

REQUEST FOR COUNCIL ACTION

SUBJECT: School District Feasibility Study

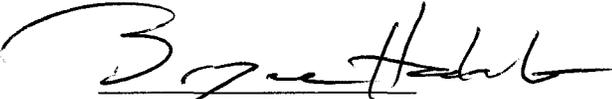
SUMMARY: The Council will discuss and consider a proposal to conduct a Feasibility Study in light of the proposed district split by the City of South Jordan.

FISCAL IMPACT: The proposed cost of the project will not exceed \$46,338 per the Scope of Work (see attached).

STAFF RECOMMENDATION: There is no recommendation of the staff regarding this proposal. However, if the Council desires to have a third party analysis of the fiscal impact to the citizens of West Jordan if a new school district is formed from within the boundaries of the Jordan School District, and if the Council desires to have this information prior to the August 5th deadline to place a question on the November ballot. This appears to be the only feasible way to accomplish this objective based on time and cost for a Sole Source Supplier.

MOTION RECOMMENDED: I move to authorize the Mayor to sign the contract with Lewis Young Robertson and Burningham to complete the School District Feasibility Study by August 1, 2014.

Prepared by:


Bryce Haderlie
Assistant City Manager

Reviewed and recommended by:


Robert Thorup
Deputy Attorney

Recommended by:


Richard L. Davis
City Manager

BACKGROUND DISCUSSION: The City Council is aware that South Jordan City is investigating the possibility of creating a separate school district from the Jordan School District.

Due to the implications of the Canyons School District creation in 2009, the Council has directed that a fiscal impact study be conducted before August 1, 2014. This assessment will aid the West Jordan City Council in determining what steps will be in the best interest of the citizens regarding a school district for the City.

In 2007, a similar study was conducted by Lewis Young Robertson and Burningham. A sole source supplier authorization is proposed due to the short time frame required to complete the study and consider the issue for the November 2014 ballot. Lewis Young Robertson and Burningham holds the proprietary information to start the study and complete it in less than one month in order to meet the ballot notice deadline of Aug. 5, 2014.

In addition, the Supplier maintains, and the City concludes that the proprietary data will not only save time, but expense to the City based on the proposed \$46,338.00 fee compared to the contract amount of \$66,057.00 (plus expenses) in 2007. During this agenda item, the Council will consider and decide whether to authorize the contract for this fiscal impact study.

THE CITY OF WEST JORDAN, UTAH
A Municipal Corporation

RESOLUTION NO. 14- *131*

A RESOLUTION approving and adopting an "Agreement for Professional Consulting Services" with Lewis , Young, Robertson & Burningham, Inc. for the production of a new school district feasibility study for the City

Whereas, the City Council has approval authority on significant agreements entered between the City and one or more third parties having budgetary impact; and

Whereas, the City Manager has proposed and Lewis Young *et al* have agreed to the terms of an "Agreement for Professional Consulting Services" with Lewis , Young, Robertson & Burningham, Inc. for the production of a new school district feasibility study for the City; and

Whereas, the City Manager endorses and recommends approval of the agreement,

NOW THEREFORE, IT IS RESOLVED BY THE CITY COUNCIL OF WEST JORDAN, UTAH:

Section 1. The "Agreement for Professional Consulting Services" with Lewis , Young, Robertson & Burningham, Inc. for the production of a new school district feasibility study for the City, in the form which is attached, be and is hereby adopted, approved and ratified.

Section 2. The Mayor is instructed and empowered to sign the Agreement and deliver it for and in behalf of the City

Section 3. This resolution shall take effect immediately.

Adopted by the City Council of the City of West Jordan, Utah this 9th day of July, 2014.

CITY OF WEST JORDAN

ATTEST:

By: _____
Mayor Kim V. Rolfe

Melanie Briggs, City Recorder

Voting by the City Council

"AYE"

"NAY"

Jeff Haaga

Judy Hansen

Chris McConnehey

Chad Nichols

Ben Southworth

Justin D. Stoker

Mayor Kim V. Rolfe

AGREEMENT FOR PROFESSIONAL CONSULTING SERVICES

City of West Jordan West Jordan School District Feasibility Study

THIS AGREEMENT, made this _____ day of July, 2014 between the City of West Jordan, a municipal corporation (hereinafter referred to as "City"), and Lewis Young Robertson & Burningham Inc. (LYRB), a Utah Corporation (hereinafter referred to as "Consultant").

WHEREAS, the City desires to obtain consulting services from Consultant, and Consultant desires to provide these services to City. City and Consultant, therefore, agree as follows:

1. **RETENTION AS CONSULTANT.** City hereby retains Consultant, and Consultant hereby accepts such engagement, to perform the services described in Paragraph 2 herein. Consultant warrants it has the qualifications, experience and facilities to properly perform these services.

2. **DESCRIPTION OF SERVICES.** The services to be performed by Consultant shall be as follows:

“School District Feasibility Study”,

The above services shall be performed in accordance with the “Scope of Work” as more fully set forth in the consultant’s School District Feasibility Study Proposal dated June 2014, which is attached to this Agreement and incorporated herein by this reference.

3. **COMPENSATION AND PAYMENT.** The total compensation payable to Consultant by City for the services described in Paragraph 2 shall be \$ 46,338.00.

All payments shall be made within thirty (30) calendar days after receipt of Consultant’s invoice. Invoices shall be made no more frequently than on a monthly basis, and shall describe work performed and progress completed.

4. **SERVICES BY THE CITY.** The City shall perform the following services:

(1) Promptly provide data and other relevant information needed by the Consultant;

(2) Promptly review Consultant’s work and provide Consultant with comments, if any, in a timely manner.

5. **PROGRESS AND COMPLETION.** Consultant shall commence work on the services to be performed upon execution of this Agreement. All services shall be completed within the time frames in the Proposal, and no later than August 1,

2014.

6. **OWNERSHIP OF DOCUMENTS.** All drawings, designs, data, photographs, reports and other documentation, including duplication of same prepared by Consultant in the performance of these services, shall become the property of City upon termination of the consulting services pursuant to this agreement and upon payment in full of all compensation then due Consultant. The City agrees to hold the Consultant harmless from all damages, claims, expenses and losses arising out of any reuse of the plans and specifications for purposes other than those described in this Agreement, unless written authorization of the Consultant is first obtained.

7. **PERSONAL SERVICES; NO ASSIGNMENT; SUBCONTRACTOR.** This Agreement is for professional services, which are personal services to the City. It is understood that LYRB is the primary and lead consultant performing the scope, and that Western Demographics will act as a sub consultant. This Agreement is not assignable by Consultant, without the City's prior consent in writing.

9. **HOLD HARMLESS AND INSURANCE.**

A. Indemnity.

Consultant shall defend, indemnify and hold the City, its elected officials, officers and employees, harmless from all claims, lawsuits, demands, judgments or liability including, but not limited to, general liability, automobile and professional errors and omissions liability, arising out of, directly or indirectly, the negligent acts, errors and omissions of the Consultant in performing the services described.

B. Insurance.

Consultant shall, at Consultant's sole cost and expense and throughout the term of this Agreement and any extensions thereof, carry:

- (1) workers compensation insurance adequate to protect Consultant from claims under workers compensation acts;
- (2) professional errors and omissions insurance in the amount not less than \$1,000,000; and
- (3) general personal injury and property damage liability insurance and automobile liability insurance with liability limits of not less than \$1,000,000 for each claimant and \$1,000,000 for each occurrence related to the injury or death of a person or persons and for property damage. The City, its officers and employees, shall be named as an additional insured.

All insurance policies shall be issued by a financially responsible company

or companies authorized to do business in the State of Utah which are carry a Moody's rating of not less than B+. Consultant shall provide City with copies of

certificates (on the City certificate form) for all policies reflecting the coverage, with an endorsement that they are not subject to cancellation without thirty (30) calendar days prior written notice to City.

10. **RELATIONSHIP OF THE PARTIES.** The relationship of the parties to this Agreement shall be that of independent contractor(s). In no event shall Consultant be considered an officer, agent, servant or employee of City. The Consultant shall be solely responsible for any worker's compensation, withholding taxes, unemployment insurance and any other employer obligations associated with the described work.

11. **STANDARD OF CARE.** Consultant services shall be performed in accordance with the skill and care ordinarily exercised by members of the same profession performing the same or similar services at the time Consultant's services are performed. Consultant shall, at Consultant's sole expense reperform any services not meeting this standard.

12. **CORRECTIONS.** In addition to the above indemnification obligations, the Consultant shall correct, at its expense, all errors in the work which may be disclosed during the City's review of the Consultant's report or plans. Should Consultant fail to make such correction in a reasonably timely manner, such correction shall be made by the City, and the cost thereof shall be charged to and paid by Consultant. "Errors in the work" as referred to above does not include and shall be in addition to, "redlines" or other standard corrections which are provided to Consultant by City.

13. **TERMINATION BY CITY.** Unless otherwise stated in the Special Terms and Conditions, this contract may be terminated, with cause by either party, in advance of the specified termination date, upon written notice being given by the other party. The party in violation will be given ten (10) working days after notification to correct and cease the violations, after which the contract may be terminated for cause. This contract may be terminated without cause, in advance of the specified expiration date, by either party, upon 30 days prior written notice being given the other party. On termination of this contract, all accounts and payments will be processed according to the financial arrangements set forth herein for approved services rendered to date of termination.

14. **ACCEPTANCE OF FINAL PAYMENT CONSTITUTES RELEASE.** The acceptance by Consultant of the final payment made under this Agreement shall operate as and be a release to City from all claims and liabilities for compensation to, or claimed by, Consultant for anything done, finished or relating to the Consultant's work or services. Acceptance of payment shall be any negotiation of the City's check.

However, approval or payment by the City shall not constitute nor be deemed a release of the responsibility and liability of Consultant, its employees, subcontractors, agents and consultants for the accuracy and/or competency of the information provided and/or work performed; nor shall such approval or payment be deemed to be an assumption of such responsibility or liability by the City for any defect or error in the work prepared by Consultant, its employees, subcontractors, agents or consultants.

15. **WAIVER; REMEDIES CUMULATIVE.** Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by the other party, irrespective of the length of time for which such failure continues, shall not constitute a waiver of such party's right to demand strict compliance by such other party in the future. No waiver by a party of a default or breach of the other party shall be effective or binding upon such party unless made in writing by such party, and no such waiver shall be implied from any omission by a party to take any action with respect to such default or breach. No express written waiver of a specified default or breach shall affect any other default or breach, or cover any other period of time, other than any default or breach and/or period of time specified. All of the remedies permitted or available to a party under this Agreement, or at law or in equity, shall be cumulative and alternative, and invocation of any such right or remedy shall not constitute a waiver or election of remedies with respect to any other permitted or available right or remedy.

16. **CONSTRUCTION OF LANGUAGE OF AGREEMENT.** The provisions of this Agreement shall be construed as a whole according to its common meaning and purpose of providing a public benefit and not strictly for or against any party. It shall be construed consistent with the provisions hereof, in order to achieve the objectives and purposes of the parties. Wherever required by the context, the singular shall include the plural and vice versa, and the masculine gender shall include the feminine or neutral genders or vice versa.

17. **MITIGATION OF DAMAGES.** In all situations arising out of this Agreement, the parties shall attempt to avoid and minimize the damages resulting from the conduct of the other party.

18. **RECORDS ADMINISTRATION.** The Consultant shall maintain, or supervise the maintenance of all records necessary to properly account for the payments made to the Consultant for costs authorized by this contract. These records shall be retained by the Consultant for at least four years after the contract terminates, or until all audits initiated within the four years, have been completed, whichever is later.

19. **GOVERNING LAW.** This Agreement, and the rights and obligations of the parties, shall be governed and interpreted in accordance with the laws of the State of Utah.

20. **CAPTIONS.** The captions or headings in the Agreement are for convenience only and in no other way define, limit or describe the scope or

intent of any provision or section of the Agreement.

21. **AUTHORIZATION.** Each party has expressly authorized the execution of this Agreement on its behalf and bind said party and its respective administrators, officers, directors, shareholders, divisions, subsidiaries, agents, employees, successors, assigns, principals, partners, joint ventures, insurance carriers and any others who may claim through it to this Agreement.

22. **REPRESENTATION REGARDING ETHICAL STANDARDS FOR CITY OFFICERS AND EMPLOYEES AND FORMER CITY OFFICERS AND EMPLOYEES.**

The Consultant represents that it has not: (a) provided an illegal gift or payoff to a city officer or employee or former city officer or employee, or his or her relative or business entity; (b) retained any person to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, other than as exempted in the City's Conflict of Interest ordinance; or (c) knowingly influenced (and hereby promises that it will not knowingly influence) a city officer or employee or former city officer or employee to breach any of the ethical standards set forth in the City's Conflict of Interest provisions, Title 1, Chapter 11, West Jordan 2009 City Code.

23. **EQUAL OPPORTUNITY CLAUSE.** The Consultant agrees to abide by the provisions of Title VI and VII of the Civil Rights Act of 1964 (42USC 2000e) which prohibits discrimination against any employee or applicant for employment or any applicant or recipient of services, on the basis of race, religion, color, or national origin; and further agrees to abide by Executive Order No. 11246, as amended, which prohibits discrimination on the basis of sex; 45 CFR 90 which prohibits discrimination on the basis of age; and Section 504 of the Rehabilitation Act of 1973, or the Americans with Disabilities Act of 1990 which prohibits discrimination on the basis of disabilities. Also, the Consultant agrees to abide by Utah's Executive Order, dated June 30, 1989, which prohibits sexual harassment in the work place.

24. **ENTIRE AGREEMENT BETWEEN PARTIES.** Except for Consultant's proposals and submitted representations for obtaining this Agreement, this Agreement supersedes any other agreements, either oral or in writing, between the parties hereto with respect to the rendering of services, and contains all of the covenants and agreements between the parties with respect to said services. Any modifications of this Agreement will be effective only if it is in writing and signed by the party to be charged.

25. **PARTIAL INVALIDITY.** If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

26. **NOTICES.** Any notice required to be given hereunder shall be deemed to have been given by depositing said notice in this United States mail, postage prepaid, or by facsimile with proof of transmission, and addressed as follows:

TO CITY: CITY OF WEST JORDAN
Bryce Haderlie, Assistant City Manager
8000 South Redwood Road
West Jordan, Utah 84088
Facsimile #: (801) 565-8978

With a copy to the City Attorney
Jeffrey Robinson, City Attorney
8000 South Redwood Road, 2nd, Floor
West Jordan, Utah 84088
Facsimile #: (801) 569-5149

TO CONSULTANT: LEWIS YOUNG ROBERTSON BURNINGHAM
Scott Robertson
41 North Rio Grande, Suite 101
Salt Lake City, Utah 84101

23. **ADDITIONAL TERMS/CONDITIONS.** Additional terms and conditions of this agreement are:

NONE

In concurrence and witness whereof, this Agreement has been executed by the parties effective on the date and year first above written.

CITY OF WEST JORDAN

ATTEST:

Mayor Kim V. Rolfe

Melanie S. Briggs, City Recorder

CONSULTANT

By: _____

Its: -----

STATE OF UTAH)

:SS

COUNTY OF SALT LAKE)

On this _____ day of July, 2014, personally appeared before me, _____
_____, who being by me duly sworn did say that
he/she is the _____ of
_____, a
_____ corporation, and that the foregoing instrument was signed in
behalf of said corporation by authority of its Board of Directors, and he/she
acknowledged to me that said corporation executed the same.

NOTARY PUBLIC

My Commission Expires:

Residing in Salt Lake County, Utah

SCHOOL DISTRICT FEASIBILITY STUDY SCOPE OF WORK

WEST JORDAN, UTAH

JUNE 2014



LEWIS YOUNG
ROBERTSON & BURNINGHAM, INC.

GATEWAY PLAZA BUILDING - 41 N. RIO GRANDE, STE 101 - SALT LAKE CITY, UT 84101
(P) 801-596-0700 - (TF) 800-581-1100 - (F) 801-596-2800 - WWW.LEWISYOUNG.COM



SCHOOL DISTRICT CREATION

A city with a population of at least 50,000, as determined by the lieutenant governor using the process described in Subsection 67-1a-2(3), may, by majority vote of the legislative body, submit for voter approval a measure to create a new school district with boundaries contiguous with that city's boundaries. However, a feasibility study is required to determine the impacts of such an action.

This feasibility study is a requirement of Utah Code section 53A-2-118.1. The determination of all matters relating to the scope, adequacy, and other aspects of a feasibility study under the statute is within the exclusive discretion of the city's legislative body.

The creation of the new school district occurs by majority vote of the electors within the proposed new school district boundaries.¹

This report serves as an advisory report for the benefit of the participating city, the school district, and the public. However, it is not intended to be binding upon the parties involved nor does it assume to address all of the potential outcomes that could occur as result of a district division. It outlines projections based on reasonable assumptions and available data offered by Jordan School District (JSD), the participating city, Salt Lake County and other sources.

REPORT METHODOLOGY

This study will be neutral and objective in every respect and will address the following issues:

1. Enrollment and School Boundary Analysis
2. Comparison of Reported Test Scores
3. Evaluation of Special Programs
4. Taxable Value Analysis
5. General Fund Budget Analysis
6. Capital Facilities Analysis
7. Debt and Bonding Analysis
8. Tax Burden Analysis

LYRB will analyze the creation of a new West Jordan school district (contiguous with the existing municipal boundaries) and the impacts on the remaining JSD, compared to the current status of remaining in the JSD.

The following paragraphs address the proposed scope of work to be completed by LYRB. The proposed scope is conditioned upon the availability of necessary data from the City and the School District. To date in working on a similar study, the School District has been cooperative and we expect that they will strive to provide necessary data in a timely fashion.

¹ Utah Code Section 53A-2-118(5)(a)(1)



ENROLLMENT AND SCHOOL BOUNDARY ANALYSIS

Enrollment information will be collected from JSD in the form of a “headless database”. The database is a compilation of the most current total student enrollment throughout the district by address, attending school, and city of residence. For purposes of projections and maintaining consistency with JSD, LYRB will use enrollment projections provided by JSD.

LYRB will analyze each scenario based on the total students living in the geographic boundaries of the proposed districts.

Proposed Enrollment and Boundary Analysis Scope:

- ☐ Determination of any school boundary issues (i.e. existing boundaries that may extend outside of West Jordan City limits for schools located within the City or other boundary realignment issues);
- ☐ Determination of number of West Jordan students currently attending school outside of the City;
- ☐ Determination of students living outside of West Jordan currently attending schools within the City limits;
- ☐ Identification of demographic trends (i.e. low income students, minority populations, etc.) within the existing and proposed new school district;
- ☐ Review of current district enrollment projections; and,
- ☐ Review potential impacts of charter schools on enrollment within the existing and proposed new school district.

EVALUATION OF EDUCATION EQUALITY AND EXISTING PROGRAMS

LYRB will analyze programs currently offered by the JSD by school location and District-wide. LYRB will evaluate the likelihood that these programs could be offered under the proposed scenarios, based on input from the District. LYRB will evaluate the available revenues per pupil under each proposed scenario to determine the likelihood that special programs could be maintained.

Proposed Test Score Analysis Scope:

- ☐ Optional: Select sub-consultant to evaluate special programs and education equality;
- ☐ Optional: Assist sub-consultant in the evaluation of special programs and education equality issues;
- ☐ Comparison of special programs and facilities available within the existing District;
- ☐ Comparison of per pupil revenues for each proposed scenario; and
- ☐ Evaluation of the continuation of special programs within the proposed scenarios.

TAXABLE VALUE ANALYSIS

The taxable value analysis is fundamental to projections of future financial impact on the new districts and the division of assets and liabilities, including debt. Taxable value forms the basis for not only local revenues but also the ability of a district to bond for capital infrastructure. Section **53A-2-105**, Subsection (3) establishes the process for the transfer of school indebtedness.

Based on legislative requirements established in section **53A-2-105**, LYRB will evaluate the current and future assessed property values in each proposed scenario.

The figures developed by the consultants will also include an analysis of potential boundary inconsistencies within each scenario and the risk of school closures.

Proposed Taxable Value Analysis Scope:

- ☐ Evaluation of existing RDA adjusted values as reported to the County Auditor and Assessor;
- ☐ Evaluation of State assessed property;
- ☐ Provide taxable value to enrollment ratios of the proposed scenarios as well as to other school districts as a benchmark comparison and to forecast taxable value growth;
- ☐ Forecast new growth within the proposed scenarios to determine impacts on revenue; and
- ☐ Evaluate historic property tax collections to project future revenues.



GENERAL FUND BUDGET ANALYSIS

The General Fund is comprised of three major revenue sources: local, state and federal. The majority of state funding is allocated through the minimum school program and is based on the total Weighted Pupil Units (WPU) of each district. Federal funding has traditionally followed the student. Thus, LYRB will equalize federal funding based on a per pupil value for each district. The following represent the sources of local revenues that LYRB will evaluate:

Thirteen Sources of Local Revenues	
Local property taxes that are used for General Fund expenditures:	
	Basic Levy
	Voted Leeway
	Board Leeway
The taxes used for capital outlay, debt service, and limited supplies and textbooks include:	
	Capital Outlay
	Debt Service
Other taxes a district may levy include:	
	Judgment Recovery

For expenditures, LYRB will evaluate historic growth rates and analyze each expenditure function to determine any duplicate expenditures if a division occurs. Duplicate expenditures could occur due to increased administrative staffing needs, increased or duplicate utility costs, or the need to hire additional teachers to maintain the existing level of service.

Proposed General Fund Analysis Scope:

- ☐ Forecasted Local Revenues based on projected taxable value and the available local tax levies;
- ☐ Forecasted State revenues through basic school program funding;
- ☐ Weighted Pupil Unit ("WPU") analysis for basic state funding;
- ☐ Determination of Voter and Board Leeway programs, including state support of these programs;
- ☐ Determination of funding from the Capital Outlay and Debt Service levy;
- ☐ Reliance on other state-supported programs;
- ☐ Identification of funding needs for transportation, recreation and other programs;
- ☐ Costs associated with the leasing and/or construction of a new administration building, and other buildings, including associated FF&E;
- ☐ Evaluation of all startup costs, including but not limited to: administration buildings; other buildings; transportation facilities; buses; legal fees; consultants including education, finance and telecommunications; telecommunications systems; and FF&E costs;
- ☐ Evaluation of additional operation costs associated with the creation of a new school district;
- ☐ Evaluation of staffing needs;
- ☐ Evaluation of revenue sources, including one-time revenues from division of assets with JSD;
- ☐ Evaluation of timing of revenue sources in comparison to expenditure needs; and
- ☐ Evaluation of temporary financing sources.

CAPITAL FACILITIES ANALYSIS

The General Fund does not account for expenditures relating to potential start-up costs of the new districts or the need for additional facilities to meet the growing student population. To determine the feasibility of a new West Jordan district, LYRB will evaluate the potential start-up costs associated with the creation of a new district, as well as to address the capital facility projections of JSD and how these expenses would be apportioned to each district.

LYRB will determine the revenue neutral capital outlay tax rates for each district to determine the local revenues associated with the Capital Projects Fund. In addition, the Capital Projects Fund is supplemented through state support programs regarding enrollment growth and capital facility assistance. LYRB will utilize state formulas and legislation to determine the projected state support revenues for each of these programs, as well as any earnings on investments for



this fund. Expenditures will be calculated based on a comparison of existing capital expenditure projections, historic growth rates, and five-year average expenditures.

Our scope of services includes only a review of remodeling and future facility needs as identified by JSD. It does not include a re-assessment of capital remodeling needs or future facility needs, other than a review of proposed additional start-up costs and for additional schools that may be needed due to redrawing of district boundaries.

Division of Physical Assets – Regarding the division of physical assets, LYRB will utilize the methods established during the creation of the Canyons School District based on the guidelines of Utah law.

Shared Assets -- Working with the committee, we will compile a list of all assets that could potentially be shared between the two districts. We will compare and contrast the costs of operating these facilities separately and together. We will also consider the level of disruption that would occur to various programs from creating separate facilities, as well as projected capacity levels for these programs in the future.

Proposed Capital Facilities Analysis Scope:

- ☐ Review capital remodeling needs and costs, based on information provided by JSD;
- ☐ Identify new capital facility needs due to new school district boundaries;
- ☐ Review future facility needs based on information provided by JSD;
- ☐ Evaluate the division of physical assets, given the vague guidelines in Utah law; and
- ☐ Explore the potential for sharing facilities with other neighboring districts.

DEBT AND BONDING ANALYSIS

Debt service levels will depend on the amount of existing debt transferred to the new district, as well as the need for additional facilities that will need to be financed through future bonding. It is anticipated that currently outstanding debt will be transferred based on taxable value; therefore, existing debt service levels should remain fairly constant in the near term. However, as growth occurs and as the ratio of taxable value changes between communities in the future, there will be questions to be addressed concerning changing tax rates.

The need for future debt will depend on the division of capital assets at the time that the district is split, the need for additional facilities such as administration buildings, tech centers, bus garages, etc., and the extent to which facilities can be shared. Surplus school property will also need to be considered, as it can be sold for amounts that provide funding toward new facilities.

Proposed Debt and Bonding Analysis Scope:

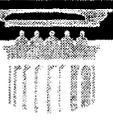
- ☐ Evaluate existing outstanding bonds and the ability of new and remaining districts to incur debt;
- ☐ Apportionment of existing debt between districts;
- ☐ Determine extent of assets transferred to the new district (53A-2-103);
- ☐ Determine the amount of debt transferred to the new district (53A-2-105);
- ☐ Determine any surplus school property;
- ☐ Evaluate the anticipated need for additional capital facilities, including administrative facilities; and,
- ☐ Evaluate the current and future utilization of transferred facilities.

TAX BURDEN ANALYSIS

Our approach will focus on results that are specific and answer the questions that need to be addressed, one of which is, "How will this affect my pocketbook?" LYRB will evaluate the tax impacts on the proposed new school district residents, as well as the remaining school district residents. As a summary, LYRB will combined each fund discussed in this analysis (general fund, capital outlay fund and debt service fund) into a comprehensive table and determine the tax impact per a typical primary residential home.

Proposed Tax Burden Analysis Scope:

- ☐ Calculation of the certified tax rates for each scenario, including debt service and capital outlay funds;
- ☐ Clear and concise summary of tax impacts on property owners for each scenario, with sensitivity analysis for varying levels of service, levels of debt, etc.

**WORK SESSIONS, COUNCIL PRESENTATION AND FINAL REPORT**

LYRB proposes two work sessions with the City Council and staff, a final presentation to Council and will deliver a completed final report detailing all assumptions, recommendations and outcomes. Additional meetings beyond the proposed will be charged on an hourly basis based on the approval of the City.

FEE SCHEDULE

The fee schedule below includes an evaluation of educational quality through a review of test scores and programs. In past engagements, LYRB has teamed with other consultants to assess detailed impacts to special programs. If West Jordan City desires to further analyze the impacts to educational quality or equality, the scope of work would need to be adjusted and fees expanded accordingly from those shown in the table below. Fees in the following table are based on the proposed scope only and include only LYRB's time for the coordination and assistance in the evaluation of education equality. The proposed fee also accounts for an expedited timeframe if the City opts to allow for a vote on the school district creation at the next general election.

Task	Description	Hours				Fee Per Task
Task 1	Kick Off Meeting and Project Facilitation	2.00	-	6.00	-	\$1,400
Task 2	Enrollment and Boundary Analysis	1.00	-	15.00	4.00	\$2,900
Task 3	Evaluation of Special Programs	1.00	-	6.00	6.00	\$1,750
Task 4	Taxable Value Analysis	1.00	2.00	15.00	10.00	\$3,860
Task 5	General Fund Budget Analysis	2.00	2.00	25.00	15.00	\$6,110
Task 6	Capital Facilities Analysis	2.00	-	25.00	10.00	\$5,250
Task 7	Debt and Bonding Analysis	5.00	1.00	15.00	15.00	\$5,180
Task 8	Tax Burden Analysis	1.00	1.00	10.00	3.00	\$2,230
Task 9	Work Sessions with Council	6.00	-	10.00	8.00	\$3,800
Task 10	Draft Preliminary Feasibility Study	3.00	-	8.00	10.00	\$2,950
Task 11	Final Written Feasibility Report & City Council Presentation	3.00	-	6.00	5.00	\$2,150
	Sub-totals	27.00	6.00	141.00	86.00	\$37,580
	Contingency (10%)					\$3,758
	Total					\$41,338
Optional: Education Equality	Select and Assist Sub-Consultant Evaluate Special Programs and Education Equality					\$5,000
	Total: With Optional Tasks					\$46,338

PROPOSED COMPLETION

LYRB will complete the proposed scope of services without optional tasks by August 1, 2014 assuming (i) that we are retained to start within the next few working days; (ii) that the necessary information is readily available; and, (iii) that district staff is accessible and cooperative in providing information as well as to respond in a timely fashion to clarifying questions. Should this become an issue, LYRB will communicate such to West Jordan City staff to seek a timely resolution.

If the City chooses to evaluate education equality issues, LYRB will work with the City to determine the appropriate timeline, with an estimated completion date of December 2014. The additional time is to allow LYRB to select a sub-consultant for the analysis of educational equality, allow for the completion of the additional scope and to allow for additional coordination with the City.