\$8.4 million**

**JHWMS** = 20 classrooms, multi-purpose space,  
security entrance, elevator, bathrooms, cafeteria  
**\$37.85 million**

**NHS** = classroom and media center renovations  
**\$3.175 million**

# Cost

The total bond amount for question #1 is **\$56,825,000**.

Debt service aid from the State is \$8.3 million.

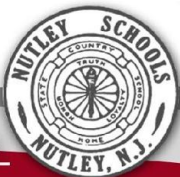
The tax impact, on an average assessed home of \$318,300, is **\$331** for proposal #1.



# Proposal #2

The Board of Education of the Township of Nutley in the County of Essex, New Jersey is authorized: (a) to provide for the construction of additions, renovations, alterations and improvements at Washington Elementary School, Yantacaw Elementary School and Nutley High School, including acquisition and installation of furnishings, fixtures, equipment and site work; (b) to appropriate \$10,150,000 for such improvements; and (c) to issue bonds of the School District in the principal amount of \$10,150,000.

The final eligible costs of the improvements approved by the Commissioner of Education are \$1,844,841 (consisting of \$1,084,968 for Yantacaw Elementary School and \$759,873 for Nutley High School). The State debt service aid percentage will equal 40% of the annual debt service due with respect to the final eligible costs of the projects. The proposed improvements include \$792,220 (consisting of \$670,813 for Washington Elementary School and \$121,407 to Yantacaw Elementary School) for school facility construction elements in addition to the facilities efficiency standards developed by the Commissioner of Education or not otherwise eligible for State support pursuant to N.J.S.A. 18A:7G-5(g). The Board of Education is authorized to transfer funds between the projects.



# What's Included in Proposal 2:

**Washington** = multi-purpose space **\$2.685 million**

**Yantacaw** = multi-purpose space, bathrooms, a renovated classroom, storage/custodial space, wheelchair lift **\$3.855 million**

**NHS** = new media center, 4 additional classrooms, 4 small group instructions spaces, maker space **\$3.61 million**





# Cost

The total bond amount on question #2 is **\$10,150,000**.

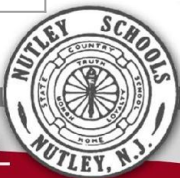
Debt service aid from the State of \$737,936.

The tax impact, on an average assessed home of \$318,300, is **\$63** for proposal #2.



# Tax Impact Per Household

Home Assessed Value	Proposal #1	Proposal #2
\$250,000	\$ 260.00	\$ 49.75
\$318,300 (average)	\$ 331.03	\$ 63.34
\$350,000	\$ 364.00	\$ 69.65
\$400,000	\$ 416.00	\$ 79.60
\$500,000	\$ 520.00	\$ 99.50
\$600,000	\$ 624.00	\$ 119.40
\$700,000	\$ 728.00	\$ 139.30





# Hard Costs vs. Soft Costs

**Hard Costs: 70%**

**Site Work**  
**Materials**  
**Foundation**  
**Mechanical**  
**Electrical**  
**Plumbing**  
**Landscaping**

**Soft Costs: 30%**

**Engineering**  
**Architects**  
**Surveyor**  
  
**Permits**  
(local, county, state)  
  
**Construction Management**  
  
**Contingencies**  
(reserves for unknown project risk)



# Timeline

**Referendum:** November 2018

**Prepare of Documents Completion:** August 2019

**Code Release:** September 2019

**Bidding:** October/November 2019

**Start Construction:** December 2019

**Completion:** July/August 2021

**Occupancy:** September 2021

We anticipate splitting the cost of the projects into two bond sales to phase in the tax impact to the homeowner.

# All In: What are we getting?

- Secure Entrances
- Removal of all trailers, district-wide
- 37 Classrooms
- 5 Additional Learning Spaces
- Maker Space
- 15 Single Occupancy Bathrooms/8 Group Bathrooms
- Elevators
- Three Multi-Purpose Spaces
- A True 6, 7, 8 Middle School
- Middle School Cafeteria and Changing Rooms
- Space Relief at all elementaries when 6th grades move
- Enhanced Handicap Accessibility
- A state-of-the art Media Center at NHS



# Past Referendums

On April 20, 2003 Nutley approved a \$4,872,673 million dollar referendum to renovate the high school science wing and add intercom telephones and PA systems to all schools.

On September 28, 2004 Nutley approved a \$23.7 million referendum to expand and upgrade the John H Walker Middle School to provide for a building addition and renovations.

On December 12, 2006 Nutley approved a \$38.5 million referendum to renovate all of its five elementary school buildings and portions of Nutley High School. The scope of this work consisted of facade repairs, window replacement, roof replacement, HVAC replacement and restroom renovations.



# Lessons Learned

**The district and Board of Education are committed to seeing these new proposed projects through ethically and in the most cost-efficient and timely manner possible.**

**In order to do so, we will:**

- Base all requests for bids on the specifications and cost estimates provided by the architects and engineers, remaining within the project scope and estimated costs
- Evaluate and select construction management professionals using a legally appropriate public bidding process
- Place all construction contracts for bid as legally required, awarding to the lowest responsible bidders for each project, rejecting bids above the estimates
- All contract awards will be publicly voted on at open BOE meetings
- Provide continuous oversight of the ongoing construction projects, via the professional project manager, architect, and business administrator
- Ensure any change orders follow a full review process, including approvals by the construction manager, architect, business administrator, and finance committee; and must be voted on by the full BOE



# Lessons Learned

**The district and Board of Education are committed to seeing these new proposed projects through ethically and in the most cost-efficient and timely manner possible.**

**In order to do so, we will:**

- Ensure that all expenditures on the projects follow state requirements for continued state debt service eligibility
- Maintain referendum funds in a legally required separate account
- Use bonded funds only on the state approved projects included in the publicly voted referendum
- No funds will be dispersed without an Application and Certificate for Payment reviewed by the construction manager, approved by the business administrator, and a BOE resolution voted on to release payment
- Progress reports from the construction manager will be provided on an ongoing basis on the district website and at public BOE meetings
- Progress reports from the the architects will be provided on a quarterly basis on the district website and at public BOE meetings





# Thank You

