

Bond Election Recommendation

I. Identify the issue from the perspective of involved stakeholders.

Issue: Should a recommendation be made to the WESD Governing Board to call for a bond election to take place in November 2016?

In November 2010, voters authorized the Washington Elementary School District (WESD) to sell up to \$65 million in school improvement bonds. To date, the District has received \$35.5 million in bond proceeds from the 2010 authorization; the remaining \$25.5 million in bonds will be sold in 2016, with proceeds used to complete the planned bond projects by 2018. Bond funds have been spent and will continue to be spent for the purposes that were identified in the 2010 voter information pamphlet:

- Renovation and construction of school buildings
- Site improvements at schools
- Pupil transportation vehicles
- Repair and replacement of roofing, and repair and sealing of parking lot at administrative facilities

While the 2010 bond authorization has enabled WESD to address many important capital projects, additional needs continue to be identified. In fact, \$150 million in capital necessities are projected through 2021, with no reliable source of capital funding expected from the state of Arizona.

Involved Stakeholders:

During February/March 2016, a task force was convened for the purpose of offering a consensus recommendation to the Superintendent and Governing Board regarding a call for a school improvement bond election in November 2016.

Task force members included representatives from various stakeholder groups and from locations throughout the District:

Parents	Community Members	School Staff	Administrative Center Staff
Jolene Madrid	Alyssa Glauber	Jordan Blair	Bert Herzog
Sandy Mendez Benson	Daniel Glauber	Crystal Bustamante	Jill Hicks
Shawna Robles	Pat MacArthur	Penny Hughes	Mike Kramer
	Sanah Miller	Philip Liles	Chris Lieurance
	Stephen Miller	Lynn Smith	Sue Pierce
	Troy Williams	Susie Smith	Cathy Thompson

II. Identify the options or alternatives that address the issue, including an option to maintain the status quo, utilizing the efficient and sufficient use of research and data. For each option, identify advantages and disadvantages.

Research/Data:

The 2016 Bond Task Force used an interest-based approach in conducting research and analyzing data. Members began by sharing story, i.e., a detailed explanation of the issue from story was supplied by WESD Director of Business Services Cathy Thompson.

Sources of Capital Needs

○ ***Buildings***

The average age of WESD buildings is 40 years.

Seventeen schools are more than 40 years of age, and nine additional schools are over 30 years old.

Many buildings will require extensive maintenance, renovation, system upgrades or rebuilding in the near future.

Portable buildings that are on some campuses need to be replaced with permanent structures or newer facilities.

○ ***Technology and Infrastructure***

infrastructure equipment.

Ports and switches are also more than 15 years old and cannot be serviced.

Intercom systems and sound/presentation systems at a majority of schools need to be replaced; because of their advanced age, replacement parts are not available to maintain these systems.

Although a replacement plan was developed in 2006 to upgrade classroom technology for teachers and students, funding reductions have made plan implementation impossible.

○ ***Large Equipment and Vehicles to Transport Students***

Limited funding has prevented the District from adhering to its replacement plans for large equipment and vehicles, despite having met age and condition standards for replacement.

Replacement

District has purchased old buses at minimal cost from which replacement parts are being harvested.

In order to ensure safety and operational efficiency, WESD has leased some buses in lieu of purchasing them.

Determination of Capital Needs

○ Schools and departments have submitted site improvement requests as part of the

○ The building condition of each structure on WESD campuses is consistently monitored and periodically assessed

Maintenance Department and consultants to evaluate structural and safety needs.

- In order to keep systems in good working condition and to prolong the life of buildings, routine painting, roofing, HVAC, asphalt and flooring needs are addressed via a maintenance schedule.
- Systems Department.
- Department.
- Improvement Plan.

Prioritization of Capital Needs

- Capital needs are prioritized based on the following factors:
 - Student safety
 - Code compliance
 - Age and condition of building systems and equipment
 - Availability of parts and ability to maintain equipment using internal resources
 - Replacement plans and the
- Additionally, all data related to capital assets, including completion dates and information about site and building improvements and equipment replacement, is recorded in a capital planning software program. The program serves as another tool for prioritizing capital needs and projects.

Funding Sources to Address Major Capital Needs

- ***School Improvement Bonds***
 - Funds generated through local voter-approved initiative, with proceeds earmarked for specific purposes
 - Enable school district to incur debt to finance capital needs, with bond principal and interest repaid over time through secondary property taxes
 - To be placed on ballot, initiative must be called for by board
 - Allowable expenditures
 - Acquisition or lease of sites
 - Construction or renovation of school buildings
 - Improving school grounds
 - Purchasing pupil transportation vehicles
 - Purchasing furniture, fixtures and equipment *if paid for within five years*
 - WESD voters passed \$65 million bond election in November 2010; most recent bond election prior to that was \$64 million bond election passed by voters in November 2001
- ***District Additional Assistance*** (previously referred to as unrestricted capital)
 - Capital funding that school districts are allocated by the state of Arizona based on a statute-driven, per-pupil formula
 - Allowable expenditures

Classroom technology, textbooks, instructional aids

Donations were received by WESD to fund a small solar project pilot.
A grant was received by WESD to help support a door project for student safety.

Overview of Capital Projects That Would be Addressed in a 2016 WESD Proposed Bond Plan (*For a recap of projects by school/location, please refer to Attachment A.*)

- ***Safety projects***
 - School office renovations
 - Security and surveillance systems
 - School intercom systems
 - Playgrounds and shade structures
- ***Technology***
 - Infrastructure, such as cabling, servers and switches
 - Classroom interactive technology
 - Video distribution
 - Classroom computers
- ***Building system upgrades and replacements***
 - HVAC
 - Roofing
 - Flooring
 - Sound and presentation systems

Academic success of students

Safety of students and staff

Preparing students for the world and the future

Student retention	
Teacher retention	
Addresses state funding deficits	
Supports additional bonding capacity	

Option #2: Recommend that a \$112 million bond election be held in 11/2016. (The extra \$14 million would pay for additional HVAC replacements.)

Advantages

Can sell as continuation

Disadvantages

years. If the election is not successful, WESD will have virtually no budget for capital project needs.

Option

Facility project needs throughout the District have been identified and prioritized, with critical attention paid to issues of safety, code compliance and building system failure.

WESD technology needs are significant, and meeting those needs is vital to providing

Because state funding is not sufficient to meet their capital needs, districts typically seek capital funding through voter-approved school improvement bonds.

Recommendation:

Members of the 2016 WESD Bond Task Force arrived at a full consensus decision to recommend Option #1, as presented.