

Rural School District Construction and Capital Funding Comments

July 9, 2014

Douglas County School District:

Short summary – DCSD has 11 school sites, 1 administrative building, and an operational site for 7 support organizations totaling over 965,000 sq ft. The Summary of Conditions of the NPAIP SOVs for DCSD is:

Condition (good, fair, poor)	Total
FAIR	19
GOOD	22
POOR	28
Grand Total	69

Deferred Maintenance for our entire book of business would include concrete replacement, asphalt repair and maintenance, HVAC replacement, carpet replacement, etc. I'd easily estimate a need of \$450,000/annual deferred maintenance assuming average replacement/repair cycles for everything with 7-10 year cycles.

The district has a 10 year Facilities' Master Plan that began in 2009 to align our 10 year bond program (ends 2018) resources with our facilities' long-term needs – essentially combining much needed major renovations and new construction (if needed at a specific site) with the educational needs of students and instructional needs of staff. Thus far we have concluded 2 sites' major renovations/revitalizations and new construction, GES and PHES. We are in the middle of Phase 1 of our third site, DHS, and expect to be completed Fall of 2015. Additionally, we are undergoing a much needed major revitalization of our operational facility. However, the district's needs go far beyond the capacity of the 10-year bond resources. Phase 2 of DHS would cost an additional \$30 million alone, and the other 6 sites are an estimated additional \$12 million.

Thus our biggest challenge with regards to facilities is...money. We have designated processes that align educational and instructional needs with long-term care and maintenance of the facilities that include a Facilities' Master Plan, Educational Specifications, Material Specifications, and architect and CMAR selection process. Our bond and capital projects funds simply cannot support the identified and necessary repairs, maintenance, revitalization, and/or new construction.

Other capital program needs are:

- Bus fleet replacement – The District averages over 800,000 miles logged in yellow fleet. This last year (FY13/14) is the first year we’ve had sufficient budget to purchase (2) replacement buses. We have at 8 more in the queue (out of 61) that are in poor condition and should be replaced, but we will have to continue to extend the life through repairs and maintenance as we can only afford to replace 2-3 within a fiscal cycle.
- White fleet replacement – The District has 74 white fleet vehicles of which 46 are special use vehicles (snow plows or work trucks for custodial/maintenance personnel), leaving 28 vehicles in the District’s “pool” for general use. In total 25 are reported as poor or fair condition. The vehicle replacement budget is \$40,000/annually and generally, we can replace 2-3 vehicles a year.
- Technology replacement – The District has committed to a 5 year computer replacement cycle using capital funds. This is obviously at a huge sacrifice to major maintenance/capital projects at approximately \$300,000/annually. Additionally, as technology becomes further imbedded into the curriculum, and as more technology is required for operations (e.g. cameras for safety), the price continues to climb.
- Operations Equipment – custodial and grounds maintenance do not have annual replacement funds, but I estimate that \$30,000/annually with a 5-7 year replacement cycle would be sufficient.
- Food Services Equipment – Student Nutrition Program does not have annual replacement funds to revamp the department’s needs for on-going support of the K-12 program. Much of the existing equipment is original – could be 30-40 years old – and is merely repaired and maintained by our maintenance crew. I estimate that \$50,000/annually with a 10 year replacement cycle would be sufficient.

In response to school shootings and public safety, DCSD has also set aside Capital Project Funds for Security Renovations – Single Point of Entry with an initial target of completing renovations for 5 sites in the next 5 years with expected expenditures ranging from \$60K - \$175K per site. We have 6 remaining sites that are unfunded at this point – 3 of which are secondary sites and will require much greater capital outlay due to size and set up of existing facilities and site.

White Pine County School District:

Facilities: The District has significant deferred costs associated with facility maintenance, improvements and school construction. In order modernize, upgraded and comply with current codes and standards, the District would have to invest more than \$10 million without replacing or constructing new facilities. Three schools should be objectively assessed for replacement due to their age and structural limitations. The replacement cost from NPAIP for these facilities is approximately \$45 million. Due to tax limitations and the impracticality that these facilities will ever be replaced, the District has not hired an architect/engineer to provide such an assessment.

Based on recent constructions bids from other school districts, \$45 million may be less than current construction contracts for schools of similar size and scope. The current facility for transportation maintenance and repair is inadequate and a new facility is required. A common storage facility is necessary for records, surplus property and other needs. Also, the District has a number of old abandoned school facilities that are no longer insurable. These facilities are an eye sore, public nuisance and targets for vandals and vagrants. Each year the District has to spend funds to secure and repair in the interests of public safety. The District has not been successful selling these facilities.

The District is currently seeking a firm to assess each school facility with respect to public safety as a result of recent school shootings. The financial commitment for this is unknown at this time.

Student Transportation: Student transportation is perhaps our largest most immediate crisis. The District has not purchased new busses since 2005. In order to upgrade our busses, we have purchased used busses from other school districts as they remove them from their inventory. The recent legislative change allowing Districts to use capital funds to purchase school busses will help but will not be sufficient for the District to establish a uniform system of inventory replacement. The District has 4 charter busses that were purchased used in the late 80's and early 90's. These busses were purchased because of the long distances required for athletics and co-curricular travel and have an average of 800,000 miles. The District also has approximately 20 route busses that have in excess of 300,000 miles on average. The District plans on purchasing busses a few busses with a portion of a proposed bond issue. The bond issue will not exceed \$9 million.

Fleet vehicles: The District maintains a small fleet of vehicles for staff travel and has purchased few new vehicles over the past decade. The District has purchased one or two used vehicles intermittently to upgrade its vehicles but has not been able to adhere to a systematic replacement schedule.

Technology: The District has struggled to keep pace with technology. If it weren't for federal entities donating their surplus property, the District would not have not been able to replace inventory. The District currently struggles with slow and inadequate internet speed and access in addition to replacing existing inventory. Recently, the District has deferred facility improvements to purchased chromebooks for White Pine Middle School students; however, these items will need to be replaced in a few years and there is no guarantee the District will have sufficient funds to replace.

Roadways, concrete, infrastructure: The District has not been able to pay for professional services to adequately assess the financial demand for infrastructure. Based on District estimates, the District would need to spend approximately \$1.2 million to upgrade roadways, concrete walkways, stairs and other infrastructure items.

Eureka County School District:

The Eureka County School District is anticipating spending about 2.5 million dollars in the next 5 years for deferred maintenance and improvements.

Several challenges for the Eureka County School District involving repairs or construction are the very high cost of any construction due to the construction company having to relocate and pay per diem costs to their workers. The long distance travel increases costs for even simple jobs. The freight costs for everything shipped here also adds to high repair costs. We also experience difficulty getting companies to consider our smaller jobs, because of the distance from their home base. If they have a lot of work, they won't choose our location – they will just stay at their home base to work to avoid the travel complications. Then, we get less experienced and less reputable companies for some of our work.

The Eureka County School District has to construct several new parking areas on undeveloped property and budget for repairs on several older buildings. Other than that, we have no other plans at this time.

Carson City School District:

After Sandy Hook, our board decided to budget \$2-3 million of Bond money for site security and single point entry that originally was scheduled for site improvements and already deferred maintenance. When it wasn't enough, roughly \$2 million of Capital Funds were routed to complete the projects this year.

Carson High: Several buildings for one of the largest schools in the state. It is well maintained but the facility needs windows, parking lots, elevators, indoor bleachers, restroom improvements, roof, etc.. The school was built in 5 phases over 40yrs. Electrical and infrastructure challenges as well.

Carson Middle: Roof, mechanical, both deferred 4 years. Power quality old, HVAC, finishes...

Multiple inefficient portables. Total site remodel has been deferred due to bonding issues.

Fritsch Elementary: Old CMU, inefficient windows, 3 separate buildings, security upgrades in progress but not complete.

Bordewich Elementary: Flooring and roofing needs. Very old chiller moved from CHS. Newly remodeled office, SFA, gym and roofing needs.

Eagle Valley Middle: Major HVAC upgrades needed. Half remodeled 2005, ½ failing old metal field house

Warehouse/Maintenance: Old DOT salt sheds.

Transportation: Very energy *inefficient*.

Elko County School District:

Elko County School District's Capital Improvement list, including new construction and renovations is estimated at over \$120,000,000.00. The estimates on this list have not been updated in several years; this number could conservatively be increased by 20%.

In addition we maintain a list of facilities requests listed as "non-priority" which includes projects similar to the above which is estimated at over \$285,000,000.00. The estimates on this list have also not been updated in several years. There are items on this list that as resources permit will need to be moved to the active list.

Not identified on either of the above lists are requests for repairs and maintenance items totaling over \$500,000.00.

We have not separated projects as to new construction, renovation or deferred maintenance but the lists above include replacement of boilers and mechanical equipment that has far exceeded its useful life and in many cases replacement parts, refrigerants, etc. is no longer available to make repairs.

Short construction seasons (summer break) and financial resources are the biggest challenges. Maintenance staffing is such that only 35 to 40% of preventative maintenance can be accomplished in any given year; and if staffing was adequate, there is not enough money to complete all of the needed repairs and renovations.

We have 43 of our 84 busses which were purchased more than 15 years ago and many more are either at or approaching the end of their recommended mileage lives. Based on estimated current year costs of new busses (\$120 - \$150,000 based on configuration) using \$130,000 as cost estimate we are looking at nearly \$6 million just to replace these 43 units. In our vehicle fleet we have 32 of 44 trucks purchased more than 15 years ago (conservative estimated replacement cost \$35,000 x 32 = \$1,120,000) as well as 26 of our 57 passenger vehicles purchased more than 15 years ago. Since we typically do not purchase new passenger vehicles, we can add several years to the age of those automobiles (conservative estimated replacement cost \$20,000 x 26 = \$520,000). We have tried to make classroom technology a priority to the detriment of many of these items.

Humboldt County School District:

In terms of deferred maintenance, we have approximately \$1.5 million dollars in projects that are necessary and if funds were available, we would pull the trigger today. We haven't really

calculated improvements and replacements as they have been so far out of our realm to consider. If money were not an option, we would move to rebuild Sonoma Heights. Improvements would be to align with academic needs, such as STEM labs and technology enhancements which we currently cannot afford.

Our biggest challenges right now is that our primary funding source to support our building and grounds fund is DMV funds at approximately \$242k and interest on our investments. There is virtually no interest, so we are reliant on DMV which is inadequate considering a median age of 58 years for our buildings. We have bond funds, but those are targeted towards specific voter approved projects totaling around \$1.5 million annually. This is only enough to address critical safety and envelope needs (roofs this year is costing \$1 million).

We have a significant need for buses. I am concerned about the safety of our fleet and am growingly concerned about trips. Technology is also a need, in terms of actual computers and developing a rotation to provide students access to the programs that are available on updated machines.

We are also struggling to keep up with PERS and growing Health costs.

Lander County School District:

LCSD is underway with a building project that is funded from net proceeds from the last several years, however, due to the elimination of these funds for the foreseeable future, and the need to meet the demands of increases in materials and labor, this has forced this project to be reduced in scope. As a result of this reduction, we will now be unable to address certain areas of need originally identified as priorities, such as adequate facilities for alternative education and adult education, adequate space for central office services, and adequate science labs. In addition, other projects have to be deferred (see items in next section)

Deferred maintenance items (all costs approximate): boilers (\$500,000), parking lots sealed/resurfaced (\$45,000), paint two buildings (\$50,000), landscaping (\$45,000), HVAC at high school (\$150,000)

Our biggest challenge is a reliable funding source. In rural districts, costs for capital improvements are significantly higher due to there being few, if any, vendors in our area and the costs associated with bringing these vendors to our area. The same issue also drives up cost on related services such as HVAC, emergency systems, communications systems, etc.

Other demands include upgrades to technology, kitchen equipment, HVAC systems and roof replacements

Most of the Lander County school buildings are in only fair condition, with the exception of Eleanor Lemaire Elementary (our newest building) which is in good condition. Two others are in poor condition: Eliza Pierce Elementary (built 1956) and a metal building that serves as the central district kitchen.

Lincoln County School District

School Facility Assessment, July 2014

Rural Perspective

1. Please refer to the Schedule of Values (SOV) spreadsheet for a Good, Fair, Poor, designation of the facilities in Lincoln County School District.
2. Deferred Maintenance:
 - a. A leaky roof at Lincoln County High School. It was installed improperly and we are waiting on a law suit over liability.
3. Deferred Improvement:
 - a. A 30 year old gymnasium heating system, with a diesel boiler and closed loop treated water system. We are getting by with regular maintenance and regular system checks, however, we have deferred improvements because of the cost.
 - b. A 20 year old and weathered asphalt shingle roof at Pahrnagat Valley Elementary School. We have patched it several times to extend the life of the shingles before total replacement or upgrade. The upgrade cost has been prohibitive; therefore, replacement with new shingles may be the only alternative.
 - c. Caliente Elementary gymnasium. Built in 1964. The bathrooms have been condemned by the health inspector and shut down. The heating is an old diesel boiler with no water, rather a direct diesel burn heat transfer. Very inefficient. No air conditioning exits. The roof needs replaced. We have generated a strategic phase by phase implementation plan where we can address the higher priority needs first with enough time to generate the funds over several years. It is a slow process but we hope to make the improvements in a three year span.
 - d. The heating and cooling system at LCHS in Panaca, NV is a half million dollar white elephant. The school was built by the State of NV (Governor) because of a condemned old high school. The engineers installed a heating and cooling system that depends on Panaca Spring water for heat exchange. There can be no cooling without the water running to the system. A back-up propane system was installed for alternative heating which has become the main heat system. None of the engineering accounted for the biological materials in the water. Moss grows everywhere plugging the systems up. Snails constantly plug the screens and filtering systems. Needless to say, there are some design flaws. A minimum estimate of over \$300,000 was provided a few years ago to replace the entire system not including labor. It's a maintenance nightmare.
 - e. District Energy Management. Energy management is difficult because of old electric delivery systems. Whole campuses were placed on one meter to save money but monitoring and accountability for building usage is difficult to manage. New upgraded automatic zone and time adjustable thermostats are

needed to reduce energy consumption during down times. Strategic planning for energy management is our next high priority and funding support is needed.

- f. No natural gas is available in Lincoln County. Heating is by propane, diesel or electricity and we are at the mercy of those providers in remote areas.
 - g. Concrete drainage is needed in our communities around our schools. Water damage from flash flooding is a constant maintenance issue. Poor flood zone planning in the early years of community establishment contributes to our current maintenance burden. Larger community and county flood control systems are needed, but we are proactive around our schools presently.
 - h. Athletic facilities are becoming more and more expensive to operate and maintain. Water is becoming expensive and playing fields take large amounts of water. We are involved in strategic athletic field planning with community boards and water districts to provide Interlocal agency agreements that will serve the citizens with parks, recreation, and playing fields sharing the burden of water resources and pumping costs.
4. Deferred Replacement or Construction:
- a. The middle school in Panaca is the best part of the old high school. It will need to be replaced in the next 10 years.
 - b. The vocational building in Alamo, (PVHS) is an old metal building. Automotive, welding, woodworking, CAD design, Ag mechanics and others are housed in this very cramped old building. Heating is poor and little cooling exists. A new vocational building was approved for construction with bonds by voters, but bond value is low and don't return enough proceeds from sales.
5. Equipment:
- a. Buses. Recent bus purchases were through environmental grants. Choice was limited and only applied to certain models. The most recent bus purchases from general fund were used buses from Clark County two years ago. Our last new bus purchase was five years ago.
 - b. CTE equipment is only purchased through Perkins grant money. Huge needs and no general funds to support CTE.
 - c. Technology. Grants have funded the most recent infrastructure upgrades. Technology for student use is competing for funding from general fund limitations.
 - d. Safety equipment. Limited to no funding is currently spent on safety equipment. Easy latch door devices have been discussed. Emergency planning, preparedness, and practice events do happen so we are aware, but no funding for equipment.

Lyon County School District:

Re: Legislative Committee on Education – Rural School Facilities

The following information is being provided with respect to Lyon County School District.

Deferred Maintenance:

Boilers - \$ 200,000
Roofs - \$ 1,000,000
Carpet - \$ 150,000
High School Gym Bleachers - \$ 300,000

Improvements:

Tech Infrastructure – \$ 2,000,000
High School Football Stadium Seating – \$ 1,500,000
Locker Rooms - \$ 400,000

Biggest challenges with respect to improving, renovating and/or building school facilities:

The district has been very fortunate to pass traditional bonds and most recently a 10 year rollover bond in 2006.

Capital Demands in addition to facilities:

Busses - \$ 3,750,000
Cars - \$ 150,000
Vans - \$ 150,000

Nye County School District:

Re: Legislative Committee on Education information from rural schools

Challenges:

- We would like to build a new Tonopah Elementary/Middle School but the assessed valuation will not allow us to bond at this time.
- We are struggling to find contractors that are bonded and licensed to go north and to the outlying areas to re-roof our buildings. They are charging outrageous prices to commute to the outlying areas.
- Duckwater, Gabbs and Tonopah are so remote that our challenge is getting decent internet access in these areas due to bandwidth restrictions.
- Support personnel are hard to find, they either make better money elsewhere or there just isn't enough population to choose from.
- Since we are not able to bond, we can't buy equipment or make major repairs on equipment. We can't replace computers. We are left with old computers and they are slow and we are not able to keep up with our technology needs.
- Our busses travel approximately \$1 million miles in a school year. We try to finance at least 7 – 10 busses every 5 years depending on the price. Considering we have 101 busses, that is not a lot of new busses. We also spend a lot in repairs and maintenance.