

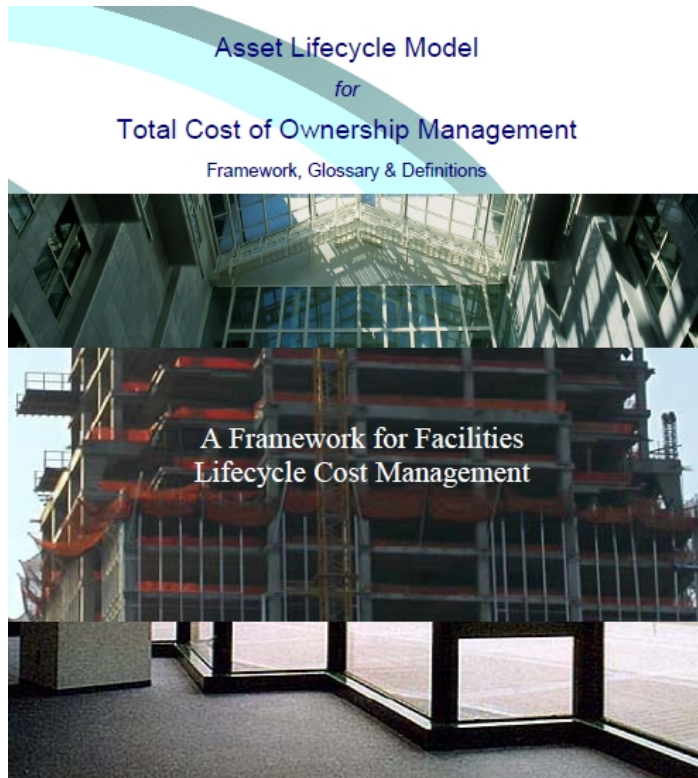


Proposed 2012 Capital Program

June 2012

How do you identify future
Capital needs for 35MSF??

FCI is a nationally-recognized formula...

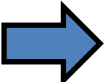


...by which we can benchmark our facilities

The FCI is defined as...

$$\text{FCI (Facility Condition Index)} = \frac{\text{DM (Deferred Maintenance)} + \text{CR (Capital Renewal)}}{\text{CRV (Current Replacement Value)}}$$

Deferred Maintenance  Existing Requirements Delayed to the Future

Capital Renewal  Future Cyclical System Replacement

Current Replacement Value  Total Cost in Current Dollars to Replace Facility

...a percentage of total asset value

Examples of condition contained in the index

90% of Requirements are Planned



Electrical
Switchgear



Boiler

10% of Requirements are Unplanned



Weather Event

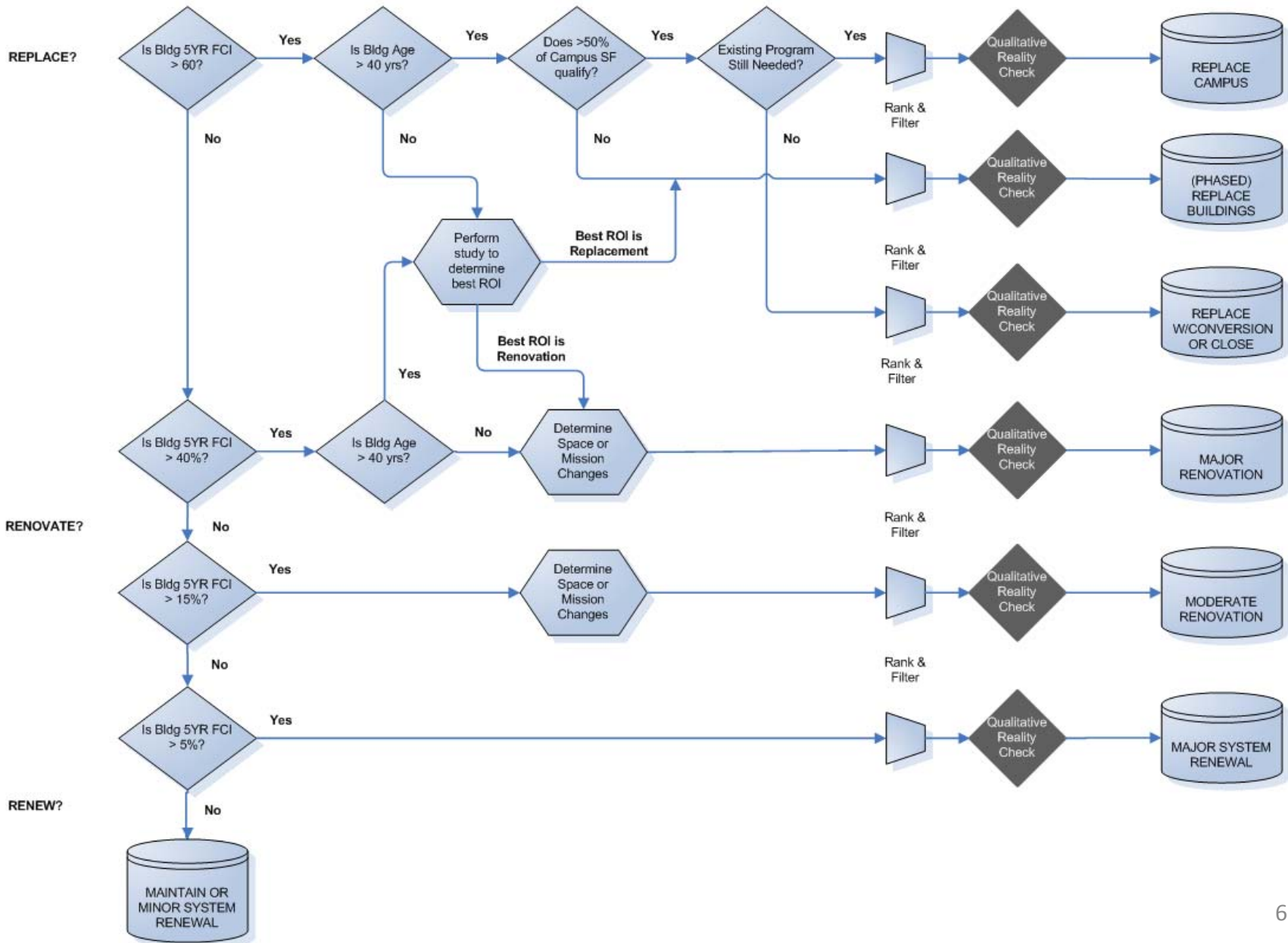


Exposure



Corrosion

FCI is used in our master plan decision tree



Where we are now...

APPA
 2009
 Average
 (9.7)

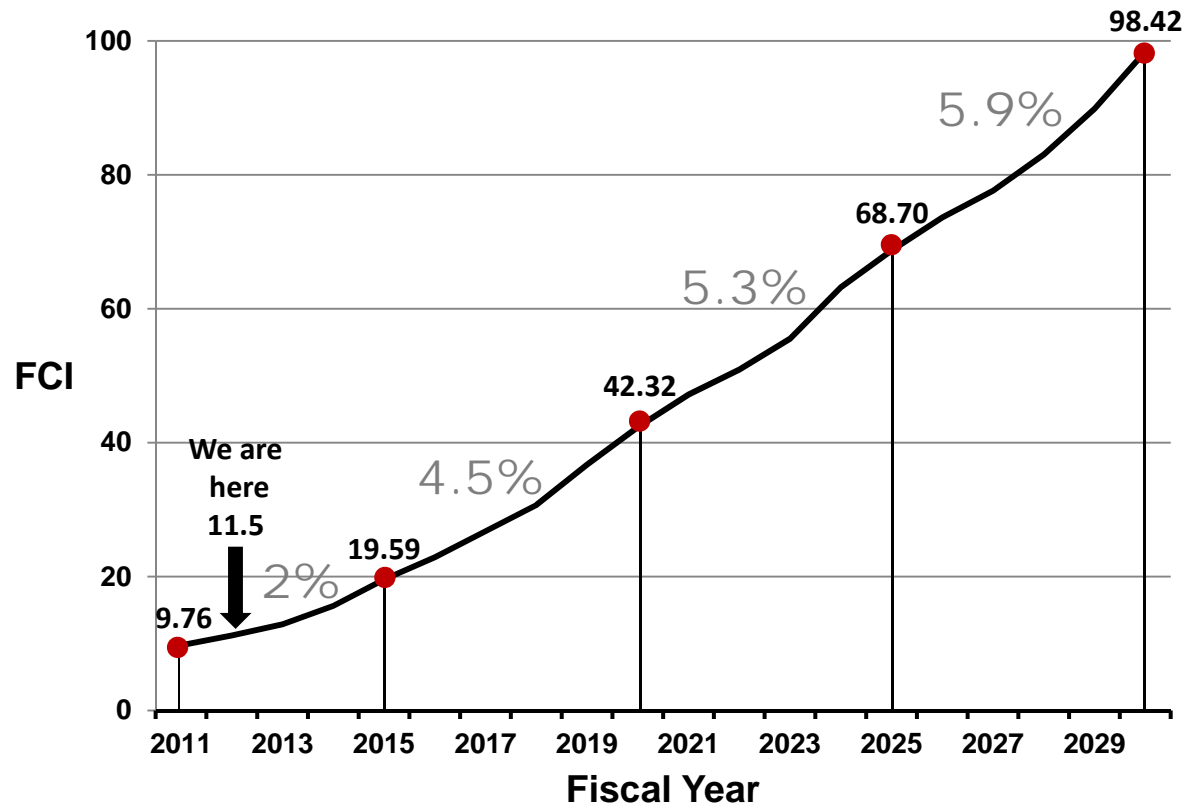
CCSD
 2011
 (11.5)

→ \$705,935,000 (Rev. 17 Items 1-7 & 9-14)
 \$6,136,807,724 (CRV)

Level	1	2	3	4	5
Description	Showpiece Facility	Comprehensive Stewardship	Managed Care	Reactive Management	Crisis Response
Campus Average Condition Index (FCI)	< 0.05	0.05 – 0.15	0.16 – 0.29	0.30 – 0.45	0.46 – 0.60
Action Needed	Minimal Renovation	Limited Renovation	Moderate Renovation	Significant Renovation	Major Renovation

*Appendix E, Postsecondary Education Facilities Inventory and Classification Manual 2006
 US Department of Education*

Facility condition deterioration with no funding

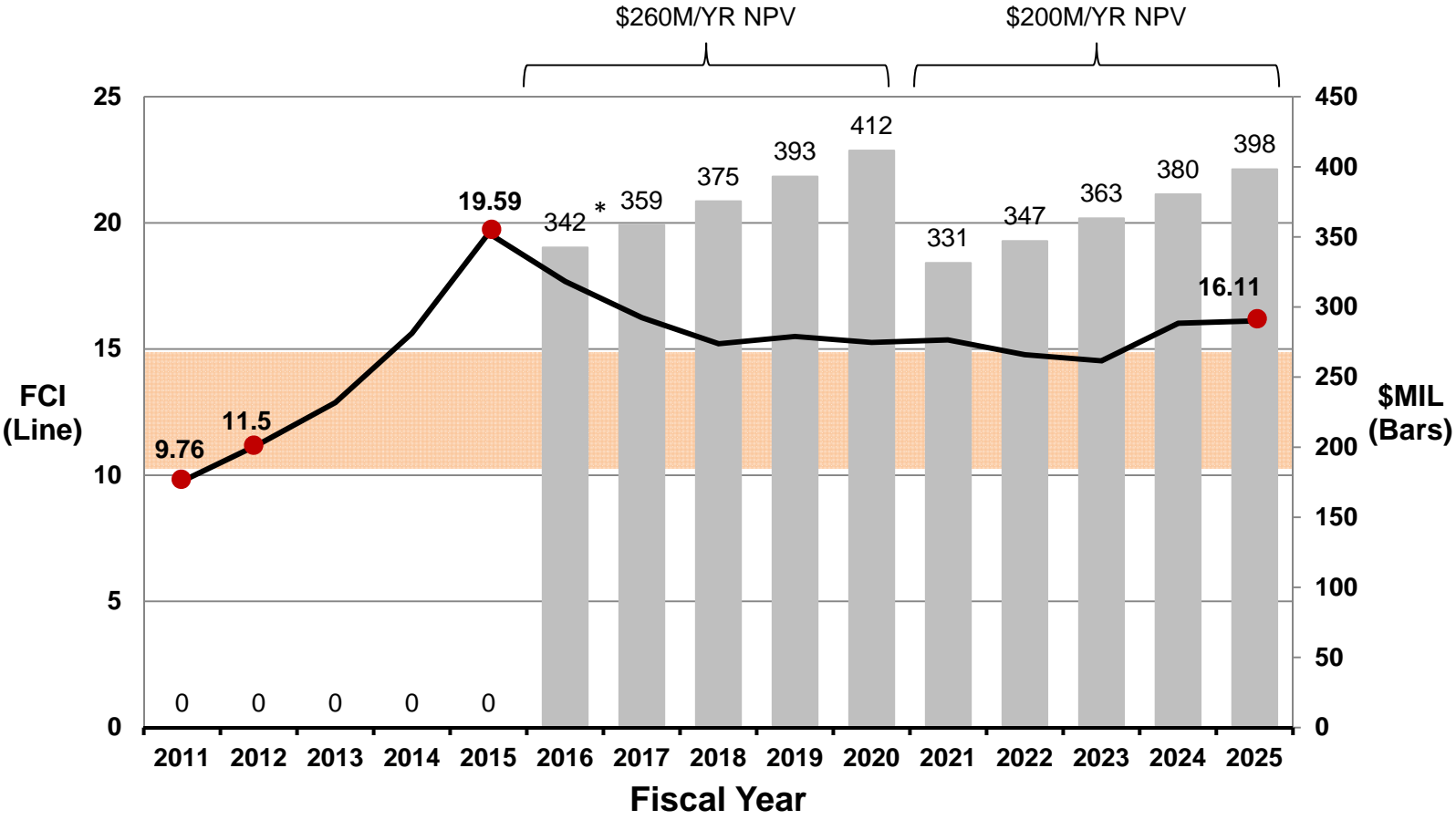


Current Deterioration Rate = 2%

SOURCE: CCSD FACILITY ASSET CONDITION DATABASE

* ASSUMES 13 SCHOOLS ARE DECOMMISSIONED

Restore benchmark condition after 5 year pause



SOURCE: CCSD FACILITY ASSET CONDITION DATABASE

*INFLATION-ADJUSTED DOLLARS @ 4.7% RATE

A Look Back – 1998 Capital Program

Original Projection

- 10-year program
- Original proceeds were estimated to generate \$3.5 billion

Through efficient planning and strategic spending:

- Life of the program has lasted 14 years
- \$4.9 billion was actually generated

What Have We Done With the Current (1998 Capital) Funds?

Number of Schools

	Original	Revised	Additional
New Schools	88	101	13
Replacement Schools	0	13	13
Phased Replacement Schools	0	6	6
Additions	11	14	3
Renovation / Modernization / Capital Replacement	184	229	45

As the 1998 Capital Program winds down, the District will have provided **26 more new/replacement schools** than originally promised, plus additions, renovations, and modernization at 54 additional schools.

What is our Need – Looking Forward ?

New Schools (9 ES schools and/or additional classrooms needed)	\$ 216,000,000
Renovation & Replacement	3,425,000,000
Educational Equity	670,800,000
Technology	500,000,000
Equipment	475,000,000
Total	\$5,286,000,000

CCSD will need **\$5.3 billion** over the next 10 years to provide and maintain an equal educational environment for the District's students.

Facility Conditions

Replacement Schools

- 10 schools (these are in addition to the 9 new schools)
- Average building age of replacement candidates is 55 years
- Current requirements are 37% of replacement value on average
- Total 5-year need grows to 72% of replacement value
- Needs encompass all six core system classes
 - Heating, Ventilation, Air Conditioning (HVAC)
 - Plumbing
 - Electrical
 - Communications, Safety, and Security
 - Building Envelope (Roofing and Fenestration)
 - Interior Construction and Finishes

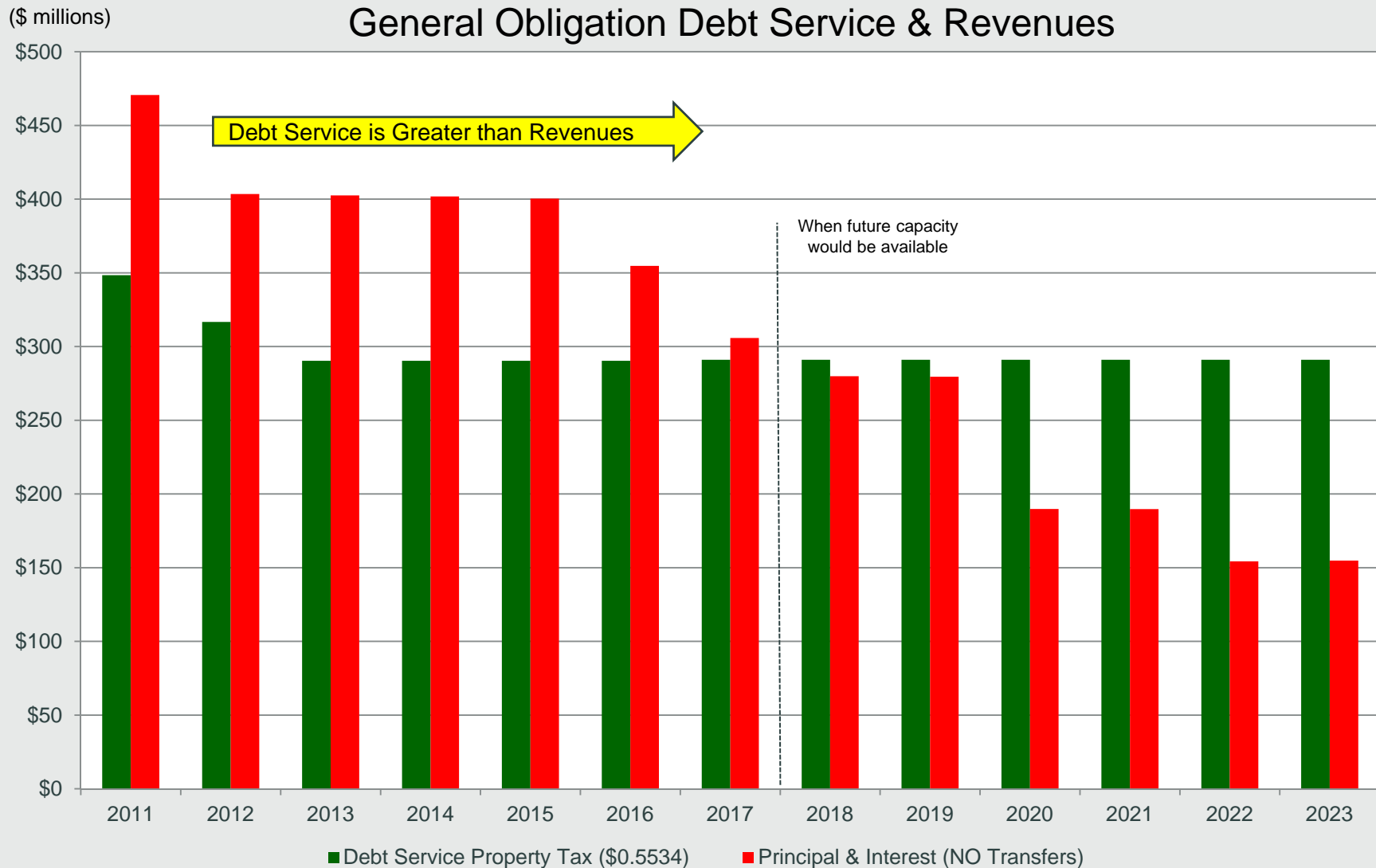
Completion of Phased Replacement Schools

- 4 schools (Boulder City HS, Hoggard ES, Twin Lakes ES, SECTA)

Major Modernizations and Targeted System Renewals

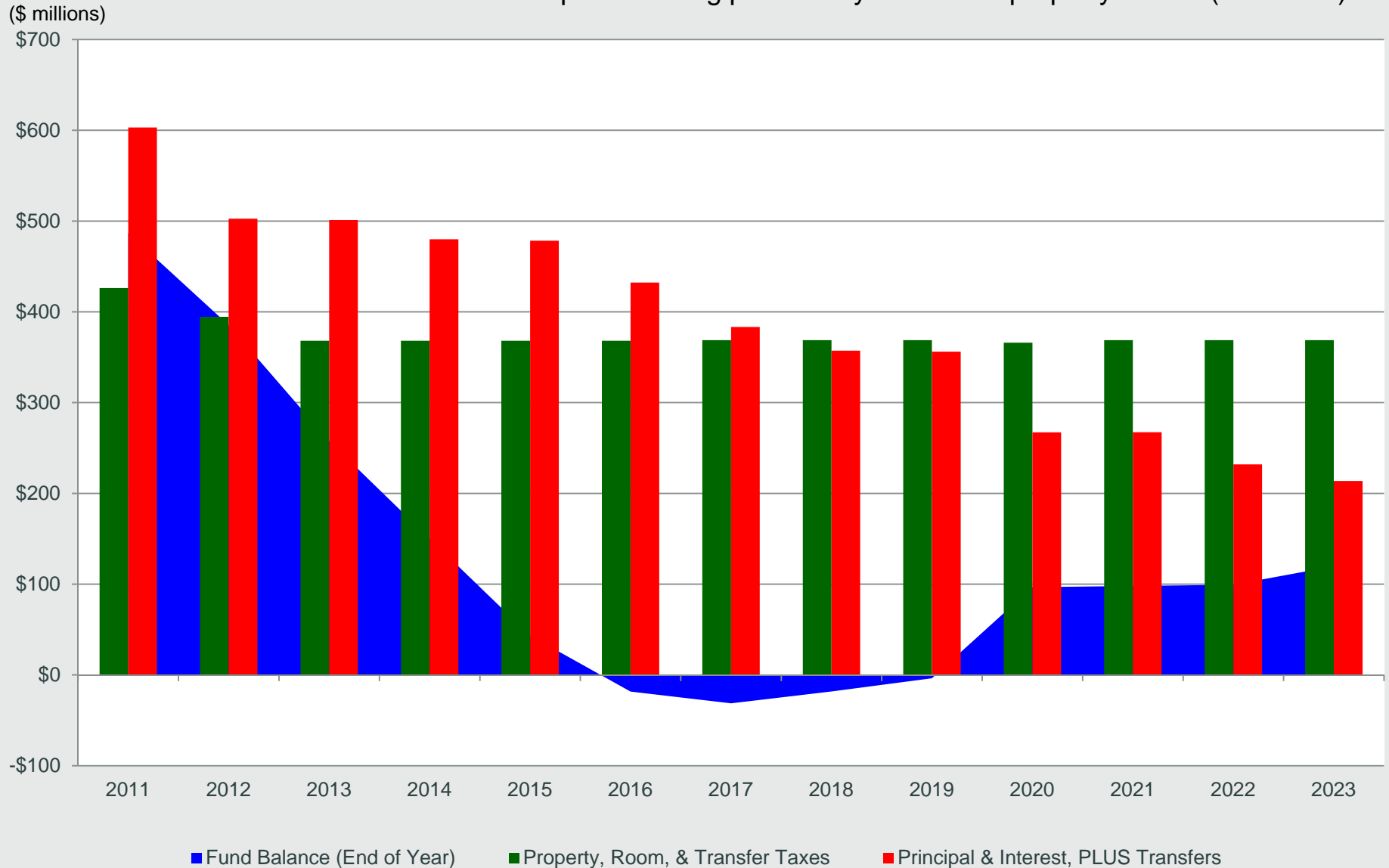
- \$3,067,040,000 or 58% of 10-Year Plan
 - Identified need through Revision 17 is \$1.8 billion for 230 schools
 - Remaining \$1.26 billion is estimated based on life-cycle replacement projections
- Heating, Ventilation, Air Conditioning (HVAC)
- Plumbing
- Fire Sprinklers
- Kitchen and Classroom Upgrades
- Cafeteria Expansions
- Electrical Service
- Communications, Security, and Safety
- Roofing
- Site Work

Why Are We Not Just Asking to **Roll Over** the Existing Rate?



Combined Debt Service & Revenues

Updated using preliminary assessed property values (Feb 2012).



What Are We Asking For?

A **Bridge** Until Future Capacity Might be Available

- Go to the voters in 2012 for a capital levy of **up to 6 years**
- No bonds to be issued, capital improvements to be made on a pay-as-you-go basis
- Length of up to 6 years will serve **as a bridge** until future capacity exists for a rollover rate
- Request to raise property tax rate from \$0.5534 **up to** \$0.7654 (\$0.212 increase)
- Would generate \$669 million* in capacity (not to exceed between \$110 - \$120 million per year)
- Rate would go back down to \$0.5534 at the end of 6 years, which is when capacity would exist for a future capital program

*Assumption: No further decline in assessed values past 2013

What Would Be Funded?

Prioritized List of Major Capital Project Immediate Needs:		
Priority:		
1	Life Safety (Fire Alarms/Intercoms Systems)	\$ 4,355,000
2	Classroom Technology Upgrades	9,280,000
3	Electrical Upgrades (Required for Technology Upgrades)	4,825,000
4	Replace Intrusion Alarm Systems	1,555,000
5	Life Safety - Replace CCTV Systems	3,560,000
6	Roof Replacements	5,800,000
7	Technology Server Replacements	4,165,000
	Recommended Funding Through Revision 17 - 1998 CIP	33,540,000

Funded

8	Major Modernization/Rehabs @ 19 Schools (Including Gym Additions @ 4)	389,950,000
9	Replace HVAC Sytems @ 7 MS's	61,740,000
10	Electrical Upgrades	11,900,000
11	Technology 2013 - 2017 (5 % of Need)	25,000,000
12	Major Non-Technology Equipment Replacement 2013-2017 (5 % of Need)	25,000,000
13	Complete Phased Replacement of BCHS	33,740,000
14	Complete West Prep Conversion	12,000,000
15	Replace 2 ES Schools	54,400,000
16	2 New ES Schools for Overcrowding	50,000,000
	Recommended Funding Through Additional Capital Levy	663,730,000

Bridge

17	Replacement Schools (8)	213,900,000
18	Provide Classroom Equity and Multipurpose/Cafeteria Additions	641,200,000
19	Complete Phased Replacements @ 3 Schools	79,220,000
20	Replace Temporary Facilities with Permanent Buildings @ Sandy Valley	10,500,000
21	Replace Football Field Turf with Synthetic Turf for Water Savings & Safety	18,905,000
22	New Seats Required for Overcrowding (Equivalent to 7 ES Schools)	175,000,000
23	Softball Field Upgrades (Title IX Requirements)	3,000,000
	Immediate Unfunded Need	\$ 1,141,725,000
	Total	\$ 1,838,995,000
	Additional Unfunded Need	\$ 3,447,005,000
		\$ 5,286,000,000

Unfunded

What Would Be Funded? (Details)

YR BUILT	School	Capital Project
1991	B. & H. Greenspun MS	Replace HVAC System
1982	B. Mahlon Brown MS	Electrical System Upgrade
1971	Basic HS	Major Modernization @ Basic HS
1974	Bonanza HS	Major Modernization @ Bonanza HS
1948/2005	Boulder City HS	Complete Phased Replacement @ Boulder City HS
1971	Chaparral HS	Major Modernization @ Chaparral HS
1962	E. W. Griffith ES	Major Modernization @ E. W. Griffith ES
1972	Eldorado HS	Major Modernization @ Eldorado HS
1993	Ernest Becker, Sr. MS	Replace HVAC System
1962	Frank Garside MS	Major Modernization @ Frank Garside MS
1973	George Harris ES	Electrical System Upgrade
1993	Grant Sawyer MS	Replace HVAC System
1976	Helen Cannon MS	Electrical System Upgrade
1957	Hyde Park MS	Major Modernization @ Hyde Park MS
1952	Indian Springs HS	New Gymnasium
1952	Indian Springs M/HS	Major Modernization @ Indian Springs HS
1952	J. D. Smith MS	Electrical System Upgrade
1962	J. M. Ullom ES	Major Modernization @ J. M Ullom ES
1961	J. T. McWilliams ES	Electrical System Upgrade
1965	James Cashman MS	Electrical System Upgrade
1961	K. O. Knudson MS	Major Modernization @ K. O. Knudson MS
1991	Laughlin HS	Major Modernization @ Laughlin HS
1991	Laughlin HS	New Gymnasium
1963	Laura Dearing ES	Electrical System Upgrade
1964	Lewis Rowe ES	Major Modernization @ Lewis Rowe ES
1951	Lomie Heard ES	Major Modernization @ Lomie Heard ES
1930	LVAISPA	Major Modernization @ LVAISPA
1960	Matt Kelly ES	Major Modernization @ Matt Kelly ES
1991	Mike O'Callaghan MS	Replace HVAC System
1993	Moapa Valley HS	Major Modernization @ Moapa Valley HS
1993	Moapa Valley HS	New Gymnasium
1963	Paul Culley ES	Electrical System Upgrade
1961	Quannah McCall ES	Major Modernization @ Quannah McCall ES
1955	Red Rock ES	Electrical System Upgrade
1963	Ruby Thomas ES	Major Modernization @ Ruby Thomas ES
1992	Theron Swainston MS	Replace HVAC System
1992	Thurman White MS	Replace HVAC System
1991	Virgin Valley HS	New Gymnasium
1991	Walter Johnson MS	Replace HVAC System
1977	Walter Long ES	Electrical System Upgrade
1997	West Prep	Complete West Prep Conversion
1965	William Beckley ES	Electrical System Upgrade
1970	William Ferron ES	Electrical System Upgrade
1965	William Orr MS	Electrical System Upgrade
	NEW SCHOOL # 1	New Seats Required for Overcrowding
	NEW SCHOOL # 2	New Seats Required for Overcrowding
	Replacement School	Replacement School Candidate 1
	Replacement School	Replacement School Candidate 2
	Various	Technology 2013 - 2017 (5 % of Need)
	Various	Major Equipment Replacement 2013-2017 (5 % of Need)

Where We Have Been and What is Next?

Date	Event	Action Needed
May 2	Reconvened Board Meeting	Decision to develop ballot question and move forward
Ongoing Through May/June	Visit with Impacted Jurisdictions Clark County City of North Las Vegas City of Mesquite City of Las Vegas LV – CC Library District	CCSD notified affected entities City Councils/County Commissioners approved resolutions in accordance with NRS 350.0135
June 7	Debt Management Commission	Approval to go to the voters
June 8	Special Board Meeting	Board approved election resolution
June 15	Registrar of Voters	Ballot Language submitted
July 16	County Clerk	For/Against Arguments to County Clerk
June – Nov	Community & School Engagement	Ongoing informational meetings with stakeholders
November 6	Election Day	