



Facilities Committee Workshop

May 21, 2020
1:00 p.m.

Dr. Rene Gutierrez, Superintendent of Schools
Dr. Nellie Cantu, Deputy Superintendent

Drue Brown, Chair
Dr. Prisci Roca Tipton, Vice-Co-Chair
Philip Cowen, Member
Minerva Pena, Member

Administration Building
1900 Price Road
Brownsville, Texas 78520

TODAY'S AGENDA

- A. Brief Review of Budget Balances for Future Priority Projects
- B. Priority Projects for Tax Rate Increase (TRI), Fund 188
- C. Priority Projects for Maintenance Tax Note, Fund 189

Update on Budget Balances for Future Priority Projects

Three Funding Sources:

- 1) Tax Rate Increase (TRI), Fund 188
- 2) Maintenance Tax Note, Fund 189
- 3) Tax Ratification Election, Fund 197

A. Tax Rate Increase Project

Fund 188

Tax Rate Increase Projects (TRI) (Fund 188)			
Timeline (FY 2017-2018 & Forward)			
Revenues	Locations/Sources	Budget	Actuals/Committed
FY 2017-2018	11.25 Pennies	\$29,452,269.00	\$29,452,269.00
FY 2018-2019	11.25 Pennies	\$25,935,500.00	\$25,935,500.00
FY 2019-2020	4.7 Pennies	\$13,874,400.00	\$13,874,400.00
Total Generated Tax Revenues		\$69,262,169.00	\$69,262,169.00
Debt Service Transfers	2 Years of Payments	(\$2,364,499.00)	(\$2,364,499.00)
Maintenance Tax Note Principal & Interest	3 Years of Payments	(\$15,371,263.00)	(\$15,371,263.00)
HVAC, Roofing, Parking Projects	Maintenance One-Time Projects	(\$1,901,651.00)	(\$1,901,651.00)
Land Purchase	Near Paredes ES	(\$20,000.00)	(\$20,000.00)
Hanna Gym		(\$10,000,000.00)	(\$10,000,000.00)
Stadium Upgrades & Land Purchases		(\$8,025,588.00)	(\$8,025,588.00)
Sams Stadium Scoreboard		(\$1,567,863.00)	(\$1,567,863.00)
HS Score Boards		(\$406,549.00)	(\$406,549.00)
Maintenance One Time Projects		(\$3,500,000.00)	(\$3,500,000.00)
Elementary Mini Gyms - HVAC Project	34 Elementary-Phase I	(\$17,000,000.00)	\$0.00
Intercom System Upgrades	District-Wide	(\$3,200,000.00)	\$0.00
Transportation Software	On-Board Guidance and Navigation Software	(\$400,000.00)	\$0.00
Records Department	Recycling Equipment Ventilating System	(\$150,000.00)	\$0.00
Hanna CTE Construction	Paint Booth Installation	(\$50,000.00)	\$0.00
Performing Arts Center	(Costs - Topography & PPP Costs)	\$0.00	\$4,400.00
Project Expenditures		(\$63,957,413.00)	(\$43,153,013.00)
Amount Remaining		\$5,304,756.00	\$26,109,156.00

Remaining Balance - \$5,304,756

A. Maintenance Tax Note

(Fund 189)

**Initial Balance -
\$52,700,000 Part 1
(Net Proceeds)**

**Spent or Allocated
\$52,700,000.**

**Remaining Balance
if option to borrow
approved amount of
\$110M = \$57,300,000.**

Maintenance Tax Note 2017 Projects (MTN) (Fund 189)			
Timeline (FY 2017-2018 Through December 2020)			
Note Proceeds are Borrowed Funds which will be paid back in 6 Years (Final Payment FY2023-2024)			
	Locations	Budget	Actuals/Committed
Net Proceeds - Part 1	Amounts for Priority 1 Projects	\$52,700,000.00	\$52,700,000.00
Net Proceeds - Part 2	Amounts for Priority 2&3 Projects	\$52,700,000.00	\$52,700,000.00
HVAC Upgrades	8 Locations	(\$9,013,779.00)	(\$9,013,779.00)
Design Build - Energy Conservation	14 Locations - Schneider Electric & E3 Entegral Solutions	(\$22,500,000.00)	(\$22,500,000.00)
Roof Replacement	13 Locations	(\$14,800,000.00)	(\$14,800,000.00)
Parking Lot Renovations	6 Locations	(\$1,400,000.00)	(\$1,400,000.00)
Canopies Upgrades	9 Locations	(\$3,500,000.00)	(\$3,500,000.00)
CTE Center	CV1 Canopy	(\$507,358.00)	(\$507,358.00)
Consolidation of Schools		(\$628,863.00)	(\$623,913.00)
Interior Facilities Assessment		(\$350,000.00)	(\$350,000.00)
Clearwater Elementary Renovations	(Costs - Asbestos Testing)	\$0.00	(\$4,950.00)
Total Project Expenditures		(\$52,700,000.00)	(\$52,700,000.00)
Amount Remaining (Overage)		\$52,700,000.00	\$0.00
Budgets Reallocated to Other Projects		Total Maintenance Tax Note	\$110,000,000.00
		Part 1 (2017)	(\$52,700,000.00)
		Part 2 (2020 or 2021) for Priority 2 & 3 Projects	\$57,300,000.00

Balance = **\$5,763,829.85** (interest + left over balance) – must be completed by December 2020

A. Tax Rate Election Projects (TRE) – Fund 197

Tax Rate Election Projects (TRE) Fund 197				
Timeline (FY 2015-2016 & FY 2016-2017)				
		<u>Locations</u>	<u>Budget</u>	<u>Actuals/Committed</u>
FY 2015-2016			\$8,641,735.00	\$8,641,735.00
FY 2016-2017			\$7,947,679.00	\$7,947,679.00
Land Sale Proceeds			\$51,481.00	\$51,481.00
Total Revenues			\$16,640,895.00	\$16,640,895.00
Fine Arts Facilities	Pace ECHS & Porter ECHS		(\$8,377,881.00)	(\$8,213,646.00)
High School Soccer Fields	All 6 ECHS		(\$5,506,745.00)	(\$5,506,745.00)
Middle School 4-Lanes Tracks	Besteiro, Lucio, & Vela MS		(\$1,943,770.00)	(\$1,832,009.00)
Visitor's Restroom Facilities	Veterans Memorial ECHS		(\$717,113.00)	(\$893,109.00)
Canopies	Morningside & Martin ES		(\$95,386.00)	(\$95,386.00)
Project Expenditures			(\$16,640,895.00)	(\$16,540,895.00)
Amount Remaining			\$0.00	\$100,000.00

Projected New Monies for 2020-2021

1) Tax Rate Increase, Fund 188 due to Tax Compression

Description	Current (2019-2020)	Projected (2020-2021)	Yearly Principal & Interest Pymt.
Pennies	4.7	3.7	
Budget Allocation	\$ 13,874,400	\$10,900,000*	\$9,672,600
Net Difference		\$2,974,400	\$1,227,400

* Principal and Interest Payment for 3 more years (2021-2024)

2) Projected fund balance for facilities

➤ $\$1,227,400 + \$5,304,756 \text{ (rollover TRI)} + \$5,763,829 \text{ (MTN)} = \mathbf{\$12,295,985}$

Summary of All Budget Allocations

Description	New Monies	Rollover	Total Monies	Borrow
Tax Rate Increase	\$1,227,400.00	\$ 5,304,756.00	\$6,532,156.00	
Maintenance Tax Note*		\$ 5,763,829.00	\$ 5,763,829.00	
TOTAL Available			\$12,295,985.00	
Description	Total Cost	New Monies + Rollover	Total Amount Needed	
Budget Needed for Priority 2, 3, and Enhancements	\$56,630,000.00	\$12,295,985.00	\$43,780,000.00	
Option to Borrow				\$57,300,000.00

* Must be spent by December 2020

Priority I, Phase II

To be completed by December 2020

1	Roof Replacement	Decription	Phase	Phase-In Cost	No Phase-In Cost
	Immediate Need	Lopez ECHS			\$3,000,000
	Parking Lots	Decription	Phase	Phase-In Cost	No Phase-In Cost
2	Lopez ECHS	Bus Drive and Staff Parking			\$800,000
3	Vela Middle School	Bus Drive			\$700,000
4	Lighting	Decription	Phase	Phase-In Cost	No Phase-In Cost
	3 Campuses	Egly, Perez, and Burns			\$1,263,829
	Total Cost				\$5,763,829.00

Lopez Roof Replacement



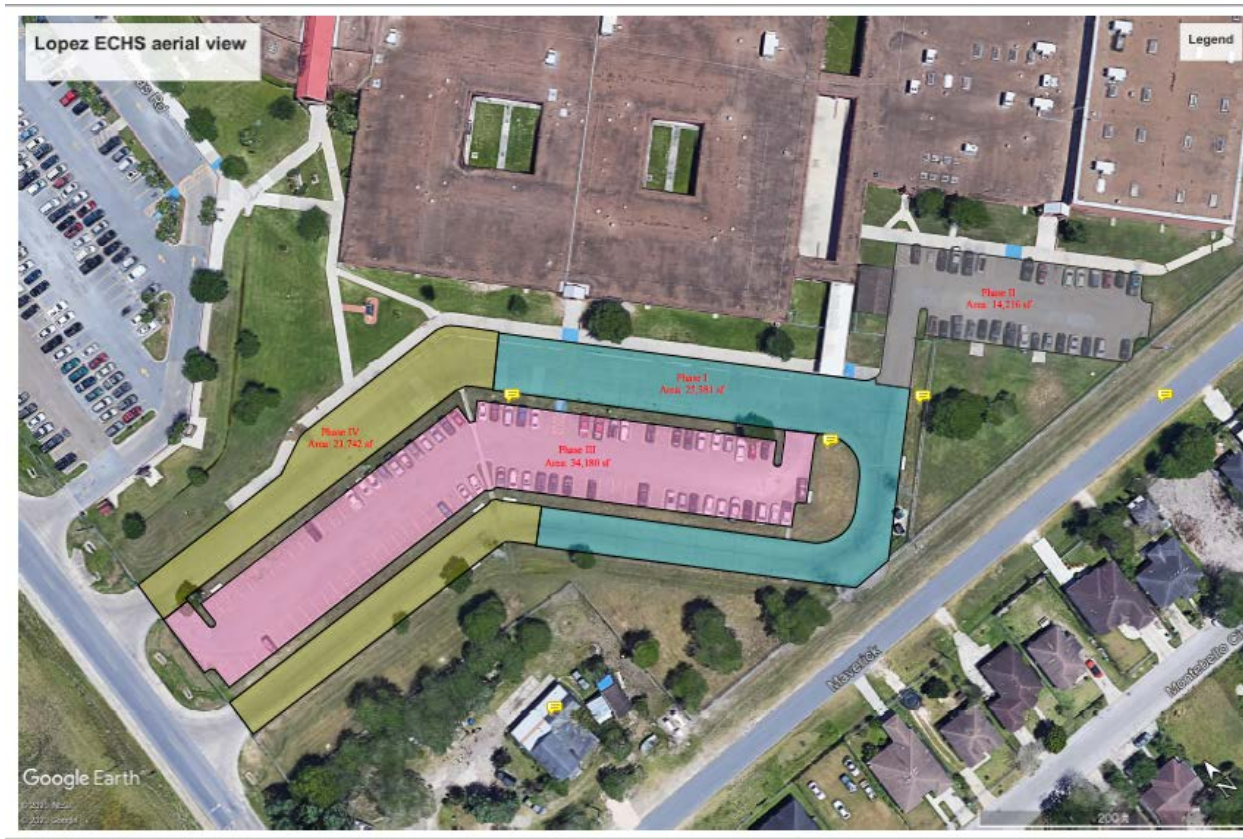
Lopez Roof Replacement



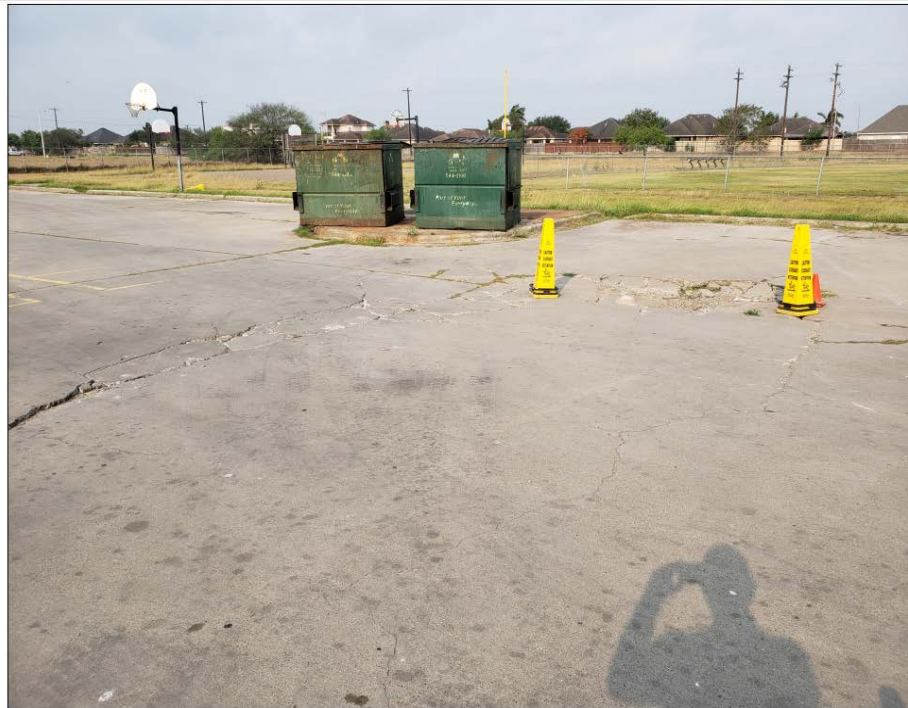
Lopez ECHS Bus Drive



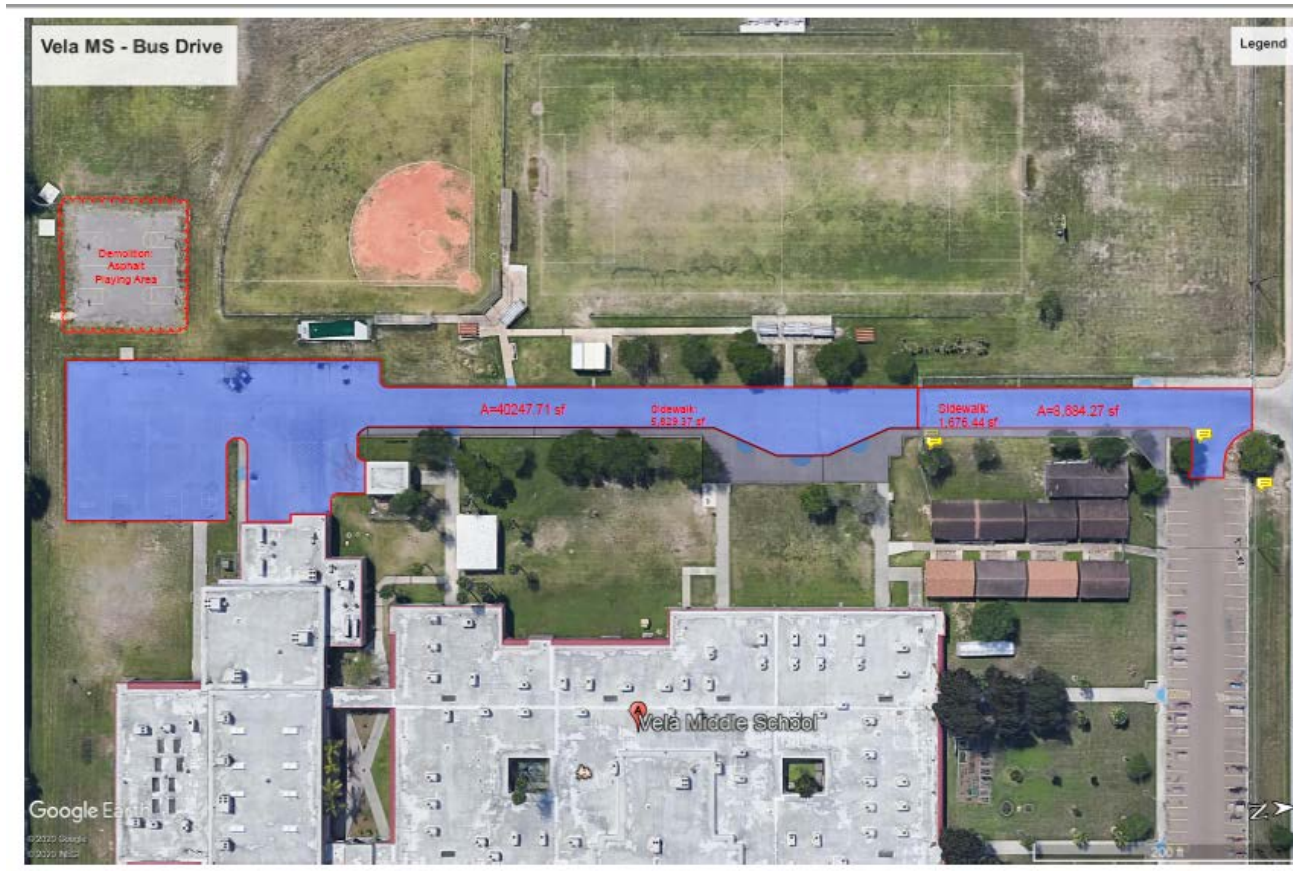
Lopez ECHS Bus Drive



Vela MS Bus Drive



Vela MS Bus Drive



Priority II

Begin January 2021

1	ROOF REPLACEMENT	Decription	Phase	Phase-In Cost	No Phase-In Cost
	Immediate Need	Besteiro Middle School			\$ 2,500,000
2	HVAC*	Decription	Phase	Phase-In Cost	No Phase-In Cost
	HVAC	Estimated 4 campuses	I		\$ 4,000,000
	Total Cost				\$6,500,000

* HVAC – Listing of all campuses with HVAC Equipment, Oldest to New

Addition of: \$5.8M + \$6.5M = **\$12.3M**

Summary

- TRI, including new monies spent 100%
- Discussion – Borrow Additional Monies?
- Eligible to Borrow \$57,300,000
- Amount needed to complete all projects - \$43,780,000

Next Steps:

- Complete assessment of HVAC systems
- Review and update roof replacement recommendations

Questions?



I would like to **thank** the following individuals for their commitment and support as we move this work forward:

- ✓ Dr. Rene Gutierrez, Superintendent
- ✓ CFO, David Robledo
- ✓ Architect, Manuel Hinojosa
- ✓ Assistant Superintendent of Operations, Jimmy Haynes
- ✓ Maintenance Administrator, Cesar G. Lopez
- ✓ Projects/Facilities Manager, Martin Espinosa
- ✓ Projects/Facilities Manager, Fernando A. Villarreal