



**GOVERNING BOARD AGENDA ITEM  
AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10**

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**DATE OF MEETING:**      February 9, 2016

**TITLE:**    **Direction on Construction of the New STEM (Science, Technology, Engineering and Mathematics) Elementary School**

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**BACKGROUND:**

As reviewed at the Governing Board meeting of January 12, 2016, the voters of the Amphitheater School District approved a \$180 million bond program for the District in November of 2007 which included funding for the construction of a new elementary school in the District. Following the voters' approval, early planning for the elementary school focused on the concept that the school be designed, from the ground up, as a STEM (Science, Technology, Engineering and Mathematics) focused school.

The school was originally time-tabled for opening in the fall of 2016, requiring that construction begin in mid-2015. However, as the years since passage of the bonds continued and the District experienced more and more legislative cuts to its budget, particularly in capital funding, there were concerns in the spring of 2015 which suggested that further review and evaluation of the project was appropriate. Fortunately, the bonding authority for the school allows retention of the bond funds for the project for 10 years following voter approval – which allowed additional time for further study and evaluation before “shovels had to be in the ground”.

On April 7, 2015, the Governing Board examined the status of the new school project and considered whether to cease work on the school or move the project forward, or some alternative in between those two options. The Administration proposed that the Board approve a one-year delay on the construction schedule, while continuing design work, after providing lists of “pros and cons” on the matter:

Pros of Constructing the School	Cons of Constructing the School
<ul style="list-style-type: none"><li>• Completes key component of bond question; in keeping District's word, we build trust for future bond elections.</li><li>• Failure to build both new schools promised to voters may disenfranchise voters and business community.</li><li>• STEM school would set Amphi apart in Tucson, Pima County, and Arizona; would build brand identity for District as a whole.</li><li>• Implementation of STEM model would provide launch pad for/draw attention to</li></ul>	<ul style="list-style-type: none"><li>• Neighborhood concerns relating to traffic, views, purpose of use.</li><li>• There will be substantial financial needs at front end for capitalization, new staffing, etc. as enrollment ramps up.</li><li>• Loss of additional capital next year (\$1.7 million legislative cut) will dramatically impair ability of District to function while still opening school.</li><li>• Open enrollment-only concept, by its very nature, will have negative effect upon enrollment of other schools. Could</li></ul>

<p>other programmatic improvements throughout District schools.</p> <ul style="list-style-type: none"> <li>• Creates greatest potential for drawing external open enrollment students.</li> <li>• Creates potential for drawing students back from charters/private/home schools.</li> <li>• Avoids loss of bond funds already expended.</li> <li>• Assures ownership of school site in perpetuity (legal deed issue).</li> <li>• Entirely new building will afford greater efficiencies of lower energy and maintenance costs than existing Classrooms – near net zero design.</li> <li>• Meeting parent expectations for a modern educational curriculum.</li> <li>• Meeting Oro Valley growth and development expectations</li> <li>• New progressive programmatic school shines a bright light on Amphi district – positive perception and brand effect.</li> <li>• Geographically, the new school has the great potential to draw open enrollment students from other districts.</li> <li>• Can establish Amphi as the Leader in STEM</li> <li>• Can reduce loss of ADM to Charter Schools</li> <li>• School will be a flagship for our district, Southern Arizona, and the State of Arizona in terms of design, curriculum, and instruction</li> <li>• School will be completed and in operation as Oro Valley grows as a community; currently there are 2,100 planned homes for Oro Valley (approximately 350 already under construction just around the corner from our site)</li> <li>• Students in Oro Valley, other Amphi schools, and from other districts (accepted as OE) will be provided a unique educational experience</li> </ul>	<p>it even lead to need for school closure in future?</p> <ul style="list-style-type: none"> <li>• Drawing non-Amphi resident students (and funding) to any significant extent will likely require substantial change of open enrollment policy preferences – to allow non-district residents greater opportunity. May be offensive to Amphi residents and taxpayers.</li> <li>• Open enrollment only transportation needs will require more staggered class schedules throughout District.</li> <li>• Lost enrollment at other schools (due to open enrollment to new school) will certainly require district-wide displacement of staff (RIF, with transfers to STEM school), creating some potential district-wide disruption.</li> <li>• New school's distinct branding may lead to unintended consequence of depleting STEM qualified teachers from existing schools.</li> <li>• State capital cuts could necessitate cuts to other district schools in order to open.</li> <li>• It will cost \$17 Million just to build, plus FFE.</li> <li>• Could lead to increased district utility costs (although we are hoping for net-zero effect).</li> <li>• Costs of the development of a STEM curriculum (paid for with Title II funds)</li> <li>• Cost of professional development in STEM (paid for with Title II funds)</li> </ul>
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<ul style="list-style-type: none"> <li>• Will help meet future enrollment needs - -there are 2,100 planned homes for Oro Valley (approximately 350 already under construction just around the corner from our site)</li> <li>• STEM education is our future; jobs in the STEM industries are high paying and available; this school will be a model</li> <li>• Teachers will be highly trained in STEM and can share their expertise with other teachers in the district</li> <li>• The school could become a training hub for all of our elementary teachers in the area of science</li> <li>• It will provide a unique opportunity to look at STEM education in a building that facilitates this type of learning without having to retrofit (very costly and ineffective) a building for our curriculum needs</li> </ul>	
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Pros of <u>Not</u> Building the School	Cons of <u>Not</u> Building the School
<ul style="list-style-type: none"> <li>• Could allow accrued capital to be used by all schools for STEM (or other purposes)</li> <li>• Low Risk – Capacity available elsewhere</li> <li>• Could allow new bond sale with no tax increase</li> <li>• Could allow the district rather than a single school to have the STEM affiliation</li> <li>• Capacity for near term growth exists at existing sites. About 1,400 seats available in northern area of District.</li> <li>• Leads to lower tax rates when bonds sold are refunded.</li> <li>• Constituents may interpret and credit as financial responsibility.</li> </ul>	<ul style="list-style-type: none"> <li>• We have the funding now, and based on the state formula we will not be able to fund a new school with state funding for decades</li> <li>• Public supporters of school may become disenfranchised and be unsupportive of future bonds to build.</li> <li>• We currently receive one to two calls per week from parents both within our district and from other districts, asking about how to enroll their students and what our process of acceptance will be</li> <li>• Currently, there are 2,100 planned homes for Oro Valley (approximately 350 are already under construction just around the corner from our site). Growth potential may go unmet in term of community's educational need.</li> <li>• We have already assembled a top notch architectural firm and general contractor who are committed to and who</li> </ul>



<ul style="list-style-type: none"> <li>• When built in the future, the cost to build and to equip with FFE will exceed current \$17 Million.</li> </ul>	<p>understand the need to protect the taxpayer dollar while meeting the curriculum design needs of the school.</p> <ul style="list-style-type: none"> <li>• Loss of students to other Districts, charters, and schools with “STEM identities”</li> </ul>
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After extensive consideration and discussion, the Governing Board ultimately approved the recommended course of action: continuing the design phase of the project, but delaying the determination of whether to commence the next phase of school construction until early 2016. At that time and at their March 24, 2015 meeting, Board members indicated that, before proceeding further in early 2016 (now), they would be seeking additional information:

- Ms. Cozad indicated she would need to understand whether the District could sustain the operating cost for the school once opened (estimated at \$800K to \$1M a year at that time).
- Mr. Leska asked that private partnerships be pursued with corporate or other interests to support the project costs. Other Board members, in one form or another, echoed concern about costs of operation.
- Mr. Leska requested a list of the five elementary schools with the highest operating costs be provided, and suggested that one of them could be closed to make the STEM school work.
- Mr. Leska asked if transportation would be provided or not because the STEM school might be a feeder school where students could go, a bit like a charter, and inquired whether we might charge fees for transportation.
- Mr. Leska noted that we currently have fees for technology, music and other things and asked whether the District would charge fees for technology at the STEM school which would help offset the cost of day to day use of infrastructure.
- Ms. Grant asked if there would be admission/entrance requirements for the school under its proposed open enrollment/open boundary structure.

Other questions asked by Board Members were responded to during the March and April, 2015 meetings.

This matter is presented at the current time for the decision of the Board as to whether to now proceed forward with construction. Such a determination is required at this time to ensure the bond funds for construction can be timely spent within the period allowed by law (by November of 2017).

Staff has gathered information for the Board’s consideration that will hopefully aid the Board in making the decision. In the sections that follow, staff has included materials and information which will hopefully not only be responsive to previous questions and concerns of Board Members, but may also address other considerations and factors that are important to the Board’s decision.

The materials submitted are organized into the following sections for the Board's convenience and ease of review:

1. Financial Cost Factors
2. Existing School Capacity Factors
3. Stem School Programming Information
4. STEM School Survey Results
5. Growth Study Information & Nearby Developments

Staff will be prepared to present this information to the Board on February 9.

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**RECOMMENDATION:** The Administration recommends the Governing Board direct that the construction of the new school proceed forward.

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**INITIATED BY:**



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Todd A. Jaeger, Associate to the Superintendent

Date: February 4, 2016



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Patrick Nelson, Superintendent