



Granite School District

General Obligation Bonding

ON YOUR BALLOT

Here is a sample of the text that will appear on your ballot as required by state law.

LOCAL QUESTIONS
<p>OFFICIAL BALLOT FOR BOARD OF EDUCATION OF GRANITE SCHOOL DISTRICT, SALT LAKE COUNTY, UTAH BOND ELECTION</p> <p>NOVEMBER 7, 2017</p> <p>GRANITE SCHOOL DISTRICT BOND</p>
<p>Shall the Board of Education of Granite School District, Utah, be authorized to issue General Obligation Bonds in a principal amount not to exceed Two Hundred Thirty-Eight Million Dollars (\$238,000,000) for the purpose of paying all or a portion of the costs to purchase school sites, purchase and construct buildings and furnishings, and improve existing school property, said Bonds to be due and payable in not to exceed twenty-one (21) years from the date of issuance of the Bonds?</p>
<p>PROPERTY TAX COST OF THE BONDS</p> <p>If the Bonds are issued as planned, without regard to the taxes currently levied for outstanding bonds that will reduce over time, an annual property tax to pay debt service on the Bonds will be required over a period of ten (10) years in the estimated amount of \$190.69 on a \$259,900 residence and in the estimated amount of \$346.71 on a business property having the same value.</p> <p>The foregoing information is only an estimate and is not a limit on the amount of taxes that the District may be required to levy to pay debt service on the Bonds. The District is obligated to levy taxes to the extent provided by law in order to pay the Bonds.</p>
<p><input type="checkbox"/> FOR THE ISSUANCE OF BONDS (YES)</p> <p><input type="checkbox"/> AGAINST THE ISSUANCE OF BONDS (NO)</p>

More info: gsdfuture.org

REBUILD/REMODEL TIMELINE - PHASE ONE

2018

<i>South Kearns Elementary</i>	<i>*Rebuild</i>
<i>#Evergreen Jr. High</i>	<i>Remodel</i>
<i>Hunter High School</i>	<i>Wing Addition</i>
<i>#Valley Jr. High</i>	<i>Remodel</i>

2019

<i>West Kearns Elementary</i>	<i>*Rebuild</i>
<i>Howard Driggs Elementary</i>	<i>Remodel</i>
<i>Rosecrest Elementary</i>	<i>Remodel</i>

2020

<i>Cyprus High School</i>	<i>*Rebuild</i>
<i>Skyline High School</i>	<i>*Rebuild</i>

2021

<i>Calvin Smith Elementary</i>	<i>Remodel</i>
<i>Mass Elementary</i>	<i>Remodel</i>
<i>Plymouth Elementary</i>	<i>Remodel</i>

2022

<i>Arcadia Elementary</i>	<i>*Rebuild</i>
<i>Taylorville High School</i>	<i>Remodel</i>

2023

<i>Orchard Elementary</i>	<i>Rebuild</i>
<i>Hillsdale Elementary</i>	<i>Remodel</i>
<i>Kennedy Jr. High</i>	<i>Remodel</i>

2024

<i>Academy Park Elementary</i>	<i>Rebuild</i>
<i>Kearns Jr. High</i>	<i>Rebuild</i>
<i>Magna Elementary</i>	<i>Remodel</i>
<i>Valley Crest Elementary</i>	<i>Remodel</i>

2025

<i>Sandburg Elementary</i>	<i>Rebuild</i>
<i>Lincoln Elementary</i>	<i>Remodel</i>
<i>Pioneer Elementary</i>	<i>Remodel</i>

2026

<i>Eastwood Elementary</i>	<i>Rebuild</i>
<i>Crestview Elementary</i>	<i>Remodel</i>

2027

<i>Spring Lane Elementary</i>	<i>Rebuild</i>
<i>Cottonwood Elementary</i>	<i>Remodel</i>

2028

<i>Evergreen Jr. High</i>	<i>Rebuild</i>
<i>Oakridge Elementary</i>	<i>Rebuild</i>
<i>Valley Jr. High</i>	<i>Rebuild</i>

*Projects to be financed with bond proceeds (Utah Code 53A-18-102)

#Necessary renovations or repairs to ensure usability until later rebuild.

THE NEED



Based on in-depth analysis of school conditions by independent engineers, more than half our schools were found to be 75% or more in decline.

Granite has the highest average school facility age in the state.

Annual capital revenue is about \$17 million, but current capital needs exceed \$1 billion.

WHY BOND NOW?



Bonding now saves taxpayers money in the long run.

Interest rates remain at historic lows, while construction costs are rising at a rapid rate. If we kick the can down the road even a few years, we can expect to pay 10% more in construction costs with every passing year.

WHAT WILL THIS BOND DO?



This bond sets in motion a strategic 40-year plan to rebuild and renovate ALL schools in the district.

Within the first 10 years: **14** schools will be rebuilt, **17** schools will be remodeled, and **ALL** schools will receive revitalizing upgrades.



SEISMIC IMPROVEMENTS

The bond will allow the district to fund much needed seismic stability improvements for schools as needed.



SECURITY UPGRADES

The bond will allow the district to fund security upgrades for schools as needed. These are modern concerns that were not considered in school designs 50 years ago.

WHAT'S THE IMPACT ON ME?

This 10-year \$238 million bond means a home valued at \$259,900 will see an annual property tax increase of about \$15 a month, or roughly \$190 annually.

FYI - Granite's property tax rate is below the state average despite being the third largest district in the state.

Initial figures

▶ 2009

- ▶ GSD High School – \$75 million
- ▶ GSD Elementary – \$12 million

▶ 2015 Bond figures

- ▶ GSD High School – \$85 million
- ▶ GSD Jr. High – \$40 million
- ▶ GSD Elementary – \$15 million

- ▶ At that time, no high school in the state cost more than \$76 million
- ▶ Jr. Highs were being built for \$32-\$35 million
- ▶ Elementary schools cost between \$14-\$17 million



Construction cost increases.....

School	Bid	SF	PSF	Bid Date
Sterling El. (Tooole)	\$ 15,272,220	78,220	\$ 195.2	Mar-16
WJ Middle	\$ 36,974,000	187,820	\$ 196.9	Mar-17
Meadowlark El (Salt Lake)	\$ 21,022,852	84,344	\$ 249.3	Nov-17
Pleasant View El (Weber)	\$ 22,129,590	96,500	\$ 229.3	Apr-18
West Bountiful El.	\$ 21,390,000	70,500	\$ 303.4	Oct-18
Hunter High Wing Addition	\$ 13,585,000	44,668	\$ 304.1	Dec-18
Bluff El.	\$ 10,268,000	35,800	\$ 286.8	Jan-19

- ▶ **What does this data tell us?**
 - ▶ Costs vary as complexity increases.
 - ▶ Costs are continuing to increase.
 - ▶ 2015-2019 increased 10% to 16% annually.
 - ▶ 2019-2021.....projections are 6% to 8%.



Recent High School Construction Costs

School	Date Bid	Square Foot	Cost FLCC	Cost / SqFt	Escalation to 12/2018 12%	Cost / SqFt
Utah High Schools						
Syracuse HS	2004	380,000	\$38,000,000	\$100.00	\$106,400,000	\$280.00
Stansbury Park HS	2007	262,500		\$0.00		\$0.00
Herriman HS 1	2008	390,000	\$72,150,000	\$185.00	\$106,782,000	\$273.80
Skyridge HS	2014	340,000	\$65,960,000	\$194.00	\$105,536,000	\$310.40
Provo High School	2016	358,000	\$79,900,000	\$223.18	\$118,252,000	\$330.31
Farmington HS	2016	420,000	\$75,500,000	\$179.76	\$102,680,000	\$244.48
Union HS	2016	327,892	\$73,447,808	\$224.00	\$99,889,019	\$304.64
New Herriman HS 2	2017	391,132	\$76,000,000	\$194.31	\$94,240,000	\$240.94
Eagle Mountain HS	2017	328,765	\$71,013,191	\$216.00	\$88,056,357	\$267.84
Brighton HS	2018	384,000	\$105,500,000	\$274.74	\$111,830,000	\$291.22
Lehi HS	2018	220,772	\$57,400,720	\$260	\$60,844,763	\$275.60
Out of State High Schools						
Rigby HS	2010	275,000	\$40,000,000	\$145.45	\$83,200,000	\$302.55
Alexandria Area HS	2012	285,000	\$65,000,000	\$228.07	\$119,600,000	\$419.65
Samammish HS	2014	330,000	\$125,000,000	\$378.79	\$200,000,000	\$606.06
Average		335,219	\$72,682,440	\$200.24	\$107,485,395	\$296.25

▶ The Takeaway

▶ The long term average is \$296 psf

▶ More recent data reflects \$305 psf

Current Cost & Progress

School	Project Type	Construction Cost	Land	Infrastructure	Design	FFE	Total
Valley Jr.	Remodel	\$ 4,000,000			\$ 315,000	\$ 260,860	\$ 4,575,860
Evergreen Jr.	Remodel	\$ 4,000,000			\$ 283,000	\$ 276,550	\$ 4,559,550
Driggs Elem.	Remodel	\$ 5,300,000			\$ 286,000	\$ 226,247	\$ 5,812,247
Rosecrest Elem.	Remodel	\$ 3,200,000			\$ 183,000	\$ 160,500	\$ 3,543,500
Roosevelt Elem.	New Construction	\$ 29,700,000					\$ 29,700,000
South Kearns Elem.	Rebuild	\$ 28,000,000					\$ 28,000,000
Hunter High	Addition	\$ 13,500,000					\$ 13,500,000
Cyprus High	New Construction	\$ 128,000,000	\$ 8,000,000	\$ 2,000,000	\$ 6,600,000	\$ 9,000,000	\$ 153,600,000
Skyline High	Rebuild	\$ 125,000,000	\$ 2,000,000		\$ 6,600,000	\$ 8,200,000	\$ 141,800,000
		\$ 340,700,000	\$ 10,000,000	\$ 2,000,000	\$ 14,267,000	\$ 18,124,157	\$ 385,091,157

\$ 256,000,000

\$ 25,000,000

\$ 281,000,000

\$ (104,091,157)



Cost vs. Revenue

School	Total
Valley Jr.	\$ 4,575,860
Evergreen Jr.	\$ 4,559,550
Driggs Elem.	\$ 5,812,247
Rosecrest Elem.	\$ 3,543,500
Roosevelt Elem.	\$ 29,700,000
South Kearns Elem.	\$ 28,000,000
Hunter High	\$ 13,500,000
Cyprus High	\$ 153,600,000
Skyline High	\$ 141,800,000
	\$ 385,091,157

Revenue	
2009 Bond	\$ 25,000,000
2017 Bond	\$ 239,000,000
2023 Capital	\$ 10,000,000
2024 Capital	\$ 30,000,000
2025 Capital	\$ 33,000,000
2026 Capital	\$ 37,000,000
	\$ 374,000,000



Bond to Cash.....

- ▶ Bond was the “kick start” to the process.
- ▶ As you will recall, the plan has always been to begin shifting debt service to capital beginning in 2022.



With increased costs...what does this mean

- ▶ Extend implementation of “Phase I”
- ▶ Look at cost savings reductions
- ▶ Remove schools from the project list
- ▶ Raise more revenue



With increased costs...what does this mean

- ▶ **Extend implementation of “Phase I” from 10 years to 15+**
 - ▶ Delay until 2026
- ▶ **Look at cost savings reductions**
 - ▶ Build “less expensive buildings”
 - ▶ For example revert to 2009 elementary designs
 - Recently had cost estimates completed for these models....
 - May yield 8% to 10% savings on elementary schools
- ▶ **Remove schools from the project list**
- ▶ **Raise more revenue**
 - ▶ Re-bond with revenues starting 2023

