

Growth and Capital Needs Committee
December 8, 2015
Meeting Notes

Karin Reynolds, Deputy Superintendent, welcomed all and asked that members complete the feedback sheets. We will share these reflections at each meeting as time permits.

- Since the last meeting, I've been thinking about ...
 - Looking forward to hearing schools presentations
 - How little money will be left over after new schools built
 - All new construction on east side of town
 - The presentation from the school we've been waiting for
 - Reviewing 2007 Capital Needs Report
 - School security needs in today's world
 - The chance we run into another market downturn
 - Where we can build additions to gain high school seats
 - If we can build another pool facility – where do we have room (land) or space?
 - How excited I am to hear all the schools' presentations
 - How will everyone's voice be heard with regard to which schools get remodels/more classroom space? Will we vote? Majority rules? Whoever speaks loudest?
 - Why Pine Creek lost that football game
 - Construction costs
 - Construction management team development size & scope
 - Design/bid vs Design Build – construction bid methods
 - Projects that need to be worked on. Putting together needs to present.
 - Wants vs needs and how we can tell them apart
 - What guidelines each school has as their committees convene to identify their capital needs ... Is it a wish list exercise, and we (GCNC) have to discern a cut-off point for their priorities?
 - The growing neighborhoods and where the new schools will be! Great meeting! So interesting!
 - Silly question: are we for sure going to get the monies to make this all go? What if the bond doesn't pass?
 - Current funding/expenditures
 - Programs that were promising but are not now
 - Programs that are not successful & how we can redirect the specific funding to new or other areas
 - Past programs/investments that were unsuccessful – failed with last bond
 - Why not get rid of the choice program?
 - What are the benefits?
 - Do the benefits outweigh the cost?
 - School and department committees preparing their presentations for our committee

- 2007 long range capital facilities report & 2001 long range capital expenditure report
- Answered - When was the last facilities audit?
- How eye-opening when you live on west side where everything is build out to see all development on E side of I-25
- I would like to know more about ...
 - What were the shortfalls with last bond???
 - Real numbers of out of district kids each school and from where, so sophomores & juniors or 4th & 5th still count please.
 - The rationale behind the locations of the newly proposed schools.
 - What direction we're taking to determine how much \$ each school will get to budget with.
 - Is it possible for everyone to share which projects are near & dear to their hearts so we all understand the passion behind their opinions on particular subjects?
 - How #1 priority (and below) maintenance & repair projects are determined & kept current.
 - Why difference between design capacity & utilization capacity?
 - For longer projects, e.g. HS how do you project inflation?
 - LEED/Sustainability costs impacts
 - The proposed schedule for new schools. Where would they be built first, etc.
 - Cost of new construction vs remodel/add on's
 - How did the district manage emergency capital needs issues during and after the recession?
 - Has ASD20 done any benchmarking of large, successful bond issues in other cities, districts, etc.?
 - What can we do instead of portables?
 - How to prioritize?
 - When is an elementary school too big (number of students)?
 - Has the district ever had a bond issue not pass?
 - Do we need to create a plan if it does not pass?
 - What's been completed since last bond?
 - Operations & Maintenance/Capital expenditures budgets & schedules
 - Expenditures & current funding
 - To what efforts would we design/operate our facilities in sustainable ways?
 - Education specific updates
 - How are perimeters for school districts determined?
 - Answered – Which projects from p. 14 of 2007 report were actually completed?
 - Why do we accept out of district students when enrollment capacity is above what certain schools actually have?

Sharing feedback, answers, and questions from and since November meeting – no concerns, Anne will post to the website. All members fine with norms so far. Karin asked members to feel free to add to the green sheets throughout tonight’s presentations and turn in after meeting. Also there is a parking lot for post it note questions and ideas.

Tom Gregory, District Financial Officer, shared two handouts. One is the estimate of enrollment at district build out. Tom narrowed the years to the next five and by east and north parts of the district. Don Smith, Planning Consultant, asks this information of developers every year. There are some changes to the zero numbers; Tom will share an updated version at the next meeting. The second handout showed the city ordinance on park and school fees for developers. This is what land dedication is based on.

Developers

Mike Ruebenson, COO with La Plata Communities shared information about development from his perspective. Power Point attached.

- There will be about 1500 homes in Cordera at build out; they are currently at 783, so just past the 50% mark. Could be complete in 2020 but could be another year or two. He guesses the numbers in the handout are a little conservative. Two multifamily sites are planned, one projected to be done in 2018.
- Northfork at Briargate – lots of demand. More of a ‘non-amenitized’ community, and a reachable price point for those wanting to come into D20. There are a total of 700+ homes, at about a 5-6 year projections rate. Strong demand. Construction to start next year. These are in the city. No homes sold in Cordera for less than 300k; North Fork should start at mid 200k and range to mid 300K.
- The Farm - new development this year north of the troubled hotel at Interquest. The shuttered hotel is the one to be turned into a water park. Higher price point than Cordera. Multifamily site is questionable, and 300 single family units planned.
- Number one amenity they offer to customers over clubhouses etc., is District 20.

Members of the GCNC asked the following questions – followed by Mr. Ruebenson’s responses:
What resources are used to project?

- They use a metro studies firm. In The Farm, specifically, they hired a firm specializing in market study. They also use history. It gets challenging with adding another option in the price point. Will see about a 15% increase this year. Summit Economics projects/estimates about another 10% increase.

Census?

- They do not use the census as they don’t focus on that too much. Tom G. said the district does use student yield rates to create an average on housing units (no regards to price points). Tom said each house in D20 produces older children. Similar to Lewis Palmer, not D11, Harrison, or Widefield where younger children are predominant. Price point has a lot to do with it.

Where are buyers coming from?

- Most from in state. Now seeing more of a “move up” buyer. Some activity from Denver.

Any projections to where Powers will connect to I25?

- Through Flying Horse.

Doug Stimple, CEO and one of the owners of Classic Homes (developer of essentially all of Flying Horse) shared his perspective:

- One of their primary focuses in Colorado Springs is in Flying Horse, 1500 acres, north of New Life and PPCC.
- Have put about 1200 residences (3000 residents) in Flying Horse over last 10 years.
- They gave 80 acres (only 40 required) for the K-12 campus idea that is now DCC.
- Averaging about 120 to 140 units a year. From 800-1000 units left to be completed in 6-7 years if economy remains good.
- Another project, Sterling Ranch, will start to produce in 2017, first 1500 units inside D20, splits with D49.
- Working on a few infill projects, mostly age targeted, with little projected impact on D20.

What's lowest price in Flying Horse?

- Hard to get in for less than 350K, average is 600K.

Who is buying?

- Combination age targeted (tends to be people downsizing) is about 25% and growing. Have a very large LDS population, tend to be young, large, wealthy families. 15-20% affiliated with Denver.

Foreclosure rate?

- Almost nonexistent; this is a demographic that almost never loses homes. In bleakest time had about 7-8 total.

Any plans to go east?

- Most is located in county. Have 500 acres in Shamrock Ranch, east of 83 and old Northgate. A portion in D20, large lots 2.5-5 acres.

Powers coming though?

- They spent 2 years and 750k trying to convince the city that it shouldn't be done and got nowhere. They are not on the hook to build Powers; it's a state transportation obligation. They did widen Northgate. Leary of Powers project; it has to go through mouse land. In 2004 dollars it will cost 120 million, and there is no current public funding for it. Will give 160 acres right of way, but not until the agreement is ready. In Northgate annex agreement they had a timeline that if they had not identified the location of Powers they were going to have to buy it. Classic has no time limit. The Scott Hall Field of Dreams was sold to city years ago, there are potential road access issues to be determined.

Ralph Braden, Wolf Ranch, shared the following:

- Ralph spoke about the land dedication handout. The big projects give land, the smaller ones give money. There is also utilities included.

- Ralph gave a brief history of the economy, and shared that Wolf Ranch sold 8 lots at its low year. Projections are on the conservative side because of that.
- Wolf Ranch was originally annexed as part of Briargate north of Cottonwood Creek and projected about 6000 units. The master plan permits a higher number. They just crossed the 1200 units, most single family. One townhouse project. Single family detached cost from 350k to 500k. Townhomes at about 200-225k per unit. Anticipate they will continue to deliver townhome product. Not sure about apartments, not projected now.
- School is projected at southeast part of Wolf Ranch where 80 acres has been dedicated for future K-12.

Master plan is grand design, what may happen that would/could significantly change the single family detached to something different?

- There could be a scenario, if people can't afford the price points, would perhaps take a dramatic shift. He anticipates the areas will continue to build out as planned.

Tom shared that he will update the numbers document. He wanted GCNC to hear the projections from the developers. There is still construction happening after 2020; that's just how far were going out with numbers on the current document

As we're building, are we seeing exodus, are people moving out?

- Ralph sees them staying, they offer a downsize unit (low maintenance). Sees people moving into the district from other districts now that they are more able to. West side elementary schools are maintaining, no significant growth or decline, reflects stability.

Is 2020 far enough out to be comfortable with? If bond passed the first building would not be ready until 2019.

- Tom said the fastest it could open is 18 months for elementary from bonds sold, 24 months for middle school and 36 months for a high school. The earliest a school could be opened and serving kids is fall 2018. Tom will see if we can go beyond 2020 but each year we go out data is less reliable.

This is the last meeting presenting information and answering questions as we will begin to focus on presentations from schools and departments.

When the developers dedicate land, is it up to the district to accept, can they negotiate?

- Ralph said in the past he and the superintendent have driven the sites to determine best location.

As the district sees its needs, can the negotiation still occur based on the district's needs?

- Tom said the sites do change based on needs; for instance, they may go from K-12 to K-8 site. We are fortunate that we have good developers and have been able to negotiate. Also, some of the utilities, etc. come into the negotiations. We could ask while they are doing grading work, if they can help level off school spots. Developers work with the

city on park sites adjacent to school sites. Sometimes they can dedicate a school site and adjacent park site.

Near term/short term growth projections

Tom explained the enrollment and projections handout. The first few columns are design capacity and utilization capacity, these are different.

A member commented we have a lot of kids, and we must look at things we didn't get accomplished last time that need to be attended to.

District-wide Facility data

Are there any schools that cannot take modulars?

- Tom does not know of any but sometimes if a wet portable is needed, the water and sewer lines can become very costly, space can prevent it. Mark Bissell, Executive Director of Facilities, said there is always space to fit a modular. It costs about \$100k. We typically purchase them.
- Do we have a long term goal to get rid of them? Some of them are aging. We've purchased 4-5 in last few years. Nice thing is it's quick and affordable. In most larger school districts, it's not uncommon to see modulars. Tom keeps track of where it's getting close: CT, RC, DCC elementary, DCC middle, MRMS, TMS, DCC high, LHS, PCHS, and RHS are all at or above utilization capacity number.

Is there sharing at DCC because of shared spaces?

- No, as enrollment grows it removes that capability.

D20 has 25,063 students, the blue bar on handout represents non charter school students. TCA has purchased the old Mountain View elementary and is paying on that. TCA owns all the rest of their facilities. There are no students in TCA modulars for security purposes; they are all admin offices, etc.

It can be attractive to add on to a building through permanent construction or a modular, but what's forgotten is there is a core facility. The core facilities don't expand because you add on. Café and auditorium are still the same size. Tom said the committee will see excitement from the schools. During the field trips we will learn the building shortfalls. Libraries with lots of books, shared cafeterias and gyms, narrower hallways.

- When was last facility audit? 2000 with a follow-up in 2004.

Recommendations Long Range Capital Facilities Committee in 2007 (From Section Five of Notebook – November Homework)

Section 5, page 12. We give value to the work of the previous committee. Tom reviewed the recommendations.

The new construction recommendations of 3 things, none have been built.

Remodels/additions – been able to do minimal work from capital reserve funds.

Per Pupil Building is now called School Site Improvement.

Projections on attachment E is all the recommendations, not just schools. Includes district facilities, security needs, technology needs – all at district level.

Tom shared technology components, the good news is it's all pretty much taken care of now. The fiber is pretty much done, much of the recommended work is done.

Similar buckets, but be clear on the school money and the other more significant projects that compete against all other projects.

- Did schools have the opportunity to present to the previous committee? Yes they did. Every school had an opportunity to present last time some did not by choice.

Planning for SSIC presentations beginning in January

Vicki Taylor said last time we knew what our bottom line was; we knew seats needed. We knew the needs and took the buckets and figured out what needs to be done and what to cut.

Jackie Walls said there is a group of parents saying that we should fix what we have now rather than build new. Tom said that, starting in January, it will be all the schools and departments presenting their needs. When they're done, we will revisit the new construction needs. Vicki said there is a balance of addressing new and existing needs.

Jackie said the Parent Sounding Board (PSB) is saying the bond is a done deal and four new schools would be built. Karin said the message at PSB was exactly what we've heard from developers, needs and sites...nothing is a done deal as the question about whether the BOE will seek a bond in 2016 hasn't even been determined – they await feedback from this group. When you hear these things, members can help correct misinformation.

A member asked if a K-12 building is less costly than an elementary, middle and high school. Tom affirmed that was true.

Karin said the schools know their per pupil dollars won't be enough to pay for additions or swimming pools. Their focus is on capital needs such as things like paint, new flooring, playgrounds, risers, etc.

Section 9 is the school site improvement committees (shared last meeting). You will have a handout prior to the school and department presentations.

Karin will send an outlook invitation or email on the field trip dates, Saturday April 23.

Tom reminded the GCNC members that it is okay if they're not sure about what's to come. . The next several meetings will be different, and members will learn a lot about needs and hopes. Take notes; after that we will do group work. There will be tools to help us get to a decision making process.

Vicki suggested it would be helpful if we had talking points to use when people ask about our work. Karin said we can bring talking points next time to share. No decisions have been made.

GCNC documents housed at <http://www.asd20.org/committees/gcnc/Pages/default.aspx>

Next meeting: January 5, 2016, 5:30 – 8:00 at RHS Tech Wing

Attendance: Kathy Armacost, Ralph Braden, Gary Coulter, Kelly Goyden, Cindy Hardin, Vernita Hare, Francine Henderson, Ryan Henkel, Kim Hollm, Tammie Mohr, Dan Olson, Matt Pacione, Jackie Priessman, Henry Reitwiesner, Patrick Schumaker, Tony Scott, Anthony Sibley, Robin Stanforth, Jason Stejskal, Vicki Taylor, Will Temby, Jackie Walls, Stephen Zamborelli

Absent: Megan Chura, McKenzie Palmer, Vish Paradkar, Ruth Schoen, David Tubb, Mark VanGampleare

Ad Hoc Members: Nanette Anderson, Mark Bissell, Susan Field, Brian Grady, Tom Gregory, Anne Krajcovic, David Peak, Karin Reynolds, Greg Stephens, Linda Warhoe

Absent: Shelley Kooser