

Granite School District

Board of Education Meeting Study Session September 27, 2016

A study session for Granite School District was held in Auditorium A at the Granite School District offices, 2500 South State Street, Salt Lake City, Utah. President Terry Bawden called the meeting to order at 5:00 p.m., those in attendance:

Terry Bawden	President
Connie Anderson	Vice President
Connie Burgess	Board Member
Gayleen Gandy	Board Member
Dan Lofgren	Board Member
Karyn Winder	Board Member

Sarah Meier, Board Member, excused

Todd Zenger, board candidate from Precinct 1, was invited to sit at the board table.

The following members of the administration were present:

Martin Bates	Superintendent
David Garrett	Business Administrator/Treasurer
Don Adams	Assistant Superintendent
Rick Anthony	Assistant Superintendent
Linda Mariotti	Assistant Superintendent
John Welburn	Assistant Superintendent

Ben Horsley, Communications Director, Doug Larson, Policy & Legal Services Director, and Kathy Goodfellow, Executive Secretary were in attendance.

Facilities Capital Master Plan Update

Don Adams, along with others (including a board sub-committee), have been developing a comprehensive long range facility master plan. A point has been reached where input from the entire board is needed to proceed in the process. Mr. Adams began by stating that the capital improvement plan looks 20+ years in the future. An analysis has been completed to understand any facility deficiencies in our 129 buildings, (school and support facility buildings). Goals to keep in mind are improve our facilities and build for 21st Century education. For the purposes of this study, the average life span of a building is 65 years. 30% of our buildings are 50+ years old

and 85% are in critical condition. At some point maintenance costs are too high to keep a building functioning as it should. Keeping in mind the 65-year life span and considering the number of buildings we have, an elementary school needs to be rebuilt each year (approximately \$15 million in today's dollars), a junior high every 4 years (approximately \$40 million in today's dollars), a senior high every 8 years (approximately \$82 million in today's dollars), and a support facility building every 8 years (approximately \$11.5 million in today's dollars). To follow this model, we need to save \$36 million per year.

Board discussion included: How does a 21st century school building differ from what we have today? Does building differently affect the cost? We also must consider remodel-ability.

Mr. Adams explained three possible options for pro-active remodeling:

Option I: remodel (superficial items) once in a building lifecycle costing approximately 10% of construction cost. Regular maintenance costs would be decreased by approximately 4%

Option II: remodel (superficial and other partial updates) once in a building lifecycle costing approximately 25% of construction cost. Regular maintenance costs would be decreased by approximately 25%.

Option III: remodel twice in a building cycle (one superficial and one complete remodel for major improvements), approximately 30% of construction cost. Regular maintenance costs would be decreased by approximately 50%.

(Exhibit #1709)

Based upon Option II explained above, financial information was presented by Dale Okerlund and Nathan Robertson, Granite's financial advisors from Lewis Young Robertson and Burningham. Three possible approaches were outlined: 1) pay as you go; 2) rely entirely on bond funding; and 3) single bond and pay as you go combination.

The Board discussed the options. The pay as you go model doesn't reflect our reality. The multiple bond option is very tenuous. The single bond option makes the most sense. It was also suggested that we need to have further study regarding the estimated costs for rebuilds.

Board members asked how long it would take after a successful bond election to open a new school. Generally, we can plan on 4-5 years (2 years in the development phase and approximately 2 years for the actual building).

Ben Horsley explained the next steps involving the community if the board were to pursue a bond election. He suggested a 60-90 day program to educate our public on the capital issues we have. Information would be given to the active voters in our district, to patrons and employee groups, to the PTA, municipalities and local governments, and legislators. Ways of doing this include engaging with surveys and social media, in-person open houses and network meetings. Mr. Horsley would then report back to the Board with feedback.

Board members agreed that Ben Horsley should move forward in developing the community education plan and to share that plan with the Board for their input prior to distribution to the community. The Board also asked Dale Okerlund to explore additional financing options. Mr. Horsley and Mr. Okerlund will then report to the Board at a future meeting and the Board will make a decision on how to move forward.

President Bawden voiced the need for an Executive Session, to be held in this same room.

Motion: I move we adjourn to an Executive Session to discuss Land Transactions.

Made by: Gayleen Gandy

Seconded by: Connie Anderson

Called for vote: President Bawden

Results: Passed Unanimously