



Capital Bond and Replacement Levy

Community Open House

Penny Creek Elementary Cafeteria, January 30, 2018, 7:00 to 8:00 pm



District Successes

Exceptional graduation rates

Everett
Public
Schools



74.8%
Snohomish County
graduation
rate - 4 yr. (2016)

.....
79.1%
State graduation
rate - 4 yr. (2016)



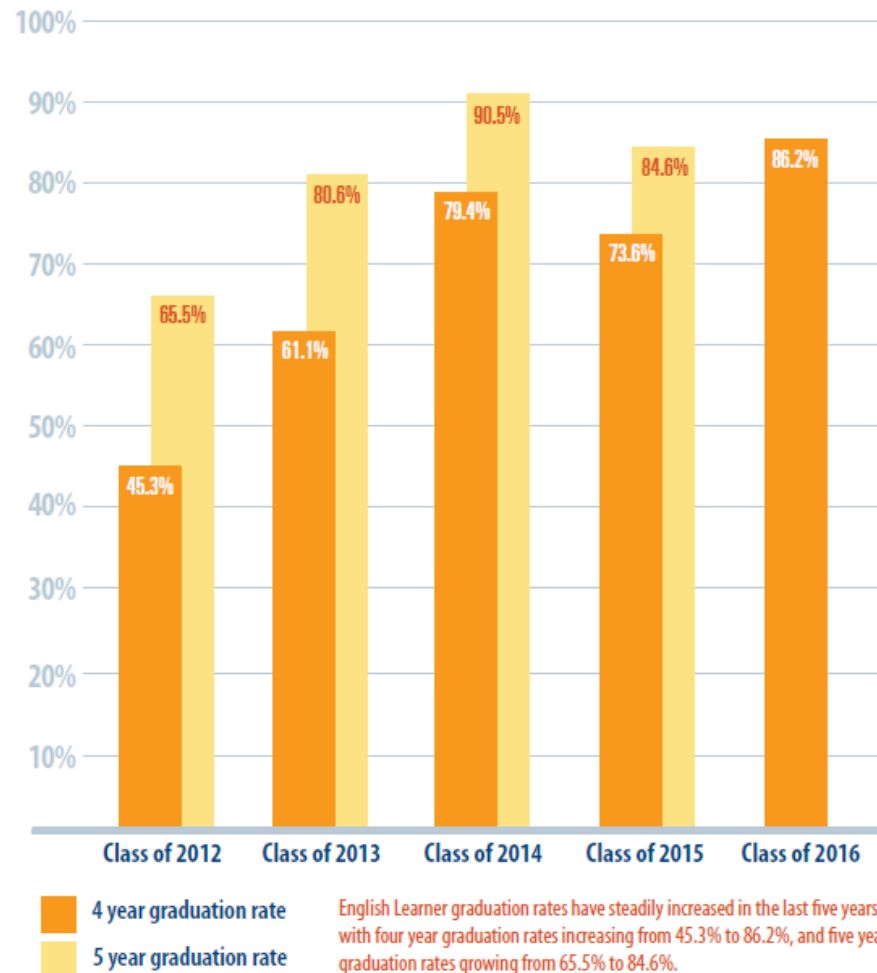
81.1%
Snohomish County
graduation
rate - 5 yr. (2015)

.....
81.9%
State graduation
rate - 5 yr. (2015)



Exceptional graduation rates

English Language Learners



High performance

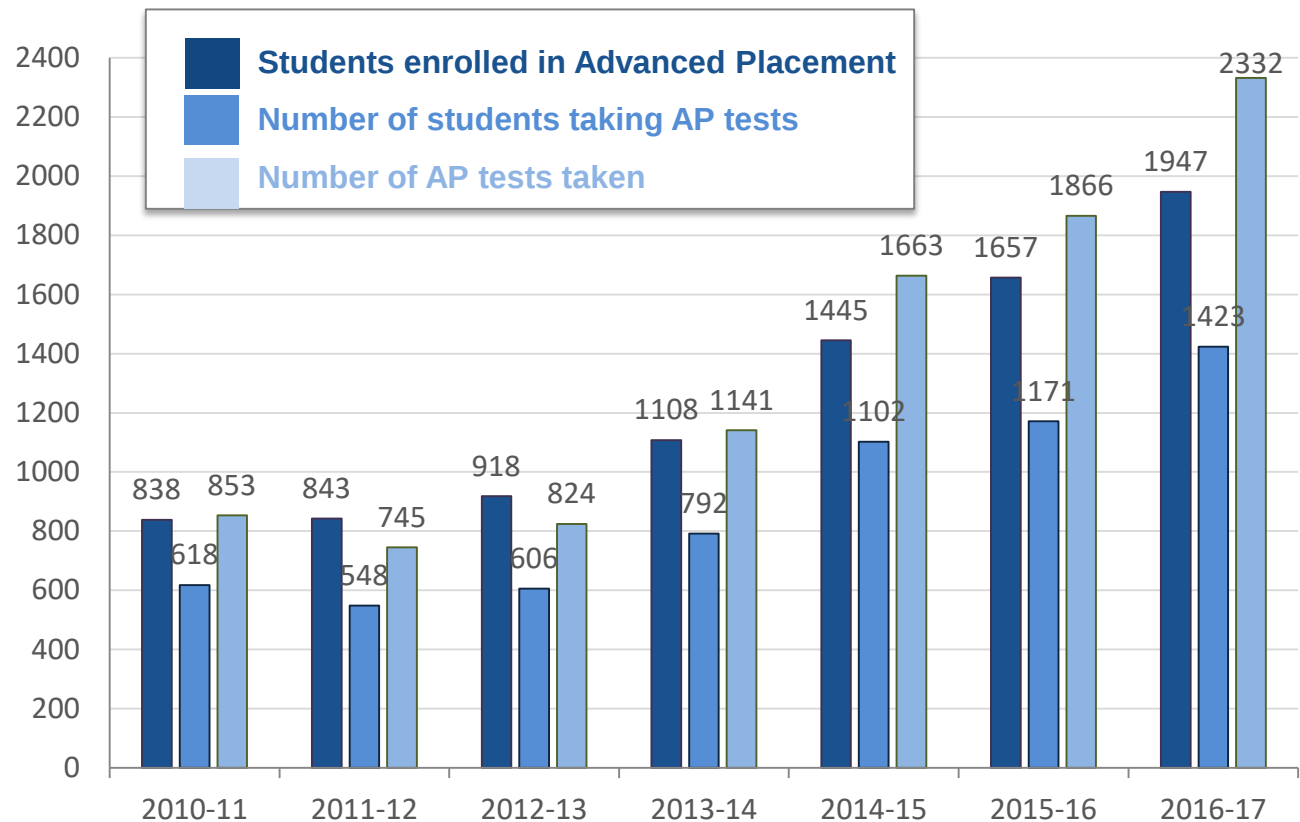
District students continually outperform state

2016	ELA	Math	Science
Grade 3	+7.0	+4.8	
Grade 4	+9.9	+9.7	
Grade 5	+12.4	+8.8	+10.9
Grade 6	+13.8	+5.2	
Grade 7	+16.2	+6.6	
Grade 8	+15.1	+6.6	+13.0
Grade 11	+6.9	+15.8	+5.7



Students in challenging courses

Advanced Placement — 17.5% increase over last year



Program array supports students' learning

- Orchestra
- Performing arts
- STEM
- Athletics
- Activities
- One-to-one technology platform K-12



Social emotional focus

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Schools

The challenging part in my life was Freshman & Sophomore year because of the belief that the world is terrible and that I'm better off dead. It took a lot of work and a lot of patience but I finally realized that the world is great and that I'm better off alive and I'm happy to be where I am with the people I like the most.



Summer reading program

School	2015	2016	2017	Change
Cedar Wood ES	47%	53%	52%	-1%
Emerson ES	3%	17%	18%	1%
Forest View ES	11%	26%	45%	19%
Garfield ES	5%	20%	27%	7%
Hawthorne ES	39%	27%	48%	21%
Jackson ES	20%	26%	50%	24%
Jefferson ES	11%	19%	30%	11%
Lowell ES	13%	25%	41%	16%
Madison ES	2%	23%	43%	20%
Mill Creek ES	27%	32%	52%	20%
Monroe ES	26%	16%	29%	13%
Penny Creek ES	15%	25%	33%	8%
Silver Firs ES	10%	44%	40%	-4%
Silver Lake ES	9%	10%	23%	13%
View Ridge ES	19%	29%	41%	12%
Whittier ES	14%	28%	64%	36%
Woodside ES	10%	26%	38%	12%
Eisenhower MS	54%	52%	51%	-1%
Evergreen MS	24%	35%	41%	6%
Gateway MS	74%	61%	71%	10%
Heatherwood MS	52%	57%	61%	4%
North MS	38%	53%	48%	-5%
Cascade HS	5%	43%	32%	-11%
Everett HS	33%	34%	34%	0%
Jackson HS	16%	39%	36%	-3%

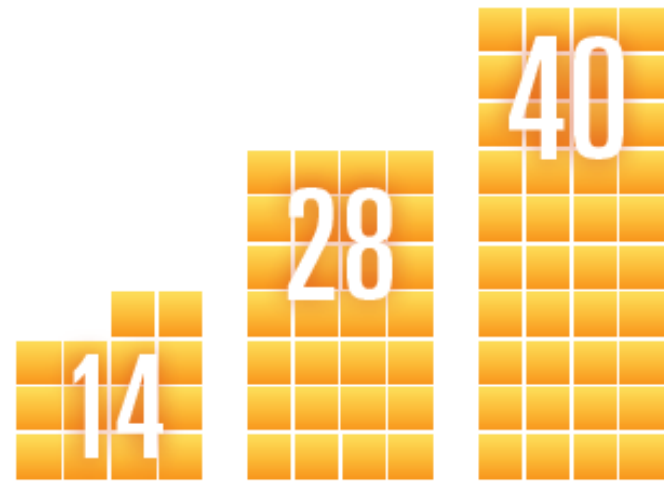
Year	Number of Students Participated	Percentage of Students Participated
2015	4,367	25%
2016	6,848	36%
2017	8031	42%



K-12 STEM district

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Schools

Increase in District Robotics Clubs



2014-15

2015-16

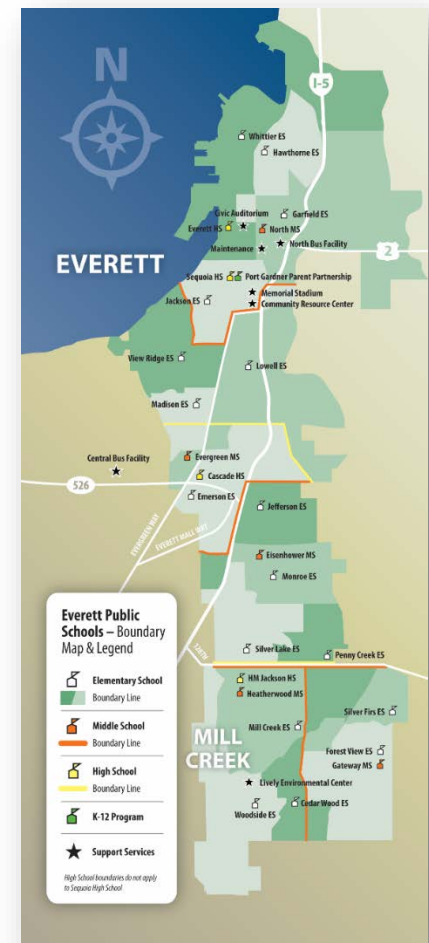
2016-17

A stylized graphic in shades of blue on a dark blue background. It depicts a person with arms raised, reaching towards a five-pointed star. The person's body is composed of simple geometric shapes. A large, curved, swooshing line sweeps across the lower half of the image, passing behind the text. The overall composition suggests aspiration and progress.

District Challenges and Opportunities

Fastest growing district in Snohomish County

- District serves Everett, Mill Creek, areas of unincorporated Snohomish County
- 39 square miles
- 26 schools
- 20,000 students incl. pre-school
- 1,600 more students expected by 2026

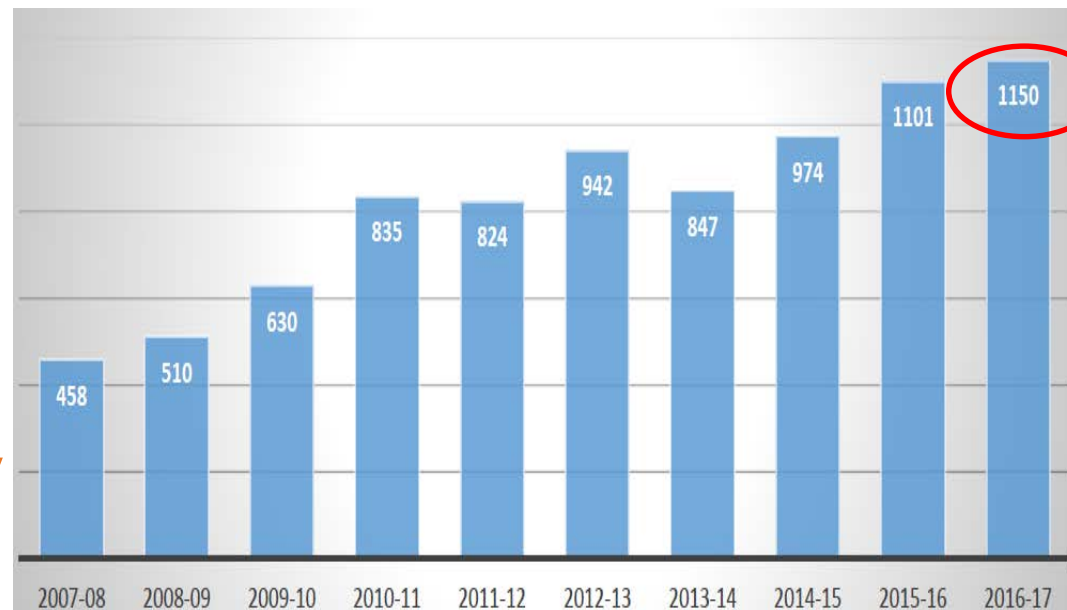


More homeless students

Just over one third of EPS
students live
in poverty



The number
of homeless
students in
EPS last year,
1,150,
would fill
two elementary
schools



What if we don't build more space for learning?

By 2026, what happens to schools' permanent capacity and portable classroom counts if we don't build additional classrooms?

Elementary schools

- **13 of 18** schools will be **over** capacity
- **81** portable classrooms necessary

Middle schools

- **3 of 5** schools continue **over** capacity
- **26** portable classrooms necessary

High schools

- **2 of 3** traditional high schools will be **over** capacity
- **38** portable classrooms necessary
(**30 at JHS, 8 at CHS**)

This is why HS
#4 is critical.



Career pathways

Vocational programs in each high school

CASCADE HIGH SCHOOL



Aerospace & Advanced Manufacturing

Aircraft mechanics, avionics technicians, aerospace engineers. The employment rate in these fields is 36 times the national average.

EVERETT HIGH SCHOOL



Medical & Health Careers

Medical assistants, primary care nurses, physicians and behavioral health counselors. Jobs in these areas will number 35,100 by 2020.

JACKSON HIGH SCHOOL



Information & Communication Technology

Careers in software publishing, computer services, electronic & catalog shopping, communications equipment and services, electronic equipment and instruments and entertainment have employment rates here that are twice the national average.

NEW HIGH SCHOOL #4



Energy & Sustainability

High demand careers in these areas include agriculture, forestry, information and communications technology, life science and global health, manufacturing and transportation and logistics.

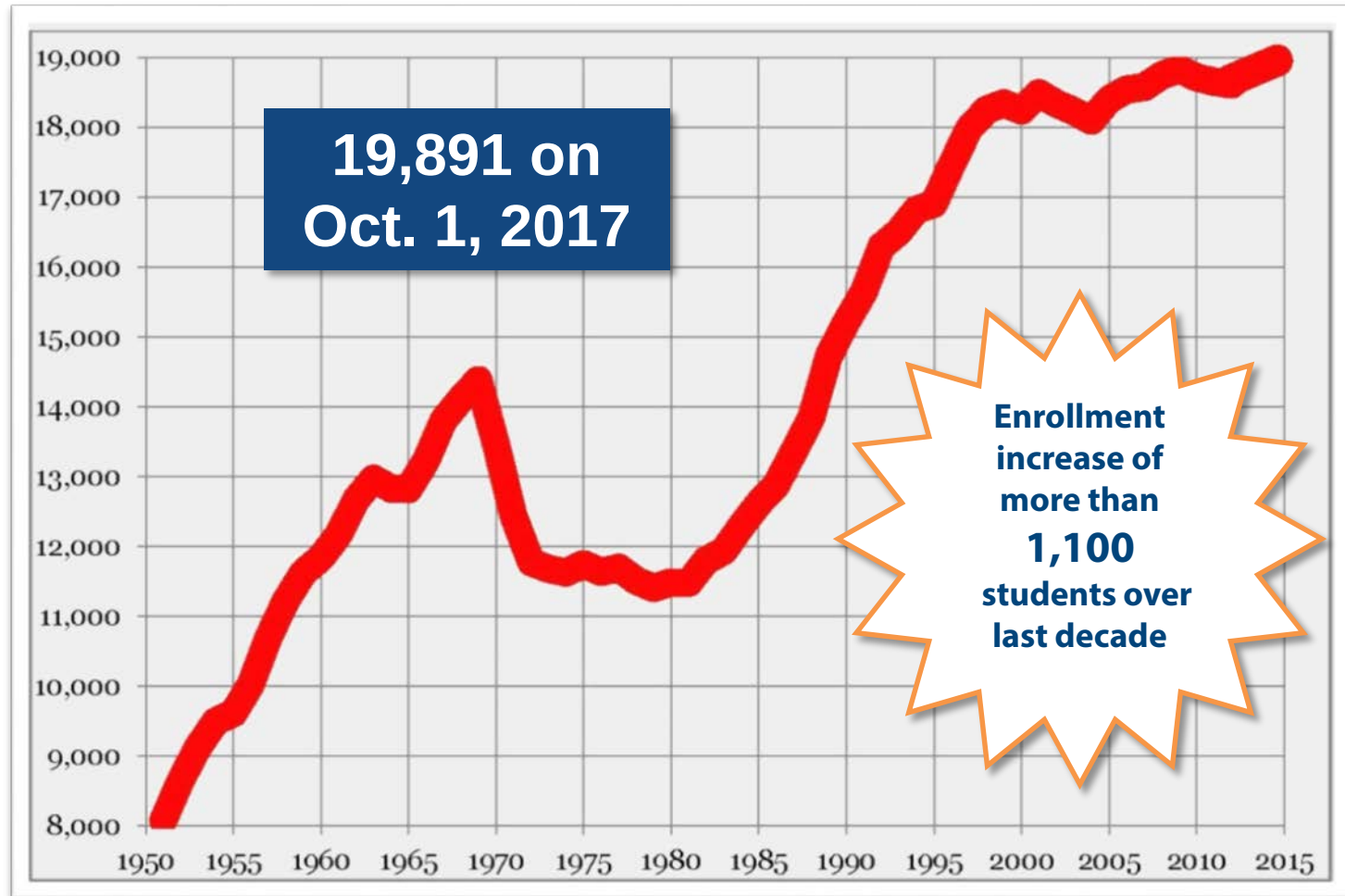
A stylized graphic in shades of blue on a dark blue background. It depicts a person with arms raised, reaching towards a five-pointed star. The person's body is composed of simple geometric shapes. A large, curved, swooshing line sweeps across the lower half of the image, passing behind the person. The overall composition suggests aspiration and forward movement.

Future Readiness

with Capital Bond and Replacement EP&O Levy

We're growing!

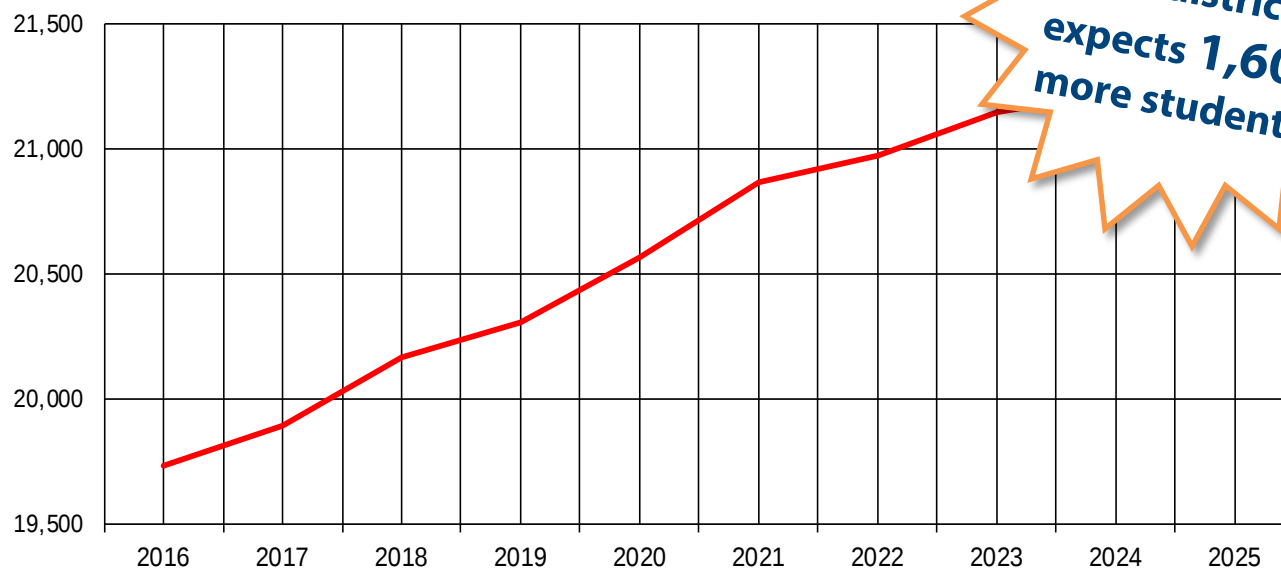
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We're growing!

Ten year growth projections

2016-2026

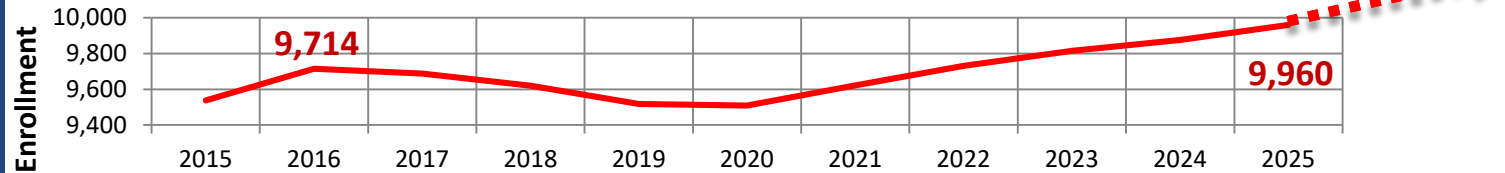


Within 10 years,
the district
expects 1,600
more students!

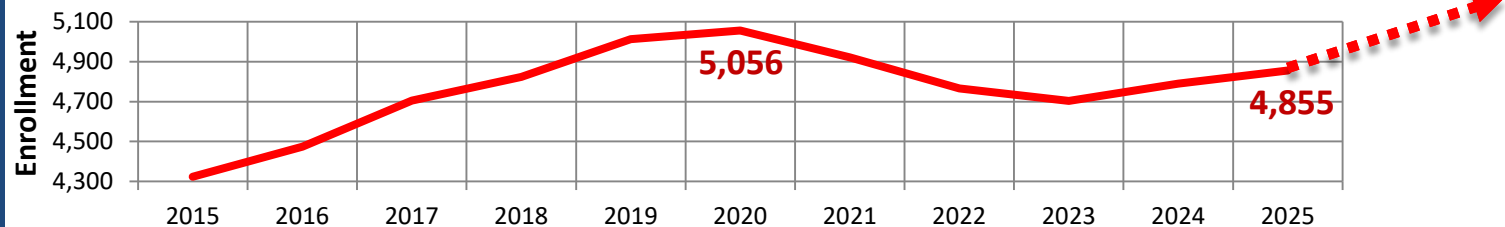
Projection	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
District-wide	19,732 Actual	19,891 Actual	20,167	20,309	20,567	20,865	20,976	21,145	21,229	21,254	21,406

We're growing!

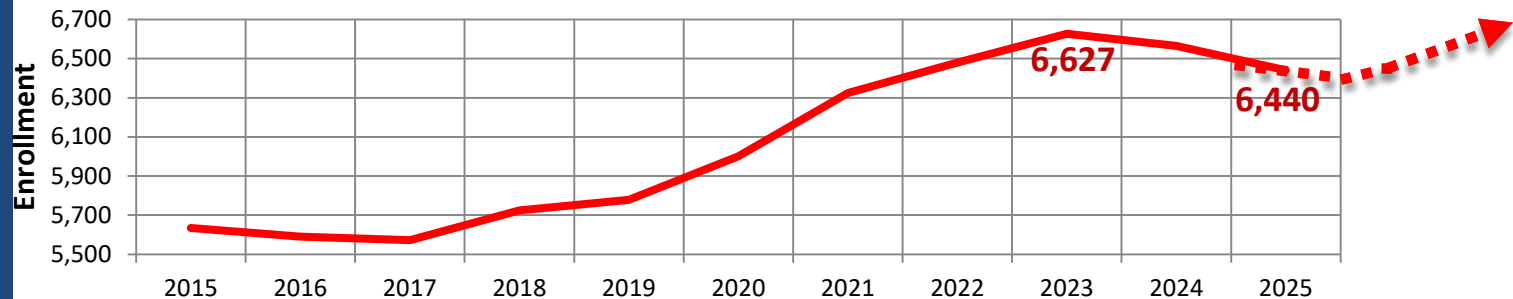
EPS Elementary School Projections



EPS Middle School Enrollment Projections



EPS High School Enrollment Projections



Capital facilities planning

Recent capital bond and levy proposals

2014 bond (\$259.4 million)

- New small high school
- New elementary school
- System upgrades and K-3 class size reductions
- Failed twice (February and April)

2016 bond (\$149.7 million)

- Passed in April 2016
- New elementary and two modernizations
- Paired with a \$89.6 million capital levy (technology, portables, and systems upgrades)



Future readiness 3 ways

What's in the 2018 Capital Bond?

Growth readiness

**Adding space for
1,600 more
students**

- New high school
- Property for future school
- Additional classrooms for smaller K-3 class sizes

Career readiness

**Creating spaces
to prepare
students for
future jobs &
careers**

- Innovative STEM programs
- Career connected learning

Facilities readiness

**Extending the use
of aging schools**

- Renovating and retrofitting aging school facilities
- Upgrade school "systems" (heating, electrical)
- Modernize EHS cafeteria building



2018 Capital bond items cost

When approved by voters, funds become available as projects begin. EPS pays back over 15-20 years.

New high school	\$216.8M
Cascade High science building modernization and 4,000 square foot addition	\$20.2M
Everett High vocational building modernization	\$11M
Jackson High classroom retrofits	\$1.3M
36 new permanent classrooms districtwide to reduce class sizes at Cedar Wood, Emerson, Jefferson, Mill Creek, Monroe, and View Ridge elementary schools. Parking lot expansions with safety features and access improvements at Emerson and Jefferson elementary schools.	\$38M
Land for a future elementary school #20	\$5M
Everett High cafeteria building modernization	\$22.8M
Heating, ventilation, air conditioning (HVAC) upgrades at Penny Creek and Silver Lake elementary schools, Eisenhower and Evergreen middle schools and the maintenance facility	\$6.5M
HVAC unit upgrades for 12 portable classrooms	\$1M
Electrical system upgrades districtwide	\$8M

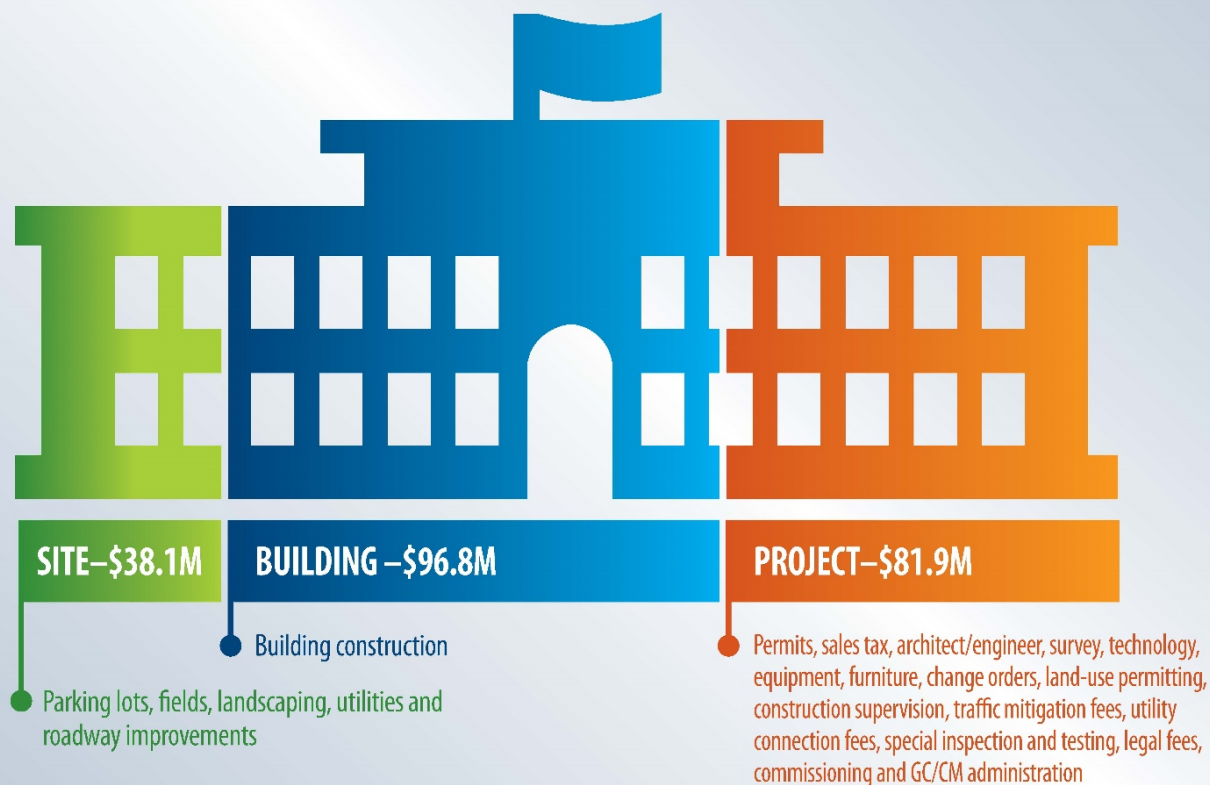
2018 Capital bond items cost

What are the bond projects?



\$216.8 million for new HS

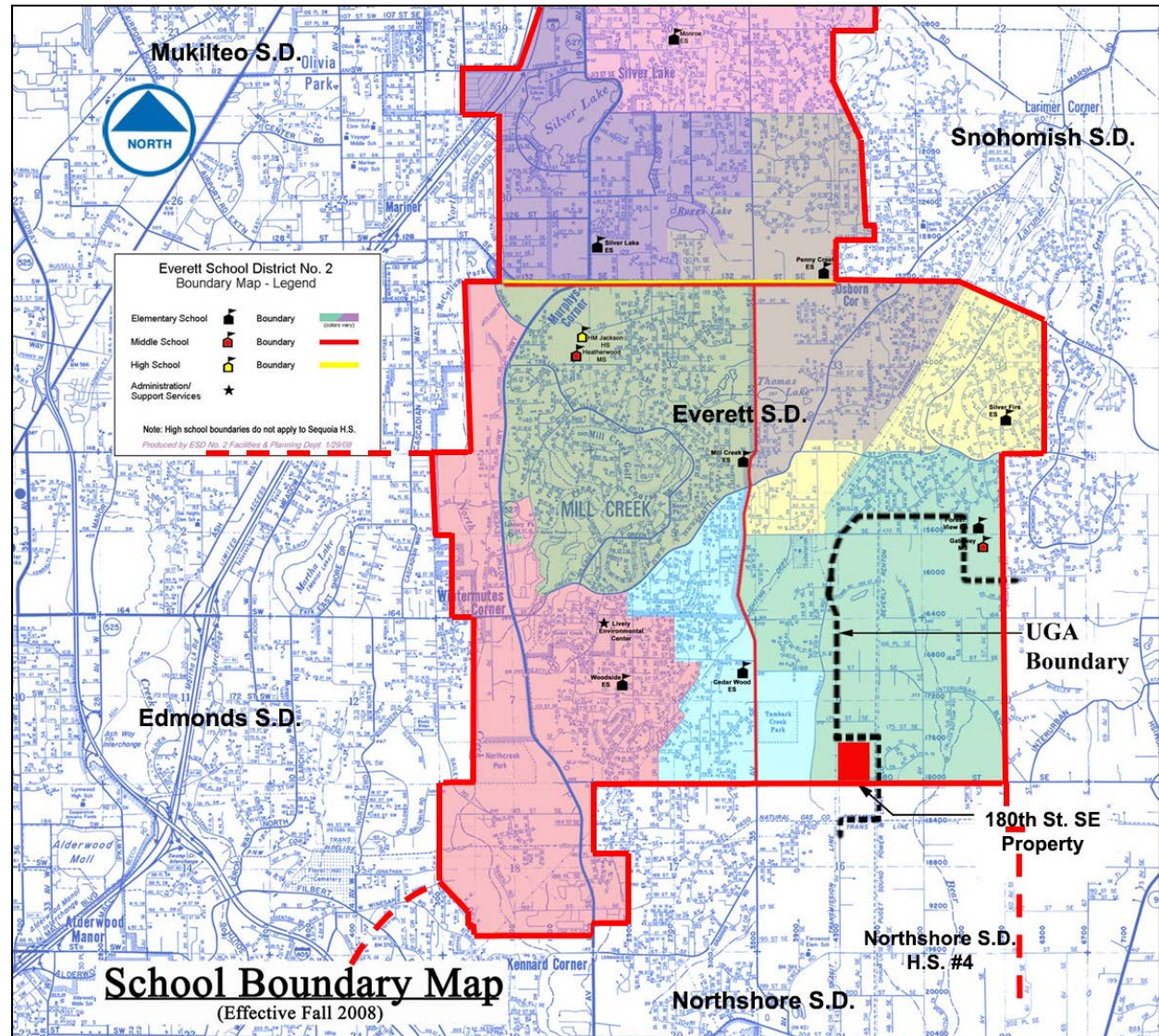
School Construction Costs



2018 Capital Bond Planning High School Cost Comparison



**Everett
Public
Schools**



Capital facilities planning

How can we pay for new schools?

Capital bonds and levies – primary funding source

State construction assistance funds (SCAP)

- EPS not eligible for new SCAP on new schools
- About \$9.5 million expected from 2018 bond

Impact and mitigation fees

- Impact fees \$6,950 per single family home
- Formula set by (state/county) legislators
- Collections fall far short of amounts needed

Property sales, rent, miscellaneous sources



New comprehensive high school no. 4

What if we don't build a new high school?

Possible options

- Continue to add portable classrooms (30 portables at JHS and 8 portables at CHS by 2023)
- Move enrollment areas northward (about 325 students) from JHS to CHS, and from CHS to EHS
- Schedule changes such as double shifting, 9 period day, or year round school

Community input at March 30, 2017 board work session did not support any of these options



A stylized graphic in shades of blue on a dark blue background. It depicts a person with arms raised, reaching towards a five-pointed star in the upper right. The figure is composed of simple geometric shapes: a circle for the head, a triangle for the torso, and curved lines for the limbs. A large, sweeping arc curves around the figure, and several curved lines radiate from the base, suggesting motion or a globe. The text "New Comprehensive High School No. 4" is overlaid on the right side of the graphic.

New Comprehensive High School No. 4

Comprehensive high school no. 4 quick facts

How many
students?

Designing for the future

1500

How big will
the school be?

235,000+/-

square feet in total size

How many
floors?

3 Floors



Comprehensive high school no. 4 quick facts

How long will
the building
last?

built for longevity

40 to 50 years

How big is
the site?

approximately

30 Acres

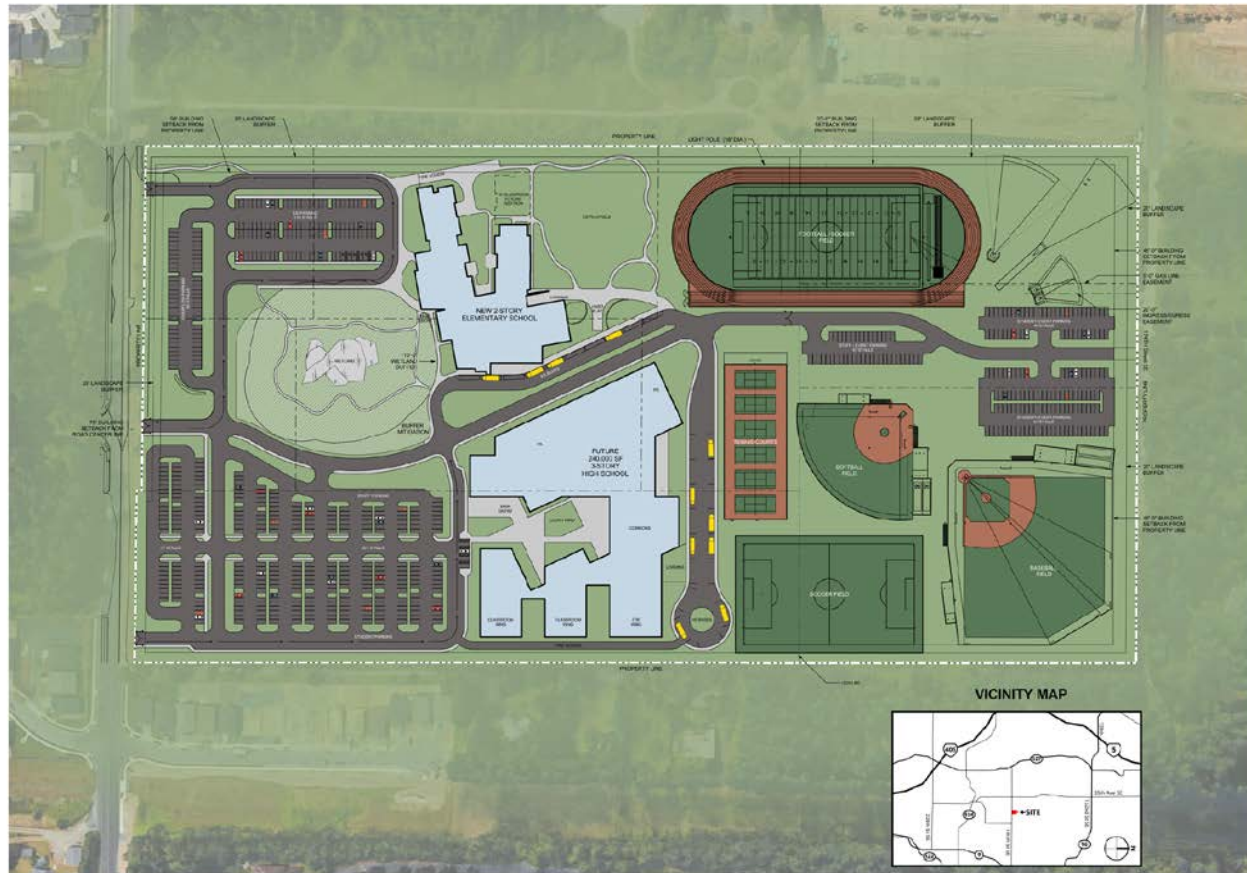
How many
fields?

1 football field and track, 6 tennis
courts, 1 softball field, 1 baseball
field, 1 soccer field



Preliminary site plan

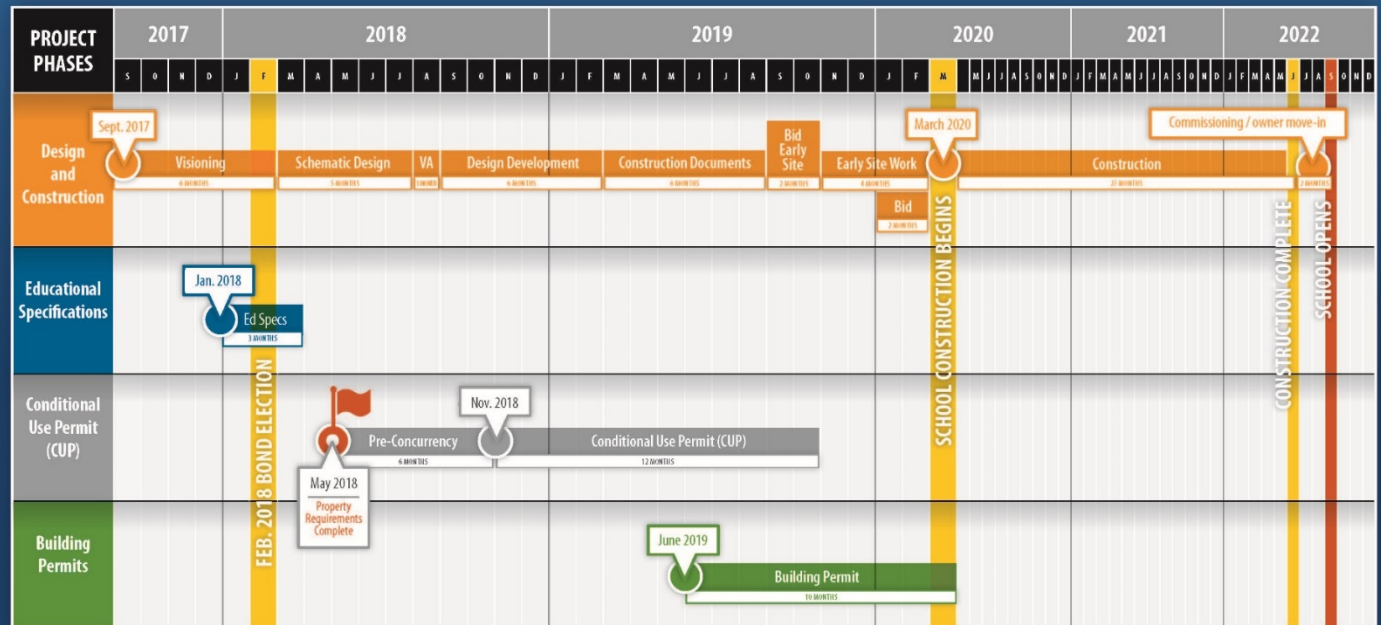
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Comprehensive HS no. 4 preliminary schedule



New Comprehensive High School #4 – Preliminary Design and Construction Schedule September 2017 – September 2022



Robinson Company

- Bond planning budgets for **over 50** school districts throughout Washington
- 33 Bond budgets since 2012
- Have worked with Dykeman for over 28 years; over 48 projects with them
- Long history with **Everett School District**: over 30 projects over 30 years!



Historical/current marketplace

- School projects capital bonds/levy 2012 – 2017 passed

2012 Statewide	\$1.6B	2012 I-5 Corridor	\$1.4B
2013 Statewide	\$1.2B	2013 I-5 Corridor	\$885M
2014 Statewide	\$1.7B	2014 I-5 Corridor	\$1.5B
2015 Statewide	\$1.6B	2015 I-5 Corridor	\$925M
2016 Statewide	\$3.6B	2016 I-5 Corridor	\$3.1B
2017 Statewide	\$2.0B	2017 I-5 Corridor	\$881M

- Feb 2018 bond/levy request \$2.3B
- Value of state capital budget from July 2017; Approved Jan. 2018 \$4.2B
- Most tower cranes in the country for 2 years running
- Multitude of other public projects such as city halls, police and fire stations, transportation on the books
- Private/commercial/multi-family projects



Market drivers/conditions

- **April – June 2017** bids saw a **15%-25% spike** in cost over estimates due to lack of bidders and contractor availability
- General contractors and subcontractors couldn't keep up with the amount of work we had last spring
- Labor pool is **still lower** than after the 2008 crash
- More projects means less bidders/competition
- Escalation (wage labor/material increases) **above 4%** for last 4 consecutive years
- **Market contingency** – *Premiums and increases in costs when amount of work exceeds the available workforce to perform the work. Productivity, fees, risk aversion, no competition*



A stylized graphic in shades of blue on a dark blue background. It depicts a person with arms raised, reaching towards a five-pointed star in the upper right. The person's body is composed of broad, sweeping curves. A large, thick, curved band sweeps across the lower half of the image, intersecting with several thin, curved lines that form a grid-like pattern on the left side.

Replacement Levy and Tax Rates

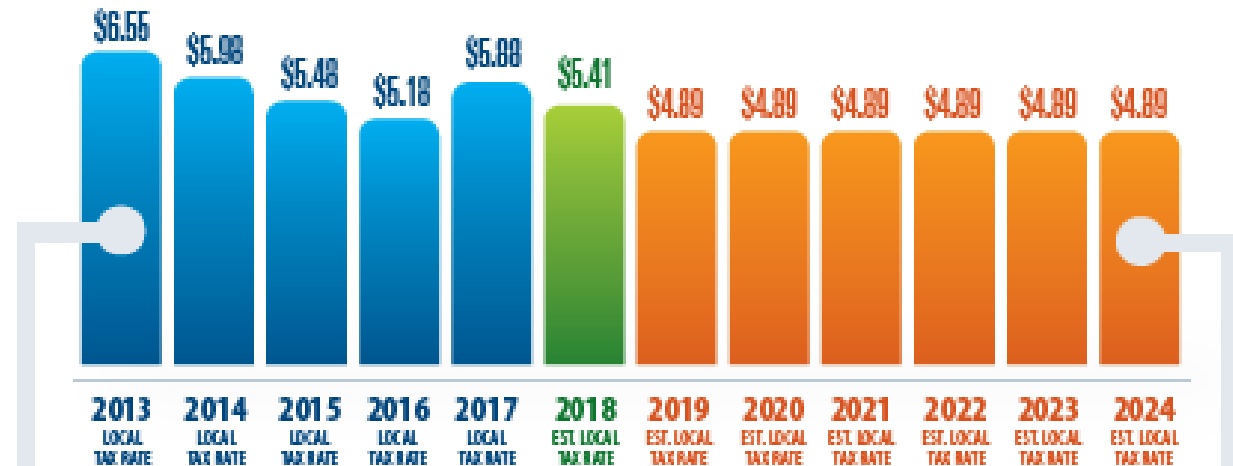
Capital bond? EP&O levy?

What's the difference?

Capital Bond	EP&O Levy
Long term financing, paid back to bond holders with interest over 15 to 20 years	Short term 4-year revenue stream, no interest payments
Pays for items that will last a long time – new schools, remodeling, building “systems” i.e. technology infrastructure, some staff for long term projects	Pays operational costs the state does not fully cover: early learning, summer school, extended day programs, teaching materials and equipment, transportation, music, art, drama, athletics and extracurricular activities, special education, professional training for staff, competitive staff salaries, STEM (science, technology, engineering and math) programs, gifted programs and ongoing facilities maintenance.
Requires 60% supermajority	Requires 50% simple majority

IMPORTANT! EP&O Levy is not a new tax. This would REPLACE the one voters approved in 2014 and that expires in 2018.

What about tax rates?



Past local school tax rates were higher than estimated for 2019, the year these Bond & Levy collections begin.

Lower local school tax rate projected 2019-24.

**The above graph shows past & current ACTUAL rates (blue), the rate for 2018 (green) and estimated future rate (orange) for each \$1,000 of assessed home value.*

What about tax rates?

In 2013

The total local school tax rate paid by district residents was **\$6.55** per each \$1,000 of property value

Or, for a home valued at \$300,000 in 2013, an owner paid \$1,965 to support local schools

In 2019

If BOTH bond and levy are approved, the **PROJECTED** local school tax rate will be **\$4.89** per each \$1,000

Or, in 2019 for a home valued at \$300,000, an owner would pay \$1,467 to support local schools

Home values have **INCREASED** since 2013. A \$300,000 home in 2019 will likely be worth more. Total local school tax will vary from home to home.



An abstract graphic on a dark blue background. It features a stylized, light blue figure with arms raised, reaching towards a five-pointed star in the upper right. The figure is composed of several overlapping, curved shapes that suggest movement and energy. The text "How can we partner for greater student success?" is written in a bold, white, sans-serif font, positioned in the center-right of the image, partially overlapping the figure and the background.

**How can we partner for greater
student success?**