



College Station Independent School District

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MEMORANDUM

To: CSISD Board of Trustees

From: Eddie Coulson, Superintendent of Schools

Date: February 7, 2007

Subject: Planning for Growth

Agenda Item: I-1

Board Priority/
District Goals: Priorities 1, 2 and 3: Goals 1, 2, 3, 4 and 5

A handwritten signature in black ink, appearing to read "Eddie Coulson", is written over the "From:" field of the memorandum.

Background

During the fall semester of 2005, the CSISD Administration and School Board organized a Planning for Growth II Committee. The charge of this group was to study the options available to CSISD for responding to student enrollment increases, culminating in a recommendation to the school board.

The PFG II Committee studied the enrollment history of CSISD, the demographic trends in CSISD and the community, and the enrollments projections for CSISD. In addition, the group toured some CSISD facilities and participated in a number of discussions and dialogues related to school facilities. Specifically, discussions occurred related to the capacity of our current schools, the size of schools, the structure of schools, and the CSISD community expectations.

As with any discussion that includes school facilities, the PFG II Committee also studied issues related to school finance. At the time of the PFG II Committee discussions, the Texas school finance system was in litigation, so the future of school finance was even more uncertain at that time than it is now. The conversations with the PFG II Committee concerning school finance focused on CSISD's debt capacity and the districts on-going operational costs.

The culmination of the PFG II Committee occurred on March 27, 2006 when Carol Barrett and Arvind Mahajan presented the PFG II Committee recommendations to the school board. The recommendations from PFG II included:

- Build a new comprehensive high school, subject to the financial feasibility as determined by the Board of Trustees. Timeline for construction is at the Board's discretion. Financial feasibility has two components.
 - Capital construction costs.
 - Ongoing operational costs.

- The Committee recommended that the tradeoffs in programs that might be required to fund ongoing operations of a second high school be evaluated carefully prior to finalization of implementation plans.
- Build a new elementary school with an initial capacity for 640 students and an infrastructure designed for 800 students. Timeline for construction is at the Board's discretion
- If feasible, reconstruct College Hills Elementary School on the current site with an initial capacity for 640 students and an infrastructure designed for 800 students. Appropriate consideration should be given to the historical significance of the campus. Timeline for construction is at the Board's discretion.
- Construct new wings on the intermediate and middle schools as enrollment dictates. Timeline for construction is at the Board's discretion.
- Defer any action on the extracurricular facilities issue so that this issue would be a part of the future program to construct a second high school.

Since March 2006, the CSISD School Board and administration have studied the PFG II Committee recommendation and received more information related to the CSISD facility needs, the cost of construction, school finance issues, and other district needs. As part of the districts continued study, CSISD contracted with VLK Architects to identify needs within our existing facilities.

Based on the information gathered from the PFG II Committee and other research, it was determined that the most immediate needs for CSISD include:

- Construction of a new elementary school in order to accommodate the growth of elementary students.
- Reconstruction of College Hills in order to alleviate the current maintenance and safety issues of the current facility.
- Renovations and/or additions to existing facilities including, but not limited to:
 - A fine arts classroom at CSMS
 - Renovations to the CATE area of AMCHS
- Renovations to the current athletic facility, including both field houses, in order to address ADA compliance issues at the stadium and provide adequate space for students in the field houses.
- Land acquisition
- Upgrading the technology network infrastructure and providing new classroom projection equipment for some classrooms.

The estimated cost of the identified projects, including the bond issuance cost, is \$67,420,000. To fund these projects, the voters of the College Station Independent School District will need to approve a bond proposal in the amount of \$67,420,000.

According to the financial analysis performed by Southwest Securities for College Station ISD, if \$67,420,000 worth of bonds were sold in a lump sum, the impact to the

interest and sinking tax rate would be approximately 10 to 14 cents per \$100 valuation for the first year of the sale, and the rate is projected to decline in subsequent years. Obviously, the impact to the tax rate will ultimately be determined by the financing terms and future property values. Currently, the CSISD interest and sinking tax rate for CSISD is 15 cents. It should be noted that the current CSISD interest and sinking tax rate has been reduced by approximately 14 cents over the past few years. The reduction in the interest and sinking tax rate has been possible due to the retirement of the district's capital debt, restructuring some of the current debt, and appropriate planning by past CSISD Trustees and staff.

Recommendation

It is recommended that the CSISD Board of Trustees consider an order calling a bond election to be held on May 12, 2007.