

March 20, 2013

Todd,

A couple members of the CAG Steering Committee attended the Community meeting to hear the proposal for the expansion of the High School. The presenters did a good job in laying out the proposal and financing plans, and particularly in clarifying what lease-levy financing means.

It was most appreciated that you and Dan White took the time to attend a meeting of the CAG Steering Committee to also give them a first-hand explanation. The Steering Committee discussed the proposal at a later meeting on March 11, and provided feedback at that meeting and in subsequent Emails. I have attempted to include their comments and/or observations below. I apologize for the length of this Email, but believe all the points are valid considerations.

We believe the Board has done a credible job in evaluating the space needs issue at the High School, and concur that additional classroom space is required. We believe the methodology used by the Board to predict student population is reasonable, but would caution that this is a best forecast based upon current information, and is subject to change upward or downward as demographics change. Just in the past two or three years we've heard different perspectives from school representatives including enrollment is growing, or the growing enrollment is a bubble, or we have to address the problem of declining enrollment, to the current perspective that it's not a bubble and the enrollment increase we've had is here to stay. We believe the Board's assessment represents the best information available at the current time, but that can change just as it has in the past.

In 2000, voters gave the District \$ 67M for new buildings and outfitting (including the current HS) that was supposed to "set this District up for the next 20 years". It only took five years before the District asked for and received another \$ 67 M, and another couple years before asking for another \$ 29M (to which the voters said no). Clearly many residents believe that the \$ 134M that the voters gave the District from 2000 to 2005 should have been more than adequate to meet student population growth, and many believe that had our building designs been driven by functional needs instead of architectural considerations, we would have ended up with plenty of classroom space even for today.

A walk through the school during class hours shows classrooms that have more students than desirable, but also shows underutilized specialty rooms for subjects like auto shop, small engine repair, electronics, etc. (From a personal standpoint Todd, the room I use for tutoring is empty the last period of the day.) A question that should be asked is are we compromising class size on core studies in order to provide classes that are only attended by a few, and if so, is this consistent with the District's overall goals.

Today's dilemma seems to be that we are overcrowded at the HS and have excess space at the Grade Schools. Given that the total student capacity of all District schools exceeds our total current or expected enrollment, reassignment of students sounds like a logical fix on the surface. However we concur with the Board that there is no practical way to accomplish this without adverse effects. Therefore we believe the Board is correct to pursue options for adding classroom space.

While we support the Board's decision to expand classroom space at the High School, we vigorously disagree that it should cost \$8.3M. Please consider the following various perspectives.

According to the information we have received, the current HS has a 2,275 student capacity, and current enrollment and forecasted enrollment for the foreseeable future (5 years) exceeds that by about 200 students. If the \$8.3M is to accommodate 200 additional students, the cost exceeds \$40,000 per

student space added. This is simply unreasonable. If the plan is to add space for considerably more than 200 students, the Board should define specifically what the plan is, and the basis for that decision.

It has been stated that the Board directive was that expansion plans should not lead to a tax increase. We applaud that, but there's also been a suggestion that a review of the projected debt service for the district indicated that the declining cost of debt service (due to interest rates, etc.) would free up \$8M to \$10M dollars that could be used for HS expansion, and that the availability of money may have influenced the amount budgeted for the project.

Aspen Academy recently opened in Prior Lake. According to a source that I believe is credible, the school currently has 430 students, has capacity for 620, has a gymnasium and a cafeteria, and was built with a \$ 6M budget including the cost of land. I also am told that the school includes 45,000 square feet. If Aspen can provide classroom space for 620 students (plus ancillary space for gymnasium, cafeteria, offices etc.) at a cost of \$ 5M (assuming land cost of \$ 1M), how can the District justify spending \$8.3 M to provide classroom space only for an additional 200 students. Simply stated (and we recognize it's a an over simplification), it appears that it costs 5 times as much to provide classroom space in the District as compared to a Charter School.

Looking at it from the perspective of how much additional classroom space we would get for the \$8.3M, it appears the plan is to add 9 classrooms and 6 labs. At \$8.3M, the cost per room is over a half million dollars. This is way too high, even if the cost includes closet space etc. In the defense industry, the term "creeping elegance" was once used to describe why a hammer or toilet seat for military use should cost hundreds of dollars. Is it possible that the same phenomenon is at play in determining how much is available to spend on public buildings like city halls, fire stations, and possibly schools?

It has been suggested that the high cost relates to the effort to maintain the High School's architectural integrity. If there is any truth to this suggestion, we believe it's time to break with tradition. We believe the majority of residents would be most satisfied with a facility designed solely for function instead of for architectural achievement, and we see no reason why that would compromise student education, which hopefully is priority 1.

Given that we have a space problem, one would consider that all options should be considered (i.e. portable classroom space, modular construction, and architecturally designed expansion). We have been told that portables and modular construction were considered, but determined to be more costly in the long run than an architecturally designed building expansion. However, at least one member of the Growth Task Force has commented that no information or data was provided on portables or modular construction that would have allowed the Task Force to arrive at its own conclusion.

In order for the CAG Steering Committee to evolve its own perspective, we contacted a couple of suppliers of portable and modular classrooms to get a guesstimate of cost for adding classroom space for 300 students. One company stated that they could provide ten 24 ft. X 64 ft. used portable classrooms to accommodate 32 students each, complete with desks, file cabinets, and restroom for \$16,000 each. Undoubtedly these are not fancy and there would be significant additional cost for site preparation and hookup to the main building. The second company suggested 10 new modular classrooms that would accommodate 32 students each for total cost of \$400,000 to \$500,000.

Some individuals have suggested that the Atrium area in the HS should have had a second floor in order to gain significant classroom space without any increase in footprint. Undoubtedly this could have been accomplished at considerably less cost than expanding the external size of the HS, and would have made efficient use of the heating and cooling cost associated with currently unused volume. While some are

skeptical of whether that is still an option, one company executive who is highly experienced in the design and construction of commercial size buildings has stated unequivocally that it is a cost effective option.

I know this is a lot to swallow when you're trying to make a final decision by the end of March, so I'll attempt to summarize the perspective from CAG's Steering Committee.

We believe the School Board is right to consider the addition of classroom space at the High School, but believe the price tag is WAY OUT OF LINE for the additional capability to be gained. We do not believe that District residents have received a credible explanation of why the space cost for each additional student, or the cost for each added classroom is so astronomically high. And lastly, the Board should make it crystal clear to residents and taxpayers (as you did in the meetings I attended) that the \$8.3M is coming out of taxpayers' pockets. The wording used to inform the general public ("State approved lease levy financing" and "no additional cost to taxpayers") has led many to believe that the State will provide the financing.

Our advice would be to defer the decision until the concerns addressed above have been thoroughly considered and resolved. A delay would not be catastrophic for the District, and might just yield a more optimum long term solution. And if you want community support, a referendum might still be in order.

Todd, you are welcome to share this with the Board at your discretion.

Wes Mader for CAG Steering Committee.