

**Minutes of the Meeting of the
Oversight Panel for School Facilities
of the Washoe County School District Board of Trustees**

December 15, 2016

1. Opening Items

1.01 Call to Order

The meeting of the Oversight Panel for School Facilities (OPSF) of the Board of Trustees was called to order at 4:00 p.m. at the Washoe County School District Building, 425 East Ninth Street, Reno, Nevada.

1.02 Roll Call

Chairman Mike Cate, David Bobzien, Paul McKenzie, Charlene Bybee, Kristopher Dahir, Jeanne Herman, Scott Evans, Tim Rowe, Ted Ohm and Dave Solaro were present for roll call. Bob Lucey were absent.

1.03 Public Comment

Jeff Church runs a website, RenoPublicSafety.org. He reminded the Panel of their duties under Nevada Revised Statute 393. Mr. Church finds it troubling that this committee has not met for the past year. At the last meeting in 2015 the panel voted, he thinks, for \$15 million authorized for bonding. He doesn't see any accountability for that money. It appears that the District has sat on some of that money without spending it as authorized over the last year. Mr. Church is concerned about the cost of new high schools and the addition to Damonte Ranch High School. He asked that the committee be fiscally responsibility.

Traci Davis, WCSD Superintendent, thanked the committee for the hard work that is being done by the Growth and Overcrowding meetings and for the repairs to our schools that are so much needed. Superintendent Davis stated that she, the Board of Trustees, and staff members appreciate the dedication to this work. She wanted to convey a message of gratitude and thanks for the 64,000 children that will be served by the repairs made to existing building and new schools to be built.

Richard Jay, former Chair of Washoe County SOS Business Advisory Board, noted there are still people out there spreading false information. He indicated the Washoe County SOS Facebook page will be transformed into an informational page for the public.

1.04 Action to Adopt the Agenda

It was moved by David Bobzien and seconded by Charlene Bybee that the **Oversight Panel for School Facilities approves the agenda as presented.** The result of the vote was Unanimous: Pass (Yea: Mike Cate, David Bobzien, Paul McKenzie, Charlene Bybee, Kristopher Dahir, Jeanne

Herman, Scott Evans, Tim Rowe, Ted Ohm and Dave Solaro) Final Resolution: Motion Carries. The vote was unanimous.

2. Presentation/Information Items

2.01 Discussion and Possible Action to Approve the Minutes of the December 10, 2015 Oversight Panel for School Facilities meeting.

It was moved by Paul McKenzie and seconded by David Bobzien that the **Oversight Panel for School Facilities approves the minutes of the December 10, 2015 Oversight Panel for School Facilities meeting.** (Yea: Mike Cate, David Bobzien, Paul McKenzie, Charlene Bybee, Kristopher Dahir, Jeanne Herman, Scott Evans, Tim Rowe, Ted Ohm and Dave Solaro) Final Resolution: Motion Carries. The vote was unanimous.

2.02 Presentation and Discussion on the Financing Schedule for the Series 2017A General Obligation (Limited Tax) School Improvement Bonds.

Tom Ciesynski, Chief Financial Officer of Washoe County School District, presented the financing timeline and Resolution on the Series 2017A General Obligation (Limited Tax) School Improvement Bonds. Kendra Follett, Bond Legal Counsel, was present to answer any questions. Marty Johnson, Financial Advisor, was not present due to weather affecting his flight into Reno. At the November 29, 2016 Board meeting the Board adopted the Resolution to notify the Oversight Panel for School Facilities and the Debt Management Commission on the proposed issuance of up to \$70 million in General Obligation, that material was delivered to the Debt Management Commission and was unanimously passed. Mr. Ciesynski stated he met with the District's bond legal counsel and financial advisor to do due diligence on a Preliminary Official Statement (POS) to get ready to issue the bonds. A packet will be sent to rating agencies, both Moody's and Standard and Poor's, and that process is underway. Mr. Ciesynski is scheduled to meet with Moody's and Standard and Poor's on January 5, 2017 to go through the District's finances. At the January 10, 2017 meeting the Board will formally adopt the Resolution to issue the Bond. The scheduled Bond closing is on February 9, 2017, at which time the bonds and the proceeds are distributed to the District from the sale.

Charlene Bybee asked about the closing on February 9 and when funds would be available. Kendra Follett indicated they would be available that day.

2.03 Presentation, Discussion, and Possible Adoption on the Washoe County School District to Approve a Resolution to Issue General Obligation (Limited Tax) School Improvement Bonds in the Principal Amount Not to Exceed \$70,000,000.

Tom Ciesynski explained that in order for the District to be able to issue these bonds NRS requires that the OPSF take action and adopt the Resolution. Mr. Ciesynski explained that these are the property tax Rollover Bonds approved in the 2015 Legislative Session. Pete Etchart noted that during the Capital Funding Protection Committee (CFPC) immediately following this meeting, there will be an update on the four projects approved by the CFPC and an evaluation of previously approved Capital Renewal Program projects. Some concern was voiced by the committee regarding authorizing more money before knowing what was done with money already authorized. Neil Rombardo, District Legal Counsel, suggested that this committee take a motion to go into recess, recess this committee, meet with the other committee, handle that business and then reopen this one.

It was moved by David Bobzien and seconded by Paul McKenzie to **recess this meeting and reconvene after the CFPC meeting**. (Yea: Chair Mike Cate, David Bobzien, Paul McKenzie, Charlene Bybee, Kristopher Dahir, Jeanne Herman, Scott Evans, Tim Rowe, Ted Ohm and Dave Solaro) Final Resolution: Motion Carries. The vote was unanimous.

The Oversight Panel for School Facilities was recessed at 4:20 p.m.

David Bobzien left the CFPC meeting at 5:15 p.m.

Chairman Mike Cate reconvened the Oversight Panel for School Facilities at 6:25 p.m.

Chairman Cate asked for a vote on 2.03.

It was moved by Paul McKenzie and seconded by Scott Evans that the **Oversight Panel for School Facilities approves the Resolution to Issue General Obligation (Limited Tax) School Improvement Bonds in the principal amount not to exceed \$70 million**. (Yea: Mike Cate, Paul McKenzie, Charlene Bybee, Kristopher Dahir, Jeanne Herman, Scott Evans, Tim Rowe, Ted Ohm and Dave Solaro) Final Resolution: Motion Carries. The vote was unanimous.

3. Closing Items

3.01 Public Comment

There was no public comment at this time.

3.02 There being no more business to come before the members of the Oversight Panel for School Facilities, the meeting was adjourned at 6:35 p.m. by Chairman Mike Cate.

**OVERSIGHT PANEL FOR SCHOOL FACILITIES
&
CAPITAL PROTECTION FUNDING COMMITTEE -
ADVISORY COMMITTEES
OF THE WASHOE COUNTY SCHOOL DISTRICT
BOARD OF TRUSTEES**

BYLAWS

Authority

Oversight Panel for School Facilities

- Through action of the Board of Trustees and in accordance with Nevada state law (NRS 393.092), the Board of Trustees does hereby establish the Oversight Panel for School Facilities (OSFC) as a standing advisory committee of the Board of Trustees ("Board") of the Washoe County School District ("District").

Capital Funding Protection Committee

- In accordance with Board Policy 9405, Capital Funding/Bond Oversight, the Board of Trustees does hereby establish the Capital Funding Protection Committee (CFPC) as a standing advisory committee of the Board of Trustees ("Board") of the Washoe County School District ("District").

Mission

The Oversight Panel for School Facilities functions as a committee of the Board of Trustees related to renovation and construction of school facilities. The Committee operates in accordance with Nevada Revised Statutes (NRS) 393.092 - 393.097, School Buildings and Facilities, and 350.020, Use of general obligation only for stated purpose; submission to electors of proposal to issue general obligations; restrictions on special elections; issuance of general obligations secured by pledge of revenues and issuance of special or medium-term obligations without election; issuance of certain general obligation bonds by board of trustees of school district.

The Capital Funding Protection Committee is delegated the duties and responsibilities consistent with NRS 393.096, which include but are not limited to:

1. Working cooperatively with the Board of Trustees to ensure the program of school construction and renovation is responsive to the educational needs of students within the District, adopt plans for construction and renovation, and recommend those plans to the Board of Trustees;
2. Review of the three-year plan for the renovation of school facilities and the five-year plan for the construction of new school facilities submitted by the District and

make recommendations to the Board of Trustees for any necessary revisions to the plans; and

3. Make recommendations for the management of construction and renovation of school facilities within the District in a manner that ensures effective and efficient expenditure of public money.

Reporting Structure

1. Recommendations from the OPSF and/or CFPC shall be made to either the Board of Trustees or the Superintendent.
2. The Superintendent, through appropriate staff, shall:
 - a. Ensure Committee proposals are feasible: operationally, financially and academically.
 - b. Determine whether action should be taken by the Superintendent or the Board of Trustees.
3. For those matters that require the approval of the Board of Trustees, the Superintendent shall have the option to:
 - a. Return any recommendation of the Committee back to the Committee with suggested changes; or
 - b. Forward any recommendation of the Committee to the Board of Trustees, with the Superintendent's Alternate Recommended Action;
 - c. Forward any recommendation of the Committee to the Board of Trustees, as proposed by the Committee.
4. For those matters delegated to the Superintendent by Board policy or previous action of the Board of Trustees, the Superintendent shall have the option to:
 - a. Approve the Committee's recommendation;
 - b. Deny the Committee's recommendation; or
 - c. Return any recommendation of the Committee back to the Committee with suggested changes.

Composition

1. Appointments and Vacancy

- a. Members of the Oversight Panel for School Facilities and Capital Funding Protection Committee shall be the same.
- b. Members shall either be recommended by local government agencies and approved by staff, or following an advertised application period, be selected in accordance with the application and review process established by the District's Committee Operating Procedures Manual.
 - i. A selection group to include the committee's staff liaison shall meet to review the applications. The group may include the Board Services representative. It shall not include any current member of CFPC/OPSF.
 1. Any application(s) deemed to not meet the criteria of open positions on the committees shall be set aside but may be considered in the future.
 - ii. All members shall be considered and approved by the Board of Trustees. The Committee may review recommended appointments. However, final approval of all selections shall rest with the Board of Trustees.

2. Voting Membership

- a. Voting membership shall consist of eleven (11) voting members, as follows:
 - i. Local Government Representatives (6), as selected by the individual governing body:
 1. Two (2) members of the Washoe County Board of County Commissioners
 2. Two (2) members of the Reno City Council
 3. Two (2) members of the Sparks City Council
 - ii. Members appointed by the District's Board of Trustees (5):
 1. One (1) member with experience in structural or civil engineering
 2. One (1) member with experience in the construction of public works projects
 3. One (1) member with experience in the financing of estimation of cost of construction projects

- 4. One (1) member to represent the gaming industry
- 5. One (1) member to represent the general public

3. Term of Service

- a. A term of membership shall be two (2) years, with terms commencing on July 1st and ending June 30th of the second year.

MEMBER	CATEGORY	TERM ENDS
A	Reno City Council	Elected Official Term
B	Reno City Council	Elected Official Term
C	Sparks City Council	Elected Official Term
D	Sparks City Council	Elected Official Term
E	Washoe County Board of County Commissioners	Elected Official Term
F	Washoe County Board of County Commissioners	Elected Official Term
G	Construction Projects & Finance Representative	June 30 of Odd-Numbered Years
H	Gaming Industry Representative	June 30 of Odd-Numbered Years
I	General Public Representative	June 30 of Odd-Numbered Years
J	Public Works Construction Representative	June 30 of Even-Numbered Years
K	Structural/Civil Engineer Representative	June 30 of Even-Numbered Years

- b. A member who cannot complete his/her term should submit a letter of resignation to the Committee Chair. Upon acceptance of the letter of resignation, the position shall be opened using the District's application process.
 - i. A member who is appointed to fulfill the term of a member who has resigned or been removed, shall complete the term of the vacating member.
- c. Members shall serve no more than five (5) terms without a break in service of at least one (1) year.

4. Vacancy

- a. A vacancy in the membership of the Committee must be filled in the same manner as the original appointment for the remainder of the unexpired term.

5. Officers

- a. Officers consist of a Chairperson and Vice-Chairperson who are voting members of the committee.
- b. Officer Duties and Responsibilities
 - i. The Chairperson shall:
 - 1. be responsible for the general planning for and supervising of activities of the Committee;
 - 2. approve the agendas of the meetings of the Committee in collaboration with the Staff Liaison; and
 - 3. preside over all meetings of the Committee.
 - ii. The Vice-Chairperson shall:
 - 1. preside in the absence of the Chairperson;
 - 2. discharge any duties delegated by the Chairperson or as directed by the Committee; and
 - 3. succeed to Chairperson in the event that the Chairperson is unable to serve.
- c. Officer Nomination and Election
 - i. Officers shall be current voting members and be elected by majority vote of the current members.

- ii. All nominees shall be present at the scheduled meeting to accept the nomination.
 - iii. The term of office shall be from July 1st to June 30th and shall be for one (1) year. Officers may be re-elected.
 - d. Removal of Officers
 - i. An officer may be removed for cause at any time by a two-thirds (2/3) vote of the Committee.
 - ii. A vacancy in an officer's position, due to resignation or removal, shall be filled using the normal District's protocol for the election of officers.
- 6. District Staff Liaison
 - a. The District shall provide a Staff Liaison, who shall serve in a non-voting capacity, and administrative support to the committee. That individual shall work with staff of the Board Services Department to:
 - i. In conjunction with the Committee Chair, set the meeting agendas and meeting schedule;
 - ii. Advise the committee on the goals of the Board of Trustees and Superintendent;
 - iii. Advise the committee on information in the District that concern the Committee;
 - iv. Report to the Superintendent the happenings of the Committee.
- 7. The membership of the Committee shall strive to be representative of the diverse nature of the District.

Procedural Responsibilities

1. The Committee shall comply with state laws and regulations, and specifically Nevada's Open Meeting Law, Nevada Revised Statutes (NRS) Chapter 241, Meetings of State and Local Agencies.
2. The Committee shall comply with the policies, regulations and procedures of the District, to include Board Policy 7100, Capital Projects and Facilities Management, Board Policy 9405, Capital Funding & Bond Oversight, and the District's Administrative Manual on Committee Operating Procedures.

3. The Board of Trustees may not delegate the responsibility for final decisions to a committee, because such decisions must, by state law, rest with the Board of Trustees. Committees are not empowered to perform management functions.
4. A committee may be dissolved upon completion of its charge or by action of the Board of Trustees.

Requisite Skills

1. General

- a. The Oversight Panel for School Facilities shall review and approve or disapprove a request by the Board for the issuance of general obligation bonds pursuant to NRS 350.020(4).
- b. Members shall be familiar and ensure compliance with District policy, laws, regulations, and ethics.
- c. All members of the Committee shall be residents of Washoe County, unless such member is also a District employee.
- d. The Committee members collectively should possess general knowledge of District issues and concerns.
- e. Members of the Committee shall perform their duties in good faith, in a manner they reasonably believe to be in the best interests of the Committee and the District with such care as a generally prudent person in a similar position would use under similar circumstances.
- f. Each member shall serve without compensation.

2. Member Protocol

- a. Only the committee as a whole has the authority to act.
 - i. Individual committee members do not have the authority to direct staff, students, volunteers, and/or parents/guardians
 - ii. Individual committee members may not, in the name of the committee, conduct site visits or otherwise engage with staff outside of properly noticed meetings unless otherwise authorized by District policy, regulation or procedures.
- b. Committee members shall review and understand guidance provided in the Procedural Manual for Advisory Committees to the Board of Trustees.

3. Community Input

- a. Each member of the committee will be responsible for meeting with or otherwise getting input from their group type to bring to the committee meetings for discussion.

4. Confidentiality

- a. During the exercise of duties and responsibilities, the Committee members may have access to confidential information. The Committee shall have an obligation to the District to maintain the confidentiality of such information.

Meetings

1. Schedule

- a. The Panel shall meet as needed but not less than twice per year.
- b. Meetings shall be called at the discretion of the Chair, in conjunction with the District's staff liaison.
- c. Special meetings may be called at the discretion of the Chair, in conjunction with the District's staff liaison.

2. Attendance

- a. Attendance records of all committee members shall be reviewed by the chairperson on a regular basis.
- b. The Chairperson may recommend to the full membership the removal of any member having two (2) absences during one (1) year or for failure to participate on a committee.
- c. Recommendation to remove a member shall be by majority vote of the committee, with final action required by the Board of Trustees.

Reporting Requirements

- 1. The Panel has the duty and responsibility to report its activities to the Board of Trustees as needed but not less than annually.

Review and Revision

- 1. The Board Services Department, in conjunction with the OPFS / CPFC, shall assess and review the adequacy of these bylaws no less than annually or as necessary. Modifications shall be presented to the Board of Trustees in writing for their review and action.

Date	Revision	Modification
TBA	1.0	Adopted

DRAFT



Washoe County School District

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Board of Trustees: Katy Simon Holland, President * Malena Raymond, Vice President * John Mayer, Clerk
* Debra Feemster * Verónica Frenkel * Scott Kelley * Angela Taylor * Traci Davis, Superintendent

March 23, 2018

Mr. Richard Combs
Director, Legislative Counsel Bureau
401 S. Carson Street
Carson City, NV 89701

RE: Washoe County School District Oversight Panel for School Facilities Legislative
Recommendations

Dear Mr. Combs:

In accordance with **NRS 393.097**, the Washoe County School District Oversight Panel for School Facilities hereby submits its written recommendations for financing the costs of new construction, design, maintenance and repair of school facilities.

HISTORY: Since July 1998, the Oversight Panel for School Facilities (OPSF) (see Attachment A for current membership) has, in accordance with NRS 393.097, submitted recommendations for financing the costs of new construction, design, and maintenance & repair of school facilities. From 1998 until November of 2016, the Washoe County School District had only two of the six capital project funding sources, the Nevada Revised Statutes (“NRS”) made available to school districts throughout the state. WCSD received the voter approved Property Tax and Government Services Tax. The other funding sources were not available to the WCSD primarily due to county population restrictions. During this time period, WCSD had been unsuccessful in obtaining an additional and diversified source of capital funding.

During the 2013 legislative session, Assembly Bill 46 (“AB 46”), the WCSD School Capital Needs Initiative was introduced. This initiative was designed to provide WCSD with a sustainable funding source for the most critical repair and maintenance projects for WCSD schools and allow the District to protect the taxpayers’ investment in the region’s school facilities. WCSD initiated AB 46 with broad-based support from community leaders and local businesses. AB 46 would have raised the sales tax in Washoe County by ¼ percent and raised the Washoe County property tax by five cents per \$100 assessed value. During the legislative session, state lawmakers voted to enable the Washoe County Commission to make the final decision on AB 46. In August, September, and October of 2013, the Washoe County Commission held special meetings during which WCSD presented information about the District’s needs. The District showed their accountability with previous allocated funds, answered all of the commissioner’s questions, and clearly provided the commissioners with the unchallenged need for these funds. Unfortunately, the Washoe County Commission decided to not take action on this bill before the deadline of January 1, 2014.

As part of the 2015 Legislative Session, the Public Schools Overcrowding and Repair Needs (PSORN) committee was formed. The PSORN Committee was given legislative authority to place a school capital funding measure on the November, 2016 ballot if the committee chose to do so. The legislature provided five taxing options to the PSORN committee to consider. The PSORN committee, which was completely independent of the Washoe County School District, analyzed all of the capital needs of the District as well as the regional growth projections and their impact to Washoe County schools. After the PSORN committee reviewed all of the District's current and projected capital needs, the PSORN committee unanimously voted on a 2016-2024 Capital Improvement Plan projected to cost \$1,096 million (see Attachment B). Based on financial projections provided to the District, WCSD anticipated having approximately \$315 million in bonding capacity from existing bond rollover funds between 2016 and 2024. Therefore the plan selected by the PSORN committee required an estimated \$781 million of new bonding capacity from 2016 to 2024. After analyzing the various taxing options provided by the legislature, the PSORN committee unanimously voted to forward to the Washoe County Commission a recommendation to place on the ballot a 0.54% sales tax increase. On March 22, 2016 the Washoe County Commission voted unanimously to approve and execute a resolution designated as the "2016 School Financing Election Resolution" and approved the submittal of a question to the registered voters of Washoe County at the General election on Tuesday, November 8, 2016 concerning the imposition and effective date of a sales tax increase as recommended by the PSORN committee. The ballot item was subsequently named "WC-1". On November 8, 2016 the voters of Washoe County approved the WC-1 ballot item with nearly 57% of the vote.

CURRENT STATUS/RECOMMENDATIONS: With the passage of the WC-1 ballot item, WCSD immediately began implementing critical new construction and repair projects (see Attachment C). The 23 classroom addition to Damonte Ranch High School was awarded by the WCSD Board of Trustees on February 28, 2017 and is scheduled to be completed and ready for students on April 9, 2018. WCSD has increased the Capital Renewal program, the program that addresses the District's most critical facility repair projects, from roughly \$10 million per year to a minimum of \$20 million per year. To prepare for the future, a priority of WCSD has been acquiring property for the planned 15 new schools that were presented to the public as part of the WC-1 ballot item.

WCSD is currently under construction with two new middle schools and will be breaking ground on a new elementary school in April, 2018. The addition at Damonte Ranch High School, the two new middle schools, and the new elementary school were essential in WCSD efforts to avoid a "double session" calendar at our high schools and middle schools and to ultimately eliminate the Multi-Track Year Round school calendar at the District's elementary schools. As presented to the public as part of the WC-1 ballot initiative, WCSD will issue bonds utilizing the Rollover Property Tax revenues and the newly acquired Sales Tax revenues to provide the funding for new school construction, existing school remodels, and the District's Capital Renewal program (critical school repairs).

The Government Services Tax (GST) is estimated to generate approximately \$35 million over the next ten years. GST is utilized by WCSD to primarily fund abatement and inspection programs within the District and to pay for emergency repairs at our schools.

The OPSF recognizes the loss of property tax revenue created by current State of Nevada assessment requirements; specifically the systematic depreciation of property value assessments. Therefore, it is

recommended that the accumulated depreciation on a parcel for valuation purposes be reset to zero percent (0.0%) upon the transfer of ownership of a parcel. This will increase property tax revenues available to WCSD for capital projects including abatement projects, school renovations, and upgrades to school safety and security systems.

In conclusion, the Oversight Panel for School Facilities wants to thank the Nevada Legislature for approving the enacting legislation that ultimately led to the passage of WC-1 by the voters of Washoe County. With the newly acquired Sales Tax revenues, WCSD finally has a diversified, sustainable revenue source to build new schools, revitalize older schools, and to begin to reduce the District's critical repair backlog. It is recognized that due to the current overcrowding within the District along with the backlog of critical facility repair projects that it will take many years for WCSD to catch up, but the future is now bright in Washoe County and the District is now confident that they will be able to build new schools and the District's existing schools will remain operational and critical repair projects will be completed. In addition, older schools will ultimately be revitalized so that all students will receive a similar classroom experience whether they go to a new school or an older school. These new schools and the improvements to Washoe County's existing schools will benefit current students and generations of students to come.

Sincerely,

Michael Cate
Chairman – WCSD Oversight Panel for School Facilities

Attachments: A – WCSD Oversight Panel for School Facilities 2017/18 Membership
B – PSORN 2016-2024 Capital Improvement Plan
C – WCSD Capital Program Timeline (April 2017)