

North Kingstown School Department

November 2018 Bond Referendum

Frequently Asked Questions

Why should we address these projects now?

The NKSD projects represented in this bond have been in need of attention for many years. For instance, the high school track has not been usable for competition since 2009. Having this bond in 2018 positions us in an advantageous window of opportunity. Interest rates are relatively low and state reimbursements for many of these education projects will provide us with approximately \$3M in reimbursements.

How much of the \$27 Million in this bond is for school department projects, and what is included?

Of the \$27 Million, \$13.5 Million is dedicated to the North Kingstown School Department. The major projects of the bond include all new windows and doors for Davisville Middle School (\$2.6M), Air Conditioning for the 2nd and 3rd Floors of North Kingstown High School (\$2.8M), renovation of the NKHS/Community Athletic Complex (\$3M), and new floor coverings in several buildings (\$2.4M). Other projects include various high priority needs for electrical, mechanical, HVAC, plumbing, fire protection, ADA compliance, and architectural fixes that are needed throughout the district. A complete listing of all projects and their approximate cost is included in the FAQ document.

How was it decided which projects to address?

The projects are identified and prioritized starting with a study of an outside architectural firm and in conjunction with the Rhode Island Department of Education. After that, the NKSD administration and School Committee approve which projects would be best to address within the scope of this bond. All of the projects identified represent our highest priority items related to health and safety issues and the long-term infrastructural needs of the district. Many of these items have been in need of attention for several years.

Why can't the district take care of these issues within its annual budget?

The general annual budget for NKSD focuses on annual recurring costs such as employee salaries, benefits, classroom/workplace resources, and routine maintenance needs. Major projects identified in this bond are generally not recurring and often have not been included in annual budgets. These projects are outside of routine maintenance and are age related depending on long-term building depreciation.

How much will my taxes go up due to this bond?

NK's existing debt schedule shows almost all of our debt being eliminated by 2033 and the significant debt cliff through debt being paid off throughout those years. The greatest drop takes place from 2018 – 2027 where \$3 million of debt is erased (see slide 1 attached). The second slide displays the cost of the \$27M Bond with the last column showing the total annual cost year by year. As you can see, the \$27M Bond has virtually no impact on our taxes by taking

advantage of the debt cliff. As a matter of fact, beginning in 2023, we begin a second debt cliff where we see our annual debt payments beginning to shrink again.

The actual cost of a \$27M Bond over 20 years is \$1,585,000 per year or approximately 42 cents on the tax rate. However, as displayed on the attached slides, by taking advantage of the debt cliff the impact will be virtually -0-.

If NK did not go out for a Bond and experience a Debt Cliff, our annual expenses would go down which would have a favorable impact on our tax rate. However, we would still have to address our infrastructure needs and if we did that without debt the impact would be greater.

Therefore, our Town is very fortunate to have low debt, a high rating and experiencing a debt cliff whereby we can take advantage of this fortune and accomplish the items within the \$27M Bond without impacting our annual budget.

How can I learn more about the bond and its identified projects for the School Department and the Town?

- *Both the School Department and the Town have bond information posted on their web sites, and an informational evening discussion about the athletic complex and the bond as a whole will take place on October 16 at the NKHS auditorium at 7pm. Superintendent Auger and Town Manager Mollis will be on hand to present information and to answer questions. We both invite any phone calls or emails to our office if you have any questions in the meantime.*

NORTH KINGSTOWN SCHOOL DEPARTMENT

NOVEMBER 2018 PROJECTS FOR POSSIBLE BOND FUNDING

<u>SCHOOL/BLDG</u>	<u>PROJECT DESCRIPTION</u>	<u>CATEGORY</u>	<u>COST</u>
NORTH KINGSTOWN HIGH SCHOOL			
HIGH SCHOOL	ATHLETIC COMPLEX RENEWAL		3,000,000
HIGH SCHOOL	2ND AND 3RD FLOOR A/C	MECHANICAL	2,832,000
HIGH SCHOOL	FLOORING ISSUES	ARCHITECTURAL	1,007,280
HIGH SCHOOL	A/C ATRIUM	MECHANICAL	306,000
HIGH SCHOOL	SHUT OFF VALVES UTILITIES	PLUMBING	90,000
HIGH SCHOOL	AUDITORIUM RAILING	ARCHITECTURAL	14,400
HIGH SCHOOL	NKHS SLAB WORK	ARCHITECTURAL	60,000

HIGH SCHOOL	RTU RECOMMISSIONING	MECHANICAL	57,600
HIGH SCHOOL	HEAT PUMP ART ROOM	MECHANICAL	20,400
HIGH SCHOOL	VENTILATION OFFICE	MECHANICAL	20,400
HIGH SCHOOL	EYEWASH STATION	PLUMBING	3,600
HIGH SCHOOL	FIRE BLANKETS/EXTINGUISHERS	ARCHITECTURAL	3,240

NORTH KINGSTOWN MIDDLE SCHOOLS

DAVISVILLE MIDDLE	WINDOWS AND DOORS	ARCHITECTURAL	2,622,000
WICKFORD MIDDLE	ADA ACCESSIBILITY	CIVIL	18,000
WICKFORD MIDDLE	EYEWASH STATIONS	PLUMBING	15,120
WICKFORD MIDDLE	KITCHEN GAS FIRED WATER HEATER	PLUMBING	9,000
DAVISVILLE MIDDLE	EYEWASH STATIONS	PLUMBING	2,880

NORTH KINGSTOWN ELEMENTARY SCHOOLS

HAMILTON	EXHAUST FANS/VENTILATION CORRIDORS	MECHANICAL	885,636
STONY LANE	FLOOR COVERING	ARCHITECTURAL	701,160
FISHING COVE	FLOOR COVERING	ARCHITECTURAL	455,160
HAMILTON	CABINET UNIT HEATERS	MECHANICAL	57,600
STONY LANE	EMERGENCY LIGHTING	ELECTRICAL	52,800
FISHING COVE	ADA PLUMBING FIXTURES	PLUMBING	48,000
HAMILTON	EMERGENCY LIGHTING	ELECTRICAL	39,600
FOREST PARK	WINDOW GASKETS	ARCHITECTURAL	36,000
QUIDNESSETT	EMERGENCY LIGHTING	ELECTRICAL	29,400
FOREST PARK	TEACHERS' LOUNGE COOLING/VENTILATION	MECHANICAL	26,400

FOREST PARK	ADA PLUMBING FIXTURES	PLUMBING	25,200
QUIDNESSETT	KITCHEN EXHAUST HOOD/HVAC SYSTEM	MECHANICAL	20,400
FOREST PARK	FLOOR COVERING	ARCHITECTURAL	20,035
FOREST PARK	EMERGENCY LIGHTING	ELECTRICAL	10,800
HAMILTON	ADA BOYS' BATHROOM	PLUMBING	8,400
FISHING COVE	EYEWASH STATION	PLUMBING	5,760
FOREST PARK	DOMESTIC HOT WATER RETURNS	PLUMBING	4,200
FOREST PARK	MAIN AND LIBRARY STORAGE VENTILATION	MECHANICAL	4,200
STONY LANE	LAVATORY WASTE CONNECTION	PLUMBING	4,200
HAMILTON	JANITOR'S CLOSET VENTILATION	MECHANICAL	4,200
FISHING COVE	JANITOR'S CLOSET VENTILATION	MECHANICAL	3,600
STONY LANE	TEST STATION/DRAIN	FIRE PROTECTION	3,000
FOREST PARK	EYEWASH STATION	PLUMBING	2,880
HAMILTON	EYEWASH STATION	PLUMBING	2,880
STONY LANE	EYEWASH STATION	PLUMBING	2,880
QUIDNESSETT	EYEWASH STATION	PLUMBING	2,880
FOREST PARK	EXPANSION TANK	PLUMBING	2,400
QUIDNESSETT	RECIRC PUMP	PLUMBING	900
QUIDNESSETT	ART ROOM PLASTER TRAP	PLUMBING	720

DAVISVILLE ACADEMY

DAVISVILLE ACADEMY	EMERGENCY LIGHTING	ELECTRICAL	20,400
DAVISVILLE ACADEMY	JANITOR'S CLOSET VENTILATION	MECHANICAL	4,200
DAVISVILLE ACADEMY	STAFF BREAK ROOM SINK TRAP	PLUMBING	900

D BUILDING DISTRICT OFFICES

D BLDG	FLOOR COVERING	ARCHITECTURAL	264,958
D BLDG	WINDOWS	ARCHITECTURAL	162,000
D BLDG	BATHROOM PARTITIONS/FLOORS	ARCHITECTURAL	32,364
D BLDG	PARKING AREA SLOPE	CIVIL	6,000
D BLDG	REMOVE CAT 5 CABLING	ELECTRICAL	1,200

13,510,433
