

Public Bond Hearing (Tuesday, October 28, 2014)

Generated by Shelley R Shelton on Wednesday, October 29, 2014

Members present

Michelle Kaufusi, Julie Rash, McKay Jensen, Marsha Judkins, Taz Murray, Jim Pettersson, Shannon Poulsen

Staff present

Keith Rittel, Superintendent; Ray Morgan, Asst. Superintendent; Stefanie Bryant, Business Administrator; Gary Wall, Executive Director of Human Resources; Gary Wilson, Executive Director of Student Services; Alex Judd, Director of Elementary Education; Shelley Shelton, Executive Assistant

Meeting called to order at 6:05 PM

A. 6:00 p.m. Bond Hearing

2. Roll Call

3. Pledge of Allegiance: Board Member McKay Jensen

4. Argument in Favor of the Bond Election (Pursuant to HB 379)

Vice President Julie Rash read the following "Pro" statement as required by law.

Reasons to Vote "Yes" on the Bond Initiative:

1. This Bond measure is the culmination of a very thorough, inclusive process.
 - A Facilities Advisory Committee (FAC) was formed in February 2013, with representatives from each of our 13 elementary school boundaries.
 - After thoroughly evaluating each building, architectural and engineering experts provided a comprehensive report to the FAC.
 - Enrollment trends in the district and population projections were also studied.
 - The FAC identified nearly \$200M in facility needs. Out of consideration for the taxpayers, they recommended addressing only the most critical of those needs this bond cycle.

- Seeking to include as many citizens as possible in this decision making process, the board took an initial proposal to the public. Public meetings along with an independent survey of local residents indicated overwhelmingly positive support, which resulted in board approval of this bond initiative.
 - This community-wide effort will result in community-wide benefits, including increased property values and stronger neighborhoods.
2. These schools are 50-65 years old. They are outdated and have reached the end of their intended life spans.
- Current seismic codes indicate that these schools are in need of immediate replacement.
 - We are unable to adequately address current security issues in schools constructed in a different era.
 - These schools are unable to take full advantage of technology advances available today.
3. State funding for capital needs does not allow the district to save sufficient funds to rebuild schools.
- Bonding is the mechanism used to finance large expenditures that fall outside of typical operating expenses.
 - Bonding for schools is similar to an individual taking out a mortgage to buy a house. Inflation generally outpaces savings rates, making it unrealistic to save for such large expenditures.
4. Provo City School District has a strong record of fiscal responsibility.
- Finance office has earned awards for the last 11 years in recognition of outstanding financial reporting and transparency from nationally recognized government organizations.
 - Bond rating of Aa2, an improvement over A1 in 2004.
 - 2012-2013: 1% of budget savings (mainly from district office reductions) were directed to teacher compensation, technology, and curriculum.
 - After passage of this bond, Provo taxation rates will remain below neighboring districts of Alpine and Nebo.
 - Bonds will be issued in phases to coincide with retiring bonds to avoid tax spikes.
 - All planning estimates are very cautious. Interest rates have been calculated above what's expected to be the worst-case scenarios, so the only surprises generated for taxpayers are good ones.
5. The School Board passed a resolution committing to responsible and transparent use of these bond funds.
- Renovation/maintenance over the next ten years generally exceeds the cost of rebuilding these schools.
 - All options for design/materials/construction methods will be considered.
 - Standardized architectural designs will minimize design costs.
 - Materials will be consistent for all buildings and purchased in bulk to maximize savings.
 - Bond expenditures will be published regularly on the district website.
 - A 50-year facilities plan is in its final stage of development.

Please vote YES for the Provo City School District school reconstruction bond!

5. Bond Hearing & Public Input

Patrons were each given three minutes to address the board:

Jennifer Partridge, 1301 Cinnamon Ridge Cir., Provo - Parent, City PTA President, Facilities Advisory Committee (FAC) Chair

Our schools selected to be rebuilt are important to students, teachers and the entire community. Referring to recent statements from people asserting the board had not listened to all of the recommendations made by the FAC, Ms. Partridge stressed the board had indeed listened to and considered all options presented by the FAC. On behalf of the committee, she expressed gratitude that the board had followed their strong recommendation to "go big" in order to address the most critical facility needs. Seeking \$108 million and rebuilding five schools including Provo High is doing exactly that. The board has the full support of the FAC, and from what she can determine, widespread community support.

Addressing the question she hears often about the need to bond, Ms. Partridge explained the district is required by law to bond to pay for schools rather than to attempt to save the money. Because of that law, the board and bond committees have been very involved and transparent throughout the two-year process. The plan is very thorough, the board has considered every angle and has created a list that board members would be accountable for, specifying exactly what the money would be used for.

Ms. Partridge thanked the board for joining with the Citizens' Committee in 17 different school bond information night presentations. She is hopeful the community will recognize the level of transparency the board is committed to. The committees will work hard this week to get out the vote.

Darryl Root, 715 E 200 S, Provo - Parent

Speaking in support of the bond, Mr Root explained he is the parent of a Provo Peaks Elementary student (Provo Peaks was rebuilt on the old Farrer Elementary site in 2011). When he first enrolled his child at Farrer, students, teachers and parents had to navigate around numerous buckets placed in the hallways to catch dripping water from the leaking roof. Students wore jackets in some classrooms during winter months because of the cold temperatures while at the same time students in an adjoining classroom shed extra layers of clothing because of the heat.

Mr. Root expressed appreciation for the new school and the benefit it is to the neighborhood, citing the rise not only in student test scores, but in home sales and property values. Students are proud and excited to come to school, and many ESL parents now come to the school to learn English.

Jim Hathorne, 3587 N 290 E, Provo - Patron

Mr. Hathorne indicated while his children are grown and no longer in the school system, he "100% supports the bond." There will be a monthly \$120 tax impact for him due to rental properties he owns, but he feels he will be benefited by the increased property values as the new schools are built. As a real estate broker and developer, he routinely answers questions from prospective home buyers ask about 1) qualifying financially for a home, 2) crime in the neighborhoods and 3) the quality of the neighborhood schools and the school district. While prospective renters won't own the home, they ask the exact same questions. He's particularly happy that he can respond positively about the quality of the schools.

Increased home maintenance due to age means less income for owners. What the board is doing for the school district is exactly what homeowners often do when their homes get so old they're too expensive to maintain and it makes no financial sense to keep them.

Karen Brown, 732 Skylark Dr., Spanish Fork - Provo High Principal

Ms. Brown thanked the board for undertaking such a large effort, "a brave move for a school board to take," in considering the students in the district and their needs. She's watched what has happened in neighborhoods during her 30+ years in the district when new schools have been built. Students and parents alike have a dramatic increase in pride in their school.

The custodial staff at Provo High school has done a great job of making the school look beautiful. The exterior looks well maintained, but the many issues at PHS include cracked walls that in some cases can be seen through, doors that won't close because of settling and 70 outside entrances that create a major security concern.

There was no additional public input. President Michelle Kaufusi thanked all who had attended the meeting and those who had offered their comments.

B. Adjourn

1. Motion to Adjourn

I move we adjourn the study session.

Motion by Marsha Judkins, second by McKay Jensen.

Final Resolution: Motion Carries

Aye: Michelle Kaufusi, Julie Rash, McKay Jensen, Marsha Judkins, Taz Murray, Jim Pettersson, Shannon Poulsen

The bond hearing was adjourned at 6:26 p.m.