

MINUTES
CLARK COUNTY SCHOOL DISTRICT
SPECIAL MEETING OF THE BOARD OF SCHOOL TRUSTEES
BOND OVERSIGHT COMMITTEE
ADMINISTRATIVE CENTER, ROOM 466
5100 W. SAHARA AVE., LAS VEGAS, NV 89146

THURSDAY, NOVEMBER 19, 2015

11:30 a.m.

Members Present

Bowler, Richard
Bruins, David
Al Davis
Debbie Earl
Halsey, Jim
Lavelle, Lisa
Lazaroff, Gene

Philpott, Steve
Reynolds, Jacob
Assemblyman
Harvey Munford
Cameron Tate
Eva White

Members Absent

Charles Kubat
George Lopez

A recording of this meeting can be obtained by contacting the Capital Program Office at 799-8710.

1.01 FLAG SALUTE.

1.02 ROLL CALL.

Jim Halsey, Chair, called the meeting to order at 11:30 a.m.

1.03 ADOPTION OF THE AGENDA.

Motion was approved to adopt and accept the November 19, 2015, agenda, with the deletion of items 3.07 and 3.08.

Motion: Davis

Second: Philpott

Vote: Unanimous

2.01 PUBLIC COMMENT PERIOD.

Mr. Halsey commented that he would like to recognize a few visitors from the City of Mesquite, including Mayor Allan Litman; Councilman Kraig Hafen; Mr. Nick Montoya; Mr. Brian Haviland, Bunkerville Town Advisory Board; Mr. Frank Toddre (GM) and Mr. Tim Marleau (Director of Resort Operations), the Business Community, Eureka Casino; and Mr. Dan Wright, Kids for Sports Foundation. Mr. Halsey continued by advising our guest speakers that they have 2 minutes to speak.

Nick Montoya, 1st Speaker – Mr. Montoya introduced himself as City Administrator for the City of Mesquite, Department of Athletics. He stated that he had a letter from Commissioner Marilyn K. Kirkpatrick, District B he wanted to share regarding the addition of a new gymnasium in Mesquite. Mr. Montoya continued stating that their City Facility is getting taxed immensely and it's getting

2.01 PUBLIC COMMENT PERIOD. (continued)

more difficult to schedule their events around the School District's events. He would like to see the CCSD build a new gym on the Virgin Valley HS premises and said he hoped this can get revisited soon.

Kraig Hafen, Councilman, City of Mesquite, 2nd Speaker – Mr. Hafen stated they have great community support. He said he has a special needs child which gets his day disrupted due to full gymnasiums. He stressed the importance of a new gym at the Virgin Valley HS with schedule issues because of students having to travel after school and getting back to school property late at night. He would like this to go to the School Board to get approval for a new gymnasium.

Brian Haviland, Bunkerville Town Advisory Board, 3rd Speaker – Mr. Haviland spoke on event schedules being hard for the kids due to traveling back and forth from one facility to another, but if they had a bigger gym their schedules would not be problematic. Also, their education situation due to late sport schedules two-to-three times per week and traveling to and from would not be as hard and it would be safer for everyone.

Dan Wright, Sr. Vice-President, Bank of Nevada, 4th Speaker – Mr. Wright stated he was representing the Kids for Sports Foundation. He read their mission statement “*To ensure all kids are given the opportunity to experience the positive benefits of playing organized sports; we do this by helping remove financial and other barriers that prevent kids from participating in sports.*” He stated that the purpose of this foundation is to encourage kids to participate in these sports. Mr. Wright continued by stating that the foundation is an entity registered in the State of Nevada and has a 501 C3 status. He said that in less than two years that this foundation has been in existence, it has raised nearly \$50K. He said these funds are from private monies and private donations and also from golf tournament events and different things students do in Mesquite. Mr. Wright stated that the Foundation has already donated out close to \$14,000 to 76 children in Virgin Valley. He said with the help of this Foundation, there will be more students participating in sports; and more growth means the need for a new gym.

Ryan Cordia, Assistant Principal, Southeast Career and Technical Academy (SECTA), 5th Speaker Mr. Cordia voiced his concern for SECTA. He stated that during the last building phase they have two new buildings – one classroom building and one commons building. He said staff and students are having to operate out of 40 classroom portables classrooms. He stated that English, Math, and Social Studies' departments are working out of portables. Mr. Cordia stated they reserve three portables every day to accommodate for emergencies with issues such as heating, water, electrical and other issues that close down classrooms. He stated they only have one gym, and that they are 1-A and NIA School with several State championships. He stated he would appreciate this committee keeping a gym addition in the forefront.

Jaydel Wilson, Assistant Principal, Virgin Valley HS (VVHS), 6th Speaker – Mr. Wilson stated he is a father of students at this school and is also a graduate of VVHS. He stated he is advocating for this physical education complex. He spoke about the students having to practice at the recreation center and the girls practice on half a court. He stated he would like Virgin Valley (VV) students to have an opportunity to compete for State championships and that it's important for them to be

2.01 PUBLIC COMMENT PERIOD. (continued)

able to have the facility necessary to prepare them to compete with the larger Las Vegas schools in the same league. He closed with a plea for this committee to consider giving Virgin Valley High School a physical education facility for their students.

3.01 APPROVAL OF THE MINUTES.

Motion for approval of the Minutes for the October 15, 2015, agenda.

Motion: Lavelle

Second: Davis

Vote: Unanimous

3.02 REPORTS BY STAFF AND/OR LIAISON REPRESENTATIVES. None.

3.03 QUESTIONS REGARDING MONTHLY STATUS REPORTS. Handout reviewed with no questions.

3.04 REPORT BY THE CLARK COUNTY SCHOOL DISTRICT BOARD OF SCHOOL TRUSTEES' LIAISON.

Trustee Young was absent. Trustee Child served as the Clark County School District Board of School Trustees' Liaison – No report.

3.05 REQUEST FOR A NEW AUXILIARY GYMNASIUM AT VIRGIN VALLEY HIGH SCHOOL.

Mr. Clifford Hughes, Principal, Virgin Valley High School, presented a 24-page slide presentation (A) entailing:

Safety, Access/Equity, and Achievement. Mr. Hughes provided an in depth discussion explaining why a new gymnasium is needed at this school. He explained how desperately they need a new gym to accommodate practice schedules for the many sport teams such as basketball, volleyball, and wrestling, the dance team, and cheerleaders; but also, to be able to host and compete with other high school teams and have the room to accommodate everyone – visitors, community, and locals as well. Mr. Hughes explained the current issues/concerns on dangers of overcrowded events such as Homecoming Assembly, sports games, and graduation due to being in violation of the County fire code.

Community Support: Mr. Hughes discussed all the community support that Virgin Valley HS has with over 17 different entities including VV teachers and coaches. Also included is the City of Mesquite, Mesquite Police Department and Fire Department, County Commissioner Marilyn Kirkpatrick, and Congressman Cresent Hardy to name a few.

The Quest: Mr. Hughes discussed the 1998 Bond included a new gym as part of the facility upgrades that was announced at Virgin Valley's graduation ceremony by Trustee Ruth Johnson (at the time). Then, in the year 2000, the school and community were told there was no more money left from the 1998 Bond to build the gym. In 2012, the CCSD placed a Bond on the election ballot for the 1991 Virgin Valley HS new gym which was on a list based on current facility conditions and an analysis on the facility's physical condition. Mr. Hughes stated that in 2015, after the legislature provided a way for the District to get Bond money, the VVHS gym fell off the grid. He said this

3.05 REQUEST FOR A NEW AUXILIARY GYMNASIUM AT VIRGIN VALLEY HIGH SCHOOL.
(continued)

brings him to the current status of presenting to the BOC at this November meeting. He provided an overall site plan of the VVHS property indicating the available land for a new gym. Mr. Hughes stated that KGA Architects had already estimated the cost of the new gym with a cost of about \$8,228,000.00, which is contingent upon certain factors. Mr. Hughes concluded by thanking the committee for taking the time for listening. He said he feels this is important for VV students as for the students at Southeast Career and Technical Academy; that they should have the same opportunity that all other high schools in this entire valley have. He said it's important to their community, their school, and their students.

Questions:

Ms. Lavelle asked: (1) what exactly are you requesting? (2) is there another proposal you would have that would be acceptable, though not the best of what you want?

Mr. Hughes responded they are requesting what Moapa HS received which was the same size as what Las Vegas high schools have: three full size courts, brand new wrestling room and weight room. He also said he would look at anything else that is offered, but it would be hard for the community and the school to swallow if they got less than what the other schools received/have. But he added that he would be happy to receive something, which is better than nothing.

Mr. Davis commented that he has a concern about the equity and issues about getting our kids educated in a proper environment. He asked Mr. Hughes how many portables they have and the response was two portables. Mr. Davis then asked if staff knew if there is any other high school that only has two portables. Mr. Cumbers responded he did not know, but that he would be happy to research it and bring a response back to this committee.

Mr. Lazaroff commented that he believes that Virgin Valley is short-changing their requirements when they make concessions to the size of the gym. He said it is important to have a main gym with three courts with the bleachers pulled back and an auxiliary gym and make full use of the existing gym. He suggested they not make any concessions.

Ms. Earl commented that she believes they have waited long enough for a new gym and they should not have to solicit private funds or make concessions on size and that Virgin Valley is entitled to the Bond money just as anyone else.

Mr. Bruins stated that this is a safety issue for the children and an overall concern. He stated Virgin Valley deserves the same consideration as Moapa Valley HS.

Mr. Philpott commented on the concerns of how dark it is in the rural area and the aspect of safety. He stated that the safety issue needs to be spread across the County, the town of Bunkerville, as well as the City of Mesquite – and should step forward to make improvements for the children whether it is for street lighting, sidewalks or whatever conditions need to be addressed for the safety of the children and has to be part of the community solution.

3.05 REQUEST FOR A NEW AUXILIARY GYMNASIUM AT VIRGIN VALLEY HIGH SCHOOL.
(continued)

Mr. Blake Cumbers continued with a follow-up to Mr. Hughes' presentation. He started out with a 15-page slide presentation discussing the following:

- Background
 1. Expansion of athletic facilities
 2. New gym was included in the proposed 2012 Capital "Bridge" Program which was defeated by the voters of Clark County
 3. Estimated cost about \$8-\$9 million

- Virgin Valley Concerns
 1. Lack of space to meet activity demands
 2. Diminishing availability of local community center
 3. Scheduling activities late into the night and outdoor areas
 4. Excessive travel demands on parents and students
 5. Inadequate seating for games
 6. Safety of wrestlers in a small practice space
 7. Inability to host tournaments
 8. Inability to accommodate high school student participation in athletic programs

- High School Gymnasiums – School, Enrollment, Space

<u>SCHOOL</u>	<u>ENROLLMENT</u>	<u>Gym Space (Square Feet)</u>
Boulder City	609	42,632
Indian Springs	100	21,400
Laughlin	346	28,532
Moapa Valley	528	28,532 + new addition 28,140
		Total = 56,672
Sandy Valley	120	21,105 (in construction January 2016)
Virgin Valley	735	28,532
New Prototype HS	2,700 – 3,219	51,619

- Boulder City HS – Site configuration of gym location
- Indian Springs Middle/HS – Site configuration of gym location
- Laughlin Junior/Senior HS – Site configuration of gym location
- Moapa Valley HS – Site configuration of gym location
- Sandy Valley Junior/Senior HS – Site configuration of gym location
- Virgin Valley HS – Site configuration of gym location
- 2015 Capital Improvement Program – Board of School Trustees Approved (B-BOT) on 9/24/2015
 - Mr. Cumbers discussed the Modernization/Life Cycle/Equity. Under the Full Needs (850 student capacity per ES), about \$4,675,000.00 would be the

3.05 REQUEST FOR A NEW AUXILIARY GYMNASIUM AT VIRGIN VALLEY HIGH SCHOOL.
(continued)

estimated need. The selected option “B-BOT” by the Board, is estimated at \$1,065,000.00 for modernization/life cycle/equity.

➤ Aging Facilities Need Attention

- Mr. Cumbers discussed the chart: today 166 or 50% of schools are over 20 years old. In five years, 204 or 62% of schools will be over 20 years old.

➤ Example of Competing Priorities

- Mr. Cumbers emphasized this was the most important slide of this presentation. He explained the available funds for Modernization / Life Cycle / Equity spread across the different years through the year 2020 with the current allocation of \$4.1B as follows: (cumulative shortfall includes HVAC priorities; roofs, electrical, and plumbing)
 - ✓ 2015-2016 is \$10M with a cumulative shortfall of \$90M.
 - ✓ 2016-2018 is \$70M with a cumulative shortfall of \$165M
 - ✓ 2018-2020 is \$110M with a cumulative shortfall of \$225MTotal Available Funds for 2015-2020 is \$190M with a cumulative shortfall will be \$225M.
- Mr. Cumbers further explained that the HVAC Priorities; roofs, electrical, plumbing are in an immediate “*danger zone*”; he said that in 1-2 years, these systems will be in a “*critical watch list*”; in 3-5 years, these systems will be in a “watch list”; and the total need from 2015-2020 is \$415M

➤ Next Steps

- Mr. Cumbers explained what follows to continue planning for the 2015 Capital Improvement Program:
 1. Complete situation assessment – enrollment forecasts, schools on 12 month calendars, portable classrooms
 2. Complete special assessments of roofs, mechanical, electrical and plumbing systems
 3. Compile lists of potential projects: new schools, school additions, replacement schools, life cycle capital investments to keep schools operational (based on Facility Condition Index {FCI}), modernization and equity projects
 4. Present data and options to this committee for recommendation to the BOST
 5. Present BOC recommendation and options to the BOST for approval or modification

➤ Discussion

Mr. Reynolds stated this is a question of priorities and would like to see a plan that the community has on what efforts they are doing to help to increase safety and what is being done.

Ms. Lavelle stated that she believes that sports in schools keeps children in school and agrees that sports is important in student’s curriculum. She also would like to see the percentages of students who utilize the facility. This will be helpful and be compelling criteria for recommendation purposes.

3.05 REQUEST FOR A NEW AUXILIARY GYMNASIUM AT VIRGIN VALLEY HIGH SCHOOL.
(continued)

Mr. Cameron stated that the BOC recommended “Option C” to the BOST and questioned why the Board approved “Option B.” Mr. McIntosh responded that he believes that the Board prioritized what they felt the need of “capacity” weighed more on them.

Mr. Lazaroff commented and strongly recommended that we do things for an entire community rather than for a master-planned community – that they take the back seat to a community that needs something to support an entire community of 30,000 or so, that would benefit everybody.

3.06 MAINTENANCE DEPARTMENT KEY PERFORMANCE INDICATORS (KPIs); DEFERRED MAINTENANCE; LIFE CYCLE REPLACEMENT COSTS; AND EMERGENCY CONTINGENCY.

Mr. Charles Anderson presented the Bond Oversight Committee (BOC) an extensive 36-page presentation commencing with *Maintenance Department Key Performance Indicators (KPIs), comparisons between CCSD and other large school districts*. He provided the committee with a list of 68 *Council of Great City Schools, Member Districts*. Mr. Anderson also provided the following information: identifying parameters with gathered data, identifying factors listing definitions of different aspects of the maintenance needs; charts dating from 2013-2014 for routine maintenance cost per square foot (sf), cost per work order, cost per student, electricity usage per sf (p/sf) in (KWh), utility costs (p/sf), work order completion rate, custodial work (p/sf) and cost per student, custodial work load, grounds work cost per acre and cost per student; and finally, combined maintenance, custodial, and grounds efficiency. Mr. Anderson concluded this portion of his presentation with identifying the *vision and subsequent mission of the Maintenance Department is to provide all district schools, divisions, and departments with outstanding customer services while maintaining cost effectiveness to maximize resources and enhance student learning*.

Mr. Anderson also provided the BOC with another packet of extensive and important information regarding *Emergency Contingency Plans for HVAC Systems or Chiller; Deferred Maintenance Budget Discussion; and Life Cycle Replacement Costs of HVAC Systems (including chillers, cooling towers, controls, and boilers)*. Mr. Anderson discussed the satellite stations or Zones all over the valley saving a lot of money, windshield time or driving time, and labor for staff when addressing different maintenance issues for schools and/or other District facilities. He said it increases productivity, reduces over time, and are closer to the schools. Mr. Anderson also discussed trying to acquire a different management system for inventory purposes.

3.07 BUREAU OF LAND MANAGEMENT RECREATIONAL AND PUBLIC PURPOSE LEASE PROCESS.

Mr. Jim Halsey stated item 3.07 had been removed from the agenda before the meeting started.

3.08 BLENDED AND DIGITAL LEARNING.

Mr. Jim Halsey stated item 3.08 had been removed from the agenda before the meeting started.

3.08 BLENDED AND DIGITAL LEARNING. (continued)

Mr. Halsey, at this point, acknowledged an oversight and introduced a new member to the Bond Oversight Committee, Assemblyman Harvey Munford, effective today, November 19, 2015. Mr. Munford stated he was a CCSD school teacher since 1966 and taught for 38 years. He stated this committee is a very valuable committee and is very impressive. He continued by stating the meaningful role this committee represents.

3.09 CAPITAL FUND REVENUE UPDATE.

Mr. Jim McIntosh provided the BOC with a 14-page presentation and discussed the following Capital Fund Revenue Update:

- Overview
- ❖ Property Tax(debt/bonds rate)
 - ✓ Current Rate \$0.5534 (debt rate)
 - ✓ SB 119/SB 207 Authorized
 - ✓ Authority to bond or use pay-as-you-go
 - 5-Year Comparison
 - 2012 - \$317,566,276
 - 2013 - \$297,741,021
 - 2014 - \$297,236,844
 - 2015 - \$307,869,927
 - 2016 - **\$319,500,000 – Budgeted**
 - Property Tax Capacity: November 2015
 - 2015 Future Capacity thru 2035 – Property tax rate at \$0.5534 after 2018 will be flat at \$393.2 million
- ❖ Room Tax
 - ✓ Tax charged for lodging
 - ✓ CCSD rate is 1 5/8 percent for capital
 - ✓ Authority to bond or use pay-as-you-go
 - 5-Year Comparison
 - 2012 - \$66,023,176
 - 2013 - \$67,277,580
 - 2014 - \$74,067,663
 - 2015 - \$81,297,840
 - 2016 - **\$84,000,000 – Budgeted**
- ❖ Real Property Transfer Tax
 - ✓ Tax on transfer / sale of real property
 - ✓ CCSD rate is \$0.60 per \$500 of value
 - ✓ Authority to bond or use pay-as-you-go
 - 5-Year Comparison
 - 2012 - \$17,679,060
 - 2013 - \$19,696,212
 - 2014 - \$21,311,525
 - 2015 - \$22,146,920
 - 2016 - **\$23,500,000 – Budgeted**

3.09 CAPITAL FUND REVENUE UPDATE. (continued)

- Pledged Revenue Capacity: November 2015
2015 pledged revenue thru 2035 – \$104,527,418
(Assumes flat revenue {Room Tax & RPTT})

❖ Potential Structure – 2015 Program Totals through 2025 - \$4,083.8B

Mr. McIntosh stated the slide above regarding potential structure indicates how much the CCSD would have available on an annual basis for projects over this time frame. He said that GO bond is reference to the property tax bond and it stands for the General Obligation (GO) and is considered property tax bond for the District and is the normal way most school districts are allowed to borrow by borrowing at the capital rate on property tax. He continued by stating the District has a certain amount of reserves that the District has to keep, but he said the District has more reserves that is required to keep in the debt service account. He stated there are funds available should something occur in capital program. Mr. McIntosh stated our goal is to continue borrowing and use these revenue streams for servicing debt so we can bring as much as possible and complete as many projects today as possible. Mr. McIntosh stated that the District has budgeted approximately \$125M over the next year in capital projects. Mr. McIntosh stated we need to start scaling up the Facilities Department so that we can get several projects going at the same time.

❖ Assumptions

- ✓ Assumes 6% interest / 20-year term debt
- ✓ Maximize general obligation bond (property tax) resources
- ✓ Maximize general obligation revenue bonds (room tax & RPTT) early and then level resources
- ✓ Conservative revenue estimates

Mr. McIntosh stated this is how the program looks like today, at least how the District is modeling it today. These assumptions are very conservative on revenues as we know them today and this is how we get to the \$4.1B. Mr. McIntosh said the District borrows over a 20-year period in general. He stated we try to borrow as much as possible as soon as we can with the modeling we have here; we try to maximize as much as we can and not wait into the future.

3.10 QUESTIONS ON AND/OR REMOVAL OF ITEMS ON MOTIONS AND TASKINGS.

A motion was made by Mr. Bruins to remove the *Emergency Maintenance Contingency Plan* item from the Motions and Taskings, page 1 of 3.

Motion: Bruins

Second: Reynolds

Vote: Unanimous

Mr. Philpott, committee members, and staff discussed the *New Gym Request at Virgin Valley High School – Mesquite* item to remove or keep this item on the Motions & Taskings, page 1 of 3, and it was decided to leave it on as a future reminder.

3.11 AGENDA PLANNING: ITEMS FOR FUTURE AGENDAS.

Mr. Reynolds would like to have another presentation on Blended Learning with explanations on how it affects the budget on building needs in the District.

3.11 AGENDA PLANNING: ITEMS FOR FUTURE AGENDAS. (continued)

Ms. Lavelle would like to have an agenda item to hear a balanced approach of Blended Learning and would like to hear both sides of this topic with an alternative view as to how it would impact students who couldn't afford this program.

Mr. McIntosh clarified that the presentation that was going to be presented at this meeting was specifically to discuss *Blended Learning and Online Learning*. He said this type of learning is a fit for certain students and not for others. Mr. McIntosh stated he would make sure that the future presentation will address and focus on who these programs are not a fit for -- student or community.

4.0 PUBLIC COMMENT PERIOD

4.01 PUBLIC COMMENT PERIOD.

Mr. Hughes, Principal of Virgin Valley HS, spoke again on getting a new gym for their Virgin Valley High School in Mesquite and the community support they have. He stated that the property the school is on was donated by the City of Mesquite. He said the councilman has already committed to get feedback and has offered financial assistance. He said the community support has always been there for the school. He pointed out that the school has baseball lights and softball lights because of the community.

Ms. Thornley, parent, spoke again on getting a new gym for their Virgin Valley High School in Mesquite. She stated she would come back in February with more information – she said she would do whatever needs to be done to get a new gym for their students at Virgin Valley HS.

5.0 ADJOURN: 2:12 p.m.

Motion: Tate

Second: Earl

Vote: Unanimous