



memo

To: The Board of Education and Dr. Patrick Broncato, Superintendent
From: Curt Saindon, Assistant Superintendent for Business Services/CSBO
Kyle Hansen, Director of Buildings and Grounds
Date: July 16, 2026
Subject: Capital Improvement Plan – Summer 2027 Work Plan Discussion

Based on the list of capital projects previously approved by the Board for the third phase of our Capital Improvement Program (for 2025-2029), and in working with our Architects (Wight), Construction Managers (ICI) and Building Principals, we are providing a list of potential capital projects for 2027. We would like to discuss them in July and then based on that discussion bring a finalized list of proposed projects to consider for Board approval in August, so that we can then consider and approve service proposals from Wight (for Architectural Services) and ICI (for Construction Management Services) in September and have them begin preparing updated cost estimates, scope of work plans and bid documents, as needed. We would eventually bring Board recommendations in December or January, after bidding is completed and the low, responsible bidders have been determined (and assuming the projects are deemed to be advisable and affordable). Planning and scheduling would then begin to complete the work during the summer/fall of 2027. We do have one new project on the list (the JJH Battery Storage System) that I will discuss in more detail at the Board Meeting, and the Board can then decide if it wants to leave it on the list of potential capital projects for 2027, or remove it from consideration at this time.

We are asking the Board to consider approving the following six projects: 1) JJH Wall and Door Replacements (Est. Cost = \$900K-\$1M); 2) JJH & GD LRC Flooring Upgrades (Est. Cost = \$100K-\$150K); 3) Landscaping Renovations Districtwide (Est. Cost = \$25K-\$50K); 4) Security Alarm Upgrades Districtwide (Est. Cost = \$200K-\$250K); 5) Elementary Signage Upgrades (Est. Cost = \$90K-\$180K), and; 6) the JJH Battery Storage System (Est. Cost = \$1M-\$5M). The total cost for the five original projects is in the range of \$1.315M to \$1.630M, and the Battery Storage System could cost anywhere from \$1M to \$5M depending on the size of the system installed. However, it is important to note the Local, State and Federal energy and tax incentives could potentially reimburse the school district for 75% to 80% of the initial cost outlay during the first few years after installation, thereby reducing the payback period for this project to only 2.5 to 3.5 years, and providing a positive cash flow to the school district of \$9M to \$10M over the anticipated 15 years life of the system! Much like the solar arrays installed recently, these battery projects can not only pay for themselves in short



memo

order through the existing grants, tax credits and incentive programs, but it can also provide significant positive cash flow and insulate the school district against future energy cost increases, while benefiting our local community immensely through grid stabilization. The key questions here are do we have the initial cash outlay to pay for this type of project up front, and if so is this something that we want to take advantage of now while the incentives are still in place? With help from PSI, we would provide much more detailed information in the near future for the Board to consider before moving forward and spending any significant time, incurring any costs, or getting proposals to consider, but this approval in August would allow us to move to the next step with PSI and see what options and designs might be available to us, what the costs might be, what incentives might apply and what the proposed cash flows and payback periods might be. Any future action to proceed with a specific plan or program would need to be Board approved at a future date.

We are completing all Year 2 projects this summer and fall, and we are also working with the Park District to install a Challenge Course/Ninja Warrior Course at Jefferson. After spending about \$7.75M in year 1 (on an \$8.5M budget), and about \$1.2M in year 2 (on a \$1.5M budget), we expect to spend about \$1.15M in year 3 (of a 1.55M budget) and then about \$1.15M in year 4 (or about \$11.25M in total capital projects for this third CIP cycle on a \$12.5M budget). This is exclusive of the Battery Project at Jefferson, should that develop into a viable and desired option. We typically leave year 5 open for wrap up or miscellaneous work that might be needed (in 2029), but none is anticipated at this time. The budget for all of this work is about \$12.5M, but we hope to complete the work for about \$11.25M, if possible (a 10% savings overall). This work will only be completed if the work is deemed to be necessary, the fund balances and other revenue sources are available to cover the costs, and we do not anticipate needing to borrow money to complete any of this work. With the completion of this third CIP cycle in 2028-2029, we will have completed about \$50M in capital projects (almost 100 projects in total) over the past 10+ years, and our buildings and grounds will be in very good shape. Of course, ongoing preventative maintenance and repairs will always be needed, but we will be very well positioned from a facilities standpoint.

As always, if you would like to discuss any of these proposed projects, their funding, or any part of the Capital Improvement Plan, please do not hesitate to ask. Thank you.