

Summary Report of the Facilities Improvement Committee

February 4, 2008

By Chairman, Tom Schaafsma

In early March of last year I was approached by former Superintendent Garn Christensen and asked if I would be willing to chair this committee and the committee was subsequently authorized by this Board on March 20. Weekly meetings with the exception of the month of July began on April 11.

You have before you a complete copy of the Study and Survey Report produced by Mr. Roger Easling, of Value Management Resources Inc., consultant to the district. This report includes all the facts, figure and details surrounding the facilities issues of this district that have been discussed and considered by this committee as well as other statistics, reports and information compiled by Value Management Resources Inc. to bring the report in compliance with OSPI requirements. Be aware however that Chapters 2 and 8 are in draft form and have not yet been reviewed by the Committee at large and may see minor changes.

It is not my intent tonight to reiterate all of the details contained in this report but to try, in as concise a fashion as possible, to walk you down the path that this committee has traveled over the past ten months to help give you a sense of the complexity of the issues we considered and how we arrived at the recommendations that we are submitting to you tonight. I will do my best to leave time at the end of this report for the committee to respond to any questions that you may have regarding our recommendations.

To begin, the mandate for this committee was as follows:

- 1)-to analyze the current educational program.
- 2)-to analyze future educational needs of the district.
- 3)-to analyze community characteristics affecting the use of district facilities.
- 4)-to consider present and future student populations and characteristics.
- 5)-to assess the educational adequacy of the existing facilities.

6)-to assess financial resources.

7)-and finally, to culminate with the development of a long-range educational and facilities plan coupled with the direction on financing.

I will touch on each of these items briefly tonight but will focus the majority of my report to you on our recommendations for a long-range facilities plan and financing considerations.

When we began meeting as a committee last April, the end of the school year was rapidly approaching and we wanted to observe the facilities while school was still in session, so we began this process with item five, assessing the adequacy of existing facilities, by doing site visits to all of the school's and other district buildings. The site visits included walk-throughs of the facilities, generally lasting about one hour and sometimes accompanied by the principle or building administrator, and a subsequent debriefing/dialogue with this person to discuss in greater depth the issues affecting the facility as identified by both the committee and the administrator. Input from both John and Grant was most helpful at this stage do to their history with District building maintenance and their familiarity with most of the issues that we observed and discussed. The site visits were completed by the end of June and a list of the most pressing concerns at each facility was compiled. Do to vacation plans and schedules the committee recessed for the month of July and began weekly meetings again in the first week of August.

The following is a summery of the committees' discussions on each of the topic we were mandated to address. Again, more detailed information can be found in the complete report before you.

1) Analyzing the current educational program:

A more in-depth and comprehensive discussions of the current educational program can be found in the full report, however a few concerns that the committee shares in regards to district facilities are the continued use of aging and in some cases substandard portables at several of our facilities. At the time of the last bond sale which resulted in the construction of the H building and the remodeling of other high school classroom facilities, it was promised that the portables would be removed from the high school campus. That was 10 years ago and they remain in place today. Needless to say their condition has only continued to deteriorate. Additionally, the portables at Helen Haller are approximately 30 years old and are also showing their age. After 30 years it seems that we have clearly demonstrated that the need for the space they provide

is permanent and therefore we will recommend their removal and replacement with permanent facility.

2) Analyzing future educational needs: this included discussion of items and issues such as:

- the need for additional security procedures and locking systems;
- the need for additional electrical and tech wiring;
- impending state requirements for all-day kindergarten
- a possible state mandated increased PE requirements;
- future special-needs education requirements;
- the desire for teacher planning spaces/offices to provide teachers with prep and planning space other than classrooms.
- the growth of online education.

3) Analyzing the community characteristics affecting the use of facilities:

-we did not identify any significant unmet needs in spite of the relatively heavy community use of the district's facilities though we recognize that any improvement or expansion of facilities would undoubtedly be welcomed and utilize by the community.

It was noted that the district's tennis courts are used at or near capacity by community members so no doubt additional courts would be welcomed.

4) Consider present and future student populations and characteristics:

This subject included discussions about the historic and projected demographics of the area as well as historic and projected growth rates of both the community population and student populations and proved to be one of the most difficult subjects that the committee dealt with. Though the community has recently experienced rapid growth in both population and housing development our enrollment projections indicate a flat to declining student population over the next several years, the specific cause of which is difficult to identify.

Undoubtedly, the rapid escalation of housing costs has made it more difficult for young families with school-age children to locate within the district and Sequim is increasingly identifying itself as a retirement community. It seems clear to the committee however that the geographic area encompassed by the district will continue to experience steady if not rapid growth for the foreseeable future. The natural beauty, recreational opportunities as well as multiple other amenities will continue to attract people that have the opportunity to relocate here. Though we anticipate that the majority of this growth will include persons beyond child-rearing age and that the ratio of students to the overall population will in all

likelihood decline, the committee firmly believes that growth in the student population will occur and will continue into the foreseeable future. What has proved to be so difficult to determine with any degree of accuracy is the rate of that growth. To illustrate this, there is a 100+ unit low income apartment development currently under construction at the east end of town. If this development were to attract principally younger families of childrearing age, the District could experience the growth of more than 50 students in a short period of time from that one development alone. Additionally, the Sequim City Council is actively pursuing plans and means of providing additional low-cost housing which could make it possible for young families to once again reside within the district boundaries.

In light of the fact that currently our facilities are at or near capacity, the committee feels that it is only prudent to plan facilities for this inevitable growth.

5) Assess the educational adequacy of the existing facilities:

Subsequent to our site visits which, as indicated earlier, occurred prior to the end of the school year, lists were developed of both the wants and the needs of each facility. The committee spend a great deal of time reviewing and discussing these lists to determine which items appropriately fell within the purview of our committee and which were more appropriately addressed by the district maintenance department. Copies of these lists can be found in the body of the report before you as well as summaries of our discussions regarding them in the copies of the minutes, also included with the report, so I will not reiterate that information at this time as the net result of both is the long-range facilities plan recommendations which we will get to shortly.

6) Assess financial resources:

- **State Matching Funds:**

The degree to which the State is willing to contribute to a school district's capital improvements is based on a ratio of the district's assessed property valuation to its population which they determined is a measure of the wealth of the district and hence an indicator of need. This formula does not work in the Sequim School Districts favor as it results in a maximum state contribution of only 24.5%, and that only under specific circumstances. Additionally, this state match does not include such expenses as surveys, soil testing and special design consultant requirements for the projects.

- **Voter Approved Bonds:**

The district is also limited to a voter approved bond indebtedness limit of 5% of assessed property valuation of the district. This requirement however puts no limitations on the district as the district's property valuation is approaching \$4 billion allowing for a maximum bonded indebtedness of some \$188 million, far beyond the district's needs. Such a voter approved bond does requires a 60% approval rating to pass but can be paid back over an extended period of time through property tax assessments. Bond repayment can be structured in such a way as to create as level and as predictable an assessment rate to the property owner as possible.

- **Non-voted Bonds:**

The district can legally incur non-voted indebtedness up to approximately 13½ million dollars however this method of funding may not be used to finance new construction and must be repaid with existing revenues. In all probability, this option would only be appropriate to provide smaller amounts of capital to address critical maintenance, remodel or rehabilitation project that experience shortfalls from other sources of funding.

- **Capital Projects Levy:**

This funding option also requires voter approval. It results in a lower overall cost to the tax payer but requires larger assessments over a shorter period of time.

More detailed information regarding these funding options can be found in the report and can also be explained in much greater detail by the district's business manager, Brian Lewis.

7) A Long Range Facilities Plan and Direction on Financing:

This portion of my report to you tonight poses the greatest challenge to me in that so much thought, discussion, consideration, time and energy has been invested by each member of this committee in coming to these recommendations and I can't begin to revisit all that with you in the limited time that we have here now. Suffice it to say that none of these recommendations were arrived at without careful consideration and awareness of the district's fiduciary responsibility to the community.

The single greatest challenge that we faced as a committee was determining what the role of the community school building would be in the district's future.

Should it be renovated as elementary school space, high school space or possibly a fifth or sixth grade facility which could relieve future crowding had both Helen Haller and the middle school.

This building, constructed in 1950, is at a point where it will require significant and expensive upgrades to extend its serviceable life for any meaningful period of time into the future and some repairs need to be done as soon as possible to prevent further degradation of the building. But after the investment of those rehabilitation/remodel dollars would we end up with a facility that works well for us programmatically for the foreseeable future? And if not, would these be dollars have been misspent? Issues of asbestos, buried oil tanks, failing heating systems, substandard electrical systems, leaking roofs, inadequate drainage systems, single pane windows, substandard insulation, aging and dated plumbing fixtures and pipes, worn and failing floor coverings and functional obsolescence were all issues that kept haunting us as we discussed the future of this building. For the first seven months of our deliberations we labored under the assumption that the demolition of this building would be totally unacceptable to the voting public until we look more closely at the cost of keeping it and what we would end up with even after a substantial infusion of capital. It was at that point that we determined that a recommendation to demolish this building was the most fiscally responsible option though it may pose some challenges in providing the community with the information that will bring them to the same conclusion.

This being said, I would now like to present to you a list of our recommendations for facility improvements and additions, roughly in the order that we would recommend that they be carried out and then discussed briefly some considerations in presenting a bond issue to the voters to fund this work. To get it on the table right up front, this list represents somewhere between \$24 and \$30 million dollars in facility improvements and additions.

- 1) We recommend that the Board pursue with the City of Sequim, the vacation of W. Fir St. between 3rd Ave. and the east side of the community school gym and also the vacation of 2nd Ave. between W. Fir St. and W. Alder St. We further recommend that 2nd Ave. be relocated on the east side of the community school gym and to facilitate the construction of this new road, we recommend that the District acquire the residential property fronting on West Alder St. between the food bank on the east and the community school property on the west. This could potentially be done without a significant capital outlay by securing 'an option to purchase' with the property owner.

The motivation and primary benefit for this recommendation is student safety. There are large numbers of students that migrate back-and-forth across this street daily and as the population of the community increases, traffic will increase and the risk to students will increase. We feel it is illogical to wait for a tragedy to

occur before responding to what appears to be such an obvious risk factor. Additional benefits to the vacation include the fact that it would make the entire campus contiguous, it opens the potential for additional green space, it creates greater flexibility in the design of a new school on the Old Community School property and it allows a new school to be built as close as possible to the existing gymnasium/music facility.

2) We recommend that the new bus barn site on 3rd Ave. be completed and made fully serviceable and that the existing bus barn be removed and the resultant space be paved and added to the existing auditorium parking lot. This may include a redesign of this parking area as well as the access to it.

3) We recommend that the remodeling of the old high school building be completed and designed to house all of the District's administrative offices. This will allow all administrative services to be housed in a single location improving communication, efficiency and convenience to the public. Any surplus space resulting from the completion of this remodel could be used as community college classroom space or any other non-instructional use that the district may have. Additionally, it will provide space to temporarily house programs displaced during the construction of other facilities.

4) We recommend that the existing community school be demolished and that a new elementary school be constructed on that site, that the existing Helen Haller student population be relocated into this new school and that this new school incorporate the existing community school gym into its program. Building a new school would address a number of issues existing at the current Helen Haller including the ability to conduct security lock-downs, to build permanent in lieu of portables, to incorporate facilities designed specifically to meet the needs of the Special Services Programs, to provide for a new food service kitchen, to address issues of handicapped access to bathrooms and to relieve the current traffic congestion problems presently occurring at Helen Haller. The current Helen Haller design lends itself perfectly to service an all-day kindergarten program as well as most of the programs currently housed in the community school. You will find an overlay of these programs on the Helen Haller campus included in your reports. It could also absorb additional elementary grades as the District grows, prior to the need to build a third elementary school.

5) That the landscaping, paving and sidewalks be completed around the existing Community School Gym building. This facility's grounds have remained incomplete since it was first constructed over 28 years ago and it reflects badly on the District as well as posing a maintenance issue due to the amount of dirt that

is tracked throughout the facility and the 'lakes' that form throughout the parking lot.

- 6) We recommend that a new cafeteria be constructed on the Gray Wolf elementary school campus. Currently children pick up their meals at a foodservice window and take them back to their classrooms to eat. This creates congestion, crowding and unsafe hallways, serving equipment blocking hallways, issues of cleaning and trash collection throughout the building and difficulty providing adequate supervision during mealtime due to the fact that students are dispersed throughout the building. A cafeteria could also serve as a multipurpose room and possibly as a science lab on the occasions that it would be needed.
- 7) We recommend that repairs and upgrades be made to the Helen Haller facility; specifically replacing the noisy and inefficient classroom heaters with new quiet and energy efficient units; replacing two sets of corrosion damaged entry doors; replacing the outdated clock and alarm system and remove the portables. Six of these classroom heaters have been replaced in the past and the remaining ones now need replacement. The clock/alarm system is functioning unpredictably and is outdated to the point where replacement parts are no longer available.
- 8) Concern has been expressed over the condition of the stadium light poles, the condition of the stadium running track and the resiliency of the high school gymnasium floor. These are all safety issues as all can result in personal injury so we recommend that these issues be further investigated and repairs or replacement made pending a determination of need.
- 9) As the existing band and choir room will be on the new elementary school campus, we recommend that a new high school band room be added onto the north end of the auditorium and that the double classroom above the auditorium entry be remodeled to serve as a choir room. This puts both of these facilities in close proximity to the performing arts Center and also makes them available to other visiting performing groups.
- 10) We recommend that a new approximately six classroom building (final size to be determined by need and future growth) be added within the next 3-8 years on the high school campus to both replace the portable classrooms as previously promised and to provide for future growth. We suggest this building be located on the old swimming pool site (currently the grounds maintenance site) and in alignment with the north/south wing of the H building.
- 11) We recommend that subsequent to the loss of the grounds maintenance storage area currently located on the old pool site, a new grounds maintenance facility be

constructed at a location yet to be determined (possibly at the current HH portable site).

- 12) We recommend that the board give consideration to the purchase of property for a future school site, most probably at the east end of the District. We feel that this is a prudent thing for the Board to consider in light of the rapid disappearance of larger parcels of land and the rapid escalation of land costs. This would also greatly facilitate long-range facility planning for the District.

This committee also had several discussions regarding the construction of a new stadium facility including the addition of artificial turf, new lighting and covered seating with restrooms, snack bar and grounds storage facilities below. There appeared to be a significant level of interest in the need for stadium improvements during the last school board elections however after discussing the issue at some length, this committee felt that if the Board wish to pursue this issue further that another committee made up of community members with greater involvement and knowledge of sports facilities should be formed to further investigate this option.

The final part of the Committees mandate is to provide direction on financing and we discussed at some length three possible options for running a bond campaign.

Option 1:

SPRING OF 2009 ELECTION

Advantages	Disadvantages
<ul style="list-style-type: none"> • Separate from M&O • Construction costs may increase by waiting • Low interest rates • Projects begin sooner • Eliminates high maintenance costs of Community School • Health and safety concerns are addressed sooner 	<ul style="list-style-type: none"> • Too fast, not enough time to educate voters • Property tax increase on top of existing debt (debt increase until existing debt payoff) • Fears of pending recession • Failure places it on top of M&O Levy • 40% voter turnout required after presidential election • A promise was made not to come back to voters again, until 4 year M&O ends

Option 2:

SPRING OF 2010 ELECTION, concurrent with M&O

Advantages	Disadvantages
<ul style="list-style-type: none">• More time to educate voters• Less election cost if run with M&O• Greater grasp of changing demographics• May be beyond recession fears• Efficient use of campaign resources• More time for street vacation• All costs (of bond & levy) identified to voters and differences between them clarified	<ul style="list-style-type: none">• Delays projects for a year• Competes with M&O levy• May be confused with levy• May be voter resistance to voting yes on both• Possible increases in construction costs• Difficulty of running two elections/issues simultaneously

Option 3:

SPPRING 2011 ELECTION

Advantages	Disadvantages
<ul style="list-style-type: none">• Closer to retirement of existing debt• Allows maximum time to educate public• Better grasp of demographic/growth changes• Does not compete with M&O• Allows maximum time for street vacation• CS needs will be more clearly shown by then.	<ul style="list-style-type: none">• CS keeps decaying, requiring more attention & maintenance• Delays projects for 2 years• Possible increases construction costs and interest rates

Entertain Questions: