Madison Metropolitan School District

Facilities Planning

Revised Report

Dated December 22, 2014

Including Plan Amendments Approved by the Board of Education at the December 15, 2014 Regular Meeting
**Project Introduction**

This proposal, which was approved by the Board of Education in December 2014, calls for a package of school facility improvements which will add classroom space at five of the district’s most crowded elementary schools, remove accessibility barriers at ten older schools by installing elevators, ramps and lifts where needed, renovate selected facilities which are most in need of reinvestment, and upgrade technology infrastructure. The Board has authorized a referendum on April 7, 2015 to gain voter support for the plan.

With an average building age of over fifty-two years, maintaining and improving the district’s fifty school sites requires constant effort. The investments we are proposing will help improve sixteen school facilities across the district. It will provide additional elementary classroom space where it is needed the most, ensure that all schools are able to meet the basic accessibility needs of students, staff and families, and address much needed renovations and technology infrastructure needs.

The project cost is estimated at $41.0 million, with a tax impact of $61.62 for an average home value of $237,000. The project would be funded by issuing general obligation school bonds in an amount not-to-exceed $41 million. The district is seeking to take advantage of favorable interest rates by issuing debt while interest rates are low and by repaying the debt rapidly, with two-thirds of the obligation paid off in seven years and one-hundred percent paid off in ten years. A ten-year repayment schedule greatly reduces interest expense compared to a more common twenty-year amortization schedule.

While this plan is focused on the immediate needs of the schools, it is also an important first step in a long-term facility planning process. Master facility planning, which considers issues such as future community development, long-term enrollment trends, and comprehensive instructional planning, is essential for anticipating the future needs of our students, schools, and community. This project represents a first step, focused on several urgent facility needs in the district, which will create the proper conditions and time necessary for master facility planning.

Thriving schools require well-planned facility investments that support students and teachers, while providing solid value for taxpayers. We believe the projects included in this proposal will achieve those goals. The sections that follow contain a summary of plan components, financial analysis, and answers to several frequently asked questions.
Project Components:
Accessibility, Additions, and Renovations

Accessibility

The accessibility plan will retrofit ten schools, all of which were built long before the Americans with Disabilities Act (1990), which lack elevators for access to upper floor(s) within each school. The district has made hundreds, if not thousands, of large and small accessibility improvements in the schools over the past twenty-five years, such as ramps, lifts, accessible door hardware, restrooms, and elevators. Our goal is to eliminate physical accessibility barriers wherever possible and provide equal access to all school facilities.

The following ten schools were designed according to the building code in effect during the era in which each was first constructed, rather than the modern day building code. While retrofitting these schools to improve accessibility is not legally required, it is a necessary and highly valued investment.

- Randall Elementary, opened in 1906, requires one elevator and three lifts.
- Lowell Elementary, opened in 1916, requires two elevators, along with one lift and ramps.
- Franklin Elementary, opened in 1923, requires two elevators.
- Frank Allis Elementary, opened in 1936, requires one elevator.
- Shorewood Elementary, opened in 1938, requires two elevators.
- Mendota Elementary, opened in 1948, requires one elevator.
- Midvale Elementary, opened in 1950, requires one elevator and interior ramps.
- Spring Harbor Middle School, opened in 1958, requires one elevator.
- Lake View Elementary, opened in 1960, requires one elevator.
- Kennedy Elementary, opened in 1965, requires one elevator.

Principal Karen Kepler - Emerson

Prior to our elevator, our school was not accessible to the whole community starting at the front door. All six entry doors have six steps just to get to the doorway. Prior to the elevator, it was frequent practice for myself and custodial staff to assist family members in wheelchairs access to the building during a family event. This would require lifting the wheelchair up another flight of stairs. The family member only had access to our multi-purpose room. If they needed a bathroom, our doorway and bathroom design could not support their need.

Principal John Burkholder Regarding Lowell:

We need to ensure that every member of our community has the opportunity for equal physical access to any of our MMSD schools and to participate in any of the programs that are offered. At Lowell Elementary School, we are not able to afford every member of our community with this opportunity due to physical barriers, in the form of steps that prevent access to all to our wonderful building. The addition of an elevator would help us to overcome these barriers, and allow us to provide equality of access for all at Lowell Elementary.
These improvements do not provide full and complete access within every school. They will, however, greatly improve accessibility and allow additional accommodations to occur within the annual maintenance budget. For more details, see the plan set included in the packet.

**Elementary School Additions**

The district’s thirty-two elementary schools are, on average, operating at almost ninety percent of full capacity, which is quite high and leaves little margin for additional enrollment growth. Among the elementary schools, we have identified five schools which are consistently the most crowded and in need of additional space.

Before recommending a ‘brick and mortar’ investment, each of these schools was studied to determine if an attendance boundary change would provide a better solution than expanding the size of the school. After careful review, we concluded that, in these five cases, no satisfactory boundary change was available, as it simply shifted the over-crowding problem to another nearby school. When operating at almost ninety percent of full capacity across all elementary schools, boundary change solutions are very limited.

Once these schools were identified as top priorities for additional space, our goal was to maximize the value of the investment by making each school facility better, not just bigger. Principals helped to identify how each school could be improved through combinations of remodeling and additions. A complete plan set is included in this packet that shows the schematic design for each proposed school improvement. We are confident that these schools can better meet the needs of students once the recommended improvements are complete.

**Sandburg Elementary**

K-5 enrollment at Sandburg was 381 students in 2013 and 404 students in 2014. Sandburg’s enrollment to capacity ratio was 97% in 2013 and 103% in 2014. Its Facility Condition Index (FCI) grade is ‘B.’

Several plan options were considered for Sandburg and reviewed with input from the principal. Based on a thorough review of the school, we propose an eight classroom addition and a new gymnasium to best address the needs at Sandburg. With the addition of eight classrooms, the school will have reached its practical size maximum. Future enrollment growth would need to be addressed in a long term plan for the east side generally.

From a programing perspective, the combination of SAGE class sizes, a DLI program, and 4K, makes Sandburg a wonderful place to learn, but operational complexities abound. The new classroom spaces will be designed with an emphasis on flexibility to create smaller or larger learning spaces.

With a new gymnasium, Sandburg has the option to convert the existing gym/café into a library, while the existing library becomes a cafeteria. These are local school options which, if exercised, could be
supported through the operations budget. The school uses an older ‘portable classroom’ which would be removed as part of this project.

**Van Hise Elementary / Hamilton Middle**

This combination elementary and middle school had a combined enrollment of 1,192 in 2013, and a combined enrollment of 1,264 in 2014. This ‘combo’ school site is consistently among the most crowded schools in the district. It was over 100% capacity in 2013 and again in 2014. The facility has an FCI grade of ‘C.’

The planning goal for Van Hise / Hamilton is not to add space to welcome additional students. The school has reached its maximum size, based on constraining factors such as hallway size, cafeteria size, traffic and other operational considerations. The ratio of square feet / enrollment is the lowest (most crowded) of any elementary, middle, or combination school in the district.

Rather, the goal is to improve the facility to operate more effectively at the current twelve hundred student level.

We propose to build a new library, centrally located like the gymnasium, and separated into elementary and middle school spaces. Input from the schools suggests the need for two distinct spaces rather than a single, open shared library.

A new library would free up seven classroom sized spaces currently used for library, four for Hamilton and three for Van Hise.

Plan details to be further developed by site leadership. Based on school input, we identified site improvements for sidewalk and pavement which are included in the design. We also were able to confirm that there would not be any interference with existing gardens and playgrounds.

**Midvale Elementary**

Midvale is a K-2 elementary (paired with 3-5 Lincoln) which had enrollment of 445 students in 2013 and 441 students in 2014. The school is operating at 100% of capacity. The school facility has an FCI grade of ‘C.’ Midvale is a SAGE school, with DLI and 4K, which, like Sandburg, makes for a wonderful place to learn, but also adds operational complexity. Like Hawthorne, Midvale lost a section of 4K last year due to lack of space.

We propose to convert the existing cafeteria into five classrooms, and build a new cafeteria/ multi-purpose room. The existing cafeteria is sub-standard and offers an opportunity to gain five classrooms in the center of the school.
**Hawthorne Elementary**

Hawthorne Elementary had enrollment of 375 students in 2013, and 352 in 2014. The school is operating near 100% of capacity. Due to a summer renovation project in 2013, the school has an FCI grade of 'A.' The library was recently remodeled with major support provided by Demco, a K-12 library and school supplier.

Hawthorne is a SAGE school and has struggled with capacity limitations. A section of 4K was moved out of the school in 2013 due to lack of space. We propose to add a new gymnasium and two new classrooms, convert old gym into a café, convert old café to two classrooms, for a net gain of four classrooms and new gym.

**Kennedy Elementary**

Kennedy Elementary is the third largest elementary school in the district (only Leopold and Chavez have more students). Enrollment was 573 students in 2013, and 545 in 2014. The school is operating at approximately 95% of capacity. Kennedy is not a SAGE school nor a DLI site, and does not currently host a 4K program due to space limitations. The school has an FCI grade of ‘D.’

Kennedy was first studied for needs related to an elevator for accessibility and the lack of a secure entrance. From this review came the opportunity to relocate the main office to the front of the school, convert the existing main office into two classrooms, and add two more classrooms alongside the new elevator tower.

It is important to comment on Kennedy Elementary’s future enrollment projections. The five-year projection for Kennedy Elementary shows a projected enrollment of 433 students in 2019-20, putting Kennedy at 78% of capacity in that year.

Enrollment projections are based on births, trends in feeder patterns, and cohort survival rates. Kennedy’s current low projection is entirely driven by an unusually small kindergarten class of 77 students this school year 2014-15. Using that kindergarten class size as the basis for future kindergarten grade sizes, which is standard practice, yields the low five-year projection. If we were to instead use a grade size of 94 kindergarten students as the basis for future projections, which is the average size of the other grades at Kennedy, the five-year projection would be 529 students, putting Kennedy at 95% of capacity in 2019-20. Given the likelihood of future residential development in the Kennedy attendance area, including in multiple neighborhoods which are already planned, the five-year projection of 433 students and 78% of capacity generated by the projection formula likely is less realistic than the projection of 529 students and 95% of capacity yielded by using an average grade size for Kennedy.
Renovations

Good stewardship of the district’s school sites requires careful planning and annual maintenance. The district monitors and reports on building conditions through an annual Facility Condition Index (FCI) report, which assigns a letter grade (A, B, C, D, F) to each facility. The FCI grade represents the overall condition of the building, including roofs, mechanical systems, windows, ceilings, lights and so on. With an average age of facility of fifty-two years, plus heavy use of the facilities, the FCI helps to monitor conditions and establish priorities for renovation projects.

Major renovation projects are difficult to fund from the operating budget of the school district since district revenues are limited by state law and instructional needs are always a top priority. However, funding these renovation priorities through a bond referendum will provide the resources need for renovations without competing for limited instructional funding. In addition, it will free up existing maintenance funds to be used to address a backlog of small to mid-size maintenance needs across the district.

**Huegel Elementary** would involve enclosing the LMC, and adding A/C to the center core rooms (LMC, Computer Lab, Staff Work Room), window replacement, controlled entrance, lockers, classroom security locks, movable partition replacement, boiler replacement and terminal HVAC equipment replacement in original building, along with new ceilings and LED Lighting in the original building. Current FCI grade is ‘D.’

**Mendota Elementary** would involve exterior site renovation, HVAC upgrades to include boiler replacement and air conditioning the school, along with new ceilings and LED lighting throughout. Current FCI grade is ‘C.’

**Jefferson Middle School** would include interior renovation of educational spaces to provide site-built partitions and interior circulation, HVAC upgrades, boiler replacement and air conditioning (note second level is currently served with A/C), renovation of restrooms, elevator replacement, addition of daylighting to interior educational spaces, new ceilings and LED lighting throughout, electrical system upgrade, replacement of master clock & public address system, window and exterior door replacements. Current FCI grade is ‘F.’

The facility renovation at Jefferson will create better conditions for teaching and learning by reducing the constant noise and distractions associated with an open concept environment. The school will be more secure and will gain capacity by creating efficient, well planned learning spaces.

**East High Theatre** - A 2010 study by Eppstein Uhen Architects (EUA) estimated the cost of renovating the East High School theatre at $3.4 million. This estimate, adjusted for construction industry inflation, was the source of the $3.9 million estimate presented in the November 2014 facility update at the Operations Work Group. The project budget is based on $3.7 million, with an additional $200,000 added from private fund raising efforts, for a total of $3.9 million.
**Technology Infrastructure**

The MMSD Technology Plan calls for annual investments in IT network infrastructure funded through the district’s operating budget. Under the facility proposal, $2.0 million of long term IT infrastructure would instead be funded through the facility referendum plan. This will allow more immediate funding and will reduce pressure on the operating budget by approximately $400,000 per year for the next five years. Only long-term technology infrastructure, such as items related to the IT fiber backbone, will be capitalized. Short-term assets, such as end-user devices, will continue to be funded through the operating budget.

**Project Financials**

The project would be funded by issuing general obligation school bonds in an amount not to exceed $41 million. The proceeds from the bond issue would pay specifically and only for the proposed improvements. The bonds would be amortized over a ten-year period.

The district’s existing bond debt is quite low, ranking lowest in the county and less than half of the state average for school district indebtedness.

The district is seeking to take advantage of favorable interest rates, both by issuing debt while interest rates are low, and by repaying the debt rapidly, with two-thirds of the obligation paid off in seven years, and one-hundred percent paid off in ten years. A ten-year repayment model greatly reduces interest expense compared to a more common twenty-year amortization schedule. It also allows more flexibility for future capital expansion by eliminating debt from the balance sheet more quickly.

The tax impact for an average Madison area home valued at $237,000 would be $61.62 per year over the ten year period.

This project would be funded with bond proceeds, and the annual debt payments would be outside of and exempt from the revenue limit formula, if voter approval is gained via a bond referendum. Since the inception of school district revenue limits in the early 1990’s, debt payments related to a voter-approved school bond referendum are exempt from the revenue limit formula.

By funding several renovation projects and IT infrastructure costs through this project, it will take pressure of the operating budget. This offers needed flexibility within a tight operating budget. For example, the project will fund $16 million of renovation projects. This will ‘free up’ the annual maintenance budget to address a backlog of maintenance projects without requiring a larger share of the operating budget. Similarly, the project will fund $2.0 million of technology infrastructure costs, which will support the Technology Plan while taking pressure off the operating budget.
Additional Project Information

Opportunities for Increased Participation in Plan Design Going Forward

The plan set has been developed to the schematic level, meaning there is sufficient detail to determine the size, scope and approximate cost of the project. If these project ideas are supported by the Board and voters in a referendum, detailed planning will begin immediately after approval. School leaders have been involved through the schematic phase, and would be expected to be more involved in design development, since detailed room-by-room planning takes place at this level.

What green concepts will be worked into the Design Going Forward?

The project will emphasize energy efficiency and reusable materials. In the design development phase, specific mechanical solutions will be identified, as will specific building systems, such as window systems, roofing options, etc.

What happens if the project cost is greater or less than planned?

The project is being designed with the assistance of experienced architects and engineers, so we are confident in the planning estimates presented thus far. Typically, projects are bid with various alternatives (add alternates or deduct alternates) which allow the project cost to be altered as needed to balance the budget. Also, the budget includes a contingency for unexpected costs.
What would the schedule look like if an April referendum occurs and is successful?

Design would begin immediately, priority projects would be identified and accelerated, bidding would take place in summer, and construction could begin for priority projects in late summer.

**Accountability for Delivering What was Promised**

When financing a project with tax-exempt general obligation school bonds, the purpose of the project must be plainly stated in the referendum question which approved by the voters. This defines the project, distinctly and expressly, and the funds can be put to no other use. This is subject to IRS audit, which closely monitors tax-exempt bond issues. This differs from a referendum to exceed the revenue limit, where there is less formal legal accountability.