

CLARK COUNTY  
SCHOOL DISTRICT

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June 26, 2018

Mr. Rick Combs, Director  
Legislative Counsel Bureau  
401 South Carson Street  
Carson City, NV 89701

Dear Mr. Combs:

As required by Nevada Revised Statute 393.097, attached is the Oversight Panel for School Facilities report regarding the Clark County School District's recommendations for financing the cost of construction, maintenance, and repair of school facilities

If you have any questions, please contact my office at (702) 799-5445

Sincerely,

A handwritten signature in blue ink, appearing to read "JAG", is written over a light blue horizontal line.

Jason A. Goudie  
Chief Financial Officer

By e-mail ([director@lcb.state.nv.us](mailto:director@lcb.state.nv.us))

Attachment

c: Diane Bartholomew, Deputy Chief Financial Officer, CCSD  
Blake Cumbers, Associate Superintendent, CCSD  
Dr. Jesus Jara, Superintendent of Schools, CCSD  
Rick Neal, Chief Operating Officer, CCSD  
Don Snyder, Chair, Oversight Panel for School Facilities

**FUNDING STABILITY FOR SCHOOL CONSTRUCTION,  
MAINTENANCE, AND REPAIR OF SCHOOL FACILITIES**

**REPORT TO THE 80<sup>TH</sup> SESSION OF THE NEVADA  
LEGISLATURE**

**JULY 1, 2018**

**BY: THE OVERSIGHT PANEL FOR SCHOOL FACILITIES  
OF THE CLARK COUNTY SCHOOL DISTRICT**

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## **Oversight Panel for School Facilities**

The Oversight Panel for School Facilities was established by the 1997 Nevada Legislature with the approval of Assembly Bill (AB) 353. The Oversight Panel's responsibility is to review and approve or deny the Clark County School District (CCSD) Board of Trustees' proposals to issue property tax bonds. This landmark legislation, also gave voters an opportunity to approve state funding for school facility needs. Subsequently, in November 1998 voters approved the ten-year 1998 Capital Improvement Program, which allowed for exponential growth of school facilities to match the explosion in population experienced in Southern Nevada. Nevada Revised Statutes (NRS) 393.097 also requires the Oversight Panel to submit a report by July 1 of each even-numbered year to the Legislative Counsel Bureau.

Due to the success of the 1998 CIP, the District was able to build more schools than originally planned; on time and under budget. This program served as the model for the 2015 CIP.

The District currently operates 360 schools at 344 campuses serving students in grades pre-kindergarten through 12. Approximately 92 percent of the District's schools, a total of 332, are located in urban areas of unincorporated Clark County, Las Vegas, North Las Vegas, and Henderson. Approximately 8 percent of the District's schools, a total of 28, are located in rural Clark County.

In addition to school buildings, the District owns and operates a variety of facilities in order to accommodate the educational programs for school-age children residing within its boundaries, including administrative facilities, transportation centers, food service facilities, maintenance facilities, and a school safety services center.

There are approximately 1,393 acres of vacant land in the District's inventory. This includes approximately 499 acres owned by the District, as well as 894 acres held through the Bureau for Land Management patents or leases.

## **1998 Capital Improvement Program**

The District experienced rapid growth over much of the last 20 years and engaged in extensive planning to blend the best utilization of existing facilities with the construction of additional facilities. During this time of extreme growth the District addressed the immediate need of capacity, often at the expense of aging infrastructure and modernization needs. The District issued bonds during the period of 1998-2008 in the amount of \$4.5 billion. Proceeds of those bonds were used to construct 101 new schools, expand, or replace 38 schools and provide technology and equipment upgrades and other modernization improvements for 229 schools.

## 1998 CIP Closeout

1998 CIP EXPENDITURES Through May 31, 2018*		
Expense	1998 Projection	Actual Expenditure
Building costs for new schools (88 new schools originally promised to voters in 1998) and modernization (229 older schools)	\$3.157 Billion	\$3.268 Billion
Land costs	\$116 Million	\$212 Million
13 Additional schools (11 elementary schools and 2 special schools)	\$0	\$310 Million
19 Replacement schools	\$0	\$582 Million
5 High schools converted to 5 career and technical academies**	\$304 Million	\$480 Million
2 Bus transportation centers	\$31 Million	\$61 Million
<b>TOTALS</b>	<b>\$3.5 Billion</b>	<b>\$4.9 Billion</b>

\*Expenditures are based on the actual closeout of the 1998 CIP.

\*\*The original building program did not include career and technical academies. The projected cost of four large high schools and one alternative high school was \$304 million. Subsequently, those schools were removed from the program and replaced by five career and technical academies (with the same overall seating capacity). A sixth career and technical academy, VoTech, was renamed the Southeast Career and Technical Academy, and will be replaced in phases. Phase I of the replacement of Southeast Career and Technical Academy was completed.

## **2015-2025 CIP**

In 2015, two Senate Bills (SB) critical to funding capital projects for the District, SB119 and SB207, were adopted by the Nevada Legislature. These bills allowed the District the continued authority to bond against the local property tax debt rate, also known as the rollover rate, for the next ten years. Specifically, these bills allow the District to issue additional bonds secured by the debt levy approved in the 1998 Election from 2015 through 2025.

With the Governor's signature on these bills, the District was able to begin moving forward with the 2015 CIP which is conservatively estimated to produce \$4.1 billion in funding over the next ten years. While allowing the District to address some of the capacity issues, this amounted to roughly 50 percent of the funding required to address the District's total requirement, to include modernization and lifecycle requirements.

Early in the legislative session, the District estimated that it could quickly build 12 new schools in the areas where it most needed it and replace two of the oldest elementary schools, for a total of 14 schools in addition to various additions at sites across the District.

Sites were selected for the new schools using a data driven process which examined areas of high growth located in attendance zones where elementary schools were already over 25 percent capacity. In determining site selection, the District relied on current land inventory, relevant Bureau of Land Management leases of property, and developer set-asides of property within housing projects under construction. For purposes of determining the schools slated for replacement, the District relied on its Facility Condition Index calculation, an assessment methodology that assigns a score to each facility with higher scores representing the greatest need for replacement.

The final result was a list of 14 school building construction projects provided to the Nevada Legislature and to the Board which further identified the specific sites and jurisdictions of each new school and the schools to be replaced. Based on school construction timelines, construction would be completed in phases with six new and two replacement schools to be completed by August 2017 and six new schools expected to be completed by August 2018 with numerous sites receiving classroom and other additions.

On September 24, 2015, the Board approved the 2015 CIP which allocated \$2.05 billion to address the District's immediate capacity needs of 35 elementary schools, 2 high schools, and additions to 54 elementary schools, providing the equivalent of 15 new elementary schools. The plan addressed the projected capacity needs of the District and established guiding principles for the program. The CIP allocated \$.6 billion for 16 replacement schools, and \$.45 billion to address 100 percent of the projected technology equipment needs. \$1.1 billion, or 23 percent, of the need for the modernization/life cycle/equity category was allocated using a prioritization that

addresses replacement of only the most critical building systems projected to fail and close a school. Modernization and equity needs could not be addressed within the available funding.

On September 28, 2015, the Oversight Panel for School Facilities met to approve a resolution authorizing the District to move forward with the proposed issuance of bonds in the maximum aggregate amount of \$300 million. The resolution was approved by the Oversight Panel, and the District issued \$140 million in bonds (2015C) with the remaining \$160 million in bonds (2017A) to be sold at a future date. Other bond issuances since then have totaled \$400 million and include \$200 million each for 2015D and 2017C, respectively. Another \$200 million is anticipated to be issued by June 26, 2018.

The original 2015 CIP has had two revisions approved by the Board. They are summarized as follows:

**2015 CIP Revision 1** (Approved on April 6, 2016)

Each of these items was approved by the Board with wording to allow for flexibility in addressing these projects as work continues and issues arise, especially in the maintenance area:

- Design and construction for the delivery of new schools for the 2018-2019 school year
- Siting of five new schools for the 2019-2020 school year
- Siting of 13 school additions for the 2017-2018 school year, mid-year opening
- Siting of 13 school additions for the 2018-2019 school year
- Completion of 11 replacement schools
- Completion or partial completion of five phased-replacement schools
- Approval of the prioritized list of renovation and modernization projects

**2015 CIP Revision 2** (Approved on June 21, 2017)

Each of these items was approved by the Board with wording to allow for flexibility in addressing these projects as work continues and issues arise, especially in the maintenance area:

- Siting of four new elementary schools for the 2019-2020 school year
- Siting for three new elementary schools for the 2020-2021 school year
- Siting of five school additions for the 2019-2020 school year
- Completion of 13 replacement schools and the closure of Ruth Fyfe Elementary School
- Completion of five phased-replacement schools
- Completion of 11 replacement schools
- Approval of the prioritized list of renovation and modernization projects

- Approval of additional staffing to support the approved projects

Revision 2 allocated \$1.9 billion of the \$4.1 billion described above to address the District's capacity needs. These dollars will allow the District to construct 23 new elementary schools, 2 new high schools, and classroom additions at approximately 54 elementary schools, providing the equivalent of 21 new elementary school seats. The plan may be revised if enrollment growth projections do not continue at the current level. The revision allocated the remaining \$2.2 billion of the \$4.1 billion described above to address replacement of aging schools, and life cycle replacement of major building systems and technology needs of the District over the next ten years. The District currently plans to finance approximately 90 percent of the ten-year CIP with future bond issues.

It is expected that the ten-year CIP will be a dynamic capital program initially defined by guiding principles that will be shaped by the community, District leadership, and the Board. As such, it is anticipated that at least annually, there will be potential changes to future construction projects whenever data suggests that there are better suited alternatives or when the principles guiding the strategies of the program are revised. Such data will include enrollment growth, legislative mandates, aging facility needs, and continued community input.

In conclusion, the District wishes to express its gratitude to the Nevada Legislature for the passage of SB119 and SB207 which will allow the District to address approximately \$4.1 billion of its \$10.1 billion in capital needs over the next ten years. Although the funding will allow the District to move forward with many projects, many other major life cycle projects will still be deferred due to the lack of capital funds to support the full need. The continued deferment of life cycle projects increases the cost of maintaining the ever-growing infrastructure and increases the risk of a major system failure resulting in the temporary closure of a facility.



**2015 CIP Completed Projects (As of July 1, 2018)**

School	Project	Status	Completion Date
Josh Stevens ES	New ES	Completed	August 2017
Jan Jones Blackhurst ES	New ES	Completed	August 2017
Dr. Beverly S. Mathis ES	New ES	Completed	August 2017
Shelley Berkley ES	New ES	Completed	August 2017
Lomie G. Heard ES, A Marzano Academy	New ES	Completed	August 2017
Billy and Rosemary Vassiliadis ES	New ES	Completed	August 2017
Rex Bell ES	Replacement ES	Completed	August 2017
Lincoln ES	Replacement ES	Completed	August 2017
Don and Dee Snyder ES	New ES	Completed	January 2018
Will Beckley ES	18-Classroom Addition	Completed	January 2018
Paul E. Culley ES	18-Classroom Addition	Completed	January 2018
Bertha Ronzone ES	18-Classroom Addition	Completed	January 2018
Elaine Wynn ES	18-Classroom Addition	Completed	January 2018
Boulder City HS	Phase 3: Performing Arts Center	Completed	March 2018

ES = Elementary School

HS = High School

**2015 CIP Projects Under Construction (As of July 1, 2018)**

School	Project	Status	Estimated Completion Date
Dennis Ortwein ES, Dean Martin Drive and I-15	New ES	In Construction	2018-2019 SY
Robert and Sandy Ellis ES, Beltrada Avenue and Via Italia	New ES	In Construction	2018-2019 SY
Kenneth Divich ES, Farm Road and Jensen Street	New ES	In Construction	2018-2019 SY
Shirley A. Barber ES, Spencer Street and Pyle Avenue	New ES	In Construction	2018-2019 SY
Boulder City High School	Fields + site improvements	In Construction	2018-2019 SY
Berkeley L. Bunker ES	22-Classroom Addition	In Construction	2018-2019 SY
Clyde C. Cox ES	22-Classroom Addition	In Construction	2018-2019 SY
Lois Craig ES	18-Classroom Addition	In Construction	2018-2019 SY
Crestwood ES	22-Classroom Addition	In Construction	2018-2019 SY
Cynthia Cunningham ES	18-Classroom Addition	In Construction	2018-2019 SY
Laura Dearing ES	18-Classroom Addition	In Construction	2018-2019 SY
Ollie Detwiler ES	18-Classroom Addition	In Construction	2018-2019 SY
Harvey N. Dondero ES	14-Classroom Addition	In Construction	2018-2019 SY
Wing and Lilly Fong ES	18-Classroom Addition	In Construction	2018-2019 SY
Helen Herr ES	14-Classroom Addition	In Construction	2018-2019 SY
Halle Hewetson ES	18-Classroom Addition	In Construction	2018-2019 SY
Robert E. Lake ES	18-Classroom Addition	In Construction	2018-2019 SY
Walter V. Long ES	22-Classroom Addition	In Construction	2018-2019 SY
Mary and Zel Lowman ES	22-Classroom Addition	In Construction	2018-2019 SY
Doris M. Reed ES	18-Classroom Addition	In Construction	2018-2019 SY
Hal Smith ES	22-Classroom Addition	In Construction	2018-2019 SY
C.P. Squires ES	18-Classroom Addition	In Construction	2018-2019 SY
Vegas Verdes ES	18-Classroom Addition	In Construction	2018-2019 SY
Gwendolyn Woolley ES	22-Classroom Addition	In Construction	2018-2019 SY
Tompkins Avenue and Conquistador Street	New ES	In Construction	2019-2020 SY
Vegas Valley Drive and Hollywood Boulevard	New ES	In Construction	2019-2020 SY

SY = School Year

**2015 CIP Other Approved Projects (As of July 1, 2018)**

School	Project	Status	Estimated Completion Date
Chapata Drive and Casady Hollow Avenue	New ES	In Design	2019-2020 SY
John W. Bonner ES	22-Classroom Addition	In Design	2019-2020 SY
Raul P. Elizondo ES	18-Classroom Addition	Planning	2019-2020 SY
Daniel Goldfarb ES	18-Classroom Addition	Planning	2019-2020 SY
Edythe and Lloyd Katz ES	18-Classroom Addition	In Design	2019-2020 SY
John F. Mendoza ES	18-Classroom Addition	Planning	2019-2020 SY
El Capitan Way and Mountains Edge Parkway	New ES	BLM site relocation/Planning	2020-2021 SY
Broadbent Boulevard and East Russell Road	New ES	TBD	TBD
Sunrise Acres – North 28th Street and East Cedar Avenue	New ES	TBD	TBD

TBD = To be Determined  
 BLM = Bureau of Land Management

## 2015 CIP Other Approved Projects (As of July 1, 2018)

School	Project	Status	Estimated Completion Date
J.M. Ullom ES	Replacement ES	In Design	2019-2020 SY
E.W. Griffith ES	Replacement ES	In Design	2019-2020 SY
Twin Lakes ES	Phase 2 – Classrooms	In Design	2019-2020 SY
Sandy Valley ES/MS/HS	Phase 2 – Elementary classrooms	Planning	Mid-Year 2019
J.D. Smith MS	Replacement MS	In Design	2020-2021 SY
Global Community School (formal name TBD) @ former Bishop Gorman High School	Demolition Swing School New School	In Design In Design In Design	2018-2019 SY 2020-2021 SY 2022-2023 SY
Jo Mackey ES	Replacement ES	Planning	2020-2021 SY
Howard Wasden ES	Replacement ES	Planning	2020-2021 SY
Elbert Edwards	Replacement ES	Planning	2020-2021 SY
Sandy Valley ES/MS/HS	Phase 3 – Baseball and football fields	Planning	2020-2021 SY
Southeast Career and Technical Academy	Phase 2 – Classrooms, culinary, administrative offices	In Design	2020-2021 SY
Southeast Career and Technical Academy	Phase 3 - New Gymnasium	In Design	2020-2021 SY
John C. Fremont Professional Development MS	Replacement MS	Swing School	2021-2022 SY
George E. Harris	Replacement ES	Planning	2021-2022 SY
Myrtle Tate ES	Replacement ES	Planning	2021-2022 SY
William E. Ferron ES	Replacement ES	Planning	2021-2022 SY
Mabel Hoggard ES	Phase 2 – TBD	Planning	2021-2022 SY
Ruth Fyfe ES	School Closure – Temporary campus through 2021	In Use Until Closure	2022-2023 SY (closure)
John C. Fremont K-8	Replacement K-8	In Design	2022-2023 SY
Ruby Thomas ES	Replacement ES	Planning	2022-2023 SY
Ira J. Earl ES	Replacement ES	Planning	2022-2023 SY

MS = Middle School

## 2015 CIP Modernization/Life Cycle/Equity Needs

Overview of currently funded modernization projects:

Schools	Project	Status	Estimated Completion Date
7 Elementary Schools	HVAC Component and Roof Replacements	Funding Approved In Design/In Construction	2018-2019 SY 2019-2020 SY
6 Middle Schools	HVAC Component and Roof Replacements	Funding Approved In Design/In Construction	2018-2019 SY 2019-2020 SY
10 High Schools	HVAC Component and Roof Replacements	Funding Approved In Design/In Construction	2018-2019 SY 2019-2020 SY

The available funding for the modernization/life cycle/equity category equals 19.5 percent of the need. This means only \$1.054 billion of the \$5.392 billion in need can be funded. The remaining \$4.338 billion cannot be funded with the available dollars for this category.

Category	Full Needs	Proposed Revision 3
Modernization/Life Cycle/Equity	\$5.392 B	\$1.054 B

*Data-driven decisions utilizing the predictive data for facility failures that have the greatest potential to HALT or IMPEDE teaching and learning will be used to prioritize projects with the available funds of 19.5 percent of the full need.*

B = Billion

HVAC = Heating, ventilation, and air conditioning

## 2015 CIP Expenditures

### Revenue (Bond Proceeds):

Sale Date	Bond Sale	Proceeds
November 2015 (2015 C)	\$140,000,000	\$156,715,952
November 2015 (2015 D)	200,000,000	222,732,048
June 2017 (2017 A)	160,000,000	184,466,586
November 2017 (2017 C)	200,000,000	227,086,441
Interest Income/Rebates/Letters of Credit		3,952,541
<b>Total Revenue Available (04/30/2018)</b>		<b>\$794,953,567</b>

### Expenses:

Category	Life-to-Date Expense	Contracted Obligations
New Schools for Capacity	304,982,576	40,713,200
Additions for Capacity	103,263,604	101,796,757
Replacement Schools	88,281,739	11,042,402
Life Cycle Replacement	58,128,292	34,298,690
Technology and Major Equipment	9,925,454	1,731,559
<b>Total</b>	<b>\$564,581,665</b>	<b>\$189,582,608</b>
<b>Balance of Available Proceeds</b>		<b>\$40,789,294</b>