

Levies February 9, 2010

Supporting Seattle's Children



Excellence For All

Every student achieving, everyone accountable.

Board Work Session
October 7, 2009

Levies 2010 Community Meetings

Agenda

- Levies overview and long-range levy plan
- Operations levy
- Levy rates and estimated property taxes
- Capital Levy: Buildings, Technology and Academics III
 - Seek Direction on:
 - o Draft Project lists for the B, T and A
 - o Guidance on BTA Levy Amount - \$253 Million and \$282 Million
 - o Discussion on the Natural Resource Conservation Policy and application to the BTA III Draft list of projects for Energy Efficiency and Sustainability
- Next steps, further information and comments
- Questions and answers

Excellent education for *every* student

- Seattle Public Schools is committed to ensuring an excellent education for *every* student. We have high expectations for each of our students, and our teachers are dedicated to preparing every student to graduate from high school ready for college, careers, and life.
- We have a 5-year plan, called *Excellence for All*, to raise achievement for all students, retain and attract great teachers, and increase efficiency in Seattle Public Schools.



Levies: Long-Range Levy Plan

Two types of levies

General Fund:

Operations levy every 3 years

Capital Program:

Capital levy every 3 years

- o Buildings, Technology and Academics (BTA)
- o Building Excellence (BEX)



February 9, 2010 Levies

- 3-year Operations Levy (General Fund)
 - Replaces expiring operating levy approved by voters in 2007
- 6-year Capital Levy:
 - Buildings, Technology & Academics III
 - Replaces expiring BTA II approved by voters in 2004

Levy Plan 2001 - 2013

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oper.	X			X			X			X			X
BTA				X						X			
BEX	X						X						X
Election	X			X			X			X			X

Levies 2010

Community Engagement Summary

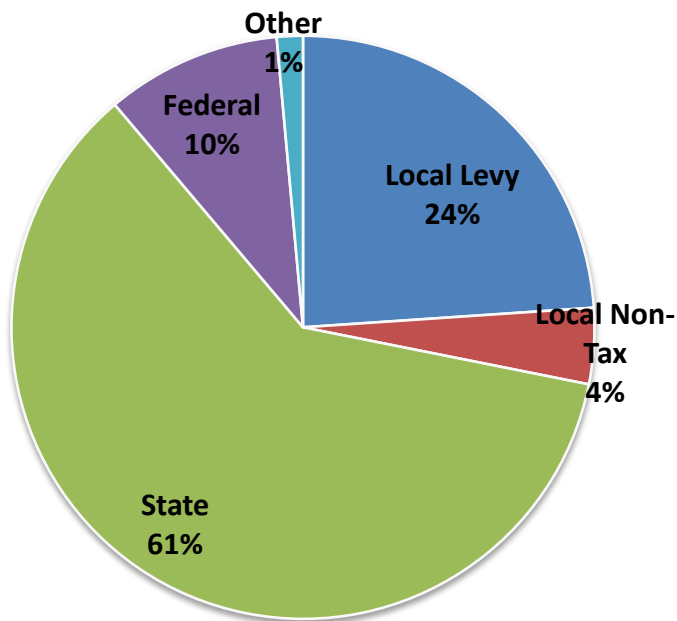
- Levies Information Team has recently conducted 3 meetings to share information: September 22 at Mercer Middle School, September 24 at Madison MS and September 28 at Eckstein MS.
- Sample questions.
 - How are SPS operations costs funded and what is funded?
 - How were the projects on the proposed BTA III lists at the \$240 million and \$270 million levels determined?
 - How will the SPS Board of Directors determine the final dollar amount and final list of BTA III projects?
- A total of twenty three members of the public attended the 3 meetings. SPS Staff, interpreters and several board members were present at each of the meetings.

February 9, 2010 Operations Levy

Operations Levy:

Funds nearly 24% of annual budget

FY 2008 Revenues



Day-to-day educational programs and services not fully funded by the state of Washington, such as:

- Teachers and instructional assistants
- Textbooks and classroom supplies
- Bilingual and special education services
- Bus transportation, security, other operations
- Student activities, such as athletics, drama, music

Operations Levy \$ Amount Limited by State Regulations

The levy amount is calculated based on:

Prior Years' State and Federal Revenue

+

Per-Pupil Inflator

X

Authority %

= Maximum levy amount that may be collected

February 9, 2010: Proposed 3-Year Operations Levy

2011	\$140.3 M
2012	\$147.4 M
2013	<u>\$160.4 M</u>
Total	\$448.1 M



Progression of Operations Levy Amount

(in Millions)	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>Total</u>
9/2 – Board Work Session	145.1	148.3	169.8	463.2
9/10 – Finance Committee	<u>148.7</u>	<u>155.9</u>	<u>177.9</u>	<u>482.5</u>
Change (1)	3.6	7.6	8.1	19.3
10/7 – Board Work session	<u>140.3</u>	<u>147.4</u>	<u>160.4</u>	<u>448.1</u>
Change (2)	<u>(8.4)</u>	<u>(8.5)</u>	<u>(17.5)</u>	<u>(34.4)</u>

(1) Increase due to enrollment assumption increased from 2% to approx 4%.

(2) Decrease due to excluding Levy lid (\$25.7); ESHB2261 funding (\$6.3); and continued federal funding ARRA IDEA (\$2.4) from levy amount.

Assumptions Included in the Operations Levy

- Enrollment growth: 2009-10 3.7%, 2010-11 3.8%, 2011-12 4.5%
- Legislative rates for 2009-10 and 2010-11 are used to develop 2011 and 2012 levy bases
- Pension rate catch up based on Office of State Actuary for 2011-2012
- Seattle CPI growth of 1.5% for 2009 and 3.0% for 2010 are used to develop 2012 and 2013 Levy Bases
- Levy Base rule (ESHB2812) is extended to 2012 and 2013

Not Included in the Operations Levy

- Increase levy authority percent to 35% (SHB1776)
- Phase-in of Basic Ed Foundation Bill (ESHB2261)
- Possible continued federal funding (ARRA IDEA) levels

February 9, 2010: Proposed 6-Year Capital Levy (BTA III)



Potential levy levels:

\$253,000,000

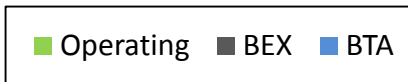
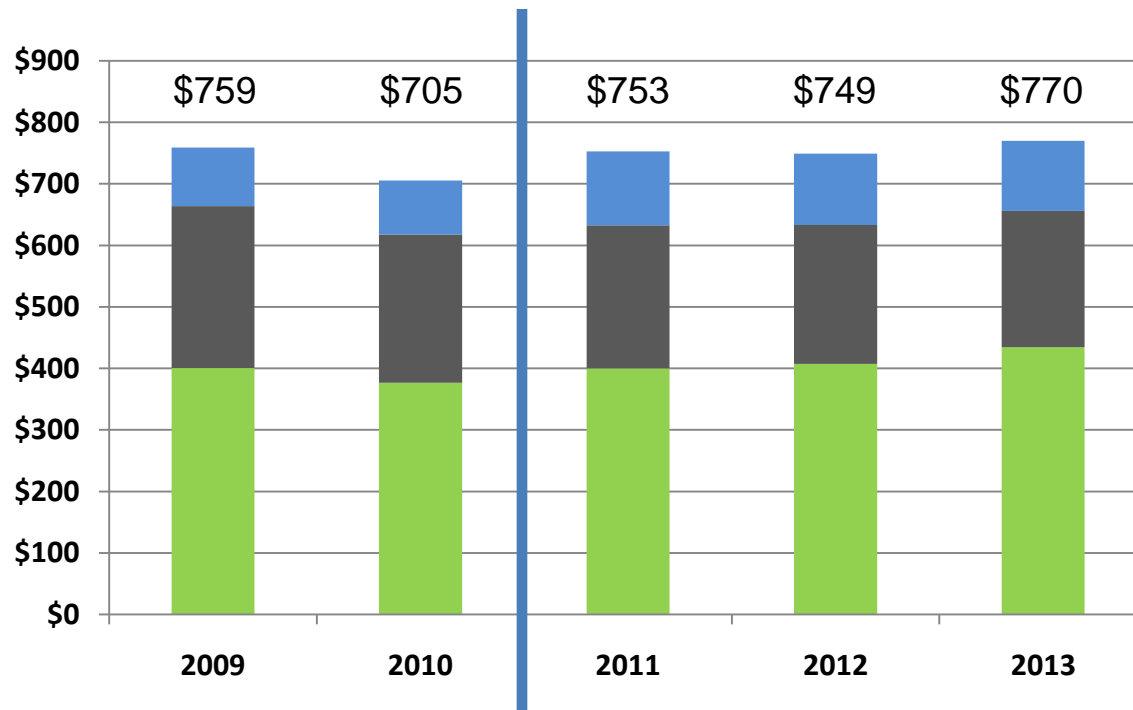
\$282,000,000

**Pays for hundreds of
building, technology and
academic projects all across
the district**

Costs of Levies to Taxpayers

- Depends on assessed value of your home and the total assessed value of all property in the city of Seattle
- Taxes will vary as assessed values rise and fall

Estimated Annual Total Property Taxes on Median Assessed Home Value (\$375,700)



Assumptions:

- **Operating - \$448.1 M**
- **BTA III - \$253.0 M**
- 2011-2013 assessed value forecasted by Community Attributes
- 2009 and 2010 includes BTA II (\$178M) six-year levy
- 2009 to 2013 includes BEX III (\$490M) six-year levy
- Operating Levy at full 32.97% capacity and based on anticipated levy authority
- 12/31/2010 Median Assessed Home value is \$375,700

Estimated Annual Total Property Taxes Based Various Assessed Home Values

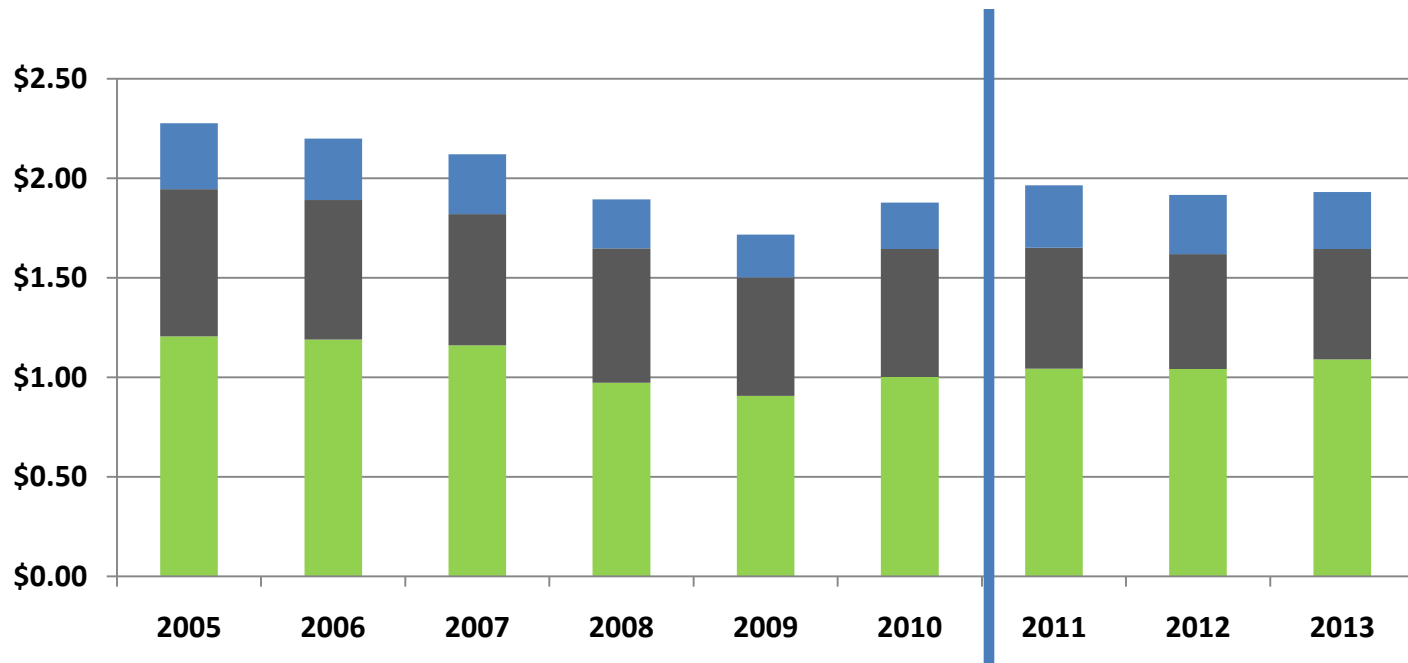
Estimated Total Property Taxes

Assessed Home Value - 12/31/10	2011	2012	2013
\$ 200,000	\$ 393	\$ 391	\$ 402
\$ 300,000	\$ 589	\$ 587	\$ 603
\$ 400,000	\$ 786	\$ 782	\$ 804
\$ 500,000	\$ 982	\$ 978	\$ 1,005
\$ 600,000	\$ 1,179	\$ 1,173	\$ 1,206

Assumption:

Operating - \$448.1 M ; BTA III - \$253.0 M

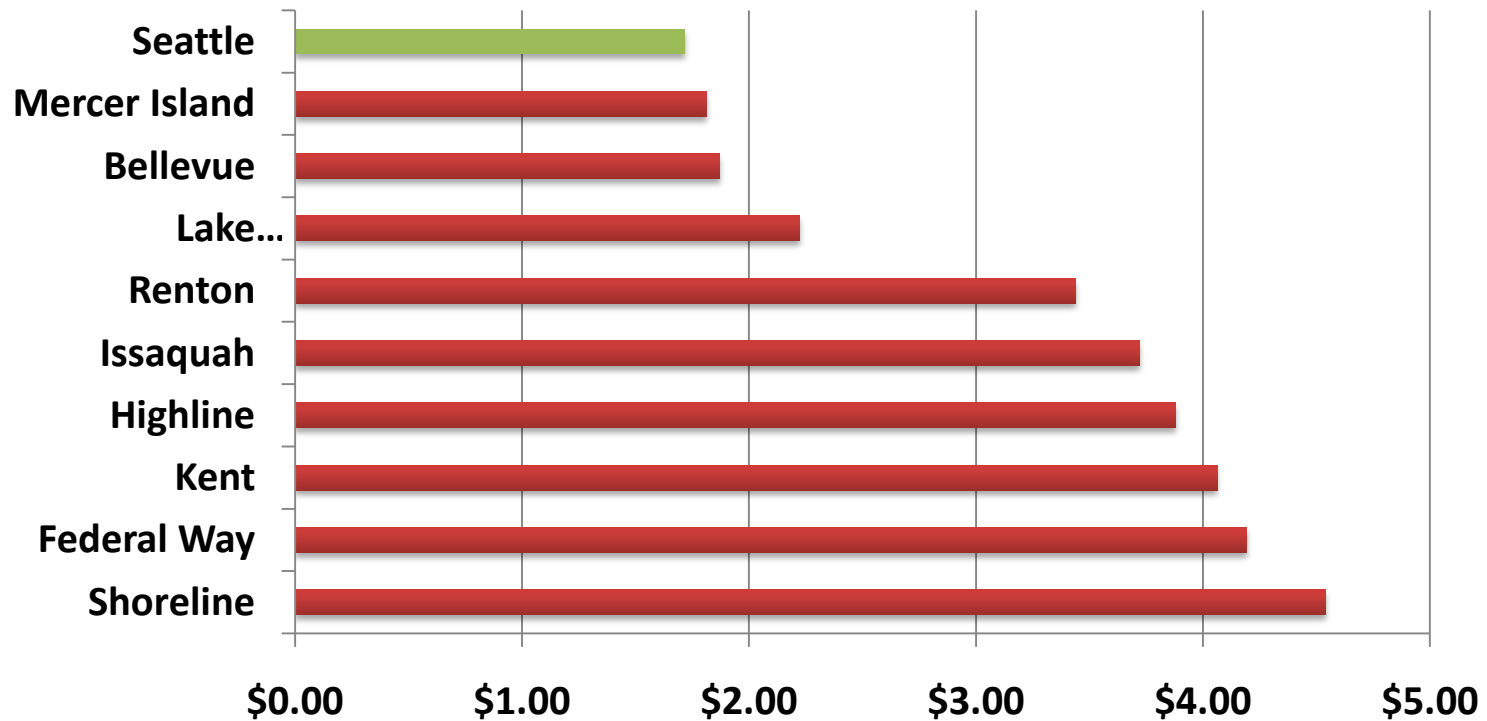
Estimated Levy Amount per \$1,000 Assessed Value



Operating - \$448.1 M
BTA III - \$253.0 M

2009 Total Levy Rates

2009 Total Levy Rates Per \$1,000 Assessed Value



February 9, 2010 Capital Levy Buildings, Technology and Academics III (BTA III)

Buildings, Technology and Academics III Levy

BTA III is a 6-year capital levy, part of the District's plan to upgrade and renovate aging school facilities, provide seats to support student enrollment needs, upgrade technology and support academics on a planned and predictable timetable.



Planning for BTA III

- ✓ **Facilities Master Plan updated** March 2008
- ✓ **School/community input** Oct 2008 - Fall 2009
- ✓ **Facilities analysis by MENG** Nov 2008 - April 2009
- ✓ **Develop potential project needs** Nov 2008 - May 2009
- ✓ **Community informational meetings** May 2009 - Fall 2009
- ✓ **School Board adopts guidance and principles** July 1, 2009
- ✓ **School Board work sessions and
Operations committee meetings** May, 2009 – Fall 2009
- ✓ **Project prioritization** July, 2009
- ✓ **Community information sharing meetings** Sept. 22, 24, 28, 2009
- ✓ **School Board work session** October 7, 2009

Planning for BTA III

Focus on long-term strategy and planning across the system:

- Excellence for All 5-Year Strategic Plan (key strategies and priorities)
- Key District initiatives
- Long-term technology planning to support learning and increase efficiency
- Long-term facilities management
 - Capacity management: Serve families by balancing available seats with geographic needs
 - Property management: Maintain closed buildings and building rentals
 - Deferred maintenance: Manage across all capital levies and general fund
 - Future capital levies: Building Excellence IV (2013)

BTA III School Board Guidance and Principles

- Align projects with future Building Excellence IV (BEX IV) and Facilities Master Plan (FMP)
- Use Facilities Condition Index (by Meng), which prioritized with 3-or-less-years of useful life – prioritized building envelope and life safety
- Align with the New Student Assignment Plan / Capacity Management / School Consolidation
- Make progress in managing the maintenance backlog
- Create a category of energy efficient / sustainable projects
- Use an inclusive process which included early school surveys and prioritized rankings utilizing cross departmental teams
- Projects can be completed within the 6-year life of the levy

BTA III – Building Component

51% of Total BTA III Levy: \$128,815,000

Major Preventative Maintenance	\$ 18,000,000
Waterline Replacement (13)*	\$ 4,000,000
Replace Roofs/Seismic Diaphragm (16)	\$ 17,000,000
Communication/Security Systems (3)	\$ 150,000
Exterior Wall Repair (1)	\$ 12,000
Fire Suppression – Sprinklers (11)	\$ 12,000,000

*Number of projects/schools

BTA III – Building Component (cont.)

51% of Total BTA III Levy: \$128,815,000

Exterior Window Repair (1)	\$ 240,000
Seismic/Unreinforced Masonry (7)*	\$ 17,800,000
Heat Ventilation Cooling Systems (6)	\$ 8,000,000
Energy Efficiency & Green Projects (6)	\$ 21,600,000
Construction Inflation	\$ 24,813,000
Capital Program Costs	\$ 5,200,000

*Number of projects/schools

BTA III — Technology Component

14% of Total BTA III Levy: \$34,885,000

Students and Teachers

Student information systems; instructional technology; library services; data warehouse; STEM computer hardware and technology

\$ 10,865,500

Schools and Systems

Web upgrades to improve communication with all constituents; electronic records management; support business services; IT Disaster Recovery

\$ 8,800,000

Technology Infrastructure for Schools and District

Replace aging PCs, projectors; sound systems and infrastructure; increase network bandwidth

\$ 15,220,000

BTA III – Academics Component

35% of the Total BTA III Levy: \$89,272,000

MAP Assessment

\$ 4,000,000

Measures of Academic Progress:
Computer labs, test licenses

Special Education

\$ 4,900,000

Building modifications to support changes in
service delivery at all levels

Core 24 Grad Requirements

\$ 3,500,000

Add science/computer labs at high schools

Early Learning Classrooms

\$ 3,200,000

Modifications to support preschool at
four Title I Schools

BTA III – Academics Component (cont.)

35% of the Total BTA III Levy: \$89,272,000

STEM at Cleveland

Science, Technology, Engineering and Math school: capital work to support implementation

\$ 1,600,000

Meany building upgrades

To support changes in use

\$ 5,000,000

Capacity Planning & Management

Open buildings to support enrollment growth in specific geographic areas

\$48,072,000

Athletics: Fields, Turf, Lighting

Routine replacements and increased lighting efficiencies at 12 sites

\$19,000,000

Capacity Planning and Management - Policy

- New Draft Policy to manage capacity for the New Student Assignment Plan and Facilities Planning to serve families by balancing available seats with geographic needs and changes in enrollment.
- Report part of on-going Enrollment and Facilities Planning process
- Introduce to the Board in November to support New Student Assignment Plan
- Report Commences with the 2011-12 School Year

Capacity Planning and Management - Policy

- Annual Report to the School Board each Spring
 - Current and Projected Enrollment each school year
 - Develop plan to provide capacity where students reside
 - Monitor changes over time
 - Identify areas that are stable and areas that are increasing or decreasing
 - Make recommendations for possible actions
 - Adding or removing programs
 - Adding to or renovating buildings
 - Adjusting school boundaries
 - Adding or removing portables
 - Opening, reconstituting or closing buildings
- Will be coordinated with the Enrollment projections and Functional Capacity Review Team work

Capacity Management

- Enrollment is trending up
- We need to balance availability of facilities with where students live now and where enrollment changes are projected for the future.
- In some areas of the city, facilities currently in use cannot accommodate projected enrollment.
- We will need to open buildings to meet the needs of current and projected students near where they live.
- Funding to prepare buildings for opening will be sought in proposed BTA III levy and/or other sources.

Opening Buildings

Proposed Building	Timing
Sand Point	2010
Old Hay (students at Lincoln in 2010-11)	2011
McDonald (students at Lincoln in 2010-11)	2012
Rainier View	2011
Viewlands	2011

Capacity Management – Opening Buildings: \$ 48,072,000

Building Name	Cost Estimate: Construction, Tech Infrastructure	Furniture, Fixture and Equipment	Technology Equipment	Fiber Network	Project Total by Building
Sand Point	\$3,861,000 + \$1,000,000 (4 portables)	\$1,525,000	\$610,000	\$50,000	\$7,046,000
Viewlands	\$8,917,000	\$1,525,000	\$556,000	\$100,000	\$11,098,000
Old Hay	\$5,708,000	\$1,525,000	\$280,000	\$0	\$7,513,000
Rainier View	\$5,400,000	\$1,525,000	\$303,000	\$207,000	\$7,435,000
McDonald	\$12,377,000	\$1,525,000	\$928,000	\$150,000	\$14,980,000
Total	\$37,263,000	\$7,625,000	\$2,677,000	\$507,000	\$48,072,000

Capacity Management – Opening Buildings Information

Building Name	Project Total by Building	Year Closed	Proposed Functional Capacity 2015	Total Number of Teaching Stations
Sand Point	\$7,046,000	1988	250 w/portables	14
Viewlands	\$11,098,000	2007	420	25
Old Hay	\$7,513,000	n/a	350	17
McDonald	\$14,980,000	1981	370	21
Rainier View	\$7,435,000	2007	305	19

Levy Planning Information

Board Discussion

Energy Efficiency and Sustainability Projects

- Natural Resources Conservation Policy H25.00 Adopted November 1, 2006
 - Reduce the use of energy water and other natural resources and encourages recycling
 - Educate students teachers and staff about the importance of conserving natural resources
 - Lessen environmental damage attributable to natural resources consumption
- Natural Resource Conservation Procedure adopted November 1, 2006

Energy Efficiency and Sustainability Projects

- BTA III has opportunity to employ Sustainable Techniques and Improve Energy Efficiency
 - Employ “Energy Star ®” rated techniques and materials
 - Provide Additional Sustainable – Green Facilities Improvements
 - Provide Educational Opportunities through additional signage

Energy Efficiency and Sustainability Projects

- Six Schools are recommended
 - All six were built between 1989 and 1992 and will not be renovated for many years – not BEX IV candidates
 - All six have roofs at the end of their lifespan and need to be replaced
 - All six schools have heat pumps at the end of their lifespan and need HVAC system replacement and improvements
 - All six schools need improvements for indoor air quality to meet current code for air exchange

Energy Efficiency and Sustainability Projects

- Estimated \$21.6 Million for all 6 schools with all proposed projects
 - John Adams
 - John Hay
 - Leschi
 - John Muir
 - Olympic View
 - West Woodland

Energy Efficiency and Sustainability Projects

- Roofing Products– Reduces heat build up in warm weather
 - Employ Energy Star® rated Roofing Materials
 - Reflective and/or Metal roofing materials
 - Provide ability to install solar panels as demonstration projects as appropriate
- Improve Insulation - Reduces heat loss in cold weather
- Minimal to no additional costs – only change in specifications

Energy Efficiency and Sustainability Projects

Conventional Heat Pump and Boiler System:

- Boilers and Heat Pumps need to be replaced approximately every 20 years (Today's cost is \$750,000 - \$1,000,000 per school)
- Need routine maintenance, inspection and licensing - \$7,000 annually per school
- Existing System Energy Consumption is approximately \$25,000 - \$30,000 per year
- Current operating assumptions are at existing 5 CFM air exchange per person and new system upgrade need to be at 15 CFM per person

Energy Efficiency and Sustainability Projects

Geothermal / Ground Source Heat Pumps (GSHP):

- GSHP is an “Energy Star®” rated technique
- System can be retrofitted to existing HVAC duct work
- Wells never need replacing once installed
- Geothermal Heat Pumps provide the greatest reduction in building carbon footprint available with today’s technology
- Other Districts (Lake Washington, Kent, Bellevue, Bellevue Community College and Issaquah) have endorsed the technology
- GSHP technology reduces general fund expenses for overhead and maintenance for HVAC systems
- Proven reliable at Madison and Hale

Energy Efficiency and Sustainability Projects

Geothermal / Ground Source Heat Pumps:

- Payback was calculated between 23 and 53 years using today's energy costs – Estimated Energy savings is around \$5,000 per year for these buildings at 5 CFM per person
- District should anticipate increasing costs for energy costs and increased air exchange to 15 CFM with new system with conventional technology
- Upfront cost is greater – each school is about \$1,000,000 to install wells and replace playfield however, this is a permanent utility infrastructure construction; not replacement of mechanical systems – included in the \$21.6 Million estimate
- Environmental Services Staff endorse the GSHP option

Energy Efficiency and Sustainability Projects

Other Opportunities:

- Covered Bike Racks for student bicycles
 - Add Solar Panels as demonstration project
- Provide Signage to educate on benefits of energy efficient technology
- Construct vestibules as specified to reduce heat loss and gain
- Install rain barrels along with downspout improvements as needed
- Partner with City of Seattle in providing “EV Stations” – electric car charging station
 - Unit is \$11,000 – may be able to obtain from City through new program for free – users would pay for power used

Levy Planning Information

Board Discussion

Facilities Master Plan – Update to Building Classifications

- Chapter 3 describes Building Classifications and appropriate uses for each classification
- Need to revise classifications for last years capacity management building closure and consolidation
- Need to revise classifications for upcoming opening of buildings used for temporary housing

Facilities Master Plan – Update to Building Classifications

- Essential: Open and Active school sites
- Essential Interim: Buildings used for temporary housing of programs on an interim basis
- Inventoried: Buildings not needed for a permanent program at this time, available for short term lease and rental
- Non Essential – Surplus: Buildings not needed for a permanent program; eligible for long term lease or sale

Facilities Master Plan – Update to Building Classifications

- Changes from 2009 Closure and Consolidation

Name	2008 FMP Classification	2009 Classification
Genesee Hill	Essential	Inventoried
Mann	Essential	Inventoried
Van Asselt (building only)	Essential	Inventoried
TT Minor	Essential	Inventoried

Facilities Master Plan – Update to Building Classifications

- Changes due to NSAP Opening Buildings

Name	2008 FMP Classification	2009 Classification
Sand Point	Essential Interim	Essential
Viewlands	Inventoried	Essential
McDonald	Essential Interim – Emergency Site	Essential
Rainier View	Inventoried	Essential

Facilities Master Plan – Update to Building Classifications

- Changes for Property Management Administration

Name	2008 FMP Classification	2009 Classification
Van Asselt Field	Essential	Maintain as Essential
John Marshall	Inventoried	Essential Interim – Emergency Site

Property Management – Building Use

Name	Estimated SSD Vacancy	Action
Genesee Hill	10 years plus	Rental
Fairmont Park	3 – 5 Years	Rental
Van Asselt Building	TBD	Leave Vacant
TT Minor	5 – 7 Years	Rental
Magnolia	6 Years	Leave Vacant
Hughes	5 – 7 Years	Rental
Columbia	Less than 3 Years	TBD
John Marshall	Emergency Site	Leave Vacant
Mann	10 years plus	Rental

Property Management Rental Program

- Applies to five vacant sites not needed in short term: Genesee Hill, Fairmount Park, Hughes, Mann, TT Minor (plus possibly Columbia and Van Asselt building)
- Request for Proposals issued December 1, 2009 for rental of part or all of each building
- Uses limited to those allowed by code: schools, churches, child care, community center use, e.g. meetings and hourly rentals
- Short term leases, cancelable on 3-6-12 months notice
- District would maintain building shell and systems
- Expect to recover costs, but not provide substantial net revenue

Naming Considerations

Will follow Naming of School District Buildings Policy H10.00 and Procedure H10.01

- Old Hay – new name consideration (official name is John Hay)
- Sharples – needs to be assigned
 - Recommend that the name Sharples be assigned to Old Hay immediately to avoid confusion for enrollment
 - Community engagement planned
- Martin Luther King – name to be assigned
 - Timetable: November Operations Committee Meeting
 - Community engagement planned

Levy Planning Information

Board Discussion

Summary: \$253,000,000 Levy Level

• Buildings	51%	\$ 128,815,000
• Technology	14%	\$ 34,885,000
• <u>Academics</u>	35%	<u>\$ 89,272,000</u>
• Total:		\$ 252,972,000

February 9, 2010 Levies

Next Steps

- Levy resolutions - introduction **November 4, 2009**
- Public hearing **November 12, 2009**
- Levy resolutions – adoption **November 18, 2009**
- **Levy election** **February 9, 2010**

February 9, 2010 Levies Information/Comment

www.seattleschools.org – Levies 2010

<http://bta.seattleschools.org> (information on all BTA
I and II projects)

<http://bex.seattleschools.org> (information on all
BEX I, II and III projects)

levies2010@seattleschools.org

schoolboard@seattleschools.org

Public Testimony- Board meetings, Public Hearing

February 9, 2010 Levies



Questions & Answers