



**Salmon School District #291
2019 Bond**

Why was a Facilities Evaluation paid for by the School District ?

The School Board hired an outside entity, Rich Bauscher, to do a needs assessment on the facilities in the school district.

Mr. Bauscher has spent 8 years as a full time educational consultant working with architect firms, school districts, state departments and other state agencies in the northwestern states of Idaho, Montana, Oregon, Utah and Washington. (Educational Facilities: Planning, Modernization, and Management 5th Edition 2018)

Mr. Bauscher did an analysis of the Elementary and SJSHS buildings and also assisted with the 10 year facility plan for the District.

This facility analysis went much further in depth than the State building inspection does.

The inspection took into account adequate plumbing, heating, cooling, condition of the floors, adequate number of electrical outlets, etc. It checked for fire suppression/resistance, window types and condition, and looked at the foundations.

This analysis verified what the Board, administration and many in the community felt in regards to the condition of the schools. That despite a roof that the STATE mandated and was paid for by the local taxpayers of the district, the internal issues of the school are such that the cost to renovate just the one building, which does not address the overcrowding did not seem fiscally responsible.

Next Step

The Board, with the recommendation of the Superintendent, decided to proceed to see if the community would support running a bond for a new facility.

The firm “Facility Planners” was hired to conduct a random survey of school district registered voters, and to provide recommendations based on the survey results.



The survey included these questions:

1. **Would you approve or disapprove the construction of a new PK- 8 elem/middle school facility?**

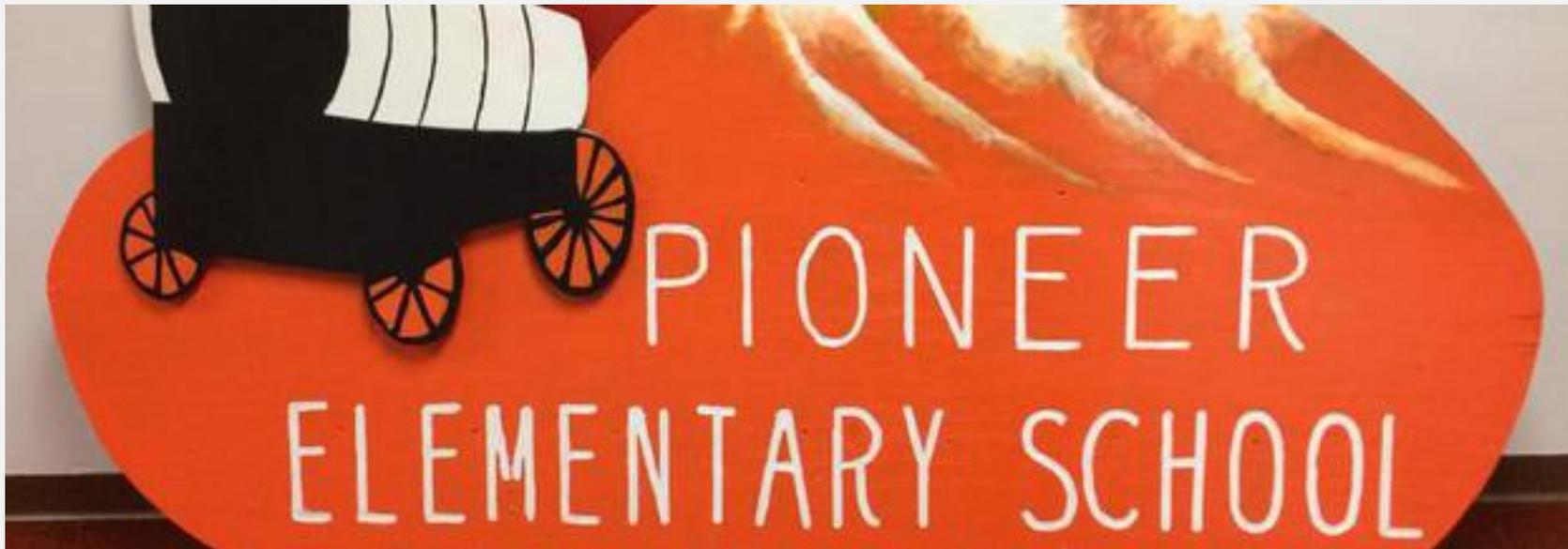
71% approved this / 7% unsure

2. **Would you approve or disapprove a \$25.6 million bond to build a new PK- 8 elem/middle school.**

67% approved this / 2% unsure

3. **Would you approve or disapprove a 9.1 million bond to finance a gymnasium (1000 seat capacity) and auditorium(350 seat capacity)**

54% approved this / 2% unsure



The survey results shared with the Board showed those surveyed supported a bond for a new school facility.

The Board then voted to proceed with running a bond.

Throughout the process, the Board consulted with Piper Jaffray starting with a presentation to the community last May.

Piper Jaffray continues to be a national leader in partnering with school districts to develop, implement and execute cost effective financing solutions. They serve primary and secondary schools as both underwriter and financial advisor. In 2017, their K-12 education team completed 396 bond issues providing \$11.8 billion in financing to meet their clients' capital and infrastructure needs*. They provide the local and regional expertise required to effectively serve their clients.

<http://www.piperjaffray.com/2col.aspx?id=1473>

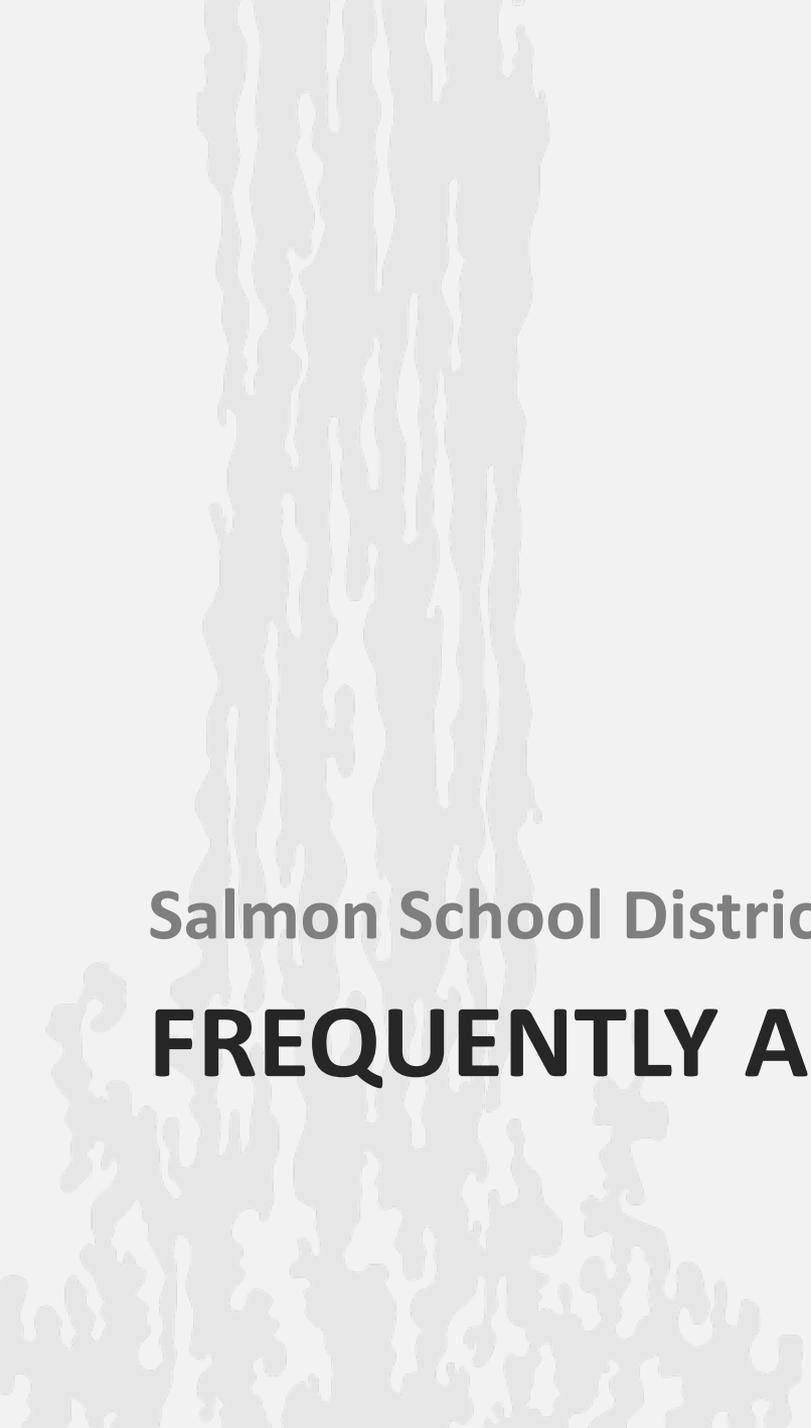


Bond Rating

Following the past 3 years of stability with the financial situation of the Salmon School District, Piper Jaffrey estimated the District will receive a Triple A rating.

This rating is similar to how an individual's credit score affects their financing options.

In this case it means the Salmon School District is eligible for the lowest interest rate on a bond.



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FREQUENTLY ASKED QUESTIONS



How was decision for a PreK-8 school arrived at?

1st the Bond capacity of the district would not allow for the building of a new High School facility.

2nd The AD Hoc committee looked the current situation of the 6-8 grades housed with the 9-12, and felt this was not in the best interest of students.

3rd The Board took the recommendation of the Ad Hoc committee and also included adding in the PreK students, Special Services offices and the Administration offices into the building.

How was amount of the Bond arrived at?

SALMON SCHOOL DISTRICT #291

Projected bond costs [for March 12, 2019]

Projects	Square ft	Cost/Unit	Total
PK - 8 Elementary/Middle School (650 capacity)			
With Gymnasium (500 capacity)	65,200	\$300/sf	\$19,560,000
District Offices (added into new elementary)	5,000	\$300/sf	\$1,500,000
Site improvements (for new School)	5 acres	\$50,000/acre	\$250,000
Utility extensions (for new school)	5 acres	\$6,000/acre	\$30,000
FF & E - offices and equipment	various	various	\$55,000
FF & E - classroom furnishings	33 clsrms	\$7,500	\$247,500
Plan Checks, Permits & etc. (for new school)		1%	\$213,400
Contingency (all above projects)		4%	\$842,400
A/E Fees & reimbursables (all above)		6.85%	\$1,461,790
Consultant Fees & reimbursables		varied	\$15,500
Telephone Survey & reimbursables		varied	\$2,641
CM Fees & reimbursables (all above)		6.5%	\$1,404,813
Bond Total			\$25,583,044
Bond Amount for Mar. 12, 2019			\$25.6 Million

Is the Bond For \$25.6 million no matter what?

NO!

The bond election is for an amount “not to exceed” \$25.6 million. This means if the design and estimated costs come in under the approved amount on the vote, the lower bond amount will be sold.

The amount of the sold bond will be used to collect the taxes on.

The Bond will remain a 20-year bond.

Why combine the Special Services Offices, Administration Offices and the PreK classrooms into this facility?

Currently those three areas are housed in three separate buildings from the rest of the district buildings. By combining them into the new school the following will happen:

- Increases safety for the students, as they will not have to be walked outside of the school to another facility to use restroom, music, testing, etc.
- There will be more than one administrator in the building if issues should arise.
- Sharing of clerical staff when absences occur- saving the district money.
- Improved efficiency for staff that work in more than one of those buildings (less time loss due to traveling between buildings) including teachers, aides, specialists, custodial and maintenance.
- Reduced utility costs – as an example, over \$4700 was spent on power alone in 16/17 then again in 17/18 for just the Admin building and SPED Building/music room. With the PreK program, there is an unknown since we just started the new agreement with the City, and so far we have spent \$740 on power for just 1 1/2 months. Each of these individual buildings also have a water bill that includes minimum amounts that would be incorporated into the one more energy efficient building.

For clarification, who will be housed in the new facility?

The plan is for the PreK through 8th grades to be housed in the new building along with the Special Services and Administration offices.

This means over 2/3 of the district's student population would be housed in this new building.

Why are we worried about Prek when the state does not mandate we educate them?

We do not provide educational services to all PreK students in the district.

Our PreK students are provided educational services as part of the **mandated** Child Find, and they fall under the need special services requirements under Federal and State Laws.

Why are there not any plans for the building for us to preview?

- The input the board and administration received from patrons was they would rather go with no set plans and get approval for a dollar amount first.
- Then a community committee to provide input on the architect and plans knowing the money has been secured will be utilized.
- This process has been likened to an individual going to the bank and getting approved for a mortgage before house hunting, or designing your house plans, or getting preapproved for a car loan before you go car shopping.

Where did the square footage amount come from if no set plans?

The district looked at the needed number of classrooms, allowed for a few extra rooms in the case of expanded enrollment, the state required square footage along with average classroom sizes in new schools being built across the state, required hall way size, etc. and came up with the estimated square footage needed.

**Is this a blank check for the Board to do what
they want?**

A slush fund for the Board?

NO!

The Board has laid out it's plan that upon approval of the bond, they will seek the input of the community via committee to assist with the selection of an architect and design a building that will address the safety of our students, meet the needs of the district, and still be fiscally responsible to the taxpayers.

Why is a regulation gym with seating for 500 needed for an elementary school?

- This is a PreK -8th grade school.
- There are requirements to offer physical education to all the students. Including the 6th, 7th, and 8th grades in the school, comes the needs to have a regulation-sized floor for their practices/sports.
- In addition, when an assembly/concert etc. at the school will happen, seating would be needed for both students and parents.
- The hope is the committee would also include a simple stage at one end of the gym as to allow for performances. This was included in the cost estimates, but would be a final decision based on the building committee input.

Is there really a need for an additional gym?

Currently the gym at the SJSHS is utilized from before 6 in the morning until after 9 at night during the majority of the school year for sports teams and classes.

When an outside entity needs to use the gym space for assemblies, drama productions, art council productions, dance recitals, etc., the scheduling of who and where they can be is logistically very difficult and usually results in someone/group not getting to use the facilities.

This increased level of use, also wears a facility down fast.

Why is the estimated cost per square foot higher than what other districts had?

As with other items in Salmon, the cost is higher here than say Boise or Idaho Falls.

The Hospital had used an estimate of \$345 per square foot is what the District had been told, and so we chose to use the estimate of \$300 per square foot to cover the expected increase.

Why are there estimates included for a construction manager? Why does the District not oversee this themselves or have a volunteer from the community?

If the District or a volunteer takes on the task of Construction Manager the District would then take on the full liability of any potential accident that happens on the building project.

This means the insurance rates the District pays would increase dramatically while construction was going on, and it also opens the District up to potentially large insurance claims against it that could affect the District for years to come.

Why has the district not spent money maintaining the buildings?

The district has spent money maintaining the buildings.

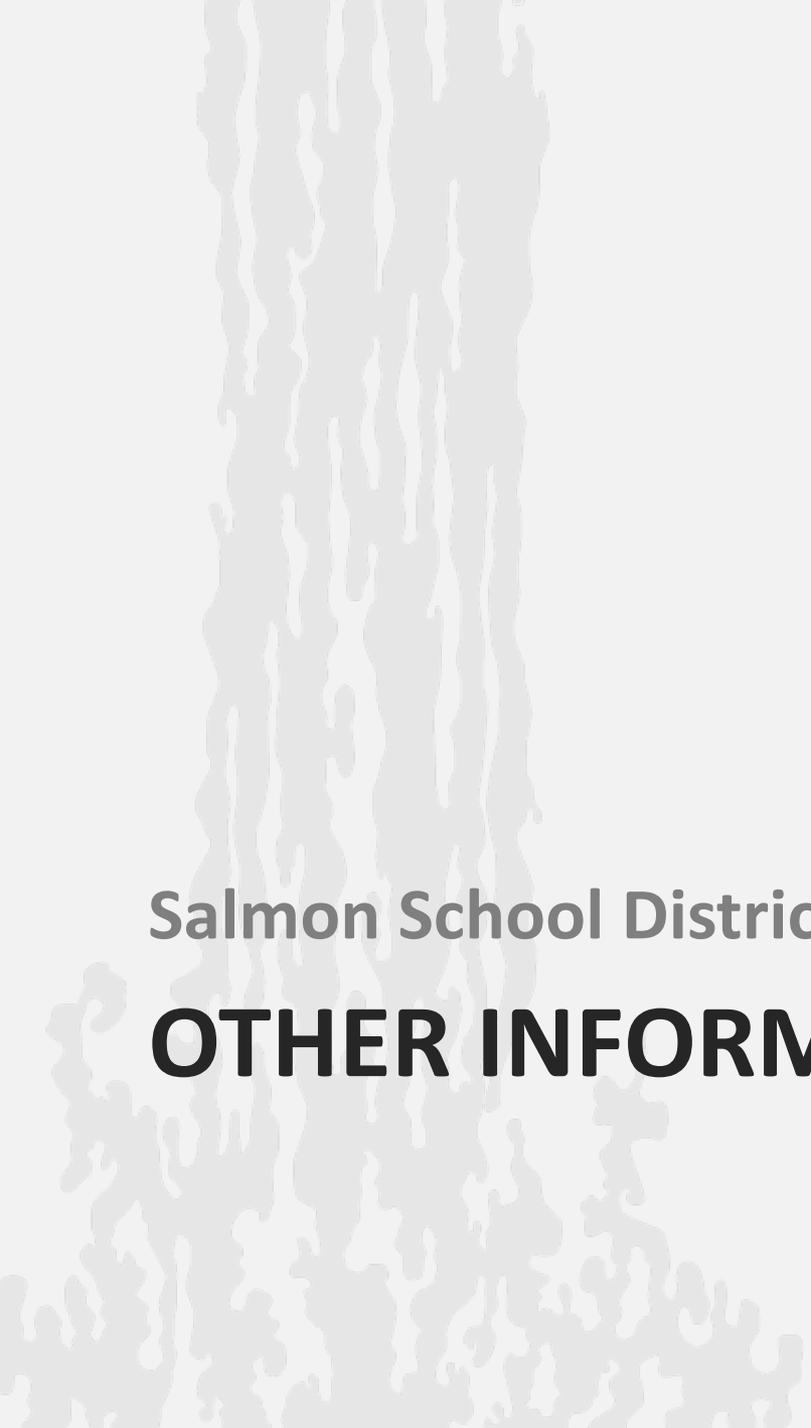
Keep in mind that there are currently 730 feet going in and out the doors, up and down the hallways and in and out of the restrooms during the school day in the Pioneer alone.

This is a lot of traffic, with the associated wear and tear on a building that was built in 1959.

Also, on reports to the State on expenditures for maintenance of student occupied buildings, the School District has spent the following amounts:

14/15	\$650,505 (this includes cost of portables)
15/16	\$291,710
16/17	\$168,490
17/18	\$555,074

The Board, with careful monitoring of the district finances, has been able over the past 3 years to repair the roof at SJSHS thus extending the roof's life for 25 - 30 years, and replace the main water line at SJSHS. All this was done without going to the voters for a plant facility levy.



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OTHER INFORMATION



Here is some additional information in regards to utility costs for the buildings

		Pioneer + 1 portable	Admin	SPED/Music	SJSHS + 2 portables
		35948 sq ft	2350 sq ft	1800 sq ft	71584 sq ft
Power Bills	17-18	\$21,747	\$2,822	\$1,884	\$38,846
	16-17	\$16,607	\$2,762	\$1,938	\$38,645
Water/Sewer	17-18	\$4,293	\$901	\$1,035	\$4,044
	16-17	\$4,197	\$841	\$941	\$4,104
Propane					
filled July 2018		8896 gallons			9033 gallons
		\$7,962			\$8,085
filled May 2017		11687 gallons			11442 gallons
		\$8,532			\$8,353
Combine power/propane/water/sewer	17-18	\$34,002	\$3,723	\$2,919	\$50,975
		\$.95 per sq ft	\$1.58 per sq ft	\$1.62 per sq ft	\$.71 per sq ft
	16-17	\$25,139	\$3,603	\$2,879	\$51,102
		\$.70 per sq ft	\$1.53 per sq ft	\$1.60 per sq ft	\$.71 per sq ft

- The windows at the Pioneer are all single pane.
- There are on-going issues with the Pioneer floor that buckles and heaves depending on the weather.
- The Pioneer cafeteria is out of compliance with ADA regulations.
- Currently a Special Ed classroom is housed in what had been a storage closet.
- There are ongoing plumbing issues at the Pioneer.

- The school buildings can not be fully secured during the day, due to the need for the students in the portables to have access to the other building for restroom use.
- There are times when students are not in site of a staff member when they are traveling between portables and school buildings when they need to use a restroom, or get an item left in their locker etc.
- Currently we have staff that travel between four buildings – SJSHS, Pioneer, Special Services Offices and the PreK building(CDC) to provide services to our students. This is a lot of lost student contact time due to travel.
- We have students crossing main roads throughout the day not just before or after school.

Rumored Lawsuits

As emphasized previously, the District has contacted their lawyer to insure what steps it has taken is legal.

Although we have heard via Salmon's rumor mill that a lawsuit has been filed against the District for misuse of funds, nothing has been presented to us, or to our lawyers to date.