

March 2009 Bond Proposition Questions & Answers

Updated 2/2/09

The current bond is different than previous solutions in that it addresses the most immediate and pressing needs at a significantly lower price point. The bond proposition provides funding for critical system upgrades and repairs, and modular classrooms to alleviate overcrowding at Mount Si High School.

What will this bond fund?

The \$27.5 million bond provides a near-term solution to address the most immediate and urgent needs of the district. This bond focuses on the following two initiatives:

- The majority of this proposition (\$22.1 million) will provide funding to maintain the integrity of school buildings and upgrade expiring systems throughout the district. These improvements are needed to protect our investment and ensure the safety of students. The improvements will also save the district money in the long-run.
- The remaining portion of the bond (\$5.4 million) will help alleviate overcrowding at Mount Si High School in the next few years. By adding six double-modular units (which equals 12 classrooms) to the high school campus, this bond will provide classroom space for an additional 360 students. The addition of modular capacity will also afford time to revisit and re-evaluate long-term needs as a future facilities plan is developed and future bond propositions to address those needs are defined. *This part of the bond is the same as the "bridge plan" portion of the previous bond which would have provided relief to Mount Si High School while a second high school was being designed and constructed.*

How much will the proposition cost?

This 20-year bond for \$27.5 million covers two key areas:

- | | |
|--|--------------------|
| • Repairs and upgrades to existing school facilities | \$22,080,000 |
| • Adding 12 modular classrooms with restrooms
at Mount Si High School and relocation of tennis courts | <u>\$5,400,000</u> |
| | \$27,500,000 |

How will this bond impact property taxes?

The school bond tax rate will actually be LOWER for property owners. The estimated property tax increase for this \$27.5 million school bond is approximately **\$0.35/per \$1000 of assessed value** to begin in 2010. However, due to expiring school bonds that just expired in 2008, there will be a \$.54 per \$1000 rate decrease in 2009 school taxes. **Net impact for taxpayers is... LESS by \$.19 per \$1000** assessed value starting in 2010, compared to 2008 taxes.

The \$.35 estimate assumes a 0% property valuation growth for the first two years, then 2% thereafter. The total estimated rate for local school taxes (including all current levies and bonds) would be \$2.72 in 2010. Collection for this 20-year bond would begin in calendar year 2010 and continue through 2029.

Why is this bond so different from previous propositions?

After three near-miss bond attempts in 2007 and 2008, it was time for a fresh look at our options. Down from \$189.6 million, this bond for \$27.5 million prioritizes only "bare necessities" – critical upgrades and relief to high school over-crowding – at a significantly lower price due to our current realities. These realities have changed even since last March 2008:

- slowed enrollment growth rate in our district (now approximately 2%; down from 6-7%)
- slow-down in new housing construction
- uncertainty regarding the regional, national and global economy
- uncertainty around the impact of Washington State's budget deficit on education funding

Do we still have the same growth needs?

Yes. We still anticipate the need for new school buildings to serve all the children in the Snoqualmie Valley School District, as we communicated in past bond campaigns. Specifically, new housing construction on Snoqualmie Ridge continues and the City of North Bend's recent actions to end the water moratorium promises future growth. The need remains for additional classroom space to accommodate increasing numbers of students but, due to the current slowed enrollment growth, we don't need new schools as quickly as was projected earlier. With this "gift" of extra time, we are able to request support from voters now in smaller, more affordable portions that prioritize the most urgent and necessary items in this first-step bond proposition. The current slowed enrollment also allows us a bit more time to consider how economic uncertainties will play out over the next few months, as we determine the most appropriate long-term plan for our learning community.

Is 'adding modular classrooms at the high school' a new idea?

No. This may sound familiar as it was referred to as the "bridge" or transition plan that would have been in place today, if previous bonds had passed. It was the solution to create more short-term capacity at the high school until new buildings could be built. In the same way, the current bond will help alleviate over-crowding at the high school as soon as next fall, to ensure an optimal learning environment for students. Meanwhile, efforts continue regarding the district's long-term plan and other ways to provide relief to the high school's common areas and hallway congestion.

Where would the modular classrooms be added?

Because the high school campus is located on a floodway, the only suitable location for portables is on the six tennis courts in the front of MSHS. This plan places 12 modular classrooms where courts are currently located, and moves the courts across Meadowbrook Avenue onto a practice field. The Board acknowledged that the tennis courts get significant use during the day, serving as outside classrooms for physical education curriculum that serves hundreds of students. They agreed to retain this programming and resource, for the intent of this bond is to provide high school students more classroom space to support its programming. (Not replacing this resource would essentially remove physical education 'classroom' space as well as an extra-curricular resource for students.) In this decision to replace the courts, the Board also discussed the fact that there are insufficient community courts available for students to access, transportation costs to do so would be prohibitive, and transition time would not be feasible during the school day.

What upgrades and repairs will be covered with this bond?

This bond proposition works to sustain our current facilities with much-needed repairs and upgrades that focus on building infrastructure and systems, safety, and code compliance. These efforts will also provide long-term cost savings by eliminating the need for ongoing repairs that many of our current systems require. The repairs and upgrades cover a broad range of needs including: infrastructure support (such as roofing, electrical wiring, emergency power, refrigeration), internal & external repairs (ceilings, flooring, painting) and safety and security upgrades (external video security surveillance due to vandalism, playground safety, and fire protection). One such improvement to the MSHS emergency generator will help sustain district-wide emergency communications and potentially enable that facility to be used as a community shelter, if needed.

Which school buildings will receive upgrades?

Nearly every school building in our district – with the exception of Twin Falls Middle School and Two Rivers School – will receive improvements. The extent of work needed varies depending on the condition and age of the various schools. In some cases, such as the boiler at Opstad Elementary, the system is so old replacement parts are no longer available from the manufacturer. The following chart shows how the upgrade projects will be distributed across the district:

SCHOOL	INFRASTRUCTURE UPGRADES				INTERIOR & EXTERIOR UPGRADES				SAFETY & SECURITY UPGRADES			
	Roofing	Electrical	HV AC	Emergency Power Refrigeration	Ceilings	Painting	Flooring	Parking Lot	Playground Safety	Security Video System	Fire Protection	Track Safety
Cascade View E.S.	-	-	-	-	-	-	-	-	XX	XX	-	-
Fall City E.S.	-	-	XX	-	-	XX	XX	-	XX	XX	-	-
North Bend E.S.	-	XX	XX	-	-	-	XX	-	XX	XX	-	-
Opstad E.S.	XX	XX	XX	-	-	XX	-	-	XX	XX	-	-
Snoqualmie E.S.	-	XX	XX	-	-	-	XX	-	XX	XX	-	-
Chief Kanim M.S.	XX	XX	XX	-	-	XX	XX	-	-	-	XX	XX
Snoqualmie M.S.	XX	XX	XX	-	-	XX	XX	XX	-	XX	-	-
Mount Si H.S.	-	XX	XX	XX	-	XX	XX	XX	-	-	XX	-
Portables	-	-	XX	-	-	-	-	-	-	-	-	-
District Office	-	-	XX	-	-	-	-	-	-	-	-	-
Warehouse	-	-	-	XX	-	-	-	-	-	-	XX	-

Why did the amount for repairs increase since the last 2008 bond?

In the last bond, just ten of the most urgent needs were prioritized from a long list of repairs (with a cost of \$10 million). This narrowed request took into consideration that there were many other items (new construction, land, etc.) on those bonds. Over time, the needs of our existing buildings and systems have continued to grow. The focus of the current bond proposition is to protect our current assets and fully utilize them. The repairs and upgrades in this bond will ensure safe, healthy and energy efficient environments for student learning. This bond stays focused on upgrades that are deemed vital to maintaining the integrity of our facilities; it does not include “nice-to-have” enhancements.

How did the recent flooding in some school buildings impact the list of repairs and funding needed?

Recent flood events do not change the upgrades outlined in this bond. Flooding during the first week of January 2009 impacted floors, carpeting, walls and furniture in some areas at Mount Si High School, as well as the entire main floor of our District Office facilities. Construction continues in these areas, which required professional removal of all wet material, drying, disinfecting, and replacement of flooring, insulation, carpets, drywall, paint and desks/cabinetry that was damaged. We are hopeful that the district's flood insurance will cover the majority of the costs, and are applying for State and Federal/FEMA assistance for portions not covered by insurance. However, there still may be some impact to our General Fund.

When will the bond run?

It will appear on the March 10, 2009 ballot for residents living in the Snoqualmie Valley school district. If approved, collections would begin in 2010 through 2029.

What are the election requirements for this bond to pass?

Washington State requires a 60% "super-majority" approval for bonds to pass. Bonds also require a voter turn-out number that equals 40 percent of the voters who turned out for the last general election. Since our school district had an 84% voter turn-out response in the November election, this means approximately 7,254 registered voters will need to participate in the March 10 election, and of those, 4,353 people will need to vote yes to meet the 60% supermajority requirement for bond approval.

Why are we issuing 20-year bonds to finance these \$27.5M worth of projects? Why couldn't we fund this with a Capital Projects Levy instead?

There are 2 main reasons why bonds make more sense for these projects:

- 1) Levies are limited to a maximum term of 6 years. Bonds are up to 20 years. Issuing bonds allows the payments to be spread out over up to 20 years vs collecting all the money in just 6 years. This allows the tax rate increase to remain small, around \$0.35/\$1000. A 6-year Levy for the same amount would see the tax rate increase nearly double – to around \$0.67/\$1000. If the levy term were shorter, the rate would be correspondingly higher.
- 2) A 6-year Levy would allow collection of just 1/6 of the money each year, or about \$4.6M per year in this case. That means the district could only fund 1/6th of these projects every year. The critical repair and upgrade projects can't wait 6 years. The modular classrooms at MSHS would have to wait at least an additional school year, since the first \$4.6M in funds would only *start* being collected in 2010. In contrast, bonds provide the district with the funds up-front. If the bond is passed on March 10 – the modular classrooms at MSHS *will be ready for student occupancy this fall (2009)*. The critical repair and upgrade projects can be finished within 2-3 years, rather than 6.

Levies do have the advantage in that they only require a 50% YES vote, vs. 60% for bonds. However, that is outweighed by the advantages of a bond (listed above) for our particular needs.

Under this bond, when will the portables be added to the high school?

If the bond passes in March, portables will be immediately purchased so they can be sited and placed this summer...to be ready for occupancy in the Fall of 2009. The changes to the location of the tennis courts would also be completed this summer, so as not to impact school operations and physical education programming.

Why doesn't this bond solve all our facilities problems?

Admittedly this is not the "ideal" plan. However, the district's original plan did not achieve the required 60% supermajority. So, with sensitivity to economic pressures households are facing, the current plan addresses the most vital needs of our students and buildings -- needs that cannot wait any longer. We also feel it is prudent, given current economic uncertainties, to take the next 6 months to carefully develop a thoughtful, long-term plan that works within our current realities and prepares for future education needs through a process that our community can embrace.

This bond adds classroom space, but what about the crowded common areas at MSHS?

Maintaining appropriate class sizes, which will be possible with additional classrooms in this bond, is a high priority for optimal learning. Meanwhile, planning is in the works on creative ways to alleviate congestion to common areas (such as the commons /lunchroom and hallways) at the high school. We're considering ways to offer interim relief to this growing student population sooner than later; separate from this bond.

How will the long-term needs of our district be addressed?

This bond provides a near-term solution to fund urgent needs that cannot wait. It is a first step that goes hand-in-hand with long-term planning that could likely result in a future bond for new construction and/or land. We are fortunate to have a bit more time until new schools are needed, because of our slowed enrollment growth. However, we cannot wait too long since it takes time to build schools (typically 4 years for a high school; 2 years to build an elementary school).

School Board directors and community members requested more time to explore a variety of solutions on how to best accommodate our growing student populations. Long-term planning activities resumed in January around these important decisions and will continue over the next 6 months. A process and timeline was presented at the January 22 school board meeting. Economic realities, enrollment projections and capacity needs, and the costs and impact to programming for a variety of scenarios will be assessed. Additionally, the cost of sustaining ongoing operating costs for any new facilities proposed must be evaluated and planned for. The process moving forward will provide opportunities for community members to share their feedback on viable scenarios under consideration. The goal will be to define the most appropriate 10-year plan for our district.

Below is a snapshot of upcoming **levy** election dates needed every four years to sustain daily operations in the areas of maintenance and operations (M&O), technology and possibly transportation. Potential **bond** elections (Bonds are for new buildings and land) will be incorporated into this timeline at the conclusion of the long-term planning efforts.

- March 10, 2009 – Current school bond
- 2010 – M&O/technology
- 2014 -- M&O/technology
- 2018 -- M&O/technology

Leading up to this bond, the idea to annex Snoqualmie Middle School as part of MSHS was seriously discussed. Why is this option not part of this bond?

In November, before a final decision had been made as to what would appear on this bond, a significant number of community members expressed concerns to the School Board through meetings, email and website comments. The Board opted not to pursue that idea at this time, based on some of the common themes and concerns that emerged from the feedback:

- Disruption to students
- Concern about the size of the remaining two middle schools that would need to house all middle school students in the district if SMS became part of the high school campus.
- Concern that the middle school overcrowding problem was just solved this year by opening Twin Falls Middle School, which voters approved in the 2003 bond.
- Perception that the crowding problem was being pushed to the middle levels, and not solved.
- Concern that middle school aged students (11-14 years) may be even more vulnerable in dealing with overcrowding implications than high school aged students (14-18 years).

Is the SMS Annexation idea completely dismissed?

We have moved away from this direction for the current bond and near-term solution. As long-term planning efforts resume, a wide range of options will be considered including the utilization of the Snoqualmie Middle School facility.

What are the projected enrollments of students in our district?

- **Elementary school:** Currently there are about 2,682 elementary students in kindergarten-grade 5. In 2010, it is estimated that there will be about 2,950; and nearly 3,300 in five years in 2013.
- **Middle school:** Currently there are 1,292 middle school students in grades 6-8 in three middle schools. In 2010, it is estimated (high estimate) there will be nearly 1,480 middle school students. In 2013, the projected middle school enrollment is approximately 1,900 students.
- **High school:** Currently there are 1,430 at MSHS. In 2010, there will be about 1,580 high school students; about 1,920 in five years in 2013.

What happens if this bond does not pass?

If this proposition does not pass, another bond could be re-submitted to the voters. OR, we will consider elements in the "NO FUND plan" (available online at <http://www.svsd410.org/districtinfo/bondprojects/08-09FacilityNeeds.pdf>). This worst-case scenario considers ideas such as double-shifting, alternate schedules, utilizing non-traditional spaces for classroom instruction, redrawing boundaries across the district, year-round school, and high school use of space at SMS. Without capital funding, these measures may need to draw funding from the General Fund to support facilities, which ultimately take away from teaching and learning support and/or impact students' learning experiences.