

Draft Only
Approval Pending
**SUMMARY of
PROCEEDINGS**



SELECT COMMITTEE ON SCHOOL FACILITIES

COMMITTEE MEETING INFORMATION

Casper College Gateway Building, Room 223
Casper, Wyoming
October 29, 2014

COMMITTEE MEMBERS PRESENT

Senator Bill Landen, Chairman
Representative Gregg Blikre, Vice-Chairman
Senator Hank Coe
Senator Phil Nicholas
Senator R. Ray Peterson
Senator Chris Rothfuss
Representative Steve Harshman
Representative Matt Teeters
Representative Mary Throne

LEGISLATIVE SERVICE OFFICE STAFF

Dave Nelson, School Finance Manager
Matt Willmarth, School Finance Analyst
Tania Hytrek, Staff Attorney

OTHERS PRESENT AT MEETING

Please refer to [Appendix 1](#) to review the Committee Sign-in Sheet for a list of other individuals who attended the meeting.

The Committee Meeting Summary of Proceedings (meeting minutes) is prepared by the Legislative Service Office (LSO) and is the official record of the proceedings of a legislative committee meeting. This document does not represent a transcript of the meeting; it is a digest of the meeting and provides a record of official actions taken by the Committee. All meeting materials and handouts provided to the Committee by the Legislative Service Office, public officials, lobbyists, and the public are on file at the Legislative Service Office and are part of the official record of the meeting. An index of these materials is provided at the end of this document and these materials are on file at the Legislative Service Office. For more information or to review meeting materials, please contact the Legislative Service Office at (307) 777-7881 or by e-mail at lso@wyoleg.gov. The Summary of Proceedings for each legislative committee meeting can be found on the Wyoming Legislature's website at <http://legisweb.state.wy.us>.

EXECUTIVE SUMMARY.

The Select Committee on School Facilities (Committee) met to receive information related to the construction of K-12 public education facilities in Wyoming. The School Facilities Department (SFD) and the School Facilities Commission (SFC) responded to Committee inquiries from the previous meeting. Staff presented draft legislation (15LSO-0127, Committee Formal Draft 1.1) to the Committee for consideration.

CALL TO ORDER.

Chairman Landen called the meeting to order at 8:35 a.m. The following sections summarize the Committee proceedings by topic. Please refer to [Appendix 2](#) to review the Committee Meeting Agenda.

APPROVAL OF MINUTES.

Minutes from the September 11, 2014 Committee meeting were approved without revision.

SCHOOL FACILITIES DEPARTMENT: RESPONSE TO COMMITTEE REQUESTS.

Director Bill Panos, SFD, responded to previous requests from the Committee for additional information on a variety of issues. See [Appendices 3, 4 and 5](#). The information received by the Committee is summarized by topic below.

- CONSTRUCTION COST / INFLATION.

Director Panos stated the SFD contacted 91 school districts in six surrounding states to request data on the cost of school construction. See [Appendix 3, Pages 1 and 2](#). The SFD received 31 responses to the inquiry, but that he didn't believe the comparison is very useful because of the unique funding of public schools in Wyoming. He stated currently in Wyoming the cost per square foot is approximately \$280.00. Representative Patton inquired about the comparison across states of the square footage allowances on a per student basis. Mr. George Galida, SFD, responded to the inquiry generally and stated that additional research would be required to provide a detailed response to this question.

- VALUE ENGINEERING: ADDITIONAL QUESTIONS / GUIDELINES AND CONSTRUCTABILITY REVIEW.

Director Panos summarized the general purpose of value engineering, noting it is largely focused on ensuring the facility performs the desired function in a cost-effective manner. See [Appendix 3, Pages 3 through 6](#). He stated the analysis also includes an energy life cycle cost analysis. Director Panos discussed the perception of value engineering by Wyoming school districts and his goal of improving the understanding of the process and the dialogue surrounding this function. He noted the process is also utilized to ensure equity of educational facilities across the state.

- ALGORITHM UPDATE: DR. ROBERT GODBY PRESENTATION.

Director Panos introduced Dr. Robert Godby from the University of Wyoming, the consultant under contract with the SFD. Dr. Godby updated the Committee on the progress related to developing models that will estimate future revenues available for construction of schools and identifying future needs in maintaining the current inventory of school district facilities. See [Appendix 3, Pages 87 through 91 and Appendix 5](#). Dr. Godby discussed the various indices that can be utilized in creation of a valid algorithm, including a model utilizing the Energy Information Agency's projections and a model based on the Consensus Revenue Estimating Group projections. He discussed the impact of various energy production regulations, including regulations related to mercury limitations in coal production. He noted there are regulations currently enacted, but have an effective date of July 1, 2016 and that the precise impact of the regulations are indeterminable at this time. Dr. Godby also discussed the additional risk to coal

production due to additional Environmental Protection Agency rules and regulations. He briefed the Committee on the challenges and strengths associated with conducting the study and in creation of an algorithm. Dr. Godby stated his objective is to provide the Committee with a model that can take into account the various indices and allow for a variety of revenue scenarios to be considered.

- STATE FUNDING ANALYSIS.

Director Panos moved on to discussion of the analysis of state funding for the construction of K-12 public schools in Wyoming. See **Appendix 3, Pages 7 and 8**. He stated that since the inception of the SFD and moving to a system where the State funds school construction on a statewide basis, \$3.1 billion has been deployed for the purpose of public K-12 school construction and maintenance. Director Panos stated analysis of the information related to school capital expenditures demonstrates a general alignment of total funding, enrollments and physical size. Chairman Landen requested the SFD provide the average construction cost of elementary, middle and high schools. Director Panos stated that the SFD also performed an analysis of district choices related to deployment of resources and that generally the results indicate both effective state funding and district choices even though districts deploy the resources differently. Members commented on the variety of funding streams available and the varied use by districts. Several members asked Director Panos for suggestions in making the deployment and use of various funding streams more uniform.

- ADEQUACY STANDARDS: K-3 CLASSROOM ANALYSIS AND EVALUATION.

Director Panos summarized the information prepared in relation to the Committee's request for additional information regarding K-3 classroom size. See **Appendix 4**. He stated the school design guidelines allow for construction of kindergarten classrooms that are 900-1000 square feet and 800-900 square feet for elementary classrooms. He noted generally the K-3 classrooms are built for 16 to 1 student-teacher ratio with 50 square feet allotted per student. Director Panos noted 72% of elementary classrooms are in excess of 800 square feet and because of this, changes to the student-teacher or class-size ratio would have little impact.

- RULES AND REGULATIONS.

Director Panos outlined the Agency's plan in addressing the revision of numerous rules and regulations. **Appendix 3, Page 10**. Representative Throne inquired about a communication plan to ensure school district input is taken into account in adoption of the various rules and regulations. She suggested the Agency consider adopting a plan in excess of the notice and comment period required under the Wyoming Administrative Procedures Act. Director Panos stated would provide additional information at a later date on the specific communication plan for adoption of revised rules and regulations, but that he anticipates utilizing a process similar to deployed in adopting the design guidelines, which allowed for substantial input by stakeholders.

- SECURITY STANDARDS AND GUIDELINES FINAL REPORT.

Director Panos moved on to discussion of the security standards and guidelines proposed for incorporation into the SFD's design guidelines. See **Appendix 3, Pages 11 through 45**. He stated application of the safety and security standards is the first attempt by the State to retroactively apply new design guidelines to existing schools in Wyoming and it will necessitate allocation of substantial financial resources. Several members inquired about the priorities of the security measures recommended within the safety and security guidelines. Mr. Stan Hobbs, SFD, provided additional information regarding the application of the guidelines to existing schools as compared to incorporation in construction of a new school.

- ADEQUACY STANDARDS FINAL REPORT.

Director Panos summarized the adequacy standards recently adopted by the Commission. **See Appendix 3, Pages 46 through 86.** He noted the standards will be incorporated into the SFD rules and regulations. The Director stated the revisions to the adequacy standards are refinements and will not have a substantial financial impact on the State. Director Panos stated the process to adopt the new guidelines included substantial input by school districts and stakeholders. Chairman Landen inquired about the design guidelines related to track construction. Director Panos responded that the guidelines will apply to the new construction projects, but will not be retroactively applied. Representative Harshman inquired about the utilization factor for each type of school. Mr. Hobbs responded to his question, noting that the utilization factor depends on the type of school. Representative Harshman inquired about enrollment projections incorporated in the revised adequacy standards. Director Panos responded that the enrollment projections are based on ten years of trailing data to extrapolate an estimated population five years after completion of the construction. Representative Throne inquired about Laramie County School District #1 (LCSD#1) and its capacity issues, inquiring if LCSD #1 will continue to be over-crowded and what the remediation schedule is for this particular district. Director Panos responded to Representative Throne's question, noting that the enrollment projections are adequate to plan for new elementary schools to address the capacity issues experienced by LCSD #1. Senator Nicholas inquired about the consideration of enhancements in the dialogue related to the adequacy standards, noting swimming pools as an example. Director Panos stated enhancements were considered and the guidelines were modified to reflect these discussions in some instances, noting the modification of the standards related to tracks. Mr. Michael O'Donnell, State's Counsel, summarized the discussion related to enhancements, stating there was consensus among the stakeholders to pursue incorporation of other enhancements into the adequacy standards through legislative initiative. Senator Nicholas suggested an in-depth examination of the bond approval process and the necessity for community commitment for enhancements, particularly for swimming pools. He suggested the enhancements be prioritized and allow voters to identify the class of enhancements they are willing to approve. Representative Teeters followed up on the topic, stating the discussion of this issue is imperative in addressing the financing of public education facilities in the future.

SCHOOL FACILITIES DEPARTMENT: 2015 SUPPLEMENTAL BUDGET REQUEST / DEPLOYMENT SCHEDULE OF FUNDED PROJECTS.

LSO staff explained the draft legislation to incorporate the SFD's supplemental budget request (15LSO-0127, Committee Formal Draft 1.1). **See Appendices 6, 7 and 8.** Staff noted the draft included the supplemental funds requested by Director Panos and addressed the funds provided during the 2014 Session requiring legislative authorization prior to expenditure. Senator Nicholas moved, seconded by Senator Coe, the Committee approve the draft for presentation to the Joint Appropriations Committee for consideration in the upcoming session. Senator Rothfuss moved, seconded by Vice-Chairman Blikre, to amend page 16-lines 13 through 19 to make the nine million dollars appropriated for safety and security projects available immediately upon the effective date of the act and to allow expenditure subject to SFC approval, eliminating the requirement for legislative authorization. The motion to amend the draft passed. The motion for the Committee to forward 15LSO-0127, Committee Formal Draft 1.1, as amended to the Joint Appropriations Committee and the Governor for consideration in accordance with the requirements of W.S. 28-11-301(b)(v) passed via a roll-call vote. **See Appendix 9.**

PUBLIC COMMENT.

Mrs. Julie Carroll, Sheridan County School District #2, requested the bond and bidding statutes applicable to school construction be amended to relax the requirements. In addition, she requested the statutes be amended to accommodate emergency funding requests. Mrs. Carroll suggested she work with Mr. O'Donnell to prepare legislation to remedy the various issues she listed. Chairman Landen urged Mrs.

Carroll to seek an individual legislator to sponsor any proposed legislation as the Committee will not meet again this interim. Mrs. Carroll moved on to discussion of component level funding and explained the use of that funding by Sheridan County School District #2.

MEETING ADJOURNMENT

There being no further business, Chairman Landen adjourned the meeting at 3:36 pm.

Respectfully submitted,

Senator Landen, Chairman

Committee Meeting Materials Index

Appendix	Agenda Item	Appendix Description	Appendix Provider
1	Committee Sign-In Sheet.	Lists meeting attendees.	Legislative Service Office.
2	Committee Meeting Agenda.	Provides an outline of the topics the Committee planned to address at meeting.	Legislative Service Office.
3	Report from the School Facilities Department.	Report to the Select Committee on School Facilities, October 29, 2014, Casper, Wyoming.	Wyoming School Facilities Department.
4	Report from the School Facilities Department.	Errata to the Report to the Select Committee on School Facilities, October 29, 2014, Casper, Wyoming (replacement for page 9 of 91).	Wyoming School Facilities Department.
5	Report from the School Facilities Department.	Power point: Estimating Future SFD Revenues.	Wyoming School Facilities Department Consultant: Dr. Rob Godby, University of Wyoming.
6	2015 Supplemental Budget Request.	Legislative Request for Authorization 027, 2015-2016 Supplemental Budget Request for School Facilities Department.	Wyoming School Facilities Department.
7	2015 Supplemental Budget Request.	Chart: School Facilities Department, Educational Building Capacity List – 2014.	Wyoming School Facilities Department.
8	2015 Supplemental Budget Request.	Draft Legislation: 15LSO-0127 (Committee Formal Draft 1.1).	Legislative Service Office.
9	2015 Supplemental Budget Request.	Vote Form: 15LSO-0127 (Committee Formal Draft 1.1).	Legislative Service Office.