

Wenatchee School District Board Workshop

Minutes of Sept.16, 2013 WSD District Office

Board Members Present

Staff Present

Jesús Hernández Laura Jaecks Gary Callison Kevin Gilbert Walter Newman Brian Flones, Superintendent Cabinet

I. Workshop. 6 p.m.

Jesús Hernández, Board President, opened the board workshop at 6:10 pm with the Pledge of Allegiance.

- 1) Superintendent Flones gave a summary of the agenda and the desired outcome of the workshop, see below.
- Review of the Facility Committee recommendations from 2010 and 2012, review August 2012 WSU Community Survey, identify projects to be included in a future bond.
- 2. Develop a timeline between September and November that includes the following:
 - Create an outline and schedule for internal and external information and feedback opportunities with our district staff and community.
 - Identify the types of communication mediums to use in gathering feedback: public meetings and tours at the facilities, Inside Wenatchee Schools newsletter, district web-page, district Facebook, webpage esurvey, other?
 - Determine the role of the current facility and future capital bond committee involvement in the process
 - Set a November date for board decision and resolution for a capital bond election.

Handout Materials:

2010 facility committee recommendations
2012 facility committee recommendations and bond tax rate estimates
2012 WSU community survey results
2010 planning timeline
2010 district webpage e-survey

2) Superintendent Flones reviewed the Facilities Committee recommended projects based on phase I and phase II:

VII. LONG-RANGE BOND PACKAGES

The Capital Facilities Committee, in using all of the information discussed previously, developed long-range bond packages to ensure they met the charge from the school board to "develop a 20-year long-range bond plan." These bond packages attempted to balance all of the requirements and needs identified within the District while working to solve facility problems.

Table 19 - Phase I Bond Package

Table 19 - Phase I Bond	Package	Proposed Elect	tion Date: April 2012	
BOND #1 = \$66,494,700			24 (1010)	
MAJOR PROJECTS	THE STREET			
PROJECT	COST	FRONT FUNDED LOCAL \$	REIMBURSEMENT SMF \$	
Lincoln Elementary (mod & add)	23,316,400	23,316,400	(5,526,065	
Washington Elementary (new in lieu)	29,200,000	29,200,000	(5,051,300	
*Castlerock (full mod)	6,000,000	6,000,000	ТВ	
Pioneer (gym & bleachers)	6,471,135	6,471,135	N/A	
TOTAL \$	64,987,535	64,987,535	(10,577,365	
* Castlerock could be made operational for	or \$350,974 or h	nave a partial mod for \$2,72	2,879	
MINOR PROJECTS				
PROJECT	COST	LOCAL COST	SMF \$	
WHS (portable pad)	1,507,165	1,507,165	N/A	
TOTAL \$	1,507,165	1,507,165		

^{*} Taxnaver-Rome Cost Fetimates accume State Match Funding Assistance

Superintendent Flones talked about covering the four priority projects in the upcoming bond and possibly adding three other projects: Mission View parking lot (safety hazard), WHS Tennis Courts (safety hazard) and Apple Bowl Artificial Turf project. Discussion followed about each project.

Table 20 – Phase II Bond Package

Table 20 - Phase II Bond	Proposed Election Date	e: February 2014		
BOND #2 = \$29,223,355 (Based on 2011 of	cost estimates)			
MAJOR PROJECT				
PROJECT	COST	LOCAL COST	SMF \$	
PROJECT	0031	BOND + SMF REIMB.	SWF \$	
WHS (full modernization)	74,023,465	19,817,270 + 9,348,005	44,858,190	
TOTAL \$	74,023,465	19,817,270 + 9,348,005	44,858,190	
MINOR PROJECTS				
PROJECT	COST	LOCAL COST	SMF \$	
Foothills (HVAC)	798,237	798,237	N/A	
Mission View (envelope)	686,813	686,813	NIA	
Lewis & Clark (envelope)	686,813	686,813	N/A	
WHS (track/concessions/bleachers/	3,857,369	3,857,369	N/A	
tennis courts/	941,583	941,583	N/A	
9th grade baseball field)	1,240,220	1,240,220	N/A	
Apple Bowl (turf)	1,195,050	1,195,050	NIA	
TOTAL \$	9,406,085	9,406,085	0	

Table 21 - Future Bond Projects

Table 21 - Future Bond Projects	Projected Election Date: 2018-2020(?)					
PROJECT	COST	LOCAL COST	SMF \$			
WHS - Softball Complex	7,141,789	7,141,789	N/A			
Rec Park Field - modernization	3,756,728	3,756,728	N/A			
Future New Elementary or K-8	TBD	TBD	TBD			
Mission View - modernization	TBD	TBD	TBD			
Columbia - modernization	TBD	TBD	TBD			
Lewis & Clark - modernization	TBD	TBD	TBD			
Transportation Center	TBD	TBD	TBD			
M & O Site Improvements	TBD	TBD	TBD			

3) CFO Les Vandervort showed the most resent projected tax rates from (SNW) Foster Pepper as follows:

Wenatche School District No. 246

	Calcul	ation Factors		
Rating:	Aa1 (State Gu	arantee); Aa3 (Unde	erlying)	
Interest Rates:	2014 Issue: C	urrent Plus 1.00 Pero	cent	
	All Other Issue	es: Current Plus 1.00	Percent	
Assessed Value Increases at:				
		R&P	Timber	
	2013	-4.33%	92.42%	
	2014	0.00%	0.00%	
	2015	0.00%	0.00%	
	2016-2062	0.00%	0.00%	
Issue Structure:	Combined Lev	el Tax Rate		
23 302 537		Issue 1	Issue 2	Total
Bonds Issued:		6/1/2014	6/1/2015	002000000000000000000000000000000000000
Issue Size:		\$67,500,000	\$32,000,000	\$99,500,000

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	65
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	Bond	M&O		Debi	Service	V COLUMN			Project	ed Tax Rates	12.00	0.4
Levy Year	Assessed Value	Assessed Value	Prior Debt	2014 Issue	2015 Issue	Total Bonds		Prior Debt	2014 Issue	2015 Issue	Total Bonds	
2013	\$3,495,913	\$3,495,468	\$2,463	\$0	so	\$2,400	(1)	\$0.70	\$0.00	\$0.00	\$0,69	
2014	3,495,913	3,495,468	2,511	1,589	0	4,100		0.72	0.45	0.00	0.72	(2)
2015	3,495,913	3,495,468	2,571	6,524	0	9,095		0.74	1.87	0.00	2.65	(3)
2016	3,495,913	3,495,468	2,618	3,112	3,535	9,264		0.75	0.89	1.01	2.65	
2017	3,495,913	3,495,468	2,676	4,377	2,202	9,254		0.77	1.25	0.63	2.65	
2018	3,495,913	3,495,468	2,731	4,323	2,202	9,255		0.78	1.24	0.63	2.65	
2019	3,495,913	3,495,468	2,790	4,264	2,199	9,253		0.80	1.22	0.63	2.65	
2020	3,495,913	3,495,468	2,848	4,208	2,198	9,254		0.81	1.20	0.63	2.65	
2021	3,495,913	3,495,468	2,909	4,143	2,205	9,256		0.83	1.19	0.63	2.65	E.
2022	3,495,913	3,495,468	0	7,055	2,198	9,253		0.00	2.02	0.63	2.65	
2023	3,495,913	3,495,468	0	7,051	2,203	9,254		0.00	2.02	0.63	2.65	
2024	3,495,913	3,495,468	0	7,053	2,200	9,254		0.00	2.02	0.63	2.65	
2025	3,495,913	3,495,468	0	7,053	2,200	9,253		0.00	2.02	0.63	2.65	
2026	3,495,913	3,495,468	0	7,054	2,202	9,256		0.00	2.02	0.63	2.65	
2027	3,495,913	3,495,468	0	7,052	2,200	9,252		0.00	2.02	0.63	2.65	
2028	3,495,913	3,495,468	0	7,053	2,199	9,252		0.00	2.02	0.63	2.65	į.
2029	3,495,913	3,495,468	0	7,056	2,196	9,251		0.00	2.02	0.63	2.65	
2030	3,495,913	3,495,468	0	7,055	2,199	9,254		0.00	2.02	0.63	2.65	
2031	3,495,913	3,495,468	0	7,053	2,203	9,256		0.00	2.02	0.63	2.65	
2032	3,495,913	3,495,468	0	7,053	2,202	9,255		0.00	2.02	0.63	2.65	
2033	3,495,913	3,495,468	0	0	9,253	9,253		0.00	0.00	2.65	2.65	
2034	3,495,913	3,495,468	0	0	9,256	9,256		0.00	0.00	2.65	2.65	
2035	3,495,913	3,495,468	0	0	0	0		0.00	0.00	0.00	0.00	
	Total Debt Service	•		\$110,128	\$57,252			(1) Certified Bor	d lew amou	nt		_

(2) Utilizes DS Fund reserves. (3) Builds DS Fund reserves.

\$25,252 5.34%

\$42,628 5.06%

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Total Interest: Net Interest Cost:

2014 = \$67,500,000 - Bond

2015= \$32,000,000 - Bond

1 yr. ago we were at \$2.18 per thousand, now we are at \$2.65, Mr. Vandervort pointed out that all the more reason to get this bond going before it goes higher.

Mr. Vandervort also shared the projected tax rates for \$67,500,000 bond, \$65,000,000 bond, \$60,000,000 bond and a \$30,000,000 bond.

Wenatche School District No. 246

	Calcul	ation Factors	Terresia -	
Rating:	Aa1 (State Gu	arantee); Aa3 (Unde	rlying)	
Interest Rates:	2014 Issue: C	urrent Plus 1.00 Per	cent	
	All Other Issu	es: Current Plus 1.00	Percent	
Assessed Value Increases at:				
		R&P	Timber	
	2013	-4.33%	92.42%	
	2014	0.00%	0.00%	
	2015	0.00%	0.00%	
	2016-2062	0.00%	0.00%	
Issue Structure:	Combined Lev	el Tax Rate		
		issue 1	Issue 2	Total
Bonds Issued:		6/1/2014	6/1/2015	
Issue Size:		\$67,500,000	\$0	\$67,500,000

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				(in 1,000's)			
	Bond	M&O		Debt	Service		8
Levy	Assessed	Assessed	Prior	2014	2015	Total	
Year	Value	Value	Debt	Issue	Issue	Bonds	
2013	\$3,495,913	\$3,495,468	\$2,463	so	\$0	\$2,400	(1)
2014	3,495,913	3,495,468	2,511	1,600	0	4,111	
2015	3,495,913	3,495,468	2,571	4,545	0	7,116	
2016	3,495,913	3,495,468	2,618	4,498	0	7,116	
2017	3,495,913	3,495,468	2,676	4,438	0	7,114	
2018	3,495,913	3,495,468	2,731	4,383	0	7,114	
2019	3,495,913	3,495,468	2,790	4,329	0	7,118	
2020	3,495,913	3,495,468	2,848	4,266	0	7,114	
2021	3,495,913	3,495,468	2,909	4,205	0	7,114	
2022	3,495,913	3,495,468	0	7,116	0	7,116	
2023	3,495,913	3,495,468	0	7,115	0	7,115	
2024	3,495,913	3,495,468	0	7,116	0	7,116	
2025	3,495,913	3,495,468	0	7,114	0	7,114	
2026	3,495,913	3,495,468	0	7,118	0	7,118	
2027	3,495,913	3,495,468	0	7,119	0	7,119	
2028	3,495,913	3,495,468	0	7,117	0	7,117	
2029	3,495,913	3,495,468	0	7,117	0	7,117	
2030	3,495,913	3,495,468	0	7,114	0	7,114	
2031	3,495,913	3,495,468	0	7,115	0	7,115	
2032	3,495,913	3,495,468	0	7,116	0	7,116	
2033	3,495,913	3,495,468	0	0	0	0	
2034	3,495,913	3,495,468	0	0	0	0	
2035	3,495,913	3,495,468	0	0	0	0	
	Total Debt Service	e:		\$110,542	\$0		
	Total Interest			\$43.042	¢n.		

Projected Tax Rates					
Prior	rior 2014		Total		
Debt	Issue	Issue	Bonds		
\$0.70	\$0.00	\$0.00	\$0.69		
0.72	0.46	0.00	0.72	(2	
0.74	1.30	0.00	2.04	(3	
0.75	1.29	0.00	2.04		
0.77	1.27	0.00	2.03		
0.78	1.25	0.00	2.03		
0.80	1.24	0.00	2.04		
0.81	1.22	0.00	2.03		
0.83	1.20	0.00	2.03		
0.00	2.04	0.00	2.04		
0.00	2.04	0.00	2.04		
0.00	2.04	0.00	2.04		
0.00	2.03	0.00	2.03		
0.00	2.04	0.00	2.04		
0.00	2.04	0.00	2.04		
0.00	2.04	0.00	2.04		
0.00	2.04	0.00	2.04		
0.00	2.04	0.00	2.04		
0.00	2.04	0.00	2.04		
0.00	2.04	0.00	2.04		
0.00	0.00	0.00	0.00		
0.00	0.00	0.00	0.00		
0.00	0.00	0.00	0.00		

Utilizes DS Fund reserves.
 Builds DS Fund reserves.

Mr. Vandervort also compared the rate one year ago for all bond tax projects and what they are today and highlighted the increase in a discussion with the board. He did not make any recommendations to the board but did encourage them to make a decision soon.

4) Superintendent Flones shared the WSU Survey results along with the demographics of the survey.

Community Survey Results (Survey conducted by Washington State University)

Lincoln Elementary- Replace 12 portable classrooms with new building space and modernize entire building

62.8% somewhat or strongly support 2010 Results: 56.4% somewhat or strongly support

Washington Elementary- Replace with a new school on the same location

58.8% somewhat or strongly support 2010 Results: 62.2% somewhat or strongly support

Pioneer Gym- Remodel 56 year old gym and locker rooms

73.7% somewhat or strongly support 2010 Results: 73.6% somewhat or strongly support

Special Education Center at Washington Elementary- Remodel and add Early Childhood Learning Center

78.8% somewhat or strongly support

Apple Bowl- Replace grass turf with AstroTurf

41.3% somewhat or strongly support

WHS Tennis Courts- Replace tennis courts

56.8% somewhat or strongly support

Mission view Parking lot and walkways- Address the safety hazards and traffic problems by redesigning and replacing the existing parking, bus and parent drop off and pickup areas, walkways.

77.4% somewhat or strongly support

Should the Wenatchee School District place a 67.5 million dollar facility proposal before voters in February 2014?

67% somewhat or strongly support

2010 Results for a \$67 million dollar bond: 61.7% somewhat or strongly support

5) Superintendent Flones shared the priority list recommended by the facilities committee in 2011.

Wenatchee School District No.246 COMMITTEE PRIORITIES SEPTEMBER, 29, 2011

	PRIORITY	URGENCY			
PROJECT	(1-4)	BOND 1	BOND 2	FUTURE BOND	
Lincoln	1	x			
Washington/Castlerock	. 1	×			
Pioneer (gym & bleachers)	1	х	-		
WHS (full modernization)	1		х		
Foothills (HVAC)	2		×		
Columbia (envelope)	2	x			
Mission View (envelope)	2		х		
Lewis & Clark (envelope)	2		×		
WHS - Site Improvements					
Portable Pad	1	x			
Track/Concessions/Bleachers	2		х		
9th Grade Baseball	3		х	L	
Tennis Courts	2		ж		
Softball Complex	4			х	
Apple Bowi (turf)	3		×		
REC Park (bleachers/concessions/etc.)	4			х	

Mr. Flones recommended the four top (# 1) priorities for the upcoming bond in February 2014 & suggested three additional add-ons.

Discussion continued:

- The three recommended add-ons, MV parking lot, Tennis Courts, Apple Bowl Turf
- State Match Money details
- WHS auditorium still in need of improvements & very visible to our community
- Apple Bowl turf replacement benefits
- Tennis courts dilapidated condition
- Portable pads, necessary for expansion at WHS
- Front Funding projects to help Match money when it comes into play
- Timeline critical in the next few months in getting the word out

John McQuaig, John Hultman, Bryan Visscher & Jim McNeil, added a lot to the discussion in terms of what to add to the bond - pros and cons of each and how important it is to take the advice of the Facilities Committee. Also the dynamics of a bond election were discussed. Mr. McNeil suggested that WSD have a public forum before a decision can be made on spending State Match money, that could take up to 5 years, usually doesn't but there is always that possibility.

6) Jim McNeil, Foster Pepper PLLC, shared the latest Public Disclosure Commission guidelines for school district elections. He gave copies to all the board members and others present. Mr. McNeil recommended that everyone read it and be familiar of what is allowed within the guidelines of the law. He pointed out that school districts and election committees relationships can only be "information providing" and that also has its limitations. In addition Mr. McNeil handed out the *Overview of Voter Approval Requirements for School District Unlimited Tax General Obligation Bonds* packet for everyone to keep and refer to for information. Mr. Flones pointed out that we always send our materials & communications to Mr. McNeil for editing and approval prior to publishing and making public.

After much discussion Mr. Flones stated that if there is any State Match money left after taking care of all the specified projects that a public forum would be held to collect public input on how those funds should be dispensed.

After additional discussion, all the board members gave their individual opinions and ideas of what would work best for the district and they came to a consensus:

Put the four #1 Priorities on the ballot plus the critical safety issue of the Mission View Parking Lot.

Lincoln	1
Washington/Castlerock	. 1
Pioneer (gym & bleachers)	1
WHS (full modernization)	1

• The board also wanted it made clear that the early childhood special education facilities (Castlerock) safety improvements be included in the resolution. Mr. McNeil will draft up a resolution to go on the Sept. 24th board meeting for the first reading. He will try to capture the essence of what we need into the resolution. We will have the second reading on October 10 Workshop and go for the February 11th 2014 bond election date.

Mr. McQuaig, bond chairperson, will organize the Facilities Committee and see if anyone wants to serve on the bond committee. He made several recommendations to the board. They thanked him for his input.

The board wanted it also made clear that regardless of the outcome Mission View will have the parking lot and street improvements completed for safety reasons.

The board thanked everyone for their input and information

The board manked everyone for t	nen input and information.
MEETING ADJOURNED: Boa	ard President Jesús Hernández adjourned the meeting at 7:35 p.m.
	Date
President	Superintendent