

# ENTIAT SCHOOL DISTRICT NO. 127

2650 ENTIAT WAY - ENTIAT, WASHINGTON 98822 – TELEPHONE (509) 784-1800 – FAX (509) 784-2986  
WWW.ENTIAT.SCHOOLS.ORG

*It is the mission of the Entiat School District to provide all students with the necessary knowledge, skills, and attitudes to be productive and responsible citizens.*

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## Facilities Study Committee

### Minutes

July 8, 2013

#### Committee Members

|                      |                       |                   |                         |
|----------------------|-----------------------|-------------------|-------------------------|
| Lori Anderson        | John Barnes           | <u>Jim Brooks</u> | <u>Miles Caples</u>     |
| <u>Mike Chambers</u> | Troy Corn             | <u>Randy Dahl</u> | <u>Tammy Giacomazzi</u> |
| <u>Diane Grover</u>  | <u>Jim Holscher</u>   | Rick Long         | Tammi O'Brian           |
| Phylisha Olin        | Jose Quezada          | Leonardo Quezada  | Robert Scoville         |
| <u>Jim Smothers</u>  | <u>Ismael Vivanco</u> | Keith Vradenburg  | Rich Wheeler            |
| Randy Whitehall      | <u>Mike Wyant</u>     | Julie Zielke      |                         |

Names underlined are those who attended the meeting.

#### Discussion/Action

##### 1. Presentation by Annette Sommer of Seattle NW Securities of updated bond rates/scenarios

In response to the committee's request from the previous meeting, Annette presented updated bond tax rates and projections on three different bond amounts (\$5, \$5.5, and \$6 million) for both 20 and 30-year terms. As she reviewed the base assumptions used for the calculations, Annette explained that the county had conservatively forecast that 2013 assessed values will be 5% higher than 2012 values, but she also pointed out that interest rates had been climbing since an all-time low in December 2012, and had recently (last 2-3 weeks) shown a dramatic increase.

She also discussed the two basic ways to structure bond debt: level tax rate (cost per \$1,000 stays the same) and level debt service (bond payment stays the same). She recommends using the level tax rate structure, as this sets the cost per \$1,000 at a lower rate and keeps it steady during the term of the debt; using the level debt service structure causes the cost per \$1,000 to be higher initially, but decreasing throughout the debt term. A higher initial rate could make it more difficult to pass the bond.

She told the group that if the bond passes in November 2013, the bonds would need to be sold right away in December in order for the debt collection to be added to the tax rolls for 2014, which is feasible. Selling them quickly also locks in the interest rate. She explained that if the bond sale proceeds end up being in excess of what we need to complete the project, we can follow the public hearing process to re-designate the use of the extra funds, or we can pay off or defease some of the bonds to reduce the district debt.

She also explained that the bonds could all be sold at once, or sold in portions (split sale), but that this decision is usually driven by the proposed construction schedule and timing and availability of state match funds. The risk of doing a split sale is that interest rates could rise in the period between bond sales.

(Please see Annette's presentation as a separate attachment to this e-mail)

## 2. Presentation by Gary Wetch of updated Building Option 2, and five Parking/Site options

Gary provided a drawing of a secondary version of the Building Option 2 that the committee had favored at the last meeting. This Option 2.2 expands the scope of Option 2 to include creating a board/conference room in the basement with an addition of about 1,100 sq. ft for a relocated district office and entrance to the basement. The vacated district office could be converted to a SPED classroom. He distributed an updated cost estimate for Option 2.2, totaling \$6,059,913 (not including match). This estimate also included some costs for Selective Demo, Abatement, and an increase to costs for Site Development and Furnishings that were not included in the original estimate for Option 2. He had trimmed these items from the original Plan 2 estimate in his effort to achieve an option that would result in no increase to the tax rate, but the district felt that these items should be included in the estimate to ensure we weren't budgeting too tightly for the project.

Five options for a parking/site plan were presented:

**Parking Option A:** Basically our existing arrangement of using the bus lane behind the school, but restricting it more convincingly with signage and speed bumps to just bus drop-off/pick-up and school deliveries, with no other through traffic. Estimated cost: \$50-\$100,000 to add a few more required parking spots.

**Parking Option B:** Involved creating bus drop-off/pick-up loop at either far end of the campus. (West of the high school parking lot, or roughly north of the elementary playfield) This option would require students to walk further from buses to the building, but would keep bus traffic well away from parking lots. Estimated cost: \$500,000

**Parking Option C.1:** Creates a bus drop-off/pick-up lane at the curb on the south side of the elementary parking lot, separating 2 rows of parking spots from this lane. Adds 13 new parking spaces in area north of elementary playfield. Elementary parking lot spots stay perpendicular. Eliminates parallel parking in front of elementary, replacing with pull-in spots. Estimated cost: \$150-\$200,000

**Parking Option C.2:** Creates a bus drop-off/pick-up lane at the curb on the south side of the elementary parking lot, again separating parking spots from this lane. Adds 28 new parking spaces in area north of elementary playfield. Elementary parking lot spots are changed to slanted directional spots and a third row is added. Also eliminates parallel parking in front of elementary, replacing with pull-in spots. The group requested this option by modified to eliminate the most southern third row of parking spots in order to convert this row into a parent pull-out area for drop-off and pick-up. Gary indicated this could be accommodated. Estimated cost: \$200-\$250,000

**Parking Option C.3:** Similar to both C.1 and C.2, but the bus drop-off/pick-up lane is not separated from one row of slanted parking slots. Remainder of elementary parking lot spots stay perpendicular. Adds 28 new parking spaces in area north of elementary playfield. Also eliminates parallel parking in front of elementary, replacing with pull-in spots.

All three Option C's included a road directly from the bus barn down along the north edge of the elementary playfield for use by the buses to enter the lower parking lot and the bus lane. It was decided that this road would not be usable year-round, and so it was deleted from all the plans.

Gary also showed a Master Plan A potential design that included a relocated football field/track and baseball/softball field, using existing school property. He presented this as part of his process of overall site review to ensure that nothing we do with the building or parking options being considered would

interfere with the Master Plan. He explained that this plan was created using an older survey of the school property, and he would want to review it after a newer survey is done.

**Discussion resulted in the following:**

**Building:** Because of the added cost for relocating and adding space for administration in the basement, the committee chose to continue its recommendation of Plan 2, rather than Plan 2.2. The amount saved by eliminating this addition/change was about \$463,000, decreasing the project cost to \$5.6 million (not including match). The projected tax rate per \$1,000 for a \$5.5 million project with a 20-year term is \$1.73, while the rate for a \$6 million dollar project would be \$1.89, and the committee agreed that with interest rates climbing and uncertainty about what they might be in December, it was prudent to keep the project cost as low as possible while still achieving the student-related school improvements required.

**Parking:** Option A would not have eliminated current issues of students crossing bus and delivery lanes, and Option B would have required students to be offloaded too far from the building and the principal felt this would create some supervision issues, and it was also the most costly. Of the three Option C iterations, the group favored Option C.2 because it not only provided a bus lane near the commons, but also included the parent drop-off and pass-through lanes. The cost of this parking option is included in the revised \$5.6 million estimated cost for Building Option 2.

The final recommendation of the Facilities Committee to the school board for a bond measure to include on the ballot in the November 2013 election is to modernize and add to the elementary school as shown in Building Option 2 with Parking Option C.2, for an approximate estimated total cost of \$8,396,913 minus the estimated state match of \$2,800,000, for a bond amount of \$5,600,000 (rounded). Mike Chambers agreed to present the recommendation to the board during regular session at 7:00 pm on July 18. All members of the facilities committee are invited to attend the meeting. The timeline calls for the board to take action before August 6 on a resolution to put the bond measure before the voters if that is what is decided.

### 3. Conclusion

A meeting date was not determined pending board action on the bond proposal.