

2004 School Improvement Bond Scottsdale Unified School District



Materials contained in this informational document are from the Governing Board's resolution to place the matter to a vote of the people on the November 2, 2004 general election, from the voter information pamphlet to be mailed to registered voters by the county, and from the district's facilities master plan as presented to the Governing Board on multiple occasions.

2004 School Improvement Bond Summary

Authorization through a voter approved bond election is needed to fund the first phase of the school district's facilities master plan, which will modernize the four older high schools, bringing campuses into compliance with current life/safety building code requirements, increasing safety and security, improving energy efficiency, reducing facility operating and maintenance costs, improving parking and traffic flow, and providing facilities adequate to support quality educational programs for our students.

The bond will provide funding to bring all of the high school facilities up to current standards, and will provide equity among the high schools across the district.

Many of the older high school facilities are substandard. They have serious structural, electrical, and mechanical deficiencies and are worn out. At the high school level, facilities have a major impact on the type and quality of educational programs that can be offered. High school enrollments are growing in all areas of the school district. Improving the high schools will benefit the greatest number of Scottsdale students already attending our schools. The resulting reduction in ongoing facility repair, maintenance, and operating expenses at the high schools will benefit all students across the district.

In addition, the bond will allow construction of the second phase of Sierra Vista Academy, which houses the district's alternative education program. This addition will enable the school to provide educational programs and services necessary to meet student needs.

The bond will also fund the replacement of old buses that are worn out and past their useful life with new buses that are safer, more fuel efficient, cleaner burning, less costly to maintain, and air-conditioned.

Where practical, the bond will fund land purchases to expand undersized high school sites to meet Title IX requirements for equity between girls and boys programs and to improve access and traffic flow for increased safety and efficiency.

Scottsdale Unified School District has applied for and put to good use all state funds for which it qualifies. The state's minimum school facilities standards are not adequate to support all of the educational programs and opportunities the school district provides its students and the community. State funds were never intended to meet all school facilities needs and the legislature created a funding method through Class B bonds to permit school districts to fund these needs locally. The bond is needed to fund improvements that the state does not fund.

Scottsdale Unified School District is grateful for the time, talent, and hard work provided by the community action committee, which represented all areas of the district, and included city officials and facility professionals, as well as educators and parents. The committee oversaw the development of the school district's facilities master plan through a very public process, which involved several hundred members of the community in a series of public dialogues. Through the community process, modernization of the existing high schools surfaced as the highest priority.

The total cost of the bond projects will not exceed \$217,000,000. With this authorization, the school district will have adequate funding to meet the community's priorities for modernizing the existing high schools and the needs of the students.

How the Bond Will Benefit the High Schools

- Increase student safety and security.
- Improve traffic circulation and parking.
- Eliminate existing building/life safety code violations.
- Comply with ADA accessibility standards.
- Comply with Title IX equal opportunity requirements.
- Accommodate changing student enrollments.
- Improve the quality of learning environments for student achievement.
- Provide facilities that fully support rather than limit the educational programs offered to students.
- Increase energy efficiency and lower operating and maintenance costs by 25 to 30 percent saving about \$1,040,000 per year in operational funds that can be redirected to educational purposes.
- Reduce ongoing facility repair costs avoiding about \$92,000,000 in additional capital expenditures over the next 10 years.
- Extend the life and lower life-cycle cost of the school facilities.
- Provide equity and equal opportunity across the District



How the Bond Will Benefit Student Transportation

- Sixty-three new buses will be purchased to replace about one-third of the existing fleet, which has passed its useful life
- After the purchase, all buses in the fleet will be less than 10 years old
- Newer buses have improved safety features
- Improved visibility to the driver who is able to see the children
- Improved reliability with fewer breakdowns
- Greatly improved fuel efficiency
- Cost savings from lower cost of maintaining and operating buses
- All buses will be air-conditioned
- Lower emissions will improve air quality
- Catch-up purchases made through the bond will allow ten-year bus replacement schedule to work effectively



High School Modernization Plans

The District's facility standards provide the benchmark for facility programming, providing a consistent standard against which all existing facilities were compared to identify needs. A complete program with specific space requirements for each high school was developed as an integral part of the facilities master planning process.

Several options were developed for each of the four older high schools. The best two or three options for each campus were presented to school staff, parents, students, and community members along with the estimated costs and the attributes of each plan. The final selection was made based on the preferences of the school community indicated through more than 2000 written surveys.

The conceptual plans are based on the program developed for each high school. The required number and size of educational and support spaces are reflected in the plans. The District's facilities standards are adjusted to provide the correct number of classrooms and size of support areas for each school.

Each of the high school plans includes a combination of new and renovated facilities to best achieve the master plan objectives and to meet the community's priorities. On the older campuses, replacement of existing facilities with new construction has been found to be the more cost effective approach with less disruption to students and staff, and yielding a far superior end result.

Plans for all of the high schools include safer traffic circulation including bus loading zone, visitor, staff and student parking, parent drop-off area, and pedestrian access. Site elements also include improved parking, increased security and safety.

Energy efficiency will include natural day-lighting (which, in addition to saving electrical utility costs, has been demonstrated to have a strong correlation to higher student achievement), highly efficient mechanical systems, thermal storage, shading, building orientation, insulation, solar technologies, modern electric lighting technology (such as stadium lighting that produces safer levels of light on the field with less glare and light spillover and for a much reduced cost over the lights currently in use), insulated dual pane windows, and room occupancy sensors.

Water conservation will include modern irrigation technology that senses moisture to avoid watering when it is not needed and automatically turns off sprinklers in the event of a broken pipe or sprinkler head, and new water free urinals that save an estimated 40,000 gallons of water per year each, and are less expensive to service and maintain.

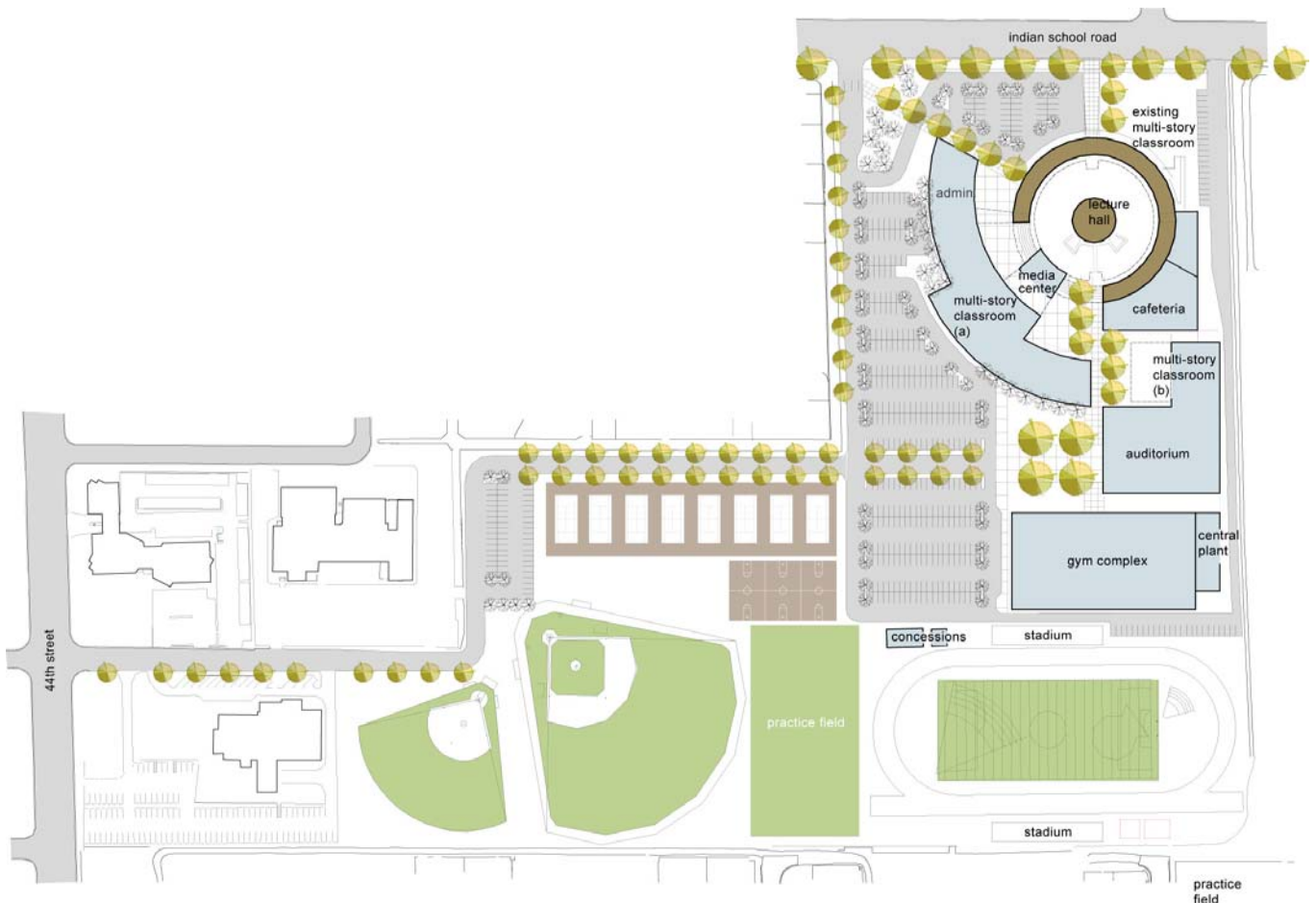
Low cost maintenance items will include durable materials and finishes in high use areas and quality construction for longer life and lower total life-cycle cost. Examples include masonry and steel construction, impact resistant drywall, non-fading and cleanable paints, vinyl-backed carpeting, damage-resistant long-lasting roofing materials, and heavy-duty vandal-resistant hardware and fixtures.



Arcadia High School Proposed Modernization

The community expressed a preference for a plan that would maintain the historical "Circle Building" character of the campus in approximately the same location as the existing buildings. In the proposed plan, most of the existing buildings are replaced with new facilities constructed in the proximity of the existing buildings.

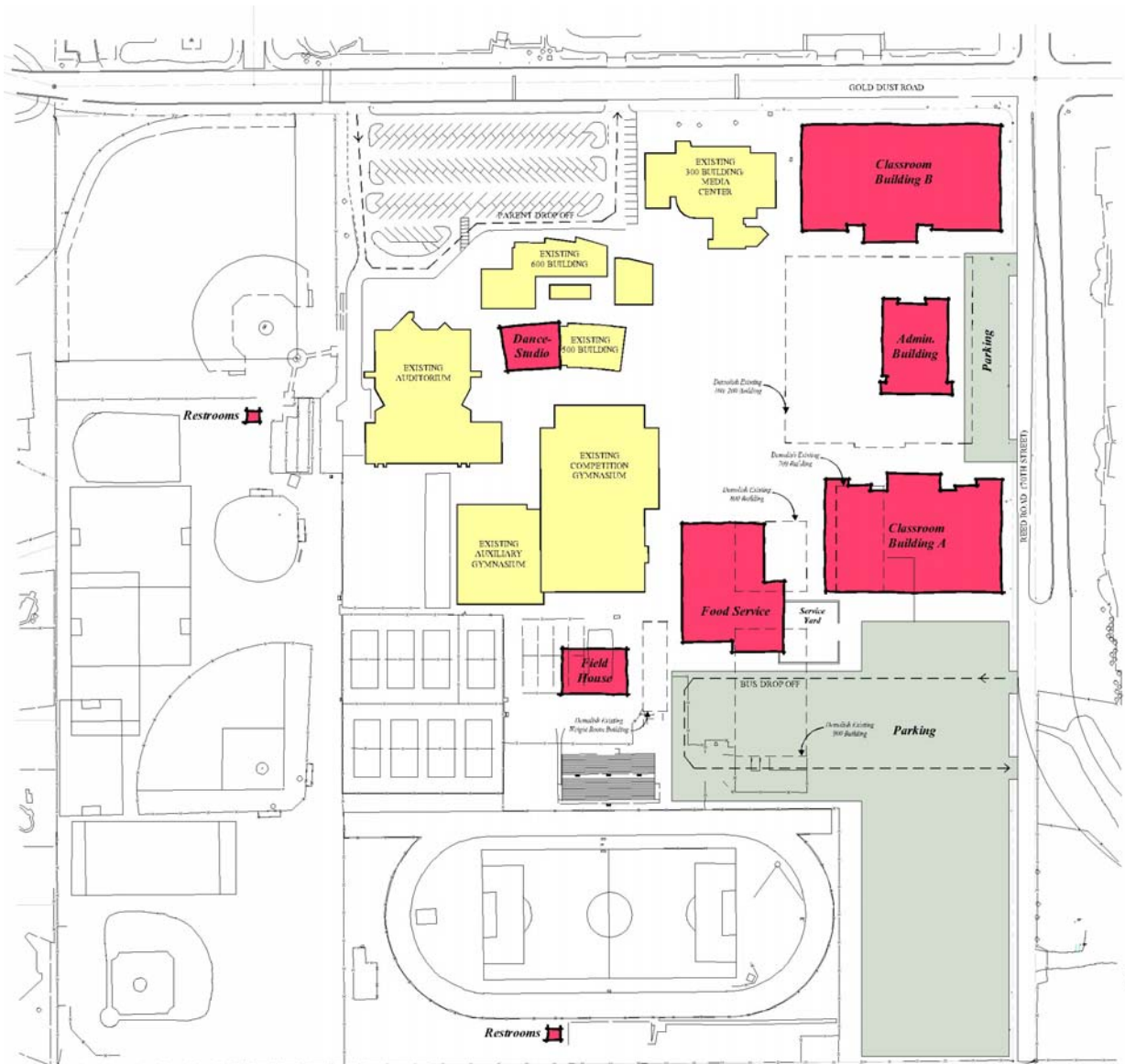
Work will be performed in phases so that one building or area of the campus will be under construction at a time. Once a new building is complete, the school will occupy the new space and free up a different building for the next phase.



Chaparral High School

Major work at Chaparral will consist primarily of the replacement of old modular buildings with permanent construction and the replacement of the main classroom building. Existing buildings including the auditorium, gymnasiums, media center, and performing arts will be renovated as needed.

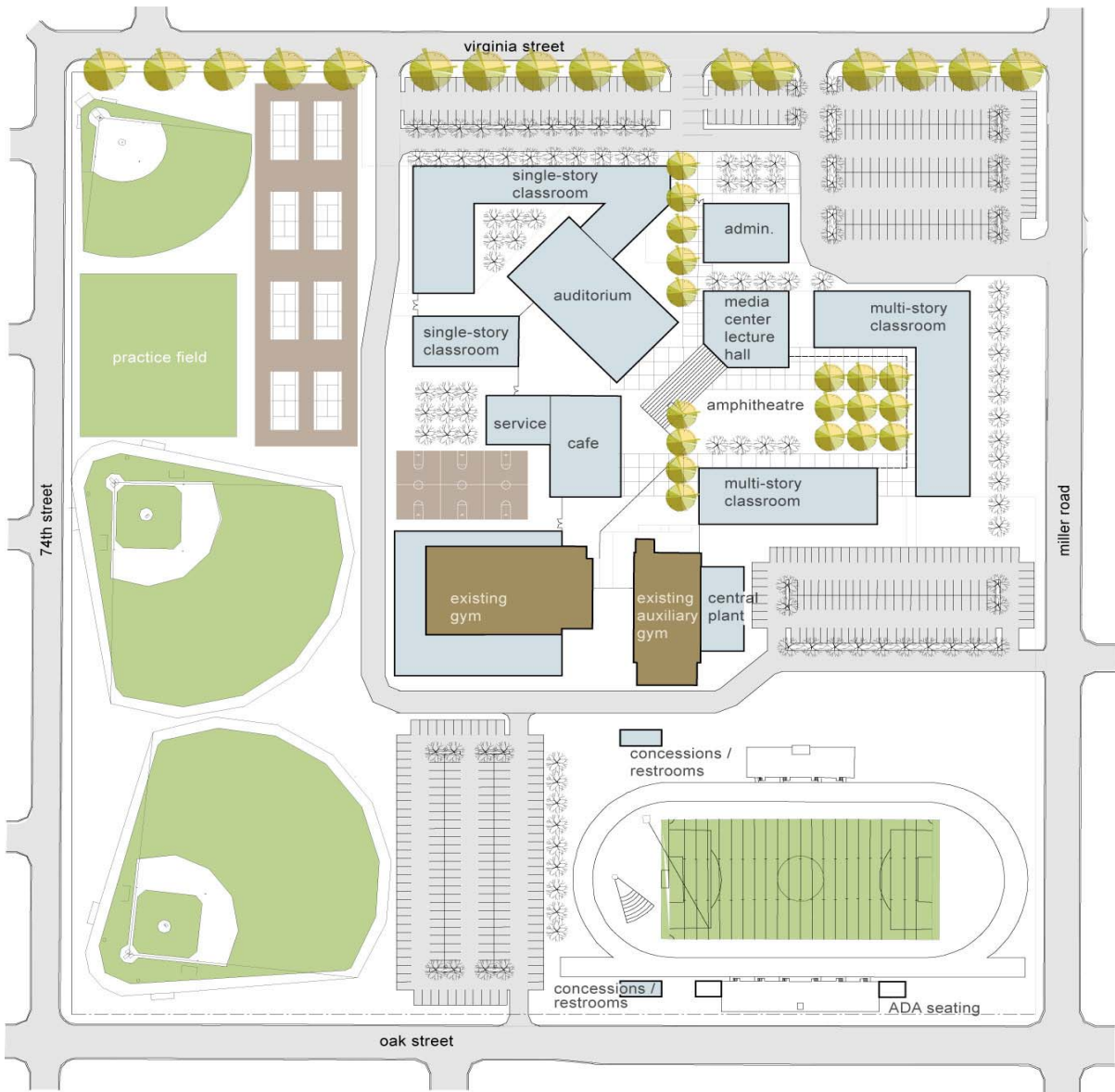
Construction work will be performed in multiple phases to accommodate the school's primary function. The existing main classrooms building will remain in use until the new buildings are ready for occupancy.



Coronado High School

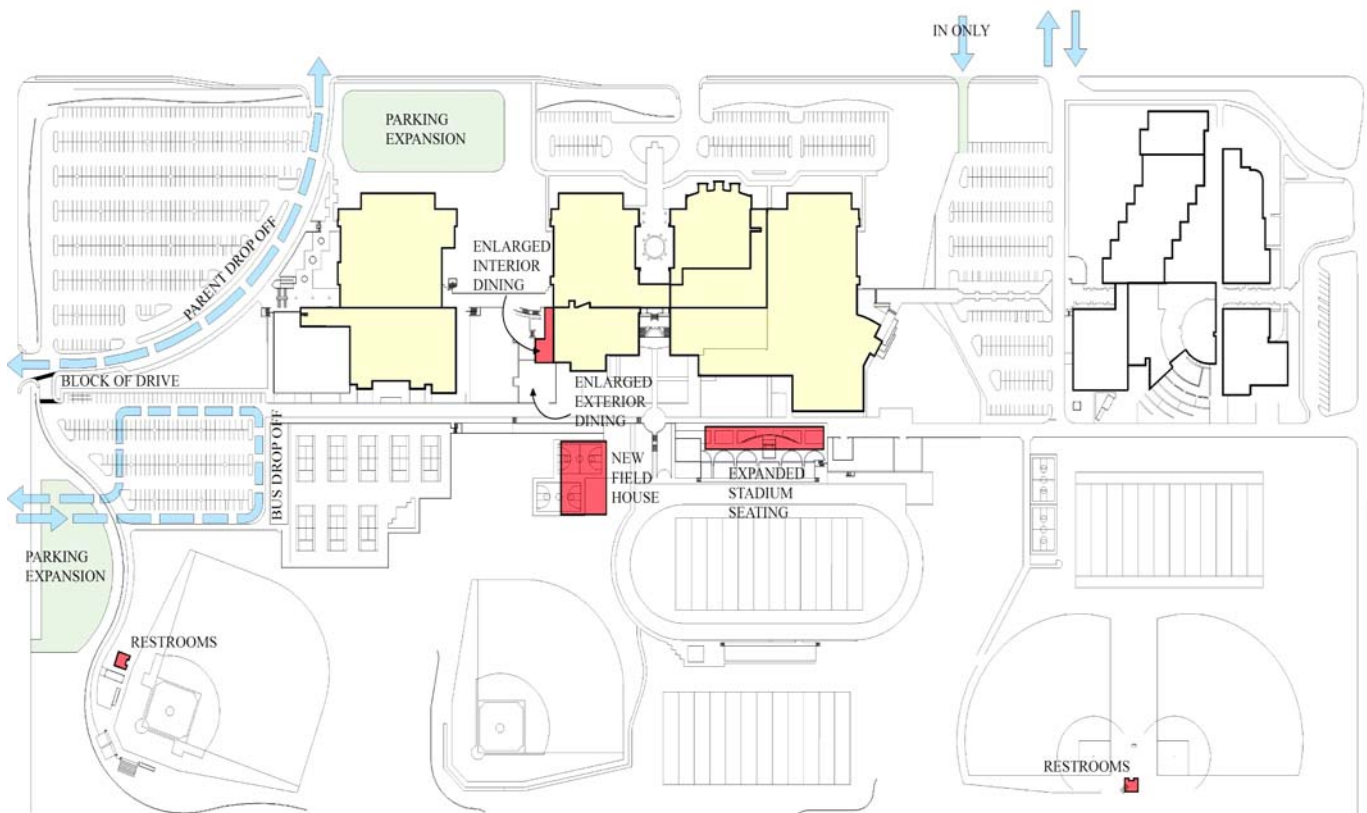
Due to the poor condition of existing structures, most of the existing buildings at Coronado will be replaced. The tile mural on the wall of the existing auditorium will be relocated as part of the project. The existing gymnasiums will remain and be renovated as needed.

New classroom buildings will be constructed in the area of the baseball fields. Once the new buildings are occupied, the old buildings will be demolished and new athletic fields will be constructed.



Desert Mountain High School

The scope of work at Desert Mountain High School is much smaller and simpler than at the other schools. It is none-the-less important to improve safety and security, reduce utility bills and other operating costs, and to achieve equity. A major element of work needed at Desert Mountain includes separating the shared public/school library from the central plant air conditioning that runs both the entire high school and the adjacent middle school. It is not efficient and is cost prohibitive to run the air conditioning in the public portion of the library outside regular school hours. DMHS also includes expanding the cafeteria, which is much too small to accommodate the student population. Site improvements will result in better traffic flow, parking, safety and security.

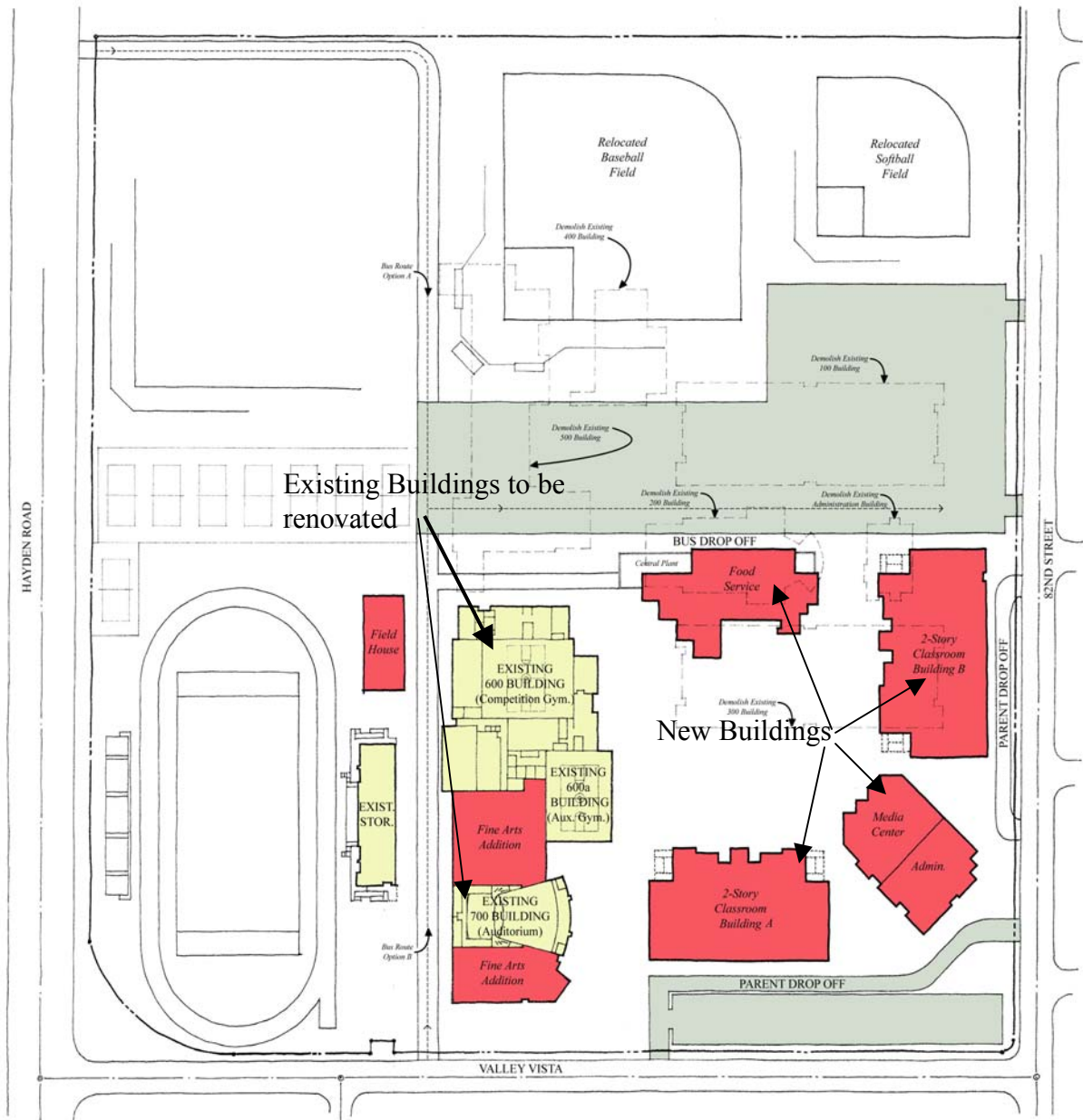


Saguaro High School

Renovation at Saguaro High School would include the renovation of the existing gymnasiums and auditorium. Classroom buildings, cafeteria, media center and stadium locker room would be replaced with new construction. Restroom facilities will be provided in the vicinity of the athletic fields.

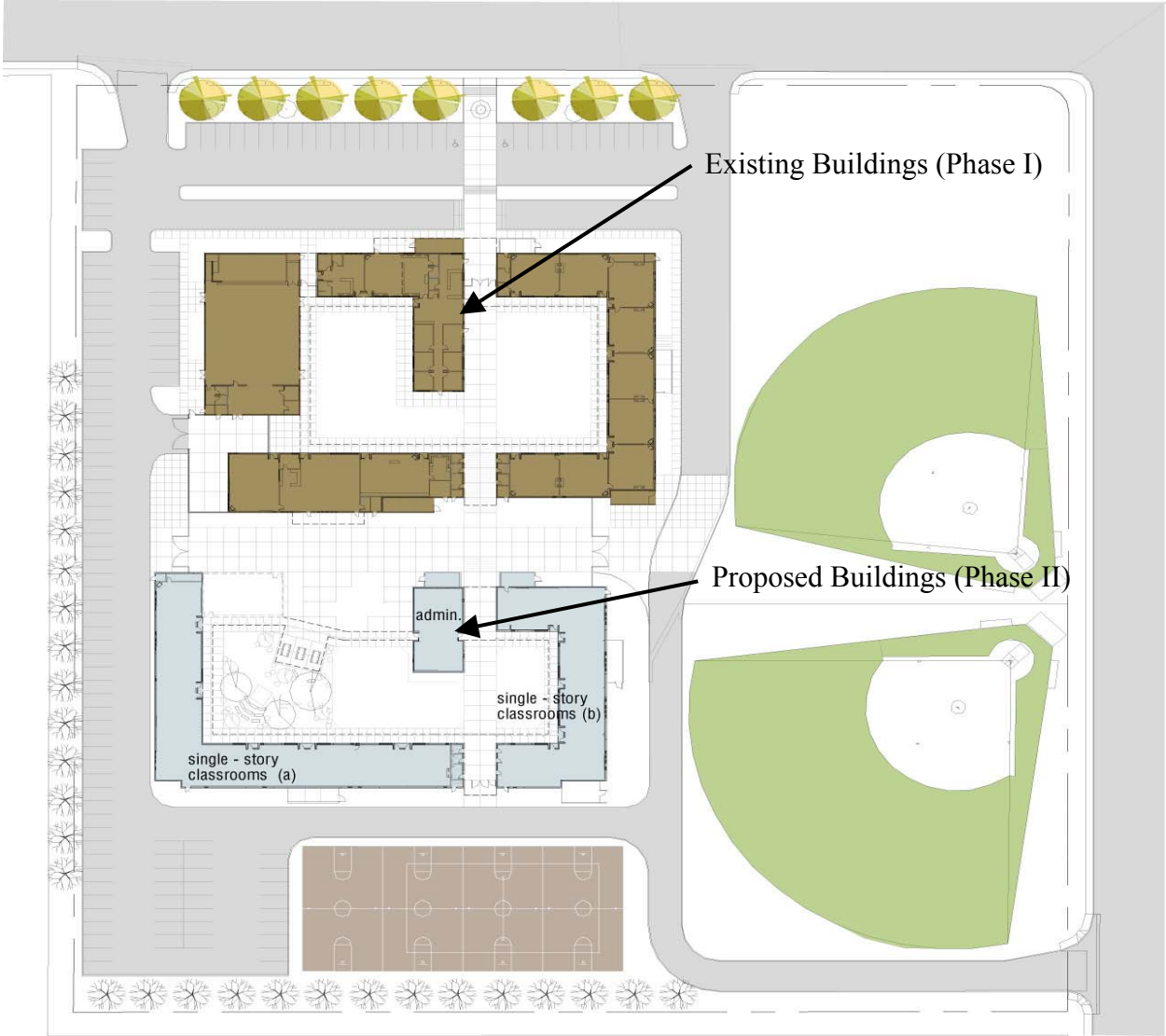
Site work will include renovation of athletic fields and new parking lots. Traffic flow and safety, drop-off areas, visitor parking, and bus lanes will be improved.

Construction will be performed in multiple phases taking about three years to complete.



Sierra Vista Academy Phase II Addition

The first phase of Sierra Vista Academy was funded by the State and constructed under Students FIRST. But funding was only adequate for the first half of the school. Under Phase II, the remainder of old existing buildings will be removed and replaced with new construction that will enable the school to provide all of the educational programs needed by the students.



Proposed Land Purchases

The older high school sites in Scottsdale are smaller than standard. When the schools were originally opened, there were fewer sports and mostly just for the boys. Traffic around the schools has increased dramatically since the schools were first built, making access into and out of the schools more difficult. The authorization of funding to purchase land is for expanding the existing high school sites where feasible to address these issues.

Arcadia and Chaparral have adjacent vacant properties that, if acquired, could improve traffic and parking safety and, in the case of Arcadia, provide the athletic fields that are necessary to meet Title IX requirements for equality between girls and boys high school athletic programs.

Coronado is surrounded by streets on all four sides, which precludes the possibility of enlarging the site, but does provide several opportunities for improving ingress and egress. In addition, Coronado is fortunate to have athletic fields across Oak Street from the football field at the old Tonto School campus next to the new Sierra Vista Academy.

Saguaro is surrounded by streets on three sides with Pueblo Elementary School and a residential condominium project along the fourth side. As a result, expanding the Saguaro site is not feasible.

Arcadia High School Proposed Land Purchase

At 34 acres, the Arcadia site is small by high school standards and is the smallest among Scottsdale's five high schools. The school district has a unique opportunity to purchase about 8 acres of vacant land at the south end of the east side of the existing site. The proposed land purchase would consist of a large portion of the orchard located within the R&G Ranch property.

Purchase of the additional land would provide several advantages:

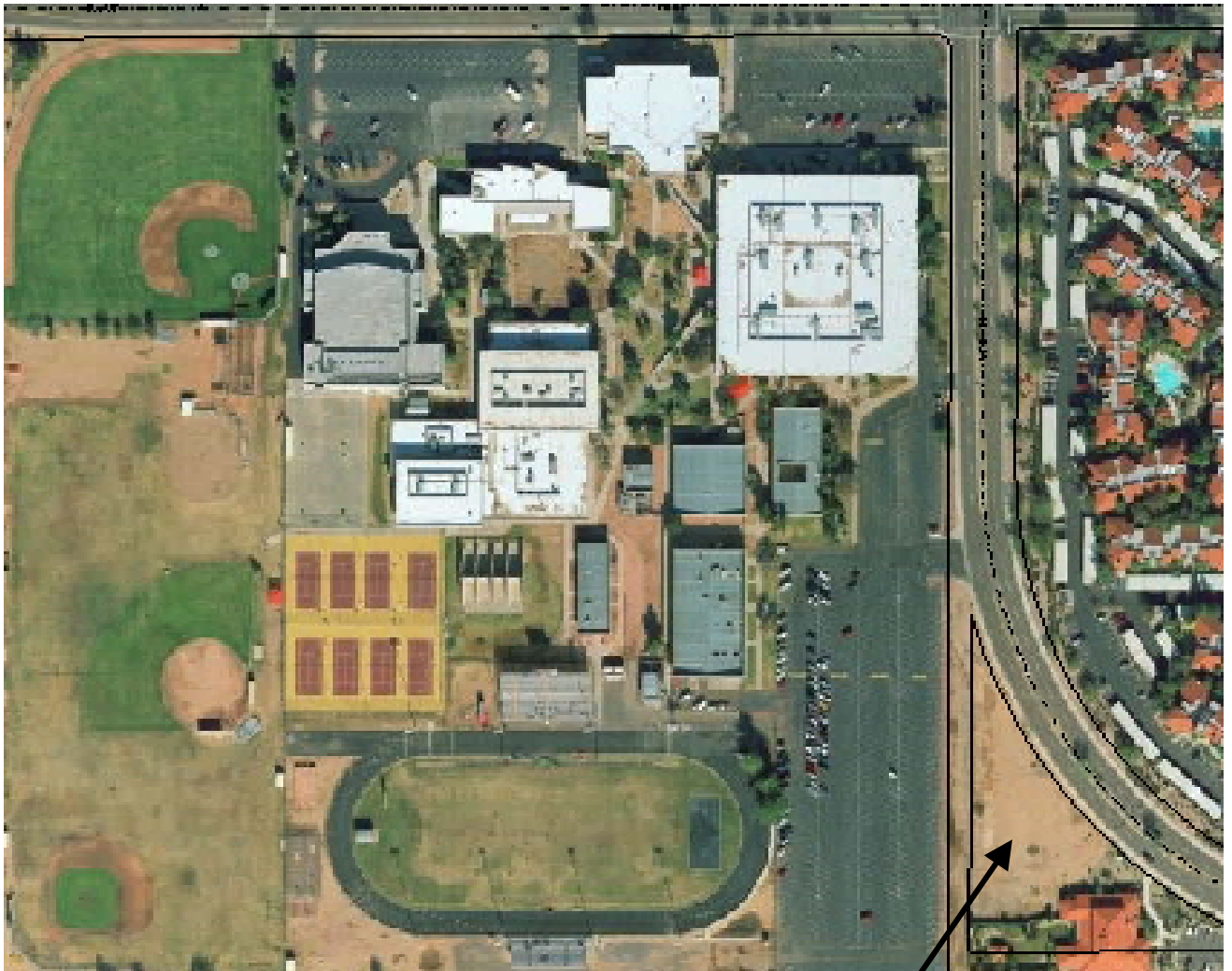
- The site size would increase to about 42 acres – standard for a high school the size of Arcadia.
- Arcadia would have the athletic fields required by Title IX for equal opportunities for boys and girls athletic programs.
- The additional land, fronting on 48th Street would provide an opportunity to pursue an additional point of access to improve vehicular flow and safety.
- During construction, use of the additional land for contractor staging and construction vehicle parking would greatly reduce the impact of construction on students and staff.



Chaparral High School Proposed Land Purchase

Of the four older high schools, Chaparral is the largest in the number of students, and is crowded on its relatively small 38-acre site. The Chaparral site is also restricted with limited access. The only street frontages are along the North side and a portion of the East side of the school.

The purchase of additional land would improve access, parking, and traffic flow. It would also provide a temporary staging area for construction to reduce the impact of construction activities on students and school staff.



Proposed Land Purchase

Bond Allocation

The proposed bond consists of modernization of each of the four older high schools (Arcadia, Chaparral, Coronado, and Saguaro) to bring them up to district standards, improve traffic flow and parking, correct life/safety building code deficiencies, improve safety and security, reduce long-term maintenance and operating costs, and to adequately support the educational programs. DMHS is also included in the bond to improve energy efficiency, safety, traffic flow, and security.

Bond funds will be used to purchase new fuel efficient and cleaner burning busses to replace older worn-out buses. The bonds will also make funds available for the possible purchase of land to increase the size of Arcadia High School and possibly Chaparral High School to provide adequate athletic fields to comply with Title IX requirements and to improve traffic flow, parking, and safety.

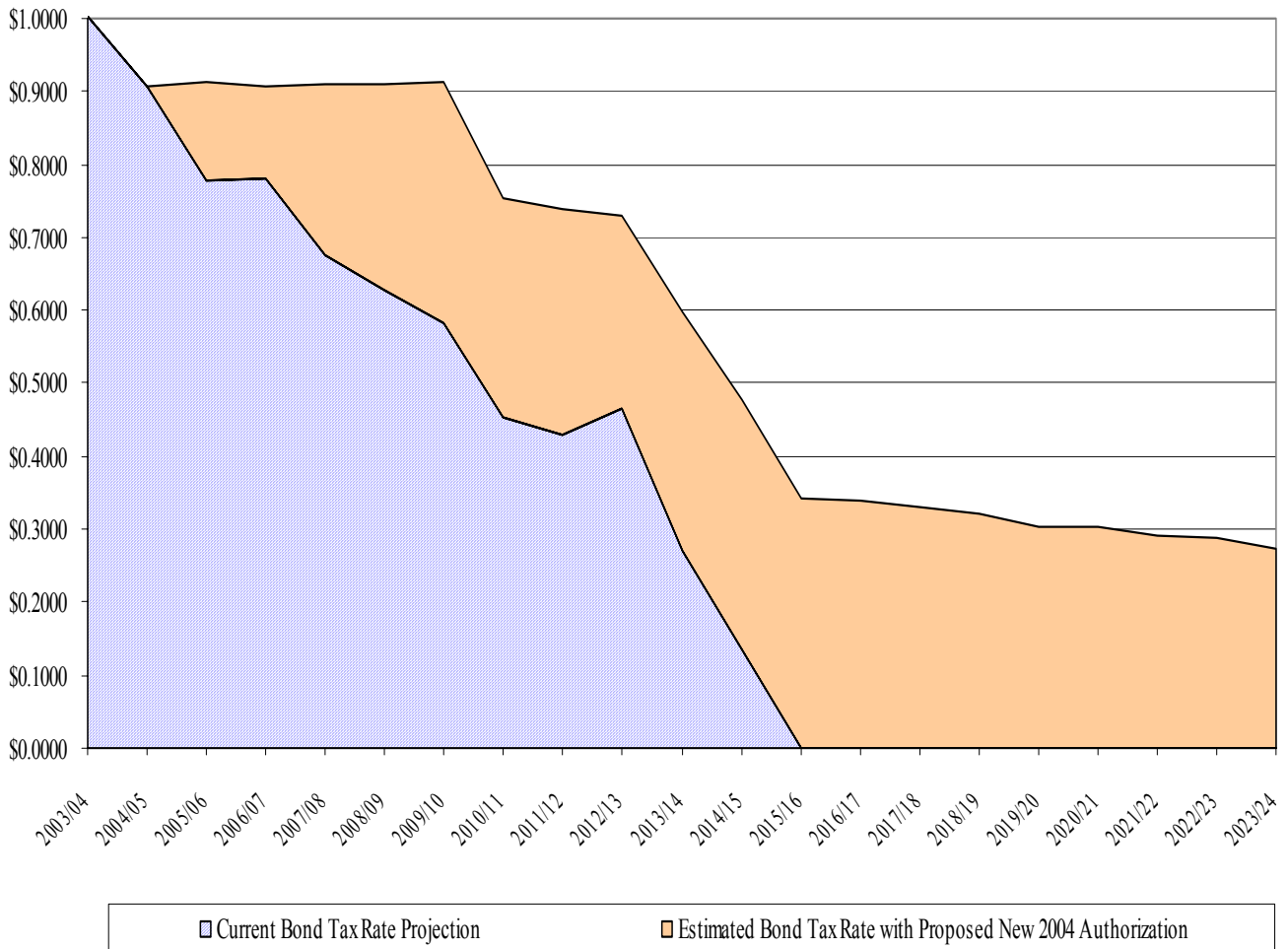
The bond program is based on specific work needed at each school to accomplish the objectives and bring equity to the school district.

Arcadia High School Modernization	\$42.1M
Coronado High School Modernization	45.2M
Chaparral High School Modernization	47.2M
Saguaro High School Modernization	45.0M
Desert Mountain High School Facility Improvements	3.0M
Sierra Vista Academy Phase II Construction	<u>4.1M</u>
Subtotal	\$186.6M
Construction Contingency (10%)	18.7M
Land Purchases for Expending Sites	5.0M
Purchase School Buses	6.2M
Bond Administration	<u>0.5M</u>
Total	\$217.0M

Property Tax Issues

- School bonds are paid through local property taxes.
- Tax rates attributable to the school district have been declining for the past several years due to:
 - Growing tax base (I.e. new residential and commercial developments)
 - Refinance of previous bond issues with lower interest rates and faster payoff
 - Retirement of older obligations
- Even with voter approval of the proposed bond in November 2004, tax rates attributable to the school district would not increase

Estimated Secondary Tax Rate Projections Reflecting Outstanding Bonds and the Proposed \$217 Million November 2004 Bond Election



Estimated Cost to Taxpayers

The district has calculated the estimated cost of the proposed bond for various property values. The cost for the proposed bond would be offset by the declining cost of existing bonds. Due to the refinancing at reduced interest rates, the retirement of existing bonds and the expanding tax base, the cost of the proposed bond shown below can be absorbed without a tax rate increase.

AVERAGE ANNUAL TAX RATE PER \$100 OF SECONDARY ASSESSED VALUATION: \$0.2868

OWNER OCCUPIED RESIDENTIAL PROPERTY (Assessed at 10%)

Assessor's Full Cash Value (a)	Secondary Assessed Value	Estimated Annual Cost (b)	Estimated Monthly Cost (b)
\$383,160	\$38,316^(c)	\$109.89	\$9.16
100,000	10,000	28.68	2.39
200,000	20,000	57.36	4.78
300,000	30,000	86.04	7.17

COMMERCIAL AND INDUSTRIAL PROPERTY (Assessed at 25%)

Assessor's Full Cash Value (a)	Secondary Assessed Value	Estimated Annual Cost (b)	Estimated Monthly Cost (b)
\$1,155,176	\$288,794^(c)	\$828.26	\$69.02
100,000	25,000	71.70	5.98
1,000,000	250,000	717.00	59.75
2,000,000	500,000	1,434.00	119.50

AGRICULTURAL AND VACANT PROPERTY (Assessed at 16%)

Assessor's Full Cash Value (a)	Secondary Assessed Value	Estimated Annual Cost (b)	Estimated Monthly Cost (b)
\$199,738	\$31,958^(c)	\$91.66	\$7.64
100,000	16,000	45.89	3.82
150,000	24,000	68.83	5.74
200,000	32,000	91.78	7.65

(a) Assessor's full cash value is the value of your property as it appears on your tax bill and does not necessarily represent the market value.

(b) Cost based on the average projected tax rate over the life of the bond issues and a number of other financing assumptions which are subject to change.

(c) Estimated average value of owner - occupied residential properties, commercial and industrial properties or agricultural and vacant properties, as applicable, within the District as provided by the Arizona Department of Revenue.

The High Schools Background

Through an extensive community based planning process, SUSD developed a 10-year master facilities plan, which was presented to the Governing Board in May 2002. Through this process, the community asked the district to modernize the older schools to bring equity, increase safety and security, and reduce operational costs at schools across the district. As the next step in the facility planning process, a more detailed plan was developed focusing on the highest priority – the high schools. Once again, community input was the foundation of this effort with site based committees generating the plan. Phase II of the master facility plan – The High Schools – was presented to the Governing Board in April 2003. At the request of the Governing Board, the facilities plan was updated in March 2004 and considered for implementation. In May, 2004 the Governing Board voted to move forward with the facilities plan by placing a bond on the November 2004 ballot for voters to authorize bonds to fund the plan.



Community Input

From the beginning, community input (both internal and external to the District) has been at the heart of the facilities master plan. Following are some strategies that have been utilized to solicit community input:

- Community dialogues
- Website survey of options
- Presentations at Governing Board meetings, school staff meetings, and parent-teacher organization meetings
- Site based committees – parents, school staff, students
- Plans provided to city planning department for preliminary review and comment
- Presentations available on District website
- Display boards with concept drawings located in office of each high school
- Community meetings held at each high school
- Survey form distributed to community at meetings, to staff and students, and available at school offices
- Neighborhood meetings



Timelines

From start to finish, most major bond programs extend five to seven years from the time of an election. Major elements of a timeline for implementation of the facilities plan include voter approval at the ballot box, securing the funds, design and permitting, and construction.

Bond elections for Arizona public schools can only be held on the November general elections. As a result, the November election date sets the timeline for all of the other activities that are necessary for a bond.

Due to the advance planning that has been performed by the site committees, design of the projects can move forward quickly after a successful bond election. Some of the initial work will include temporary facilities needed to accommodate construction would begin within six to eight months after a bond election.

A master schedule will coordinate work between schools to maximize efficiencies and also to avoid conflicts. For example, work would not begin on an auditorium unless there was another auditorium available that could be shared at different location.

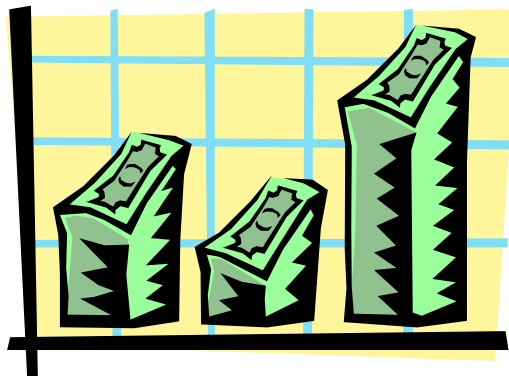
To accommodate continued use and occupancy of the schools, construction work will be performed in multiple phases. Construction activities will last three to four years once work begins.

Budget

The budget for Phase II of the facilities master plan – The High Schools – was developed by preparing cost estimates based on the conceptual plans. Estimates were prepared for each of the options and provided to everyone that participated in the surveys to identify the preferred options.

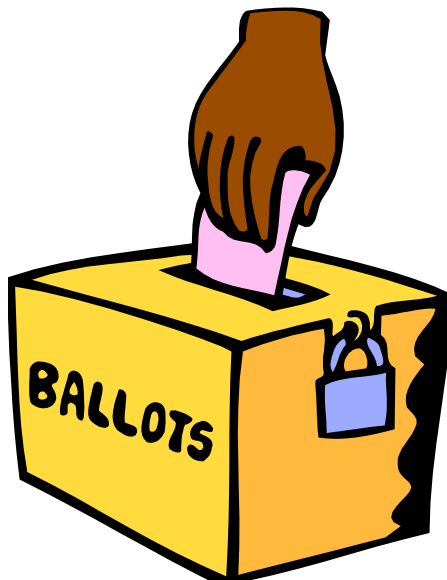
Standard conceptual cost estimating procedures were used. A unit price was determined for each major component of the project based on historical costs of high school construction in the greater Phoenix area, adjusted for the current year. Since construction costs are based on past historical figures, an escalation factor is applied to account for future inflationary costs to the year when construction is projected to start.

Because the Scottsdale projects consist of construction on existing occupied campuses, the special requirements were identified and incorporated into the costs. These include temporary facilities, demolition, and phasing that are required to accommodate the continued use of the schools during the construction process.



Class B Bonds

- Class B Bonds would be the most appropriate funding option for the facilities plan
- Under the Students FIRST legislation, laws regarding school bonds were changed
- The new laws for school bonds limit their use to long-term capital improvements such as buildings and buses
- A dollar amount must be established for each project within the bond program prior to the election
- Bond funds can only be used for the specific projects identified prior to the election, except that a 10% contingency is allowed for unforeseen needs and conditions
- Furniture, fixtures, and equipment must be funded through a Capital Override



Facility Master Plan Phase II Results

- Safer, more secure campuses
- Accommodate student enrollments
- Support for educational programs
- Lower operating and maintenance costs
- Extended life and lower life-cycle cost
- Equity and equal opportunity across the District

