Oak Ridge Schools' Preschool

Joint City/Schools Preschool Planning Committee
October 20, 2015
Submitted by Shirley Raines, Chairman

JOINT CITY/SCHOOLS PRESCHOOL PLANNING COMMITTEE

EXECUTIVE SUMMARY

October 20, 2015

The Oak Ridge City Council and the Oak Ridge City Schools Board of Education appointed nine members and three non-voting members to form the Joint City/Schools Preschool Planning Committee. The Committee was charged "to determine whether or not to remodel the existing buildings at 304 New York Avenue; lease and renovate a building; or build new."

To meet the charge, the Committee met in a series of six formal meetings and numerous smaller work sessions from April 9 to September 28, 2015. The committee's charge led to a series of questions outlined in the report addressing: remediation of existing building problems and renovation to meet needs; the community needs for preschool facility; whether or not a new facility would be leased or new construction; costs of options; size of facility; factors for a building site; review of sites in prime service area; and recommendations from this committee to the City Council and the School Board.

The Committee sought to find a fiscally responsible and community-oriented solution to the preschool building need. In addition to the meetings to address the charge, data were gathered from community assessments, requirements of funding agencies, designation of prime service area, criteria for site selections, variety of recommended sites, individuals' site visits, directors of maintenance reports, public work reports, city maps, and infrastructure reviews. The Committee also spent significant time discussing potential preschool options beyond the existing operations, including working with adjacent services, such as Girls, Inc. at their site, and cooperating with existing preschools to offer tuition based programs, and converting existing properties within the city limits.

The Committee determined that the existing New York Avenue Oak Ridge Preschool building has numerous needs and will continue to need significant repairs to keep it up to code and safe for the children it serves. After a consideration of the costs of remediation and renovation of approximately $7.5M, and the pros and cons of leased properties, the Joint City/Schools Preschool Planning Committee recommends a new building be constructed for approximately $6.3M, with additional costs for infrastructure, architects and other fees, and an in-depth analysis by design and construction firms expected to be approximately $7.5M.

The size and location of the facility were deliberated with information from a community needs assessment for services now and those anticipated for the future. The Committee recommends the size of the facility at approximately 40,000 square feet with future operations over 3-5 years of 20 classrooms and with the related spaces for program operation services.

The Committee considered numerous sites for the facility based on community concerns expressed to committee members, private properties available and known to the city, parcels owned by the city, exiting park sites and former school sites. Five sites were reviewed in depth with the following criteria in mind: cost of land; accessibility to residential areas; transportation infrastructure; proximity to extra parking; proximity to churches/social organizations; displaced persons/activities; offsite evacuations; distance from sale of alcoholic beverages; and visibility.

The Joint City/Schools Preschool Planning Committee recommends to the Oak Ridge City Council and Board of Education that a new Oak Ridge Schools Preschool building be constructed at the Elm Grove Park site on existing city owned property. The cost of the total project is estimated at approximately $7.5 million, which includes the cost of the new building, site preparation, infrastructure changes for the area, architects and other fees associate with the building and the site.

The following report and Power Point presentation will detail the Committee's considerations and explain the final recommendations.

Respectfully submitted,

Shirley C. Raines, Citizen Representative and Chair

Joint City/Schools Preschool Planning Committee Members:

Keys Fillauer, Board of Education Chair

Ellen Smith, Mayor Pro Tem, City Council Representative

Jessica Hill, Parent Representative

Bruce Borchers, Superintendent

Mark Watson, City Manager

Charlsey Cofer, Preschool Director

Lee Ann Shelton, Preschool Teacher Representative

Janice McGinnis, Finance Director

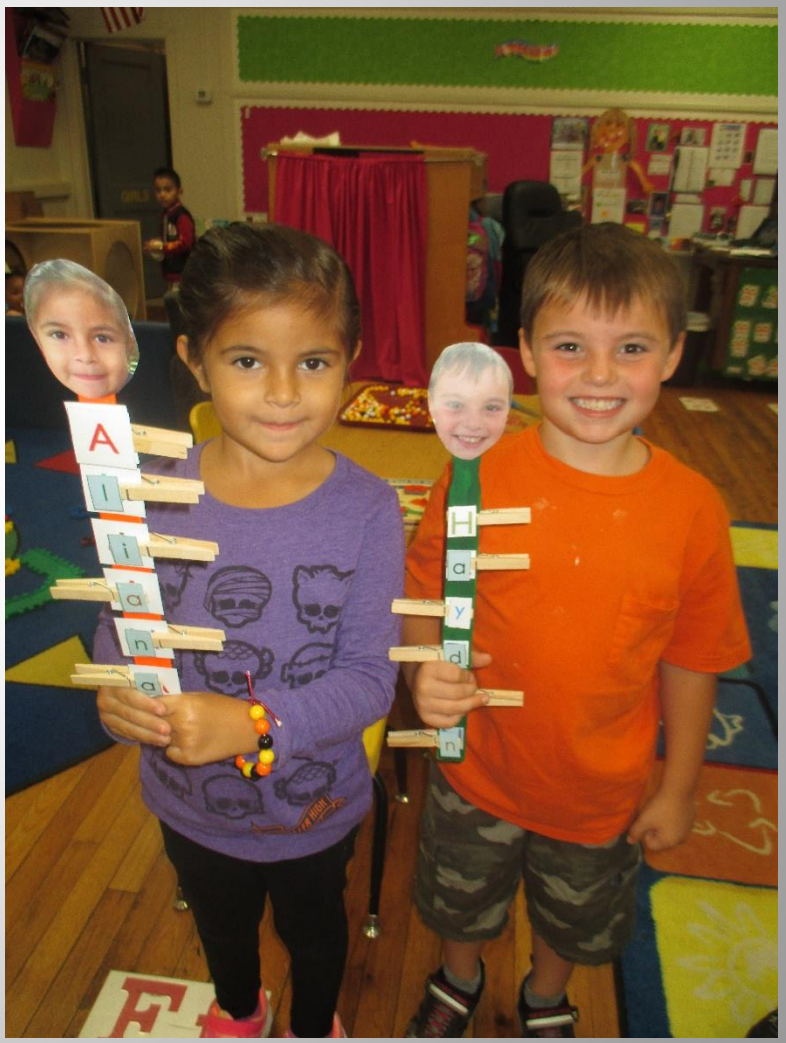
Pat Fallon, Public Works Operations/Maintenance Division Manager, Non-voting member

Allen Thacker, Board of Education, Director of Maintenance, Non-voting Member

Jon Hetrick, Recreation and Parks Director, Non-voting Member

Joint City/Schools Preschool Building Committee Meeting Dates

- April 9, 2015
- June 3, 2015
- July 9, 2015
- July 29, 2015
- August 12, 2015
- September 28, 2015



History of Oak Ridge Schools' Preschool

- In 1965, with Title 1 funds, Oak Ridge Schools (ORS) began a preschool program that served 30 four-year-old children part-time in the Scarboro community.
- In 1970, Head Start funds were added to provide for a full school year program.
- ORS Preschool (ORSP) had been relocated four different times.
- At one time, the ORSP had a maximum number of 14 classrooms to serve the children of Oak Ridge. At present, we have 11 classrooms on site with 1 additional classroom located at Woodland Elementary.
- The current program is funded by Title 1, Head Start, Voluntary Preschool, and the Individuals with Disabilities Education Act (IDEA).

Why Preschool?

- ORSP is where Oak Ridge Schools' excellence begins
- Mission statement: To provide all children with opportunities that prepare them for success in school and in life
- Purpose: To provide early intervention for children who are considered at risk for learning
- ORSP is unique because they are a full inclusion school housed together with special services (OT, PT, Speech/Language, FS Coordinators) and ORSP has been recognized nationally as a top program (listed in top 100 schools in 1996)
- Early intervention is critical for success in school, especially for at-risk children
- Studies show that children from low income families entering Kindergarten are typically 12-14 months below national norms in language and pre-reading skills
- Quality preschool yields a foundation for language, literacy, and cognitive development for at-risk children, which aligns with ORS Key 1

Why Preschool?

- In August 2015 TN Commissioner McQueen announced the new Early Literacy Initiative ("Ready to Read") ---this program is geared toward ensuring that children who enter Kindergarten are primed to learn to read with the goal of increasing the percentage of 3rd grade students who are reading at or above grade level in Tennessee
- Demographics in city of Oak Ridge have changed dramatically
  - According to the Small Area Income and Poverty Estimates (SAIPE), The total number of families of 5-17 year olds in ORSD in poverty has grown from **580** in 2000 to **1235** in 2013
- **625** birth to 4-year-olds are currently living in poverty in Oak Ridge (Community Assessment created by Nolo Consulting)
- ORS Free/Reduced rate is currently at 55%
- ORHS graduation rate decreased by 3.6% from the 2010 graduating class to the 2014 graduating class
- Currently serving 192 students with no available space to add more and there are 55 children on waiting list from Child Find
- To benefit Oak Ridge school system's literacy initiative, 3-4 Preschool classrooms must be added with hopes of adding more in the future

Community Assessment Informational Link

http://www.noloconsulting.com/#!anderson-county--city-of-oak-ridge-tn/ce0i

- A hard copy of the actual assessment is available upon request.

Students Currently Being Served by the ORS Preschool:

3 Years	**60**
4 Years	**132**
Total Children Enrolled as of 9/21/15	**192**

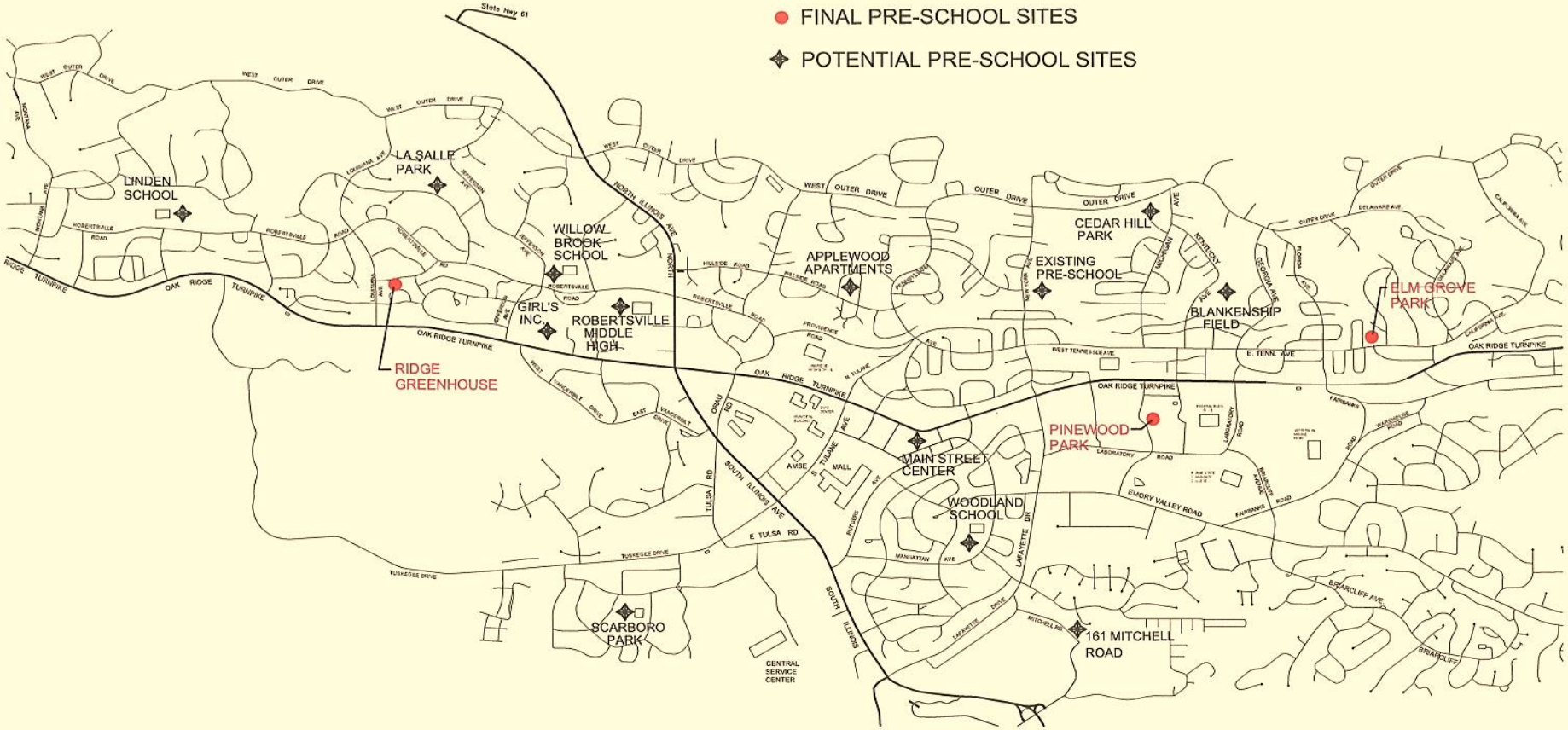
Children of poverty	**168**
Children with disabilities	34
ELL children	16
Out Service Children	10

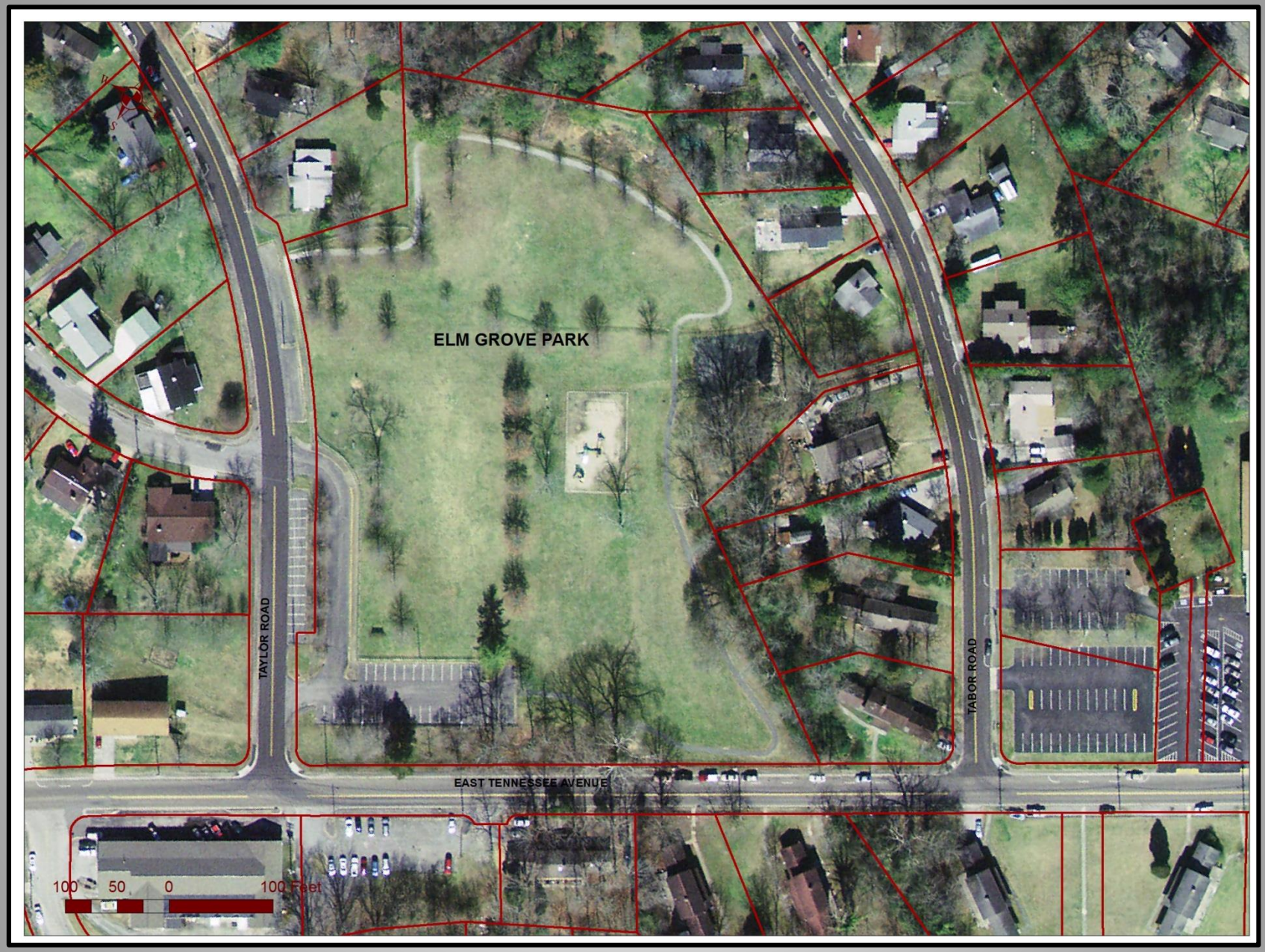
Students Currently on the ORS Preschool Waitlist:

3 Year Olds	**6 - Head Start Eligible Children** **8 - Title 1 Eligible Children** **20 – Children who did not meet funding requirements to attend the preschool**
4 Year Olds	**1 Head Start** **0 – Preschool/Title 1** **20 – Children who did not meet funding requirements to attend the preschool**

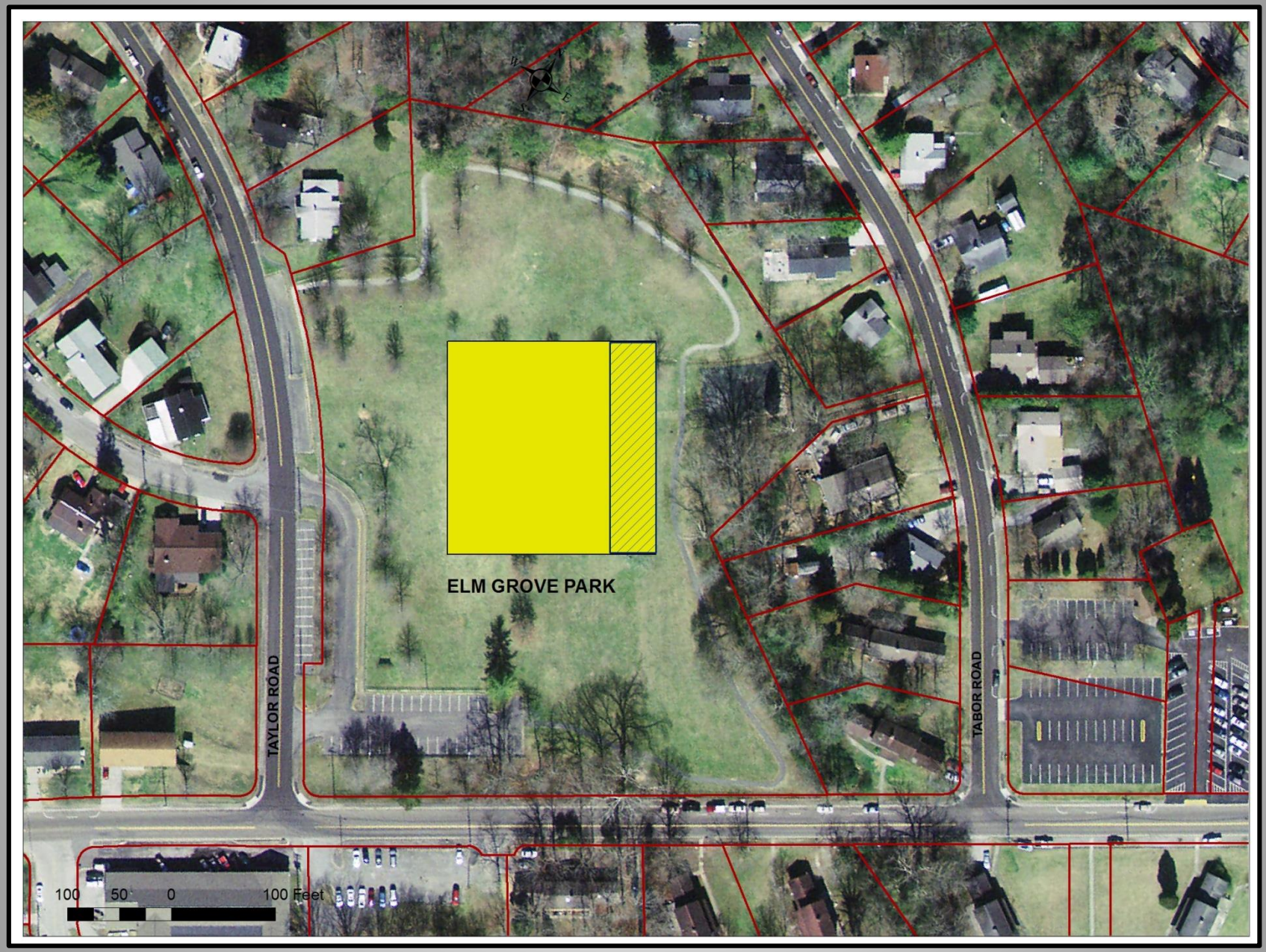
PROPOSED PRESCHOOL SITES

LOCATION MAP





ELM GROVE PARK



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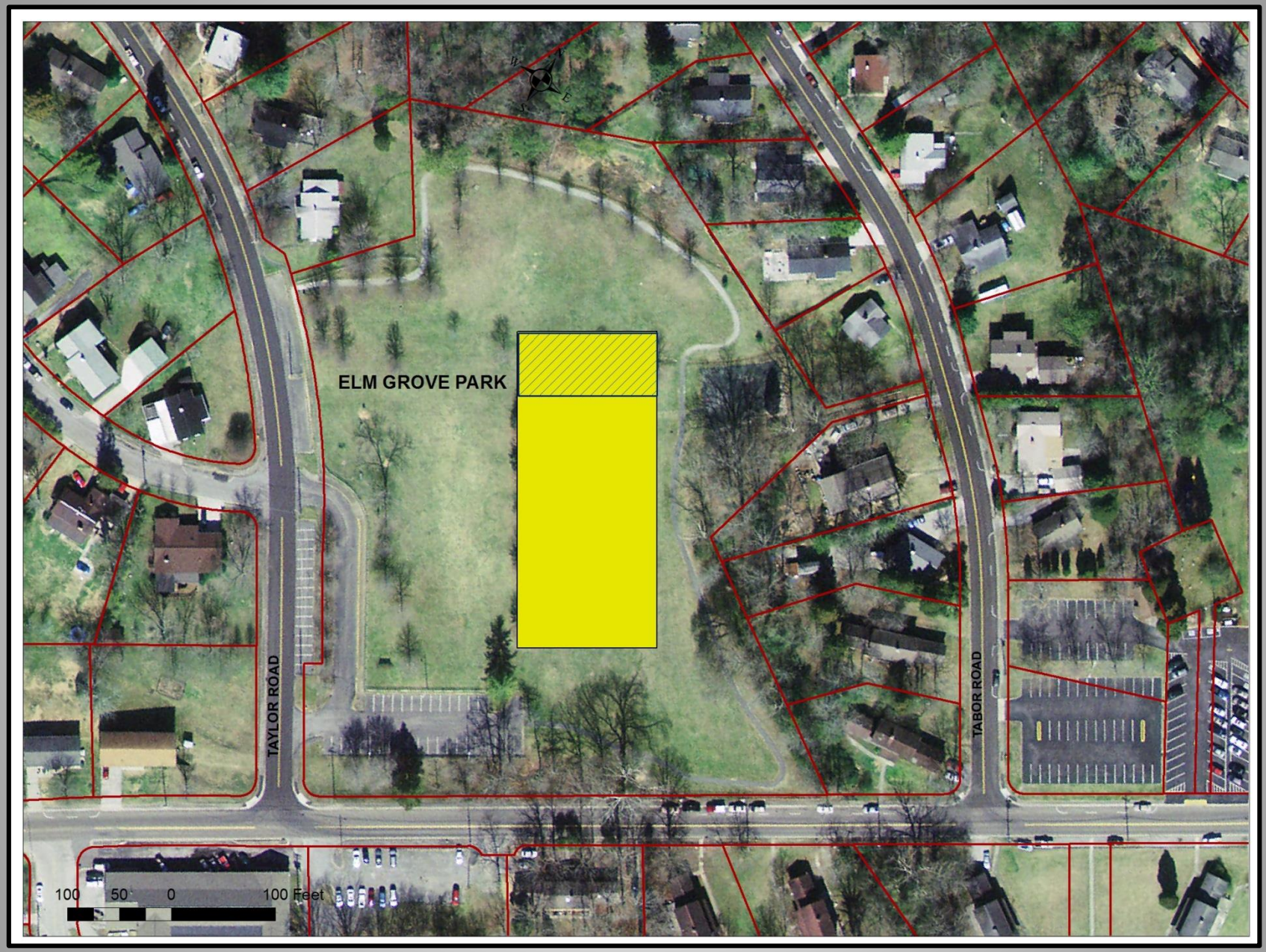


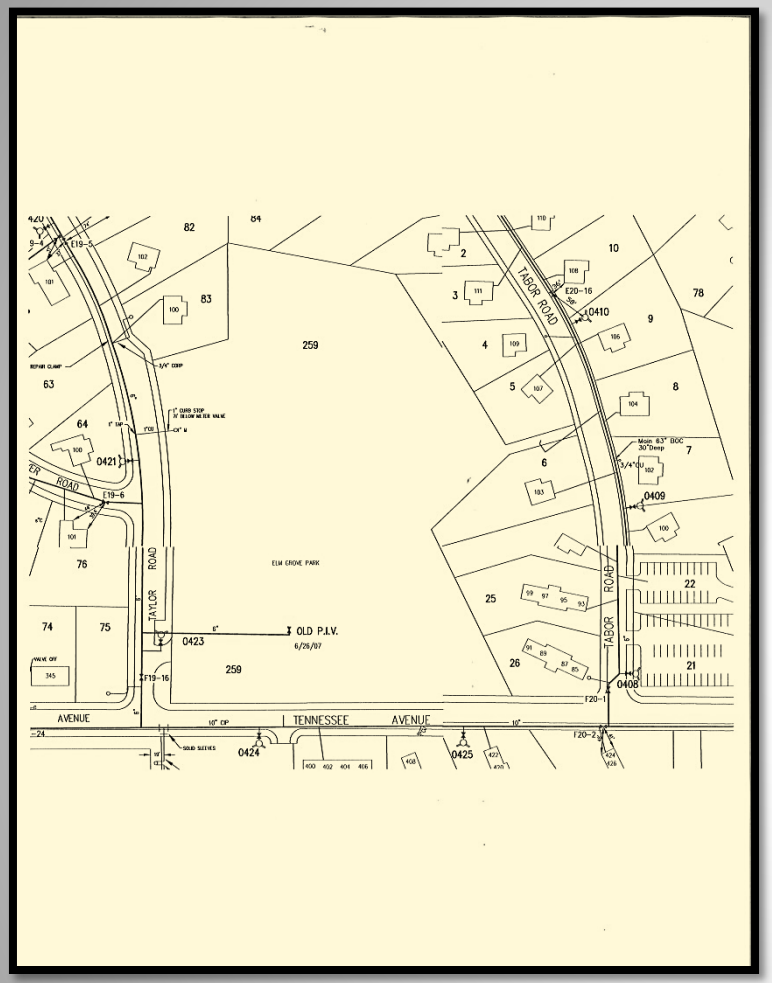
ELM GROVE PARK

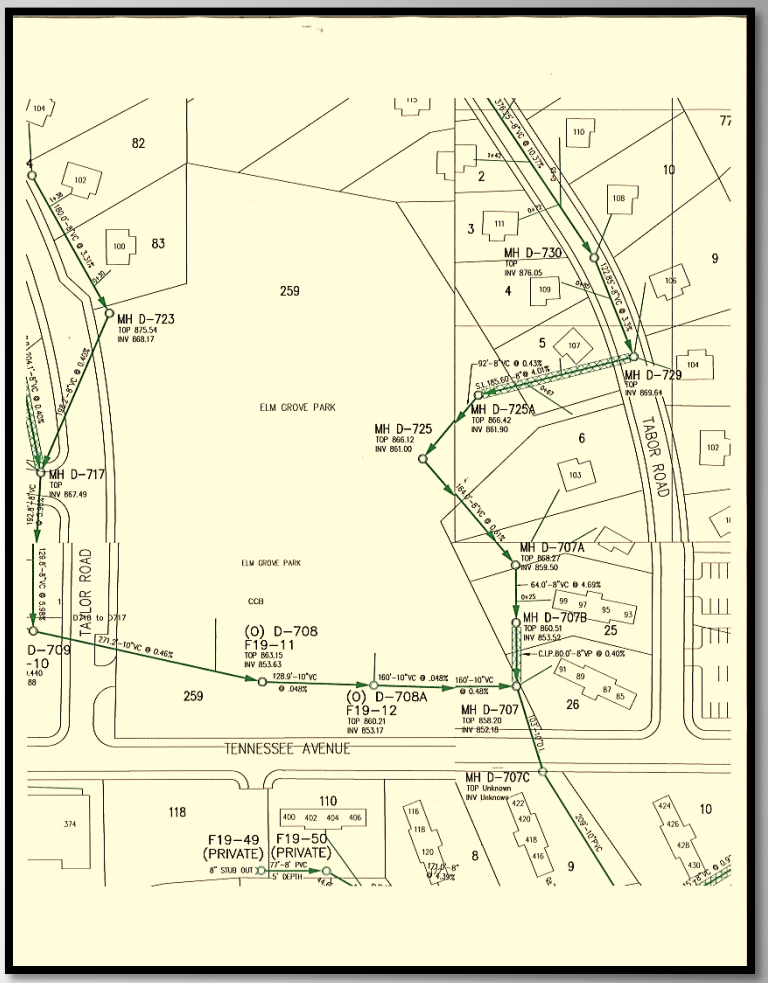
VIEW FROM EAST TENNESSEE AVENUE

PARKING LOT ON EAST TENNESSEE AVENUE

VIEW FROM TAYLOR ROAD

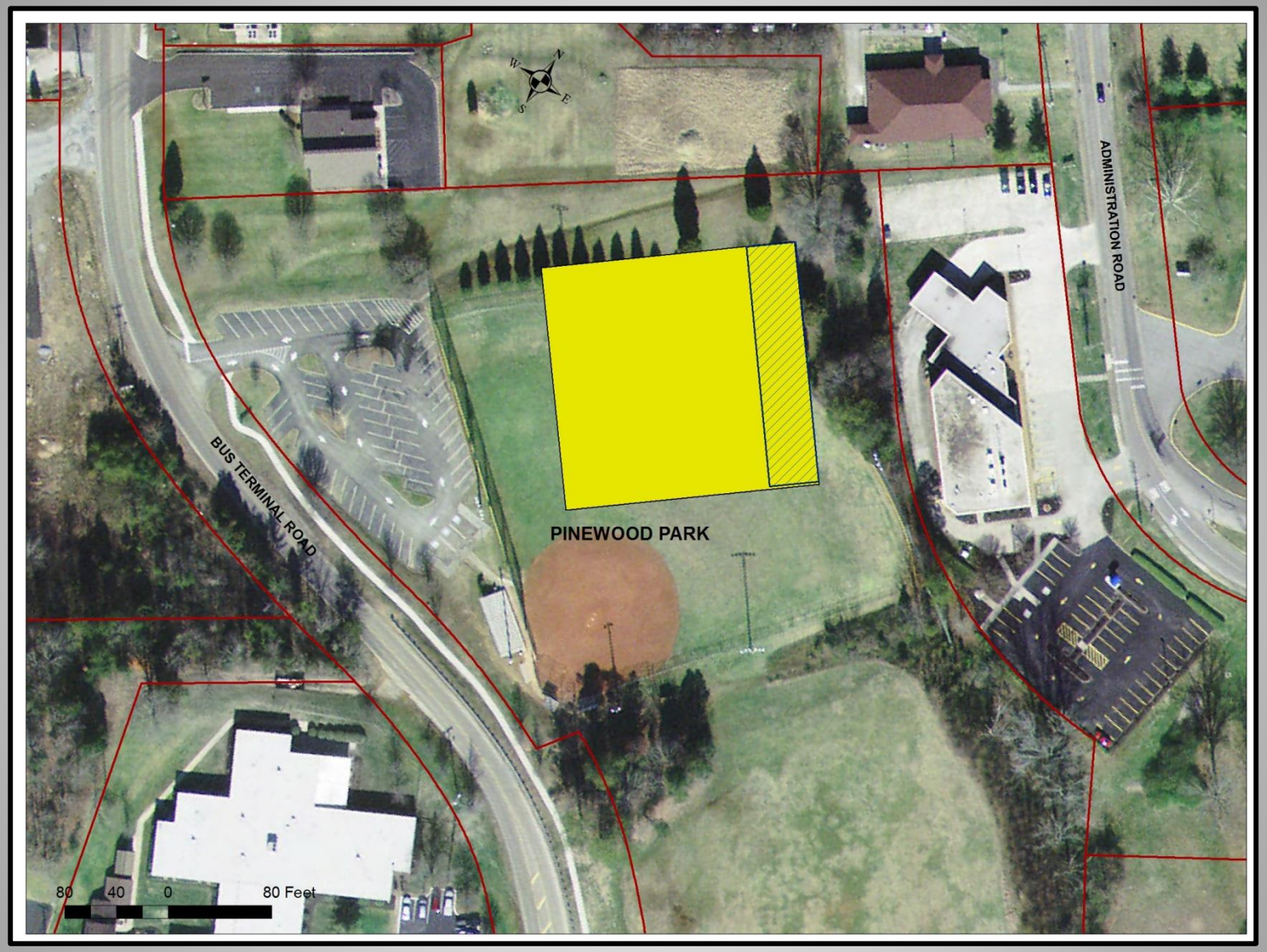
PLAYGROUND AREA





EXISTING WATER AND SEWER

PINEWOOD PARK



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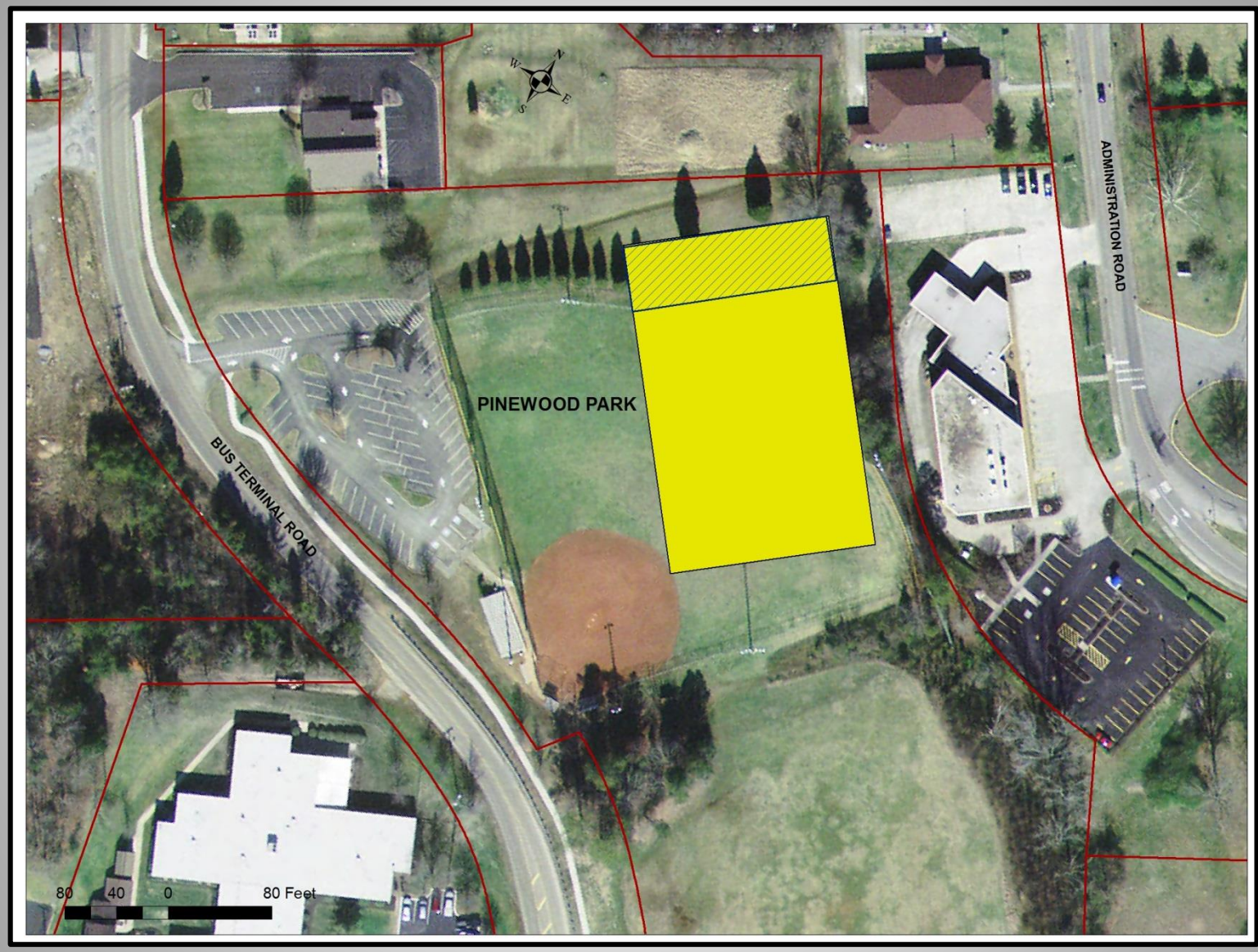
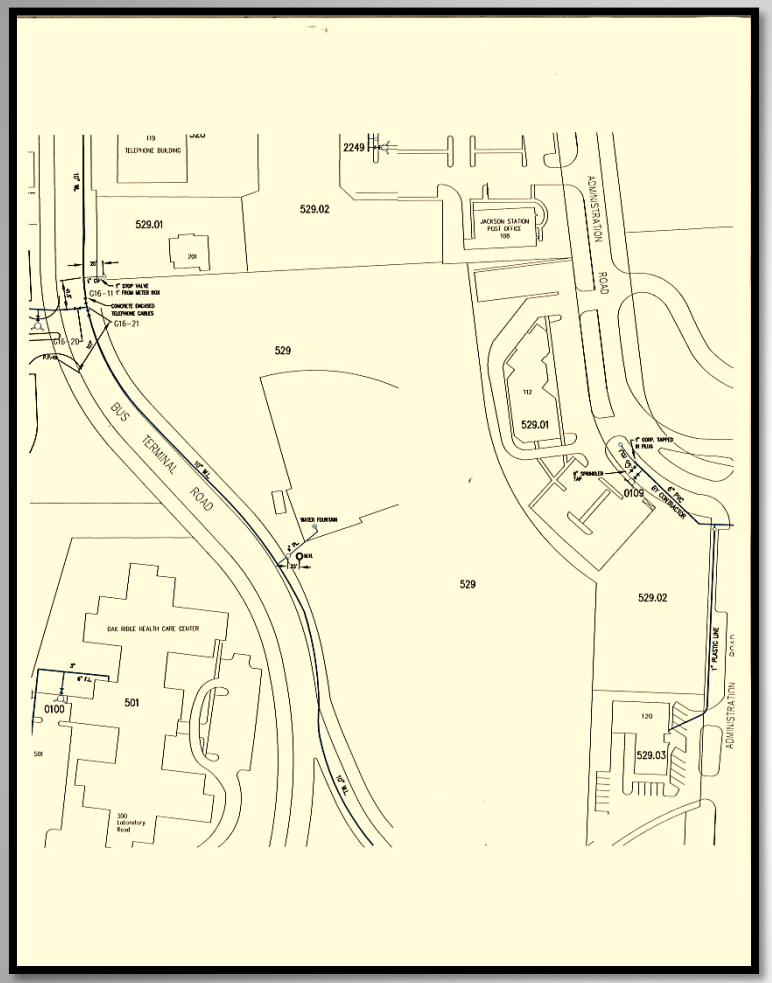
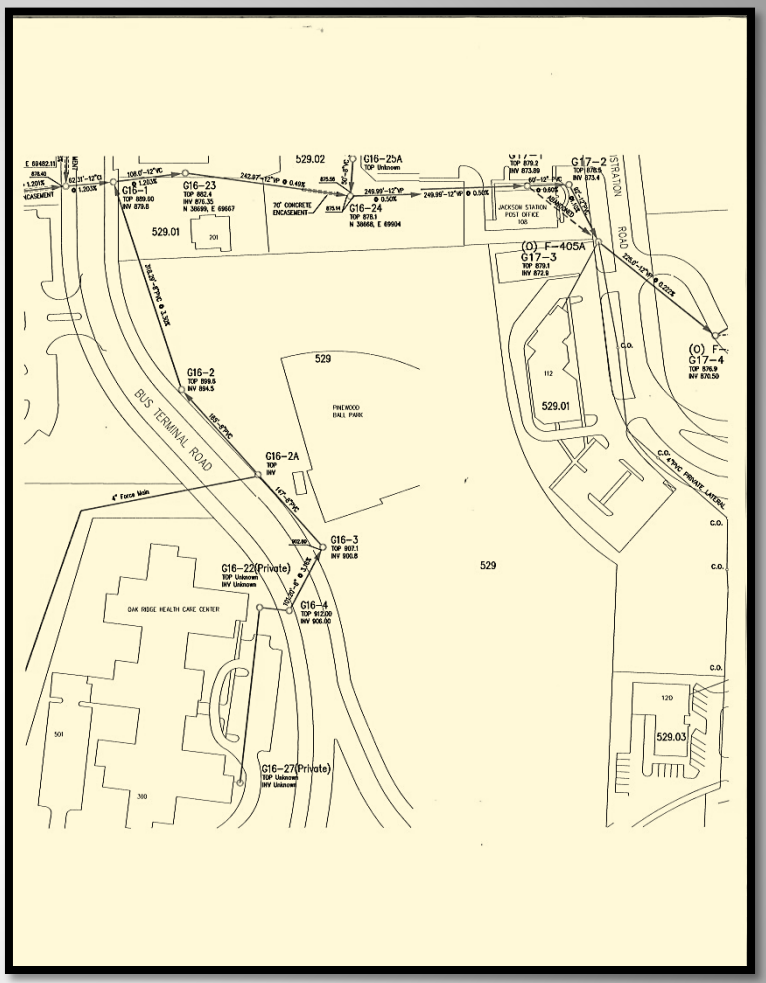


PINEWOOD PARK

SOUTHERN VIEW OF PINEWOOD PARK

EASTERN VIEW OF PINEWOOD PARK





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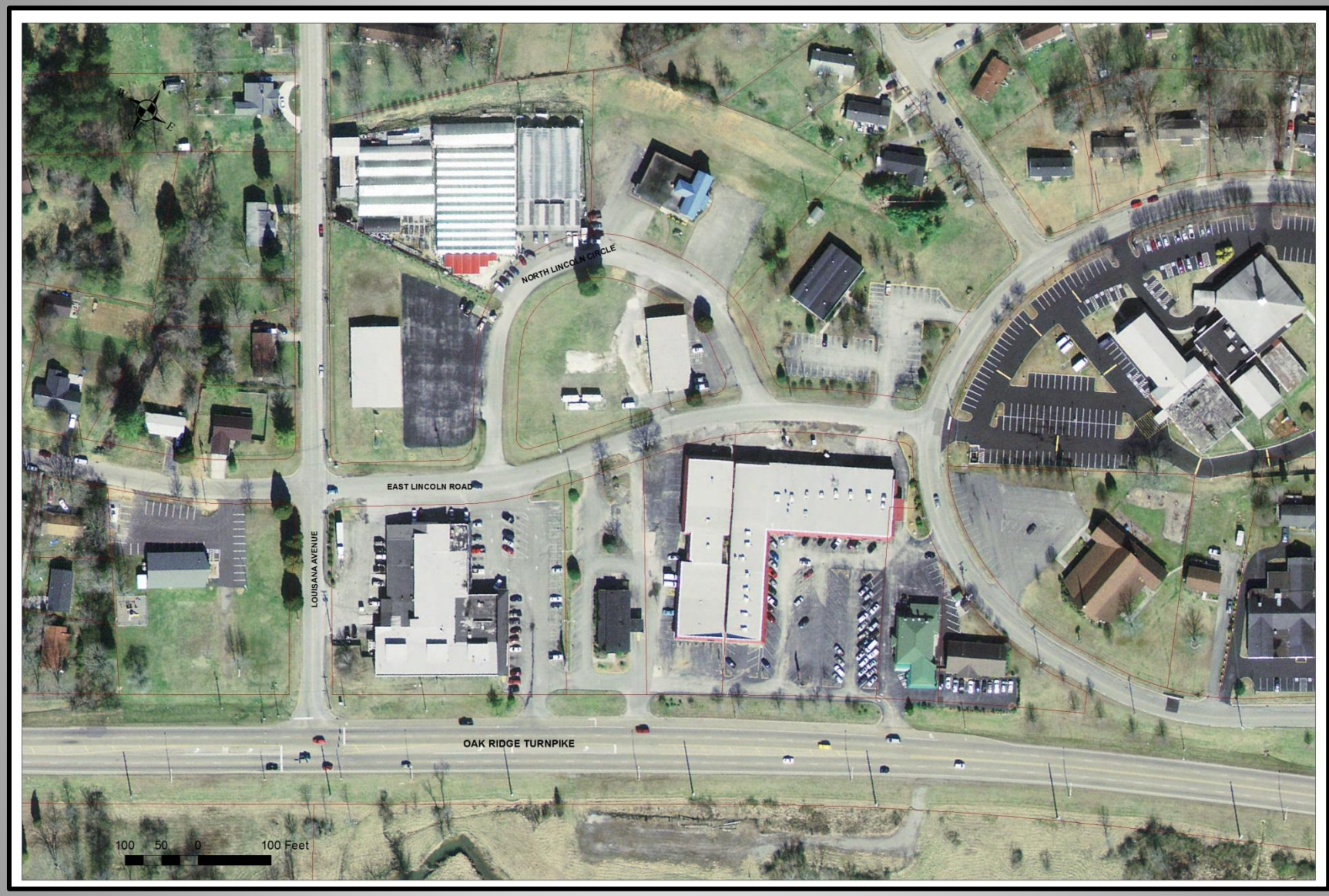
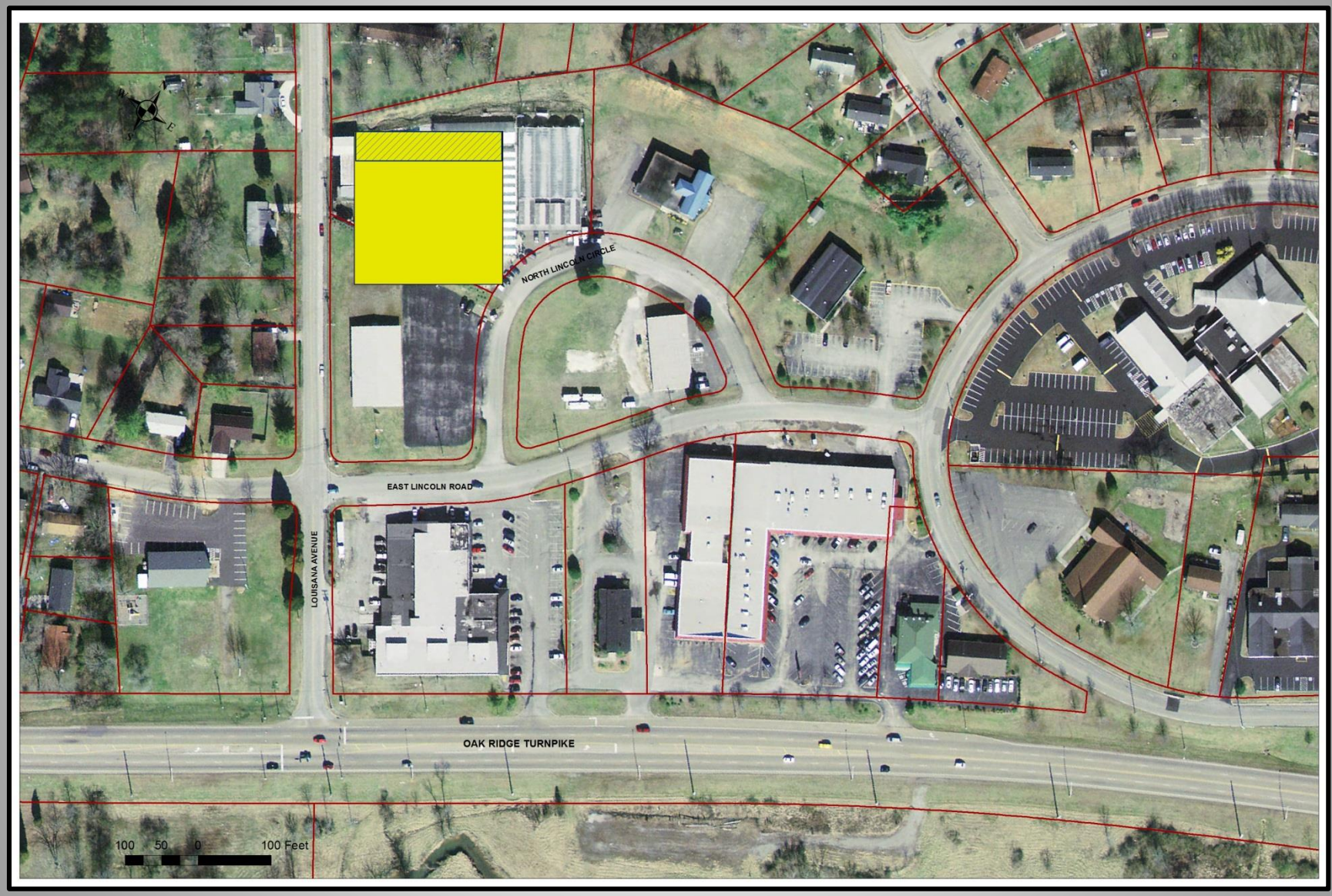


RIDGE GREENHOUSE



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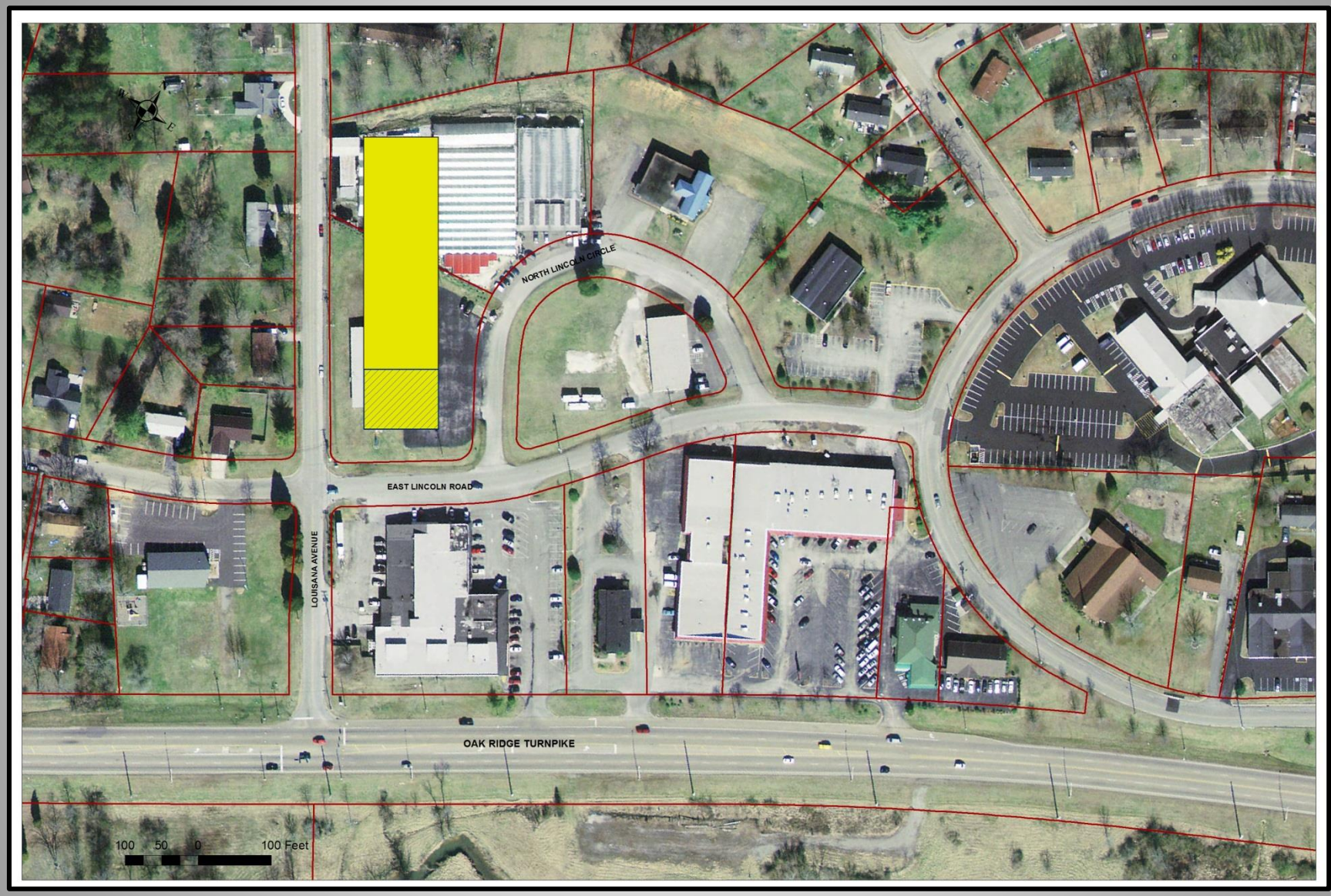


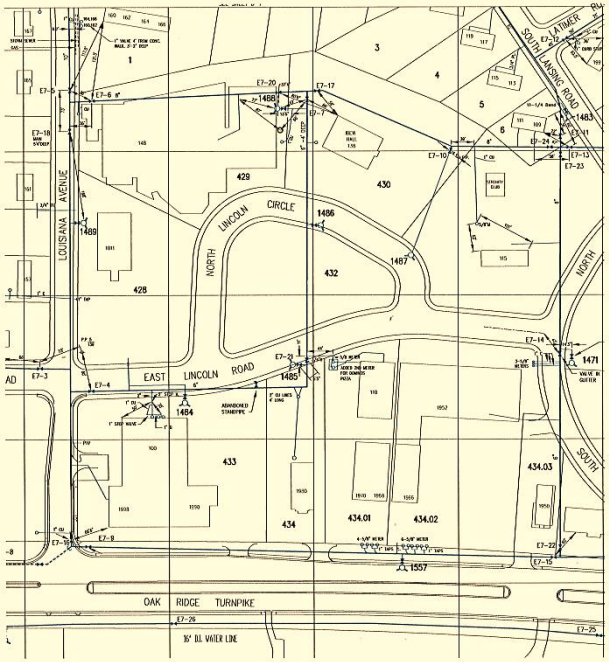
RIDGE GREENHOUSE

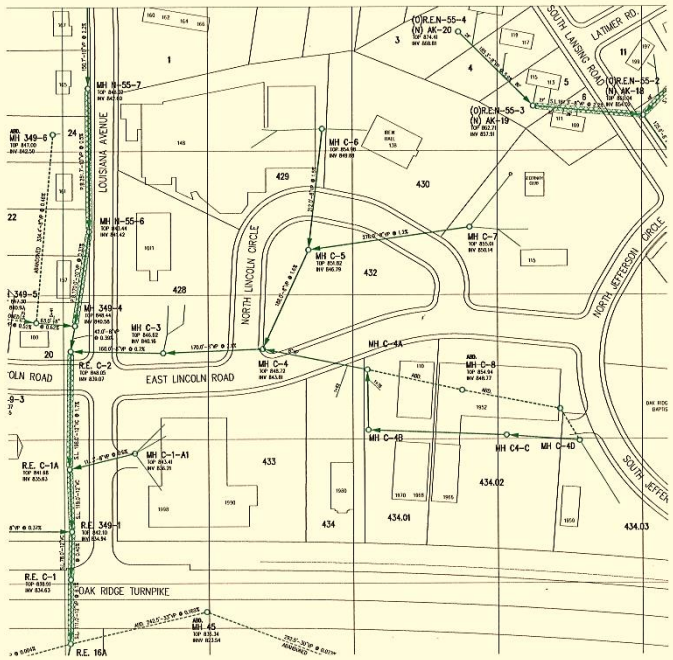
STREET VIEW OF UNION HALL

STREET VIEW OF RIDGE GREENHOUSE PROPERTY

VIEW EAST TOWARD INCIRCLED PARCEL 423

PARKING LOT WEST VIEW TOWARD GREENHOUSES





EXISTING WATER AND SEWER

Playground Equipment Example

Oak Ridge
Recreation & Parks

Preschool Playground Fact Sheet

- Preschool playgrounds are designed for use by 2 – 5 year old children. Playground design for this age group differs from playground design for 5 – 12year olds to account for differences in the physical and cognitive abilities of children as they develop.
- The public playground at Elm Grove Park has separate play structures designed for each age group, but the design of the playground does not allow them to be physically separated, as required for preschool playgrounds. A physical barricade would intrude on the safety use zones of the equipment, creating a hazard and violating CPSC and ASTM guidelines for playgrounds.
- A separate preschool playground located in close proximity to the preschool building will allow the playground to be functionally linked to the classrooms, extending the learning environment to the outdoors.
- It also increases safety by allowing the students to travel from the building to the play area while remaining in the envelope of the safety fencing.
- This design will also allow the existing playground, along with the walking trail, to remain open to the general public. This will maintain some of the functionality of Elm Grove as a public park.

CITY OF OAK RIDGE, TENNESSEE

Pre-School

Preliminary
Funding
Analysis

October 16, 2015

Prepared By:

CUMBERLAND SECURITIES

SINCE 1931

Independent Financial Advisors
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Knoxville, Tennessee 37919
Telephone: (865) 988-2663
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City of Oak Ridge, Tennessee

Preliminary Funding Analysis

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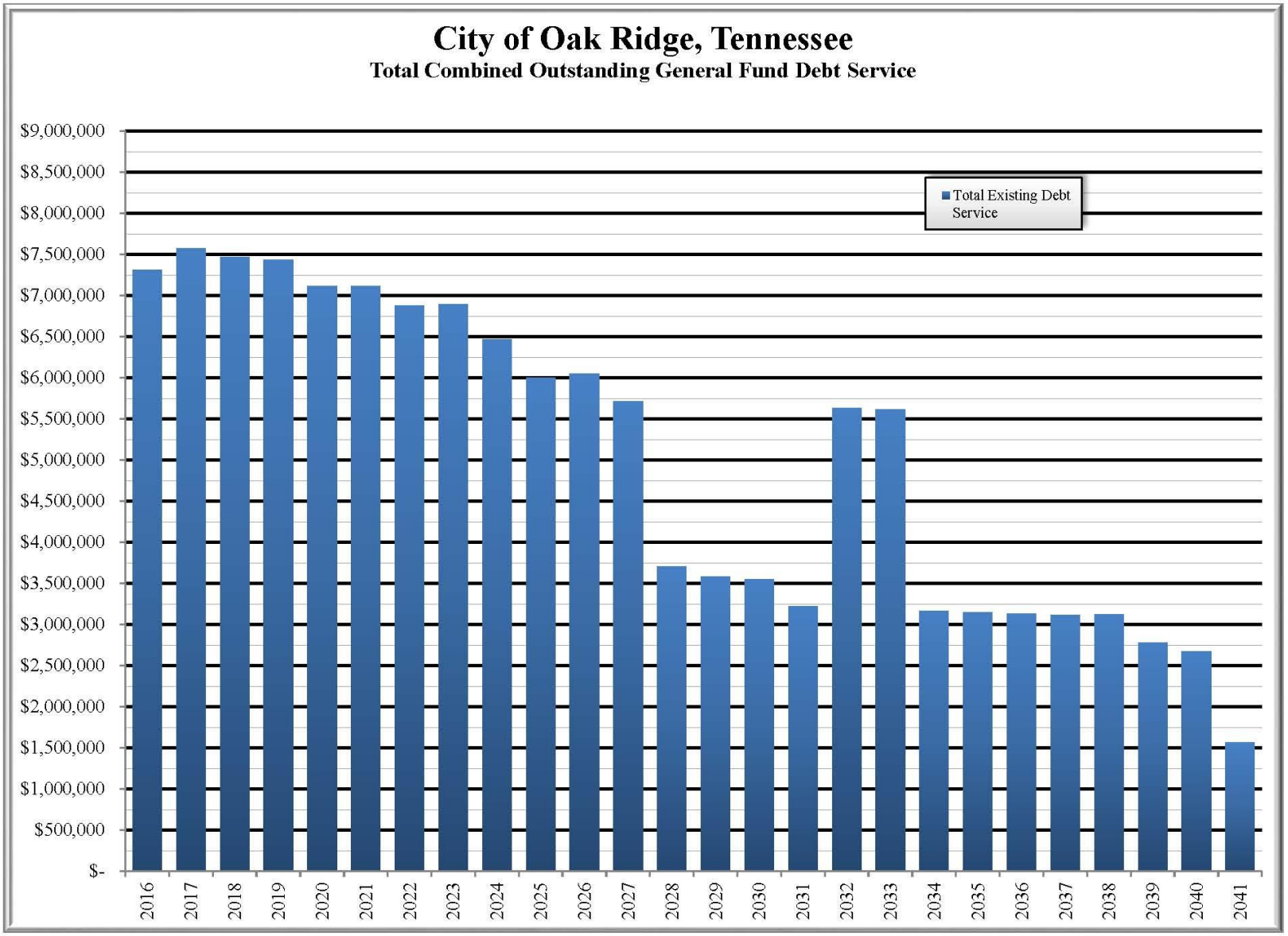
Total Debt Service - Graph 5

City of Oak Ridge, Tennessee

Total Combined Outstanding General Fund Debt Service



ESTIMATED DEBT SERVICE

City of Oak Ridge, Tennessee
$7,500,000 General Obligation Bonds, Series 2016 (Pre-School)

Date	Principal	Estimated Coupon	Interest	Total P+I
06/01/2017	65,000.00	3.500%	262,500.00	327,500.00
06/01/2018	125,000.00	3.500%	260,225.00	385,225.00
06/01/2019	200,000.00	3.500%	255,850.00	455,850.00
06/01/2020	315,000.00	3.500%	248,850.00	563,850.00
06/01/2021	325,000.00	3.500%	237,825.00	562,825.00
06/01/2022	335,000.00	3.500%	226,450.00	561,450.00
06/01/2023	345,000.00	3.500%	214,725.00	559,725.00
06/01/2024	360,000.00	3.500%	202,650.00	562,650.00
06/01/2025	370,000.00	3.500%	190,050.00	560,050.00
06/01/2026	385,000.00	3.500%	177,100.00	562,100.00
06/01/2027	400,000.00	3.500%	163,625.00	563,625.00
06/01/2028	415,000.00	3.500%	149,625.00	564,625.00
06/01/2029	425,000.00	3.500%	135,100.00	560,100.00
06/01/2030	440,000.00	3.500%	120,225.00	560,225.00
06/01/2031	455,000.00	3.500%	104,825.00	559,825.00
06/01/2032	475,000.00	3.500%	88,900.00	563,900.00
06/01/2033	490,000.00	3.500%	72,275.00	562,275.00
06/01/2034	505,000.00	3.500%	55,125.00	560,125.00
06/01/2035	525,000.00	3.500%	37,450.00	562,450.00
06/01/2036	545,000.00	3.500%	19,075.00	564,075.00
	7,500,000.00		3,222,450.00	10,722,450.00

Date Structure

Date	06/01/2016
First Coupon Date	12/01/2016

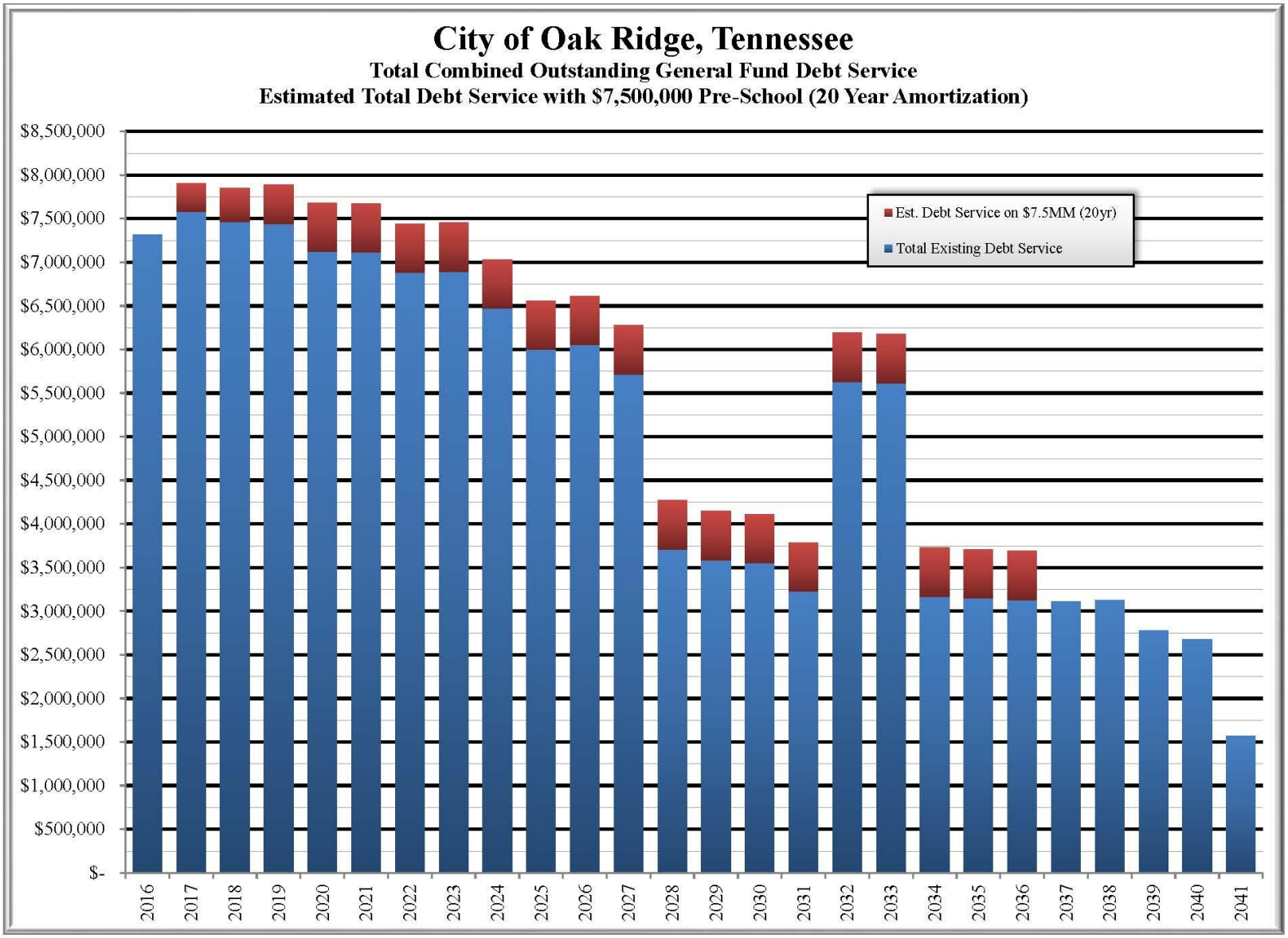
Yield Statistics

Average Coupon	3.5000000%
Weighted Average Maturity	12.276
True Interest Cost (TIC)	3.5000000%

City of Oak Ridge, Tennessee

Total Combined Outstanding General Fund Debt Service

Estimated Total Debt Service with $7,500,000 Pre-School (20 Year Amortization)



ESTIMATED DEBT SERVICE

City of Oak Ridge, Tennessee
$7,500,000 General Obligation Bonds, Series 2016 (Pre-School)

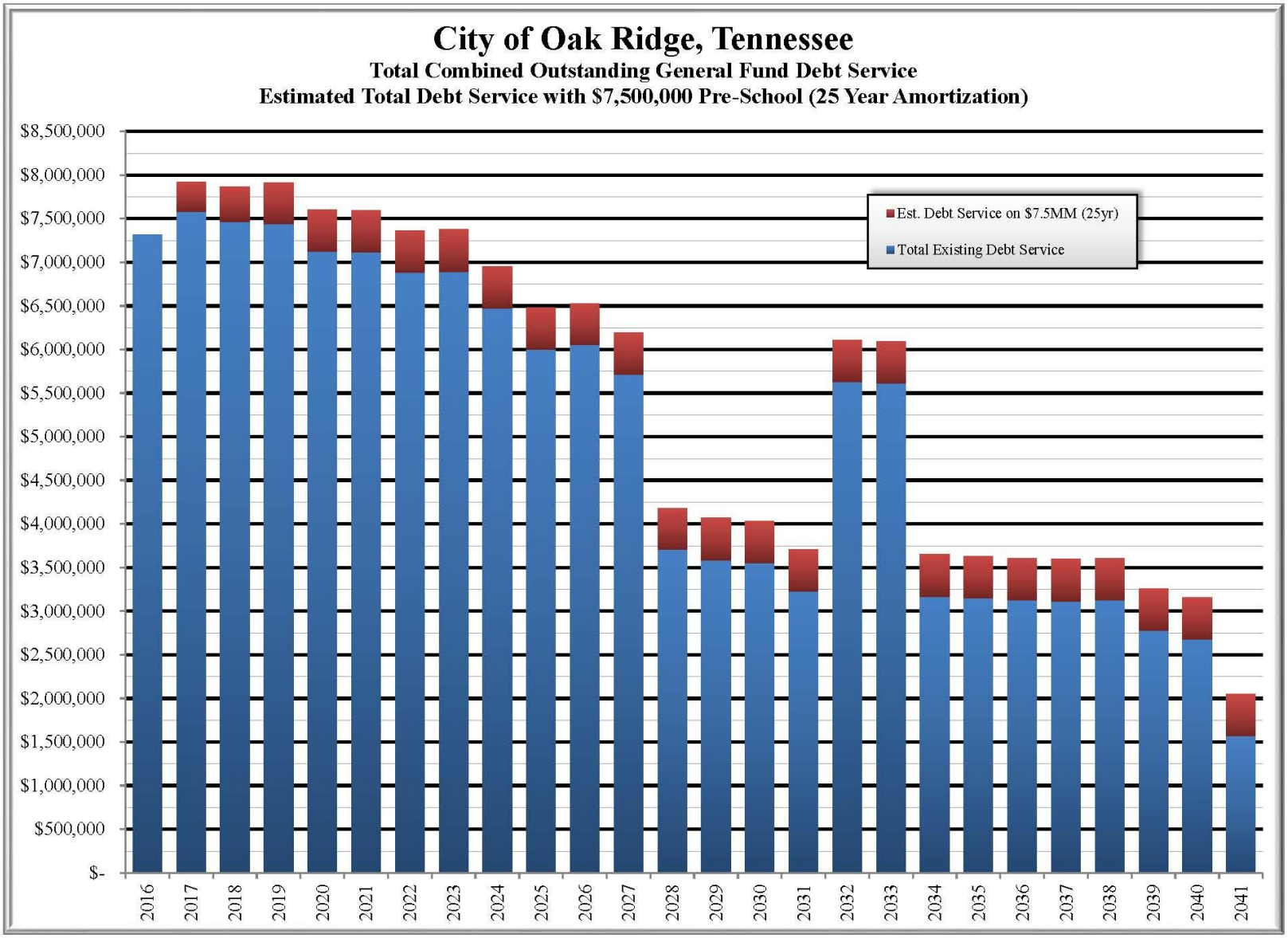
Date	Principal	Estimated Coupon	Interest	Total P+I
06/01/2017	65,000.00	3.750%	281,250.00	346,250.00
06/01/2018	125,000.00	3.750%	278,812.50	403,812.50
06/01/2019	200,000.00	3.750%	274,125.00	474,125.00
06/01/2020	215,000.00	3.750%	266,625.00	481,625.00
06/01/2021	220,000.00	3.750%	258,562.50	478,562.50
06/01/2022	230,000.00	3.750%	250,312.50	480,312.50
06/01/2023	240,000.00	3.750%	241,687.50	481,687.50
06/01/2024	250,000.00	3.750%	232,687.50	482,687.50
06/01/2025	255,000.00	3.750%	223,312.50	478,312.50
06/01/2026	265,000.00	3.750%	213,750.00	478,750.00
06/01/2027	275,000.00	3.750%	203,812.50	478,812.50
06/01/2028	285,000.00	3.750%	193,500.00	478,500.00
06/01/2029	300,000.00	3.750%	182,812.50	482,812.50
06/01/2030	310,000.00	3.750%	171,562.50	481,562.50
06/01/2031	320,000.00	3.750%	159,937.50	479,937.50
06/01/2032	330,000.00	3.750%	147,937.50	477,937.50
06/01/2033	345,000.00	3.750%	135,562.50	480,562.50
06/01/2034	360,000.00	3.750%	122,625.00	482,625.00
06/01/2035	370,000.00	3.750%	109,125.00	479,125.00
06/01/2036	385,000.00	3.750%	95,250.00	480,250.00
06/01/2037	400,000.00	3.750%	80,812.50	480,812.50
06/01/2038	415,000.00	3.750%	65,812.50	480,812.50
06/01/2039	430,000.00	3.750%	50,250.00	480,250.00
06/01/2040	445,000.00	3.750%	34,125.00	479,125.00
06/01/2041	465,000.00	3.750%	17,437.50	482,437.50
	7,500,000.00		4,291,687.50	11,791,687.50

Date Structure

Date	06/01/2016
First Coupon Date	12/01/2016

Yield Statistics

Average Coupon	3.7500000%
Weighted Average Maturity	15.259
True Interest Cost (TIC)	3.7500000%


City of Oak Ridge, Tennessee
Total Combined Outstanding General Fund Debt Service
Estimated Total Debt Service with $7,500,000 Pre-School (25 Year Amortization)
$8,500,000
$8,000,000
$7,500,000
$7,000,000
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Est. Debt Service on $7.5MM (25yr)
Total Existing Debt Service
2016
2017
2018
2019
2020
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CITY OF
OAK RIDGE

OFFICE OF THE CITY MANAGER

POST OFFICE BOX 1 - OAK RIDGE, TENNESSEE 37831.-001

DATE: October 20, 2015

TO: Mayor and City Council
Oak Ridge Board of Education
Preschool Committee Chair Shirley Raines
Superintendent Bruce Borchers

FROM: Mark S. Watson, City Manager

RE: NEXT STEPS FOR PRESCHOOL PROJECT

As requested by the Committee, I have been asked to outline the projected next steps associated with initiating the recommendations of the Committee for the implementation of new preschool facilities. Given timetables for public information, design and construction, there are several tasks ahead of the City Council and Board of Education for the projected timetable, some simultaneous with the design process and finance processes as it moves ahead.

The recommendation of the Preschool Study Committee is to build a new school unit consisting of 20 classrooms allowing for future expansion as demand and financing allows, surrounded by an appropriate underground and exterior infrastructure and well-designed traffic accessibility. The estimate presented to the community is $7.5M, with an estimated $6.3M being actual "bricks and mortar" for the school facility itself.

The following schedule is suggested for model implementation timetable:

November, 2015 -	Community review of Task Force findings and further questions refined for City Council and Board of Education
December, 2015 -	Action taken via resolution by City Council and Board of Education to support implementation of new school project
December/January	Conduct development of financial plan for bond issuance and adopt a resolution of intent to reimburse for eligible costs associated with project
December/January	After support resolution by City Council and Board of Education, conduct selection of architect for project and geotech testing for the site
January–June 2016	Design period for project and site including detailed estimates of building costs
June-July, 2016	Issuance of bonds for project according to building cost estimates when issued
April – July, 2016	Incorporation of project into City budget
June – 2016	Conduct and award bids for project
July – Sept, 2017	Construction during an estimated 14 month construction period
September, 2017	City turns "keys" over to school for occupancy and move.

Questions?