

Miller Place Union Free School District 2021-22 Frequently Asked Bond Issue Questions (FAQs)

August 9, 2021 – Responses to community member questions from the July 21, 2021, Board of Education public workshop and follow up emails received.

Q: What is the process before the bond vote?

A: An example of the process before the vote is as follows:

- Project – initial estimates of cost, review, and discussion of projects
- SEQRA – environmental review and determination
- Project estimates – finalize current estimates
- Finalize project and bond scope
- Adopt SEQRA resolutions
- Adopt bond referendum resolutions
- Legal Notifications
- Community Vote

Q: What is the process that the District goes through after the voter approval of the bond before the District can begin construction?

A: An example of the process after voter approval is as follows:

- Architect prepares preliminary drawings
- District reviews and approves preliminary drawings
- Contract documents are prepared
- Drawings and related documents are sent to NYSED
- NYSED reviews and approves drawings
- Prepare project specifications for public bidding
- Open and analyze project public bids
- Board of Education awards project bids
- Contractors submit:
 - Bonds and insurance
 - Shop drawings for approval
 - Order materials and equipment
- Construction begins on-site

Q: How soon could construction begin on some of the bond projects?

A: Depending on the final project scope, complexity of projects, and timing of voter approval, construction could begin as soon as summer 2022 on some projects.

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Q: If the board of education adoption is put off until September 2021, can we start work in July 2022?

A: Each month postponement of a final decision causes delays in the beginning of the actual project construction work. A one-month delay in the process could delay or cancel projects beginning in July 2022.

Q: If board adoption is put off until January 2022 can we start work in July 2022?

A: No.

Q: How long would all projects take to complete?

A: Depending on the final project scope, complexity of projects, timing of voter approval, construction could take approximately 2 – 3 years for all projects to be completed. Anticipated completion is 2024.

Q: How did we come up with this project list?

A: The District is required to complete a building condition survey every five years and report the results to NYSED Facilities Planning and the Board of Education. This survey is one tool that the district uses to develop upcoming maintenance items that should be addressed in the short and/or long term.

Community member requests for classroom air conditioning and improved air quality, highlighted by the pandemic, began in March 2020 and continued through June 2021. These concerns were voiced at board meetings, committee meetings, phone calls, and emails.

The district also considers potential public health and safety projects in response to emergency situations.

Q: Why can't the community decide the order of bond project priority?

A: The timelines for projects are based on many variables including market conditions, availability of products, bid calendars, contractor workload, and availability of school buildings for construction.

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Q: Why does the District believe some of these projects will be approved and start construction faster than the prior solar panel installation?

A: The prior solar panel project was a complex installation that required both NYSED Facilities Planning approval, as well as local utility approval. Additionally, PSEG had to upgrade their infrastructure to accommodate the District's solar panel project.

Q: Do the roofs need to be upgraded or can additional solar panels be added to the roofs?

A: Roofs do not need to be upgraded for the proposed additional solar panels. The NCRMS roof was replaced as part of the 2014 bond issue projects and is in satisfactory condition. The MPHS roof was reviewed prior to installation of the solar panels and was determined to be in satisfactory condition for the additional solar panel project.

Q: Why is the District considering generator hookups at the North Country Road Middle School and the Laddie A. Decker Sound Beach School?

A: The District is considering a generator hookup to provide power for essential systems for each of these buildings via a portable generator in emergency situations.

Q: Given the extensive solar power capacity in the district, please explain why additional solar installation is needed?

A: PSEG requires the District to have solar panels cut all power in the event of a community power loss. This does not allow for batteries for the Network Operations Center (NOC) to maintain and continue charging the batteries. Therefore, the District is proposing to add additional solar panels not connected to the main solar panel system that can be connected to the backup batteries. These backup batteries would then directly power the Network Operations Center systems in an emergency.

Q: Why are there different cooling and heating options within the different school buildings?

A: Original school buildings, and additions, were built in different years and according to regulations and specifications at that time. This means each building's structure and mechanical systems, in part, determine the final design of the replacement proposed.

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Q: How much money is currently unallocated in the transfer to capital account? What projects recently have been completed with this account?

A: Each year District voters approve a transfer to capital account line as part of the annual budget process. The current unallocated amount in this reserve is approximately \$1.5 million. This account is used for smaller maintenance and improvement projects districtwide. This has allowed the District to avoid bonding these smaller projects.

Some of the uses in past years include replacement of the fuel tank at the MPHS, ceiling and lighting replacement at LADSBS, and a handicapped chair lift to AMPS playground.

Q: How much does the District transfer to the capital line each year as part of the budget process?

A: The most recent transfer to capital line was \$352,335, but the amount varies each year and is dependent upon budgetary constraints.

Q: Can this transfer to capital be removed from the budget to partially or fully offset the costs of this bond for principal and interest?

A: Yes. The District is proposing to remove the transfer to capital line to offset some of the bond principal and interest costs related to this proposed bond issue.

Q: When were project cost estimates completed and how much cost escalation was factored into the calculations?

A: The project cost estimates were completed in June 2021 and include a cost escalation appropriate to each project. Costs are monitored throughout the duration of the bond issue projects.

Q: Why plan bond work around state aid?

A: The timing of borrowings, market interest rates, and state aid approvals are all important factors for the bond issue financial plan. It is important to align state aid received with principal and interest payments.

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Q: I think that it is misleading to state that the discussions with the community have been taking place August 2019 → August 2021. The real discussion started July 21, 2021, when the full scope and cost estimate of the bond was presented to the community. (The slide referenced is contained in the Community Meeting Presentation July 21, 2021 - Slide Number 25.)

A: The District and community members have discussed air conditioning (A/C) and ventilation systems via committee meetings, public Board meetings, phone calls, and emails beginning in March 2020. Other projects have been discussed at various times throughout the past several years. In addition, the Board of Education has an annual tour of the District Facilities where District facility needs are reviewed.

Q: Why do we seem like we are always paying off a bond? (Refers to prior FAQ)

A: Bond issues, like home mortgages, are for a specific loan period such as 15, 20, or 25 years and for specific projects. New projects require a new bond issue.

Q: Should the District contract with another company to have an independent assessment of the District Architect's work?

A: The District contracted with the District Architect to complete a feasibility study for the District of current ventilation and air filtration for potential mechanical equipment upgrade solutions. As part this study, several independent professional companies and consultants were engaged to independently complete portions of this study for the architect. This study reviewed existing mechanical systems currently in place and offered possible upgrades to improve air quality and conditioning as has been requested by the community. Specific information regarding this study has been provided to the Board of Education.

Q: What is the cost to the taxpayers if the District does not do the gym project?

A: This specific information will be provided at a later date.

Q: What is the cost to the taxpayers if the District does the gym project?

A: This specific information will be provided at a later date.

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Q: What is the cost to taxpayers per month and what is the average household that you are using?

A: This specific information will be provided at a later date.

Posted July 19, 2021 – District FAQ

Q: Can the District utilize bond money to pay for instructional programs?

A: No. The District does not borrow the funds until after the bond issue is passed by the voters. Additionally, bond issue funds can only be used for capital improvements and cannot pay for instructional programs.

Q: Why do we seem like we are always paying off a bond?

A: Bond issues, like home mortgages, are for a specific loan period such as 15, 20, or 25 years.

Q: What is the District's current Moody's Investors Service rating?

A: The Moody's Investors Service rating for the District is Aa2 and was last reviewed and assigned on May 13, 2019. This rating impacts the interest rate that a District will receive for a bond issue. The District will be required to undertake a rating review for a bond issue.

Q: How does a District borrow bond issue funds?

A: Districts bid the sale of the bonds and they are awarded to the financial institution who has the lowest bid/interest rate.

Q: What bond issues has the community passed and are still being paid off?

A: 2009	EXCEL	Safety and security projects funded by NYS; last payment 2023-24
2010	Space	Classroom additions; refinanced in 2019; last payment 2029-30
2011	Administration Building	Construction of building; last payment 2041-42
2014	Roofs, Turf, Lights	Replace roofs, add turf and lights; last payment 2029-30

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Q: What bond issues has the community passed and are now paid off?

A: 1996 NCRMS and SBS Additions Last payment 2014-15
1998 Technology Last payment 2008-09
2002 Renovations – Maintenance Last payments 2015-16, 2016-17, 2018-19

Q: Will passing a bond issue increase taxes?

A: Possibly; depending on the timing of the borrowing, interest and principal payments and retiring debt already incurred.

Q: Has the Board of Education approved Energy Performance Contracts (EPC)?

A: Yes. EPCs are state approved and verified that the projects generate cost savings. Principal and interest payments are paid from the cost savings and state aid.

2012 Energy savings projects; last payment 2027-28
2017 Solar panels; last payment 2032-33

Q: Does the District receive state building aid for projects?

A: Yes. At this time, the District receives 72.4% building aid on all approved projects, thereby reducing the cost to taxpayers to 27.6%.

Q: Why does the District want to add access roads?

A: The District wants to add secondary access roads for additional safety and emergency situations. Currently, Miller Place High School and Andrew Muller Primary School only have one way to exit the campus. In an emergency situation, another road would be accessible to exit students and staff from each campus.

Q: Why is the District replacing unit ventilators?

A: To improve air quality and replace aging equipment.
MPHS units 90% are 25 years old and 10% are over 50 years old
NCRMS units 25% are over 50 years old
AMPS units 90% are over 50 years old
LADSBS Does not have this type of heating system

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Q: Why is the District considering air conditioning school classrooms?

A: Based on community request.

Q: Why is the District not considering window air conditioners?

A: The District would not receive any state building aid on the expense. Therefore, the cost is 100% paid by the taxpayer.

Q: Why is the District considering an addition to Andrew Muller Primary School?

A: Currently AMPS has a café-gym-atorium. It is the only school without a dedicated physical education space. The District is out of compliance regarding offering our primary school students weekly physical education due to space limitations.

This addition allows for dedicated instructional space; dedicated cafeteria space; ability to schedule assemblies and additional space for community use of facilities opportunities.

Q: Will the District have meetings for public community input regarding these construction projects?

A: Yes.

June 16, 2021	Potential bond projects overview
July 21, 2021	Architectural summary and financial information
August 11, 2021	Determine projects and structure bond issue
August 25, 2021	Anticipate Board of Education bond issue resolution adoption

Q: Where can a resident find additional information regarding these proposed projects?

A: Information and community presentations are posted on the district website.
<https://www.millerplace.k12.ny.us/site/default.aspx?PageID=95>

Q: How can a resident ask a question regarding these proposed projects?

A: Please feel free to email questions to: bondissue@millerplace.k12.ny.us
