CAPITAL FACILITIES PLAN

2021 – 2027

Tumwater
School District

Tumwater, Washington

October 2021

Please contact the

Capital Projects Department with any questions

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CHAPTER ONE
INTRODUCTION

The six-year Capital Facilities Plan is an annual evaluation of the Tumwater School District capital facilities with a focus on its schools, their capacity and ability to accommodate population growth. The Plan assesses the impact of school enrollment growth, including new students from new residential development on schools and plans accordingly to ensure that adequate school facilities can be provided to meet the additional demand in a timely manner.

Residential development and school construction typically do not occur in an orderly and coordinated manner. While the selection of school sites may precede the construction of new housing, the actual construction of school buildings usually follows the growth in residential home construction by a number of years. This lag in providing school facilities is due to a number of limiting factors. These factors are discussed at length within this document.

COVID-19 UPDATE

The impacts of the worldwide Covid-19 pandemic began affecting the Tumwater School District in early 2020. On March 16, 2020 schools in the District, along with the rest of Washington State, were closed and an emergency switch to remote on-line learning was instituted. Through spring and summer, the District developed plans for three levels of return to learning: all remote, remote with some in-person instruction and all in-person instruction. Tumwater School District started the 2020-2021 school year in all remote learning for all students per public health guidelines. As the year progressed, students were brought back in two week increments starting in February 2021 and finished the school year with all students who wanted in-person learning attending four days a week. The Tumwater Virtual Academy (TVA) was created from scratch and began educating K-12 students virtually. The 2021-22 school year started with all students in schools five days a week, with 260 attending on-line with TVA.

The effects of the pandemic on enrollment and capacity are still uncertain and the 2021 planning is the District's best estimate given information known as of the drafting of the Plan. At the same time, the District must continue to plan for the future, based on the assumption that school operations will return to a somewhat normal in-person learning model in the near future.

Home building in Tumwater School District remains robust. The 2020-21 school year saw building permits issued for 374 houses and 142 apartments.. Home sales in the District are strong and the District is seen as desirable place to live and raise children.

The District continues to monitor closely the progress of the pandemic and its effects on enrollment, school facility needs and capital planning and financing.

CHAPTER TWO
BACKGROUND-GROWTH LEGISLATION

The Tumwater School District serves residents in the City of Tumwater and portions of Thurston County. The City of Tumwater has adopted a school impact fee ordinance pursuant to the Growth Management Act (GMA). Until 2013, Thurston County provided for school mitigation under the State Environmental Policy Act (SEPA). In 2013, the County adopted a GMA-based Impact Fee Ordinance that includes school impact fees and replaces mitigation under SEPA. The basis for both of these programs is discussed below.

State Environmental Policy Act (SEPA)

In an effort to acknowledge the effect of growth and mitigate those conditions, RCW 43.21C, the State Environmental Policy Act, authorizes local governmental jurisdictions to impose conditions on the approval of development projects subject to SEPA review. In addition, RCW 58.17.110 requires local jurisdictions, in their review of subdivision applications, to determine and make findings that the particular subdivision makes adequate provisions for, among other things, schools and school grounds. The subdivision statute allows for dedication of land, provision of public improvements to serve the subdivision and/or the imposition of mitigation fees as a condition of subdivision approval. Absent a specific finding of appropriate provisions for schools and school grounds, a plat must be denied. There are no avenues for securing school mitigation from projects exempt from SEPA review and not subject to the subdivision statute.

RCW 82.02.020 specifically prohibits imposition of fees on construction of buildings or subdivision of land except for impact fees as defined by statutes (RCW 82.02.050-.090) and except for voluntary agreements. Dedications of land within a proposed plat are not precluded if such dedications are reasonably necessary as a direct result of the proposed development.

RCW 82.02.020 allows voluntary agreements in lieu of a dedication of land or to mitigate an impact as a consequence of development. The voluntary agreements have specific qualifying provisions.

The State Environmental Policy Act prohibits a jurisdiction from requiring a person to pay for a system improvement where that person is otherwise required to pay an impact fee pursuant to RCW 82.02.050 - .090 for those same system improvements. WAC 392-343-032 states that "mitigation payments as provided for in RCW 43.21C.060 of the State Environmental Policy Act may be used by the district as local match funding and may not be substituted for the amount of state assistance that would otherwise be provided for school capital projects."

Growth Management Act

The Growth Management Act (GMA) provides an opportunity for school districts to broaden the source of funds to meet the needs to provide additional school facilities as a

result of growth in residential housing. The Act, originally passed in 1990 and amended in subsequent years, includes elements addressing the impacts of development on municipal corporations, such as school districts.

RCW 58.17.110, the State Subdivision Act, requires denial of any plat unless the county legislative body makes written findings that appropriate provisions are made for schools and school grounds. Dedication of land, provision of public improvements to serve the subdivision, and/or impact fees imposed under the act may be required as a condition of subdivision approval.

RCW 82.02.050 through RCW 82.020.090 set forth the legislative intent and authority to use growth impact fees to assist in capital construction projects.

The intent of the legislation is to ensure adequate public facilities are available to serve new growth, to establish standards which growth pays a proportionate share of the cost of those facilities, and that the fees are not arbitrary or duplicative. In addition, the fees are to be included as part of a capital financing plan which balances impact fees with other sources of public funds. The fees are to reasonably relate to and benefit new growth.

GMA impact fees are imposed through local ordinances which include a schedule adopted for each type of development activity. The schedule is based upon a formula designed to determine the proportionate share of the costs of public facilities necessitated by new development. In the case of school districts, the local city and/or county must adopt the district's plan by reference as a part of the jurisdiction's comprehensive plan.

The fees collected must be earmarked specifically and retained in special interest-bearing accounts and spent only in conformance with the capital facilities plan element of the comprehensive plan. The fees must be expended or encumbered within ten years of receipt, except for extraordinary reasons, or they are to be refunded to the then current property owner.

Finally, fees cannot be collected for system improvements under the GMA if fees are collected under RCW 43.21C.060 (SEPA) for those same improvements.

WAC 362-343-032 addresses the use of impact or mitigation fees by the school district as it relates to OSPI State Funding. Districts are able to use impact fees and/or mitigation fees to assist in capital construction projects as part of the local share for those projects receiving state financial assistance.

Thus, the statutory scheme for school mitigation may involve:

1. Imposition of mitigating conditions under SEPA, based upon adopted policies, to correct specific adverse environmental impacts identified in the environmental documents. RCW 43.21C.060.

2. Satisfaction of mitigating conditions under SEPA, or the State Subdivision Act through a voluntary agreement in lieu of dedication of land or to mitigate a direct impact of a development. RCW 82.02.020.

3. A finding of adequate provision for schools under the State Subdivision Act based upon dedication of land or provision of improvements for a subdivision of land. RCW 58.17.110.

4. Imposition of impact fees for system improvements reasonably related and beneficial to new development, and identified in the capital facilitates element of a comprehensive plan. RCW 82.02.050-.090.

CHAPTER THREE
SCHOOL DISTRICT DESCRIPTION

Tumwater School District is located in the north central portion of Thurston County. It encompasses 117 square miles and is bordered on the north by the City of Olympia (served by the Olympia School District), on the east by the City of Lacey (served by North Thurston Public Schools), the south by the Rochester and Tenino School Districts and on the west by the Capital Forest. **Attachment-A** is the map of the current District boundaries and attendance areas. The District includes the City of Tumwater and its urban growth area and unincorporated Thurston County. Development occurs principally within the urban growth area of Tumwater and in scattered locations throughout the remaining District boundaries. Within the urban growth boundaries, there is area for both short-term and long-term residential development. The residential population of the Tumwater School District is currently about 44,000. This is expected to grow to 49,000 by 2025 and 53,000 by 2030.

The District operates six elementary schools, two middle schools, two comprehensive high schools and one alternative high school. The Tumwater Virtual Academy (TVA) was added in 2020 to serve students on-line during the pandemic and it will continue to do so indefinitely. It has a small staff housed in the new Tumwater Learning Center; no students attend in person. In addition, the District is the host district of New Market Skills Center, which serves ten school districts and provides specialized career and technical education (CTE) and science, technology, engineering and math (STEM) for area high school students. Most of the District schools are located in the City of Tumwater, with only East Olympia and Littlerock Elementary schools located in un-incorporated rural Thurston County. **Table 1** contains a list of the existing schools, student capacity, current enrollment, and modular classroom information.

The State began funding and mandating smaller class sizes in elementary schools beginning with the 2019-20 school year. At grade levels K-3, State-mandated class size is now seventeen students. While headcount numbers larger than seventeen are allowed in individual classrooms, the district-wide average must be seventeen or less. This has affected the capacity of existing and future facilities, as new classrooms spread over the District's six elementary schools may be required even without further enrollment growth. Because of this, elementary school level of service has been adjusted to a blended average of 22 students per classroom. Middle and high school classroom level of service remains at 25 students.

As of September 2021, there are thirty-eight portable classrooms in the Tumwater School District. These are used for a variety of purposes, including temporary classroom capacity and special pullout programs. Pending funding and construction of new schools, the District's policy is to increase interim capacity at its schools with the use of portable facilities. However, portables are used only as interim solutions and are not considered as long-term capacity or as meeting the District's standard of service.

In June 2019, the Tumwater School District Board of Directors adopted new elementary school attendance boundaries. This was the recommendation of a Boundary Review Committee that met from October 2018 through April 2019. The intention of the boundary changes is to balance enrollment with capacity at the six elementary schools. The boundaries of five elementary schools were changed to balance enrollment with capacity at those schools. Peter G. Schmidt Elementary boundaries were not affected and the school will continue to require temporary capacity in modular classrooms until a new elementary can open as planned in 2025.

Attachment-A is the map of attendance areas that took effect for the 2020-21 school year and beyond.

CHAPTER FOUR
ENROLLMENT FORECAST

The Office of the Superintendent of Public Instruction (OSPI) provides enrollment projections for funding purposes only, based on the "Cohort Survival Method". Basically, this method of enrollment projection uses historic patterns of student progression by grade level to measure the portion of students moving from one grade level up to the next higher cohort or grade. This ratio or survival rate is used in conjunction with current live birth rates as a base for state-wide enrollment projections. The OSPI system is useful but has obvious inadequacies in representing the unique growth conditions of individual school districts. Historically, OSPI projections in growing school districts tend to underestimate the actual student enrollment growth. Furthermore, the OSPI projections do not anticipate new student enrollment as a result of residential development.

To account for special growth conditions within the District, the District has developed a modified forecast of enrollment. This forecast relies upon growth projections from Thurston Regional Planning, consultants, and past enrollment trends within the District. Two factors that cause these projections to be updated yearly are varying kindergarten enrollment and unanticipated student in-migration. The current six-year enrollment forecast is shown in **Table 2**.

As part of the elementary boundary review process, an enrollment forecast was commissioned that showed that the current enrollment decrease is an anomaly and enrollment will continue to grow. This forecast is included as **Attachment-D**. This forecast is for the schools before the attendance areas are changed.

The number of students per household is the factor that the District uses to plan for new schools to service the enrollment growth from new development. This factor is commonly known as the "Student Generation Rate" (SGR). Typically, two different kinds of dwelling units are studied that generate different numbers of students. Specifically, single family units generate more students than multi-family units. In addition, each type of housing unit will generate a different number of students at each school grade level. For example, more students are generated per dwelling unit at the elementary level because there are six grades at that level and only three or four grades each at the upper levels. The SGR study is updated every two years and was last updated in August 2020 for use in this year's Capital Facilities Plan update. The next update will be done in 2022.

In order to utilize SGR multipliers that reflect the housing located within the School District boundaries, the District conducts a Student Generation Rate study. The results of the 2020 study are included as **Attachment C**. The following is a summary of the rate study:

Housing Type	TSD Study SGR
Single Family	
Elementary	0.301
Middle School	0.172
High School	0.089
Total	0.561
(Total does not add due to rounding)	
Multifamily	
Elementary	0.050
Middle School	0.050
High School	0.058
Total	0.158

The Tumwater School District SGR multipliers produced as a result of this study and adopted by the District are also on **Table 8** and used in **Appendix B** to calculate the school impact fee.

CHAPTER FIVE
LEVEL OF SERVICE CAPACITY

Adequate instructional space is generally based on the educational program adopted by the District. Instructional capacity is the classroom space required for the educational program in each building. The number of students a building can serve adequately is determined by the type and number of programs placed in each building, and the number of regular classrooms it contains. Generally, instructional capacity is determined by examining the number of regular teaching stations in the buildings and the adopted class sizes of the educational program. The instructional capacity of two buildings with the same number of teaching stations or similar square footage may be different as a result of differences in the design of the school as well as its educational program.

OSPI uses formulae based on square footage of school buildings (see WAC 362-343) for providing state assistance for school facilities. Those formulae, which are for funding purposes only, do not represent the amount of space for current program needs. The purpose of the formulae is to specifically identify the maximum amount of state assistance to be provided for a project. WAC 362-343-035 sets space allocations for funding assistance. The allocations have been subject to question for years by school districts and, although they have been recently adjusted somewhat, they do not represent actual new construction in this State. Furthermore, even if the District receives State funding assistance on eligible projects, the District must take into account the timing and amount of those funds in its capital facility planning process. However, in planning new schools, the educational program needs must be the driver of the design and capacity of those facilities.

Level of service capacity is defined as the number of students a school is designed to accommodate. The capacity standard includes only permanent regular classrooms and is based solely on the District's calculations. Some districts use a square footage standard to determine the level of service capacity for a facility. Other districts have adopted a standard utilizing a given number of students per classroom. This method fits well with agreements negotiated with teacher organizations relating to the number of students a teacher is expected to supervise in a classroom. In this District, an average of 25 students per regular classroom for every grade level has been a standard used for planning purposes for many years. However, with the change in class sizes at grades K-3, elementary schools now use a blended average for K-5 of 22 students per regular classroom.

Based upon the enrollment forecasts and level of service capacities, the demand vs. supply of existing schools and projected new classrooms is shown on **Table 3**. Table 3 projects the need for a new elementary school during the six-year planning period to address growth-related capacity needs.

CHAPTER SIX
FINANCING

The Washington State Constitution mandates educational opportunity for all children in Article IX Section 1:

> *"It is the paramount duty of the State to make ample provision for the education of all children residing within its borders, without distinction or preference on account of race, color, caste or sex."*

Court cases have subsequently determined that the legislature is responsible for "full funding of basic education" and the Office of Superintendent of Public Instruction has been assigned overall responsibility for assuring the operations of public education for grades kindergarten through 12. The state provides the funds for the basic education through a formula based on student enrollment and special student needs. The districts, through use of a local levy which is not to exceed 28 percent of the state authorized support, may "enrich" the educational program from local property tax sources. Capital needs are addressed separately.

School districts utilize budgets consisting of a number of discrete funds, including a general fund for district operations and building and debt service funds for meeting capital needs.

SOURCES

General Fund
The General Fund constitutes the main operational budget source for the district, utilizing state apportionment, categorical, and local levy enrichment funds to pay for the educational program. Salaries, benefits, purchases of goods and services and the like are the responsibility of the general fund.

Building Fund
The Building Fund is used for capital purposes: to finance the purchase and improvement of school sites; the construction of new facilities and remodeling or modernization of existing facilities; and the purchase of initial equipment, library books, and text books for those new facilities. Revenues accruing to the Building Fund may come from the General Fund apportionment, sale of properties, contributions, bond sale proceeds, capital levy collections, impact fees and earmarked state revenues.

Debt Service Fund
The Debt Service Fund is established as the mechanism to pay for bonds. When a bond issue is passed, the district issues bonds which have a face value and an interest rate. Property taxes are adjusted to provide the funds necessary to meet the approved periodic payments of interest and principal. The proceeds from the taxes collected for this purpose are deposited in the Debt Service Fund and then drawn out for payments at the appropriate times.

Bonds
Bonds are financial instruments having a face value and an interest rate which is determined at the time and by the conditions of sale. Bonds are backed by the "full faith and credit" of the issuing government and must be paid from proceeds derived from a specific increase in the property taxes for that purpose. The increase in the taxes results in an "excess levy" of taxes beyond the constitutional limit, so the bonds must be approved by a vote of the people in the jurisdiction issuing them. The total of outstanding bonds issued by the jurisdiction may not exceed five percent of the assessed value of property within that jurisdiction at the time of issuance.

Bonds are multiyear financial instruments, generally issued for 10, 20, 25, or 30 years. Because of their long-lasting impact, they require both a sixty percent super-majority of votes and a specific minimum number of voters for ratification. The positive votes must equal or exceed 60 percent of the total votes cast. The total number of voters must equal or exceed 40 percent of the total number of voters in the last general election.

Proceeds from bond sales are limited by bond covenants and must be used for the purposes for which the bonds are issued. They cannot be converted to a non-capital or operating purpose. The life of the improvement resulting from the bonds must meet or exceed the term of the bonds themselves.

Levies
School Boards can submit levy requests to the voters of the district. They too are measures which will raise the property tax rate beyond the constitutional limits. Levy approval differs from the approval requirements for bonds in that a levy measure is approved with a simple majority of the votes cast.

The Secretary of State issues a schedule of approved election dates each year. The school board must place its proposed measures on one of those dates. If the measure fails at the first election, the board can re-submit it to the voters after a minimum period of 45 days. If the measure fails for a second time during a calendar year (a double levy loss) it cannot be submitted again during that year.

Capital Levies differ from bonds in that they do not result in the issuance of a financial instrument and therefore does not affect the "bonded indebtedness" of the district. The method of financing is an increase in property tax rates to produce a voter-approved dollar amount. The amount generated from the capital levy is then available to the district in the approved year. The actual levy rate itself is determined by dividing the number of dollars approved into the assessed valuation of the total school district at the time the taxes are set by the County Council.

Capital levies can be approved for a one to six year period at one election. The amounts to be collected are identified for each year separately and the tax rates set for each individual year. Like bond issues, capital levies must be used for the specified purpose. They may not be transferred to operating cost needs.

Operating levies are used to supplement the district's educational program offerings. Note, due to legislative changes, the entire "operating" levy structure has undergone radical change. These levies are now called "enhancement" levies used to supplement district education beyond the State definition of "basic education". Levies generally will support athletics, art, physical education and other programs not addressed by the state apportionment for basic education. They also support special categorical funded programs for disabled, bilingual, early childhood and others. Funds can be transferred from operating levy sources to help pay for capital needs, although it is very rarely done.

Operating levies are limited in size by the total of approved state apportionment and categorical funds (a calculation involving not only State funds but some federal pass-through funds as well). Future "enrichment" levies will be limited by a revised set of formulas. Operating levies may be approved for one to four years at a single election.

Miscellaneous Sources
Other minor sources of funding include grants, bequests, proceeds from sales of property and the like. They are usually a small part of the total financing package.

State School Construction Assistance Program (SCAP) Funding
The State of Washington has a Common School Capital Construction Fund. The Office of Superintendent of Public Instruction (OSPI) administers the funds.
The Tumwater School District assistance percentage as of July 2021 was set at 62.65 percent for eligible project costs.
The construction cost allowance for school construction costs for July 1, 2021 funded projects is $242.26 per square foot.
The calculation for determining state matching support is:

ELIGIBLE AREA: Square footage of instructional space for which the state will provide funding assistance. It compares the district's current inventory of instructional space to its projected enrollment multiplied by the Student Space Allocation (SSA), the amount of square feet per student established by the legislature to determine funding allocation level and may not reflect what is adequate to meet district's educational program requirements.

CONSTRUCTION COST ALLOCATION (CCA): The State's recognized costs per square foot of new construction. Not to be confused with actual costs per square foot, which is usually higher.

STATE FUNDING ASSISTANCE PERCENTAGE: A unique number calculated for each district, used to determine the amount of state assistance. Calculated annually, it is a ratio of a district's assessed land value per student compared to the statewide average of assessed land value per student. Minimum percentage is 20% up to a maximum percentage of 100% of recognized project costs. Additional points are provided for district-anticipated growth.

The construction cost allowance is only an index for funding and must not be used to estimate or set construction costs. Typically, actual construction costs for schools are significantly higher than the construction cost allowance. In addition, State assistance funding does not apply toward many of the costs necessary to complete a project. State assistance typically accounts for less than 25% of the total project cost.

Qualifying for SCAP funding involves an application process that has six rounds of District applications and OSPI approvals. Districts submit information for consideration to the State Board. If approved, the district project is given a priority ranking number based upon information provided in the application. The project is then placed on the funding list along with all other projects submitted. OSPI funds projects each July at the beginning of the State fiscal year starting at the top of the list with those projects having the highest priority number and proceeding down the list until the funds allotted for that year are committed. In short, the higher the priority ranking, the better prospect the district has in receiving stating matching funds. Failure by the district to proceed with a project in a timely manner can result in loss of the district's state funding assistance.

Funds for the state funding assistance come from the Common School Construction Funds. Bonds are sold on behalf of the fund and then retired from revenues accruing from the sale of renewable resources, primarily timber, from state school lands set aside by the Enabling Act of 1889. If these sources are insufficient to meet needs, the legislature can appropriate additional funds, or OSPI can prioritize projects for funding (Chapter 392, Sections 341-347 of the Washington Administrative Code).

Supply and market conditions affecting timber and wood products has changed over the past decade or so, resulting in a substantial decrease in state revenue. Efforts in the State Legislature to supplement timber-generated revenues with general fund moneys have been only partially successful. School districts have had to wait for assistance funds because there were more projects on the funding list than money available during the fiscal year.

RESIDENTIAL CONSTRUCTION DEVELOPMENT MITIGATION

Impact Fees

According to RCW 82.02.050, the definition of impact fee is *" a payment of money imposed upon development as a condition of development approval to pay for public facilities needed to serve new growth and development, and that is reasonably related to the new development that creates additional demand and need for public facilities, that is a proportionate share of the cost of the public facilities, and that is used for facilities that reasonably benefit the new development. 'Impact fee' does not include a reasonable permit or application fee."*

Impact fees can be calculated on the basis of "un-housed student need" which is related to new residential construction. A determination projected student enrollment growth within the six year planning period and insufficient permanent school space to serve that growth allows the district to seek imposition of the fees. The amounts to be charged are then calculated based on the costs for providing the space and the projected average number of students in each residential unit as based on the student generation rate analysis. The School Board must first approve the calculation of the impact fees as a part of the Board's adoption of this Capital Facilities Plan and in turn, approval must then be granted by the other general government jurisdictions having responsibility within the district -- counties, cities and towns. In the Tumwater School District, those general government jurisdictions include the City of Tumwater and Thurston County. Both the City of Tumwater and Thurston County have adopted school impact fee ordinances.

SEPA Mitigation

Prior to the City of Tumwater and Thurston County, adopting Growth Management Act school impact fee ordinances, the District had requested that mitigation requirements apply to all residential developments throughout the District subject to SEPA to mitigate the direct impacts of the development on schools. Because all jurisdictions within the District's boundaries are now collecting impact fees for schools, the District will generally no longer request mitigation for new housing developments located in the unincorporated areas in the District.

The Capital Facilities Plan is designed to support the use of fees as provided for under the Growth Management Act. It consists of: (a) an inventory of existing educational facilities owned by Tumwater School District, showing the locations and capacities of these facilities: (b) a forecast of the future needs for school facilities; (c) the proposed capacities of new school facilities; and (d) a plan that will finance proposed new school facilities within projected funding capacities and clearly identifies sources of public money for such purposes.

Where necessary, the Six Year Capital Facilities Plan provides for acquisition and development of new school sites and, in some cases, modernization of existing school facilities in addition to new construction.

CHAPTER SEVEN
CONSTRUCTION PROGRAM

The gap between available space and need increases when residential growth accelerates while the planning, financing, permitting and construction period for school construction has lengthened. As a result, school capacities typically lag behind the increase in housing. Schools are categorized as Elementary, Middle, and High Schools. There will be variations from district to district of grade configurations, class size, and curriculum based needs depending on the district's educational program. Adjustments to the construction cost can be managed according to the choices made by the district and the effects of inflation.

The first element of project costs consists of the cost of acquiring the site and the developing of the site. The cost of the site usually consists of the price paid for the land, costs of the purchase, and cost of easements required for roads and utilities. Development costs consist of the costs to provide roads, utilities, and other necessary on-site and off-site improvements to the site in order that a school facility may be built thereon. These costs are not eligible for State funding assistance and must be paid for by local funds exclusively. Site costs will vary widely depending on the real estate market and on the circumstances of the site such as location and availability of utility services. OSPI has recommended minimum site sizes of five acres for an elementary school plus one acre for every 100 students and ten acres for grades 7 and above plus one acre per 100 students. This acreage is supposed to provide for the buildings and the appropriate support facilities such as play fields, athletic facilities, parking, and storage. The District uses the following as the practical acreage needed for school sites:

Elementary: 10-15 acres
Middle Level: 20-25 acres
High: 45-55 acres

Site sizes above and below these are evaluated and considered based on available land.

The second element is the construction cost that includes the building, site (parking lots, play fields, site furnishings and private utilities.) and off-site costs (public utilities and public street improvements) The third part includes the other costs associated with a construction project which include planning, design, engineering, construction management, furniture, equipment, agency fees, and sales taxes. The general project cost estimate for the new elementary school and a typical double-classroom modular unit are shown in **Table 4.**

The District anticipates using a mixture of funding sources to meet the costs of building the schools, including local bond issues, capital levies, State funding assistance and impact fees. The bond issues are the primary source of local funding, and are dependent on voter approval. State funding assistance provides the secondary source of school construction funds. Those funds are available from the State based upon specific project eligibility, priority ranking by the State and available funds. If the sale of bonds is not approved by the public or State funding assistance is not available, the District will not be able to implement the Capital Facilities program as planned. The District may then

utilize other means to house the students including purchase of modular classrooms or any other means available to the district. If the District experiences accelerated growth above and beyond that expected and/or funds are not available, then the district may not be able to provide housing for students. This may require a moratorium on any new housing until funding becomes available.

The District has identified three areas for new elementary schools. These are in the southeast near the Olympia Airport (where a 12-acre site was purchased in 2008 and a 10-acre site in 2020), one and possibly two sites near Black Hills High School (where one 15-acre site was purchased in 2011), and potentially west of Black Lake. Schools in these areas will be used to accommodate planned growth. New middle and high school sites will be needed in the next twenty years as new elementary schools are built. The District purchased a 21-acre site near Black Hills High School in 2011 for a future middle school. The District includes in its long-range plan an element that provides funds for the acquisition of school lands for future capacity needs.

The District owns 2.2 acres of vacant land adjacent to Peter G. Schmidt Elementary School and 6.9 acres of vacant land adjacent to New Market Skills Center. Both of these parcels are deemed too small for a stand-alone school.

Attachment-B is a map locating the vacant properties the District owns as well as conceptual site plans for the new schools on each.

The District recognizes the need to move forward in a timely manner to identify potential school sites and conduct the studies necessary to determine which sites meet District criteria for schools. Over the years, many criteria have been added to the already long list which must be studied to determine whether a site can support a particular school facility. A feasibility period of one to three years is not unexpected in the District's experience. Urban growth boundaries, land use, zoning, storm water, availability of utilities, critical areas ordinances and a willing seller are just some of the factors to be considered. Additionally, the size of property needed for a school ranging from 10 to 55 acres within the urban growth boundary is a big issue. Available sites are becoming more scarce, especially those which have the potential for sewer and water service.

After an approved site has been secured, other factors influence the timeline for producing a school facility ready for occupancy. First, the District must pass a local bond issue for its portion of the funds necessary to complete the project. Second, the District must house excess students within the existing facilities and/or housing students in modular classrooms for a period of up to five years. Third, the District must qualify for and receive State funding assistance. Finally, the planning and construction process may range from three years for an elementary school to as much as five years for a secondary school from start to occupancy.

Therefore, it is incumbent on the District to move forward in a timely manner with its Capital Facilities Plan to acquire and develop needed sites and facilities. As such,

multiple sources of funding are required including existing capital funds, bond issue funds, mitigation/impact fees, and State funding assistance.

Construction projects that are planned to increase capacity within the six-year planning period are:

1. Building a new elementary school for added capacity to serve growth at the K-5 level to open in 2025. This has been delayed by the pandemic from 2024. This will require future approval of bonds by voters.
2. Adding modular classrooms to elementary schools until a new school is built; potential addition of modular classrooms at the middle and high school as needed to provide for interim capacity solutions.

Construction projects planned to update existing facilities are:

1. New Market Skills Center – minor capital improvements funded primarily with State grants. Five projects were granted State capital budget approval in the 2019-21 State capital budget. These projects will be completed this year. Two projects were funded or the 2021-23 biennium. A full renovation of existing facilities and possible additions is planned to begin in 2025, depending on State funding.
2. Tumwater and Black Hills High Schools – unspecified renovations in a future bond.
3. Bush and Tumwater Middle Schools – the parts of the original buildings not included in the additions and renovations to accommodate sixth grade will be eligible for State construction grants for major renovations in 2024 (BMS) and 2025 (TMS). The majority of funds will come from bonds approved in a future election.
4. A capital facilities levy of $10 million was approved by voters in 2020 that will pay for technology, health, safety and security improvements as well as major maintenance over the three years school fiscal years.
5. A renewal capital levy is being planned for possible voting in February 2022. This is to bridge the gap between the bonds approved in 2014 and the next anticipated bond approval request in 2023.

CHAPTER EIGHT
FINANCIAL PLAN

The planned project expenditures and revenues are detailed in **Table 5**. Tumwater School District needs approximately $161,2016,000 to finance its facility needs for the fiscal years 2021-22 through 2026-27.

The capital projects fund balance at the end of the 2020-21 fiscal year is estimated to be $6,000,000.

In a February 2014 bond referendum, district voters approved the sale of bonds worth $136,000,000 to fund the 2014-2020 capital facilities plan. The last of these bonds were sold in 2017. The remaining proceeds from these bonds and State construction grants constitute the majority of the current capital fund budget.

The majority of the funding for the current six-year plan, $85,000,000, would come from a future bond referendum that requires voter approval.

The District passed a two-year capital levy in February 2020. This is funding technology upgrades and safety and security projects over two calendar years (three fiscal years). $7,500,000 of this levy is included in the next six-year capital plan. Another 2-year capital levy in 2022 would add an additional $10,000,000 for major maintenance and planning for a new elementary school.

State grants are estimated to amount to approximately $55,415,000, including $23,600,000 solely for New Market Skills Center projects.

The impact fee and mitigation fee portion for the six-year period is $3,000,000.

Miscellaneous revenue from a variety of other sources is estimated to be $600,000 over the next six years.

2019-20 Ending fund Balance	$ 6,000,000
+ Capital Levy	17,500,000
+ Bond Sales (needs voter approval)	85,000,000
+ State Grants	55,415,000
+ Impact Fees	3,000,000
+ Misc. Revenue	600,000
= Total Revenue	$ 161,515,000
= Anticipated Available Funds	**$ 167,515,000**

These funds are anticipated to be available to finance the capital projects in the plan. The planned project expenditures and revenues are detailed in **Table 5**.

CHAPTER NINE
ASSESSED VALUATION

The assessed valuation of the school district is the total value of the real property--land and improvements, including buildings -- within the district boundaries. The assessed value is set by the Thurston County Assessor and is as the base to which property tax rates are applied. The increase in value of the total assessment for the County cannot exceed an amount equal to 106 percent of the prior year's total value plus the value of new construction during that period. The total is increased by inflation or increased market value for existing properties.

The constitutionally approved taxes, which amount to 20 mills or two cents on the dollar, are applied to the full assessed value and produce funds for a variety of governmental purposes. Excess levy rates, those beyond the constitutional limits, are imposed to generate a specific dollar amount, so they may vary from year to year. The higher the assessed valuation, the lower the rate needed to generate the necessary dollar amount.

School districts which have a high assessed valuation, such as those with large, intensive commercial developments (i.e. shopping and auto malls, etc.) are able to generate very substantial bond dollars with very modest tax levy rates. On the other hand, districts with low assessed valuation are hampered with high tax levy rates to raise even modest bond funds. The Tumwater School District is largely a rural district with a modest assessed valuation. As such, care must be taken in managing the bond issue process to maintain voter confidence and modest tax levy rates.

The district's total assessed valuation as of January 1, 2021, set by the County Assessor, was $6,395,234,346, which is an increase of 6.6% over 2020.

CHAPTER TEN
EXISTING DEBT

The Tumwater School District's current debt is $91,030,000 as shown in **Table 6.** This debt was incurred by four bond sales from the 2014 election. Current bond debt will be paid off in 2032. **Table 6** also shows the projected annual payments.

There is a five percent ceiling on outstanding indebtedness, which means that the bonded indebtedness of the district cannot exceed five percent of the assessed value of the district at the time of issuance of the bonds. The existing debt therefore reduces the bonding capacity of the district.

For Tumwater School District, the current availability of bonding capacity is calculated as:

Total Assessed Value	$6,395,234,346
Five Percent of Assessed Value	$ 319,761,717
Existing Bonded Indebtedness (Principal Only)	$ 91,030,000
Available Bonding Capacity	$ 228,731,717

Table 7 compares the debt limit with the outstanding debt. The information contained in therein indicates that the District as the District pays off existing debt; it also has adequate debt capacity for timed bond sales for the planned construction projects.

CHAPTER ELEVEN
IMPACT FEE CALCULATIONS

The school impact fee formula ensures that new development only pays for the cost of facilities necessitated by new development. The Growth Management Act (GMA) school impact fee calculations (**Appendix B**) examine the costs of housing the students generated by each new single family dwelling unit and each new multi-family dwelling unit and then reduce that amount by the anticipated state match and future tax payments. The calculations are driven by the facilities costs identified in **Table 4** for the District's new planned growth-related capacity projects (as identified in **Table 3**). By applying the student generation factor (as shown in **Table 8**) to the school project costs, the fee formula only calculates the costs of providing capacity to serve each new dwelling unit. The resulting impact fee may be discounted by an additional amount at the discretion of the District Board of Directors. Importantly, the GMA does not require new development to contribute toward the costs of providing capacity to address existing needs.

APPENDIX A

TABLES 1-8

TABLE 1

TUMWATER SCHOOL DISTRICT NO. 33
CAPACITY OF EXISTING SCHOOL FACILITIES
2021 - 2027 Capital Facilities Plan

FACILITY NAME:	Number of Regular Classrooms	Capacity*	Oct. 2021 Headcount	Surplus(+) or Deficit(-)	Existing Modular Classrooms*	Agency-permitted Number of Modulars*
Black Lake Elementary	20	440	401	39	6	8
East Olympia Elementary	20	440	519	-79	8	8
Littlerock Elementary	17	374	323	51	0	8
Michael T. Simmons Elem.	20	440	466	-26	13	13
Peter G. Schmidt Elem.	25	550	610	-60	4	8
Tumwater Hill Elementary	20	440	363	77	2	2
Tumwater Virtual Academy	0	0	128	-128	0	0
Total Elementary	***122***	***2684***	***2810***	***-126***	***33***	***47***
Bush Middle School	33	825	754	71	0	8
Tumwater Middle School	34	850	599	251	0	8
Tumwater Virtual Academy	0	0	71	-71	0	0
Total Middle School	***67***	***1675***	***1424***	***251***	***0***	***16***
Black Hills High School	45	1125	821	304	0	12
Cascadia High School**	8	128	77	51	0	0
New Market High School	1	37	34	3	5	10
Tumwater High School	43	1075	1,082	-7	5	10
Tumwater Virtual Academy	43	0	63	-63	0	0
Total High School	***140***	***2365***	***2077***	***288***	***10***	***32***
Grand Total	***329***	***6724***	***6311***	***413***	***43***	***95***
New Market Skills Center	20	500	555	-55	0	0

The Skills Center is a stand-alone facility that serves a consortium of ten school districts and is not included in capacity calculations.

*Capacity figures do not include modulars.

**Secondary Options HS has been renamed to Cascadia High School and is housed in the new Tumwater Learning Center (TLC) building. The TLC has smaller classrooms with an average capacity of 16 students.

TABLE 2

TUMWATER SCHOOL DISTRICT NO. 33
DISTRICT ENROLLMENT FORECAST
2021 - 2027 Capital Facilities Plan

	Actual	Actual	Actual	Actual	Actual	COVID	Actual	Projected					
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Kindergarten	398	457	490	431	462	462	481	494	508	522	537	551	567
Grade One	450	436	501	473	431	431	423	510	524	539	553	569	585
Grade Two	427	459	447	500	468	468	451	437	527	541	556	572	588
Grade Three	423	469	478	439	512	512	454	466	452	545	560	575	591
Grade Four	435	451	492	491	434	434	480	467	480	465	560	576	592
Grade Five	475	443	458	484	487	487	521	496	483	496	480	579	595
Grade Six	482	493	470	467	497	497	454	542	517	503	516	500	603
Grade Seven	494	505	517	462	464	464	472	467	558	531	517	531	514
Grade Eight	495	507	508	512	457	457	498	483	477	570	543	528	543
Grade Nine	560	548	559	539	540	540	513	543	527	521	622	593	576
Grade Ten	550	549	552	552	540	540	508	521	551	535	529	632	601
Grade Eleven	517	540	524	493	503	503	536	488	500	529	513	507	606
Grade Twelve	539	537	540	502	480	480	520	549	500	512	542	526	520
K-5 HEADCOUNT	**2608**	**2715**	**2866**	**2818**	**2794**	**2794**	2810	**2871**	**2973**	**3107**	**3247**	**3422**	**3517**
6-8 HEADCOUNT	**1471**	**1505**	**1495**	**1441**	**1418**	**1418**	1424	**1492**	**1552**	**1604**	**1576**	**1559**	**1660**
9-12 HEADCOUNT	**2166**	**2174**	**2175**	**2086**	**2063**	**2063**	2077	**2101**	**2078**	**2097**	**2206**	**2258**	**2304**
TOTAL K-12	6245	6394	6536	6345	6275	6275	6311	6463	6602	6808	7029	7239	7481

TABLE 3

TUMWATER SCHOOL DISTRICT NO. 33
DEMAND VS. SUPPLY OF SCHOOL FACILITIES
2021 - 2027 Capital Facilities Plan

YEAR	DEMAND	LEVEL OF SERVICE CAPACITY	PERCENT	CAPACITY INCREASE	SURPLUS OR DEFICIT	CAPACITY CHANGES
ELEMENTARY SCHOOL						
2021	2,810	2,684	105%	0	-126	
2022	2,871	2,684	107%	0	-187	
2023	2,973	2,684	111%	0	-289	
2024	3,107	2,684	116%	0	-423	
2025	3,247	3,284	99%	600	37	Add new Elementary
2026	3,422	3,284	104%	0	-138	
2027	3,517	3,284	107%	0	-233	
2028	3,615	3,284	110%	0	-331	
2029	3,715	3,284	113%	0	-431	
MIDDLE SCHOOL						
2021	1,424	1,675	85%	0	251	
2022	1,492	1,675	89%	0	183	
2023	1,552	1,675	93%	0	123	
2024	1,604	1,675	96%	0	71	
2025	1,576	1,675	94%	0	99	
2026	1,559	1,675	93%	0	116	
2027	1,660	1,675	99%	0	15	
2028	1,765	1,675	105%	0	-90	
2029	1,908	1,675	114%	0	-233	
HIGH SCHOOL						
2021	2,077	2,365	88%	0	288	
2022	2,101	2,365	89%	0	264	
2023	2,078	2,365	88%	0	287	
2024	2,097	2,365	89%	0	268	
2025	2,206	2,365	93%	0	159	
2026	2,258	2,365	95%	0	107	
2027	2,304	2,365	97%	0	61	
2028	2,376	2,365	100%	0	-11	
2029	2,328	2,365	98%	0	37	

TABLE 4

TUMWATER SCHOOL DISTRICT NO. 33
SCHOOL FACILITY BUDGETS
2021 - 2027 Capital Facilities Plan

ITEM DESCRIPTION	ESTIMATED TOTAL COST
New Elementary School	
Architect & Engineer Fees	$3,295,000
Other Consultant Fees	$549,000
Fees, Permits & Req'd. Studies	$1,373,000
Off-site Development Construction	$1,373,000
On-Site Development Construction	$3,295,000
Building Construction	$27,462,000
Furniture & Equipment	$1,648,000
Technology & Security Systems	$824,000
Contingency (8%)	$3,185,000
WSST (9.4%) on Const., Furn., Eqpt. & Sys.	$3,252,000
Sub-total Cost	**$46,256,000**
Site Acquisition (TSD owns two future elementary sites)	$0
Total Cost	**$46,256,000**
Modular Classrooms for temporary capacity	
Architect & Engineering	$40,000
Agency Permits & Fees	$20,000
Utilities & Site Work	$80,000
28 X 64 Double Classroom Unit	$130,000
Furniture & Equipment	$40,000
Technology & Security Systems	$20,000
Contingency(8%)	$24,000
WSST (9.4%) on Const., Furn., Eqpt. & Sys.	$28,000
Total Cost for Double Classroom	$382,000
Total Cost per classroom	**$191,000**
Temporary classrooms needed 2021-2026	17
Total cost of temporary capacity	**$3,247,000**

TABLE 5
TUMWATER SCHOOL DISTRICT NO. 33
SIX-YEAR CAPITAL FACILITY PLAN
2021 - 2027 Capital Facilities Plan

EXPENSE ACTIVITY							
Major Projects	2021-2022	2022-2023	2023-2024	2024-2025	2024-2025	2025-2026	6-yr Total
Black Hills HS Renovations	$500,000	$800,000	$1,800,000	$800,000	$800,000	$800,000	$5,500,000
Tumwater HS Renovations	$500,000	$800,000	$1,800,000	$800,000	$800,000	$800,000	$5,500,000
Bush Middle School Renovations		$100,000	$2,000,000	$5,000,000	$16,000,000	$16,000,000	$39,100,000
Tumwater Middle School Renovations			$100,000	$1,000,000	$3,000,000	$8,000,000	$12,100,000
New Elementary School #7		$250,000	$19,250,000	$25,200,000	$1,300,000	$256,000	$46,256,000
New Market SC Major Renovations		$500,000	$500,000	$1,000,000	$7,000,000	$12,000,000	$21,000,000
TOTAL MAJOR PROJECTS	$1,000,000	$2,450,000	$25,450,000	$33,800,000	$28,900,000	$37,856,000	$129,456,000
Small Projects	2021-2022	2022-2023	2023-2024	2024-2025	2024-2025	2025-2026	6-yr Total
Site Acquisition	$1,000,000				$1,000,000		$2,000,000
Technology Capital Expenses	$1,000,000	$1,000,000	$1,500,000	$1,500,000	$1,500,000	$1,500,000	$8,000,000
New Market SC Minor Capital Projects	$300,000	$300,000	$500,000	$500,000	$500,000	$500,000	$2,600,000
Modular classrooms	$380,000	$720,000	$720,000	$720,000	$720,000	$400,000	$3,660,000
Health, Safety & Security Projects	$3,500,000	$500,000	$500,000	$500,000	$500,000	$500,000	$6,000,000
Small Works Projects	$1,500,000	$700,000	$700,000	$700,000	$700,000	$700,000	$5,000,000
Capital Operations & Bond Costs	$750,000	$750,000	$750,000	$750,000	$750,000	$750,000	$4,500,000
TOTAL SMALL PROJECTS	$8,430,000	$3,970,000	$4,670,000	$4,670,000	$5,670,000	$4,350,000	$31,760,000
TOTAL EXPENDITURE	$9,430,000	$6,420,000	$30,120,000	$38,470,000	$34,570,000	$42,206,000	$161,216,000
REVENUE SOURCE	2021-2022	2022-2023	2023-2024	2024-2025	2024-2025	2025-2026	6-yr Total
Capital Levy (approved Feb. 2020 election)	$5,000,000	$2,500,000					$7,500,000
Future Capital Levy (requires voter approval)		$2,500,000	$5,000,000	$2,500,000			$10,000,000
Future Bond Sales (requires voter approval)			$45,000,000		$25,000,000	$15,000,000	$85,000,000
State Grant - New Elementary School			$7,315,000	$2,500,000	$2,500,000	$2,500,000	$14,815,000
State Grant - Bush & Tumwater Middle Schools				$1,000,000	$6,000,000	$10,000,000	$17,000,000
State Grant - New Market SC Minor Capital Imp.	$300,000	$300,000	$500,000	$500,000	$500,000	$500,000	$2,600,000
State Grant - New Market Major Renovation		$500,000	$500,000	$1,000,000	$7,000,000	$12,000,000	$21,000,000
Impact Fees for capacity-adding projects	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000	$3,000,000
Other Miscellaneous Revenue	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$600,000
TOTAL REVENUE	$5,900,000	$6,400,000	$58,915,000	$8,100,000	$41,600,000	$40,600,000	$161,515,000
Ending Fund Balance 2020-21 = $6,000,000	$2,470,000	$2,450,000	$31,245,000	$875,000	$7,905,000	$6,299,000	$6,299,000
Note: Bond sales may vary based upon market conditions, cash flow needs and other variables.							
*New Elemenatry 6-year total is for first two years of a four-year project.							$161,515,000

TABLE 6

TUMWATER SCHOOL DISTRICT NO. 33

CURRENT CAPITAL DEBT

2021 - 2027 Capital Facilities Plan

Year	2014 Issue	2015 Issue	2016 Issue	2017 Issue	TOTAL
2021	$2,915,000	$2,810,000	$875,000	$210,000	$6,810,000
2022	$3,300,000	$2,895,000	$860,000	$390,000	$7,445,000
2023	$5,305,000	$0	$2,250,000	$595,000	$8,150,000
2024	$4,750,000	$2,590,000	$740,000	$825,000	$8,905,000
2025	$2,120,000	$4,940,000	$1,490,000	$1,080,000	$9,630,000
2026	$2,305,000	$5,190,000	$1,550,000	$1,360,000	$10,405,000
2027	$2,510,000	$2,000,000	$5,010,000	$1,665,000	$11,185,000
2028	$2,725,000	$1,915,000	$5,435,000	$2,015,000	$12,090,000
2029		$2,755,000	$3,775,000	$0	$6,530,000
2030		$2,900,000	$2,785,000	$0	$5,685,000
2031				$2,025,000	$2,025,000
2032				$2,170,000	$2,170,000
Total	$25,930,000	$27,995,000	$24,770,000	$12,335,000	$91,030,000

TABLE 7
TUMWATER SCHOOL DISTRICT NO. 33
DEBT CAPACITY
2021 - 2027 Capital Facilities Plan

YEAR	Total Principal	Cumulative Debt	Assessed Valuation	5% of Assessed Valuation	Debt Capacity
2021	$6,810,000	$91,030,000	$6,395,234,346	$319,761,717	$228,731,717
2022	$7,445,000	$84,220,000	$7,446,455,551	$372,322,778	$288,102,778
2023	$8,150,000	$76,775,000	$7,669,849,218	$383,492,461	$306,717,461
2024	$8,905,000	$68,625,000	$7,899,944,694	$394,997,235	$326,372,235
2025	$9,630,000	$59,720,000	$8,136,943,035	$406,847,152	$347,127,152
2026	$10,405,000	$50,090,000	$8,381,051,326	$419,052,566	$368,962,566
2027	$11,185,000	$39,685,000	$8,632,482,866	$431,624,143	$391,939,143
2028	$12,090,000	$28,500,000	$8,891,457,352	$444,572,868	$416,072,868
2029	$6,530,000	$16,410,000	$9,158,201,072	$457,910,054	$441,500,054
2030	$5,685,000	$9,880,000	$9,432,947,104	$471,647,355	$461,767,355
2031	$2,025,000	$4,195,000	$9,715,935,518	$485,796,776	$481,601,776
2032	$2,170,000	$2,170,000	$10,007,413,583	$500,370,679	$498,200,679
Assessed Valuation Growth Rate Projections:			2020		
2021	Actual	6.62%	$5,998,182,800		
2022	Preliminary	16.44%			
2023 & beyond	Estimated	3.00%			

TABLE 8
TUMWATER SCHOOL DISTRICT
STUDENT GENERATION RATE
2021 - 2027 Capital Facilities Plan

STUDY DATE - SPRING 2020	
Single Family	**Multiplier**
Elementary School - Grades K-5	0.3010
Middle School - Grades 6-8	0.1720
High School - Grades 9-12	0.0890
TOTAL*	**0.5610**
Multifamily	**Multiplier**
Elementary School - Grades K-5	0.0500
Middle School - Grades 6-8	0.0500
High School - Grades 9-12	0.0580
TOTAL	**0.1580**
** Total does not add due to rounding*	

APPENDIX B

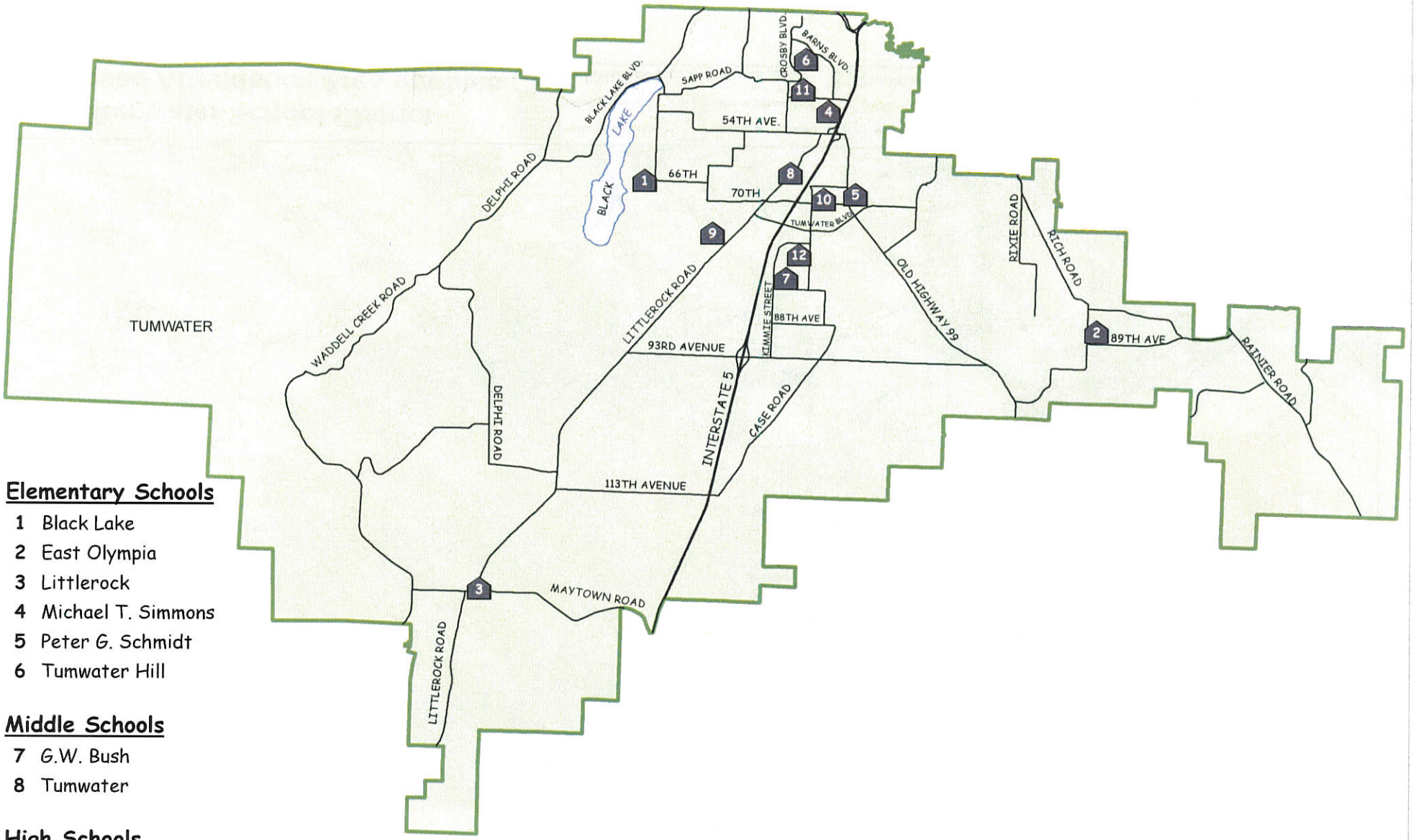
SCHOOL IMPACT FEE CALCULATION

SCHOOL IMPACT FEE CALCULATIONS							
Tumwater School District							
October 8, 2021							
School Site Acquisition Cost:							
((Acres x Cost per Acre)/Facility Capacity)xStudent Generation Factor							
				Student	Student		
	Facility	Cost/	Facility	Factor	Factor	Cost/	Cost/
	Acreage	Acre	Capacity	SFR	MFR	SFR	MFR
Elementary	15.00		600	0.301	0.050	$0	$0
Middle	25.00		750	0.172	0.050	$0	$0
High	55.00		150	0.089	0.058	$0	$0
					TOTAL	$0	$0
School Construction Cost:							
((Facility Cost/Facility Capacity)xStudent Generation Factor)x(permanent/Total Sq Ft)							
				Student	Student		
	%Perm/	Facility	Facility	Factor	Factor	Cost/	Cost/
	Total Sq. Ft.,	Cost	Capacity	SFR	MFR	SFR	MFR
Elementary	94.50%	$ 46,256,000	600	0.301	0.050	$21,929	$3,643
Middle	94.50%		750	0.172	0.050	$0	$0
High	94.50%		150	0.089	0.058	$0	$0
					TOTAL	$21,929	$3,643
Temporary Facility Cost:							
((Facility Cost/Facility Capacity)xStudent Generation Factor)x(Temporary/Total Square Feet)							
				Student	Student	Cost/	Cost/
	%Temp/	Facility	Facility	Factor	Factor	SFR	MFR
	Total Sq. Ft.,	Cost	Size	SFR	MFR		
Elementary	5.50%	$3,247,000	22	0.301	0.050	$2,443	$406
Middle	5.50%	$0.00	25	0.172	0.050	$0	$0
High	5.50%	$0.00	25	0.089	0.058	$0	$0
						$2,443	$406
State Funding Assistance Credit:							
Const. Cost Allocation X OSPI Square Footage X Funding Assistance% X Student Factor							
				Student	Student		
	Area Cost	OSPI	District	Factor	Factor	Cost/	Cost/
	Allowance	Footage	Match %	SFR	MFR	SFR	MFR
Elementary	$242.26	90	62.65%	0.301	0.050	$4,112	$683
Middle	$242.26	117	62.65%	0.172	0.050		
High	$242.26	130	62.65%	0.089	0.058		
						$4,112	$683
Tax Payment Credit:						SFR	MFR
Average Assessed Value						$390,002	$122,593
Capital Bond Interest Rate						1.74%	1.74%
Net Present Value of Average Dwelling						$3,551,365	$1,116,334
Years Amortized						10	10
Property Tax Levy Rate						$1.8500	$1.8500
	Present Value of Revenue Stream					$6,570	$2,065
	Fee Summary:			Single		Multi-	
				Family		Family	
	Site Acquisition Costs			$0		$0	
	Permanent Facility Cost			$21,929		$3,643	
	Temporary Facility Cost			$2,443		$406	
	State Match Credit			($4,112)		($683)	
	Tax Payment Credit			($6,570)		($2,065)	
	FEE (AS CALCULATED)			$13,691		$1,300	
			Discount		Discount		
	Fee with discount applied		**63%**	**$5,066**	**10%**	**$1,170**	

ATTACHMENT A

DISTRICT SCHOOL LOCATIONS & ATTENDANCE AREAS MAPS

Tumwater School District



Elementary Schools

1 Black Lake
2 East Olympia
3 Littlerock
4 Michael T. Simmons
5 Peter G. Schmidt
6 Tumwater Hill

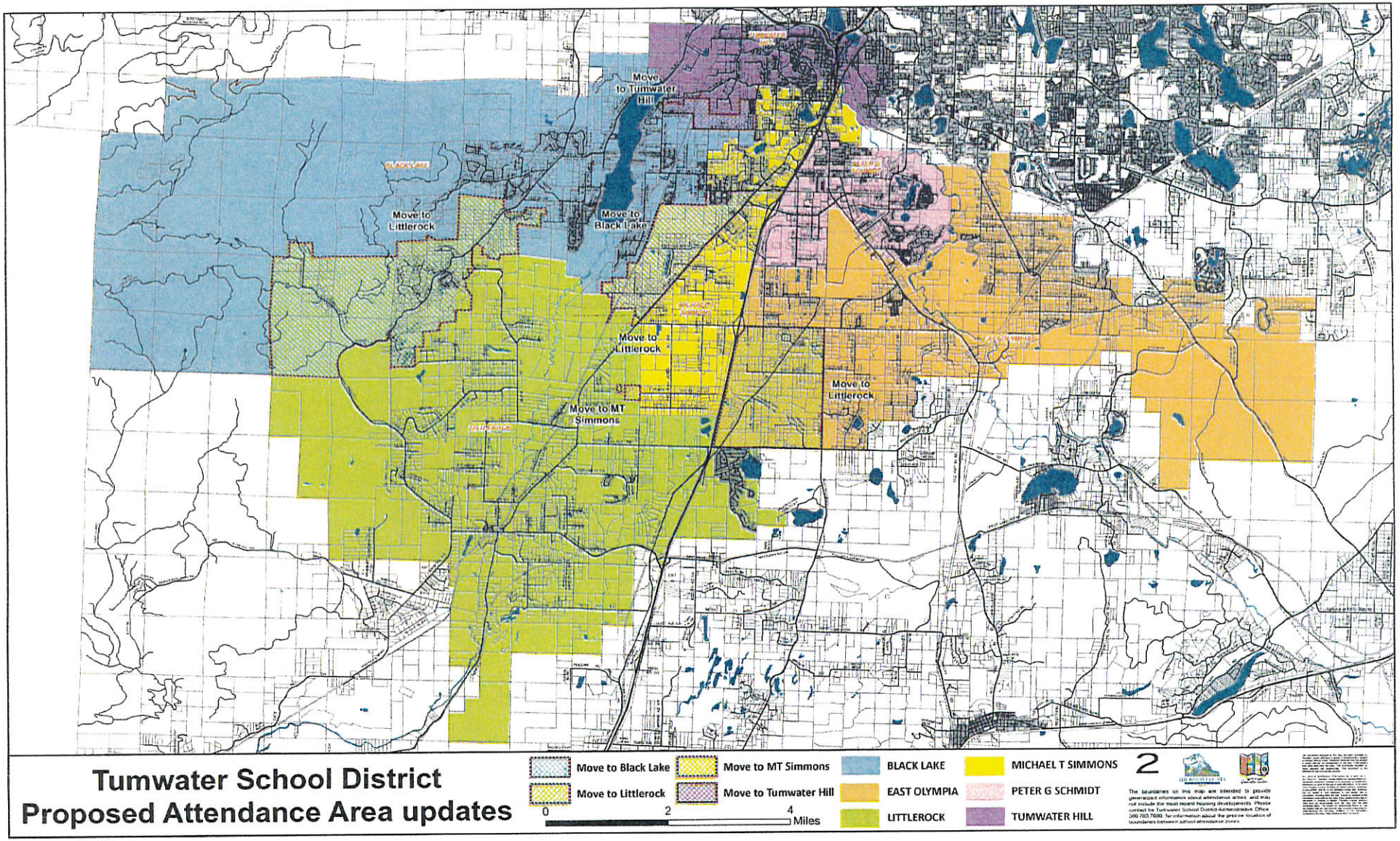
Middle Schools

7 G.W. Bush
8 Tumwater

High Schools

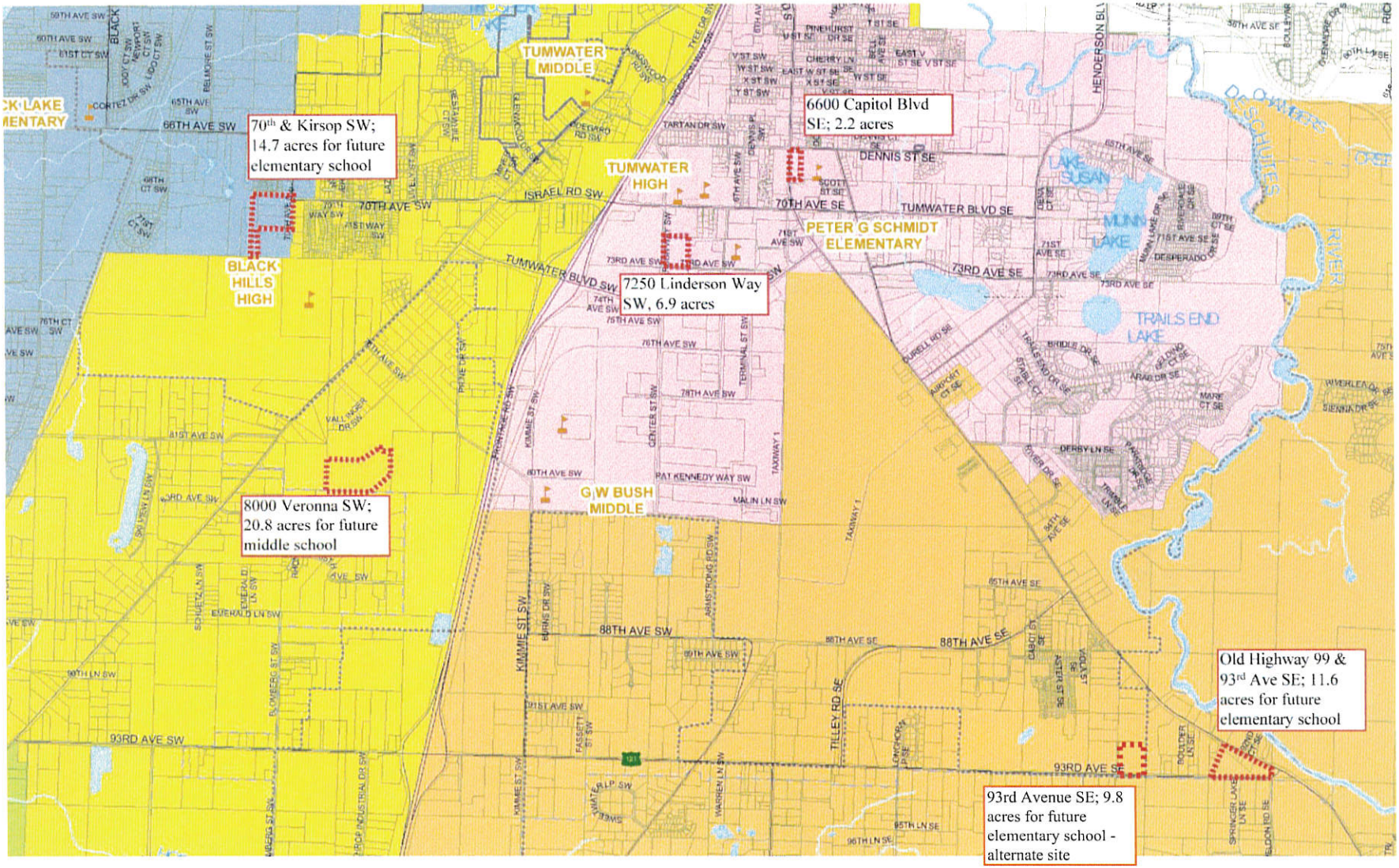
9 Black Hills
10 Tumwater

11 **District Office**
12 **Transportation Center**

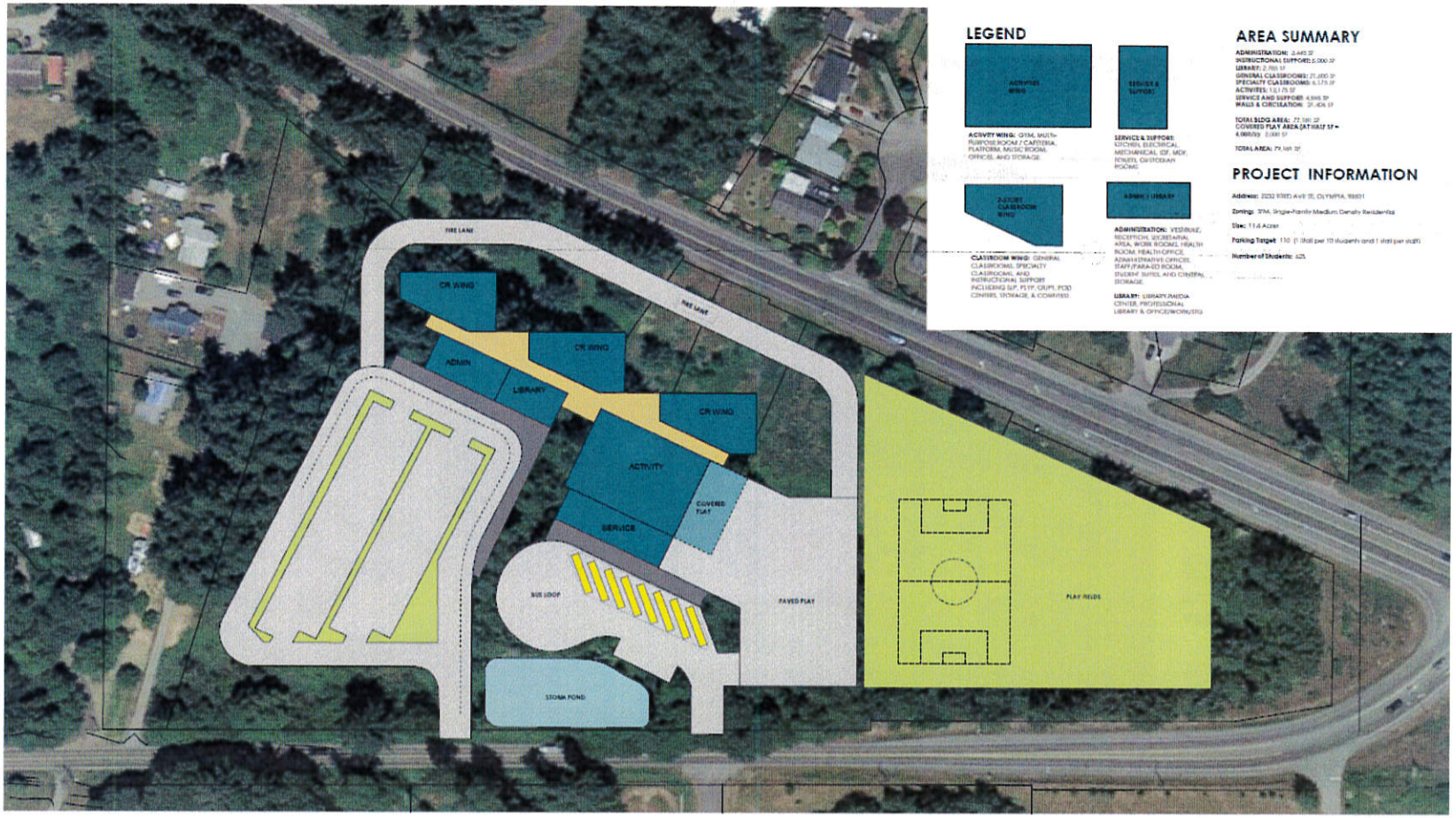

Move to Tumwater Hill
Move to Littlerock
Move to Black Lake
Move to Littlerock
Move to MT Simmons
Move to Littlerock
Tumwater School District
Proposed Attendance Area updates
Move to Black Lake
Move to Littlerock
Move to MT Simmons
Move to Tumwater Hill
0
2
4
Miles
BLACK LAKE
EAST OLYMPIA
LITTLEROCK
MICHAEL T SIMMONS
PETER G SCHMIDT
TUMWATER HILL
2

ATTACHMENT B

DISTRICT FUTURE SCHOOL SITES & CONCEPTUAL SITE PLANS


70th & Kirsop SW; 14.7 acres for future elementary school
6600 Capitol Blvd SE; 2.2 acres
7250 Linderson Way SW, 6.9 acres
8000 Veronna SW; 20.8 acres for future middle school
Old Highway 99 & 93rd Ave SE; 11.6 acres for future elementary school
93rd Avenue SE; 9.8 acres for future elementary school - alternate site
TUMWATER MIDDLE
TUMWATER HIGH
BLACK HILLS HIGH
PETER G SCHMIDT ELEMENTARY
G W BUSH MIDDLE
LAKE SUSAN
MUNN LAKE
TRAILS END LAKE
DESCHUTES RIVER
70TH AVE SW
70TH AVE SE
TUMWATER BLVD SW
TUMWATER BLVD SE
ISRAEL RD SW
DENNIS ST SE
73RD AVE SE
88TH AVE SW
88TH AVE SE
93RD AVE SW
93RD AVE SE
KIMMIE ST SW
TILLEY RD SE
HENDERSON BLVD

Elementary School Site at Old 99 & 93rd



CONCEPTUAL SITE FEASIBILITY STUDY - OLD HW 99 & 93RD - SITE 3

1" = 50'-0"

NORTH

TCF Architecture

Elementary School Site at 93rd Avenue

CONCEPTUAL SITE FEASIBILITY STUDY - 93RD AVE SE -
1 SITE 1

Elementary School Site at 70th & Kirsop

CONCEPTUAL SITE FEASIBILITY STUDY - 70TH & KIRSOP

1 SW - SITE 2

TCF Architecture

Middle School Site at Littlerock Road & Veronna

ATTACHMENT C

TUMWATER SCHOOL DISTRICT
STUDENT GENERATION RATE STUDY

BERK

Phone: (206) 324-8760
2200 Sixth Avenue, Suite 1000
Seattle, WA 98121
www.berkconsulting.com

MEMORANDUM

DATE: August 26, 2020

TO: Mel Murray, Director of Facilities, Tumwater School District

FROM: Rebecca Fornaby, Associate, BERK Consulting
Kevin Gifford, Senior Associate, BERK Consulting
Bryce Anderson, Associate, BERK Consulting

RE: Tumwater School Distinct Findings for Student Generation Rates 2020

Findings for Student Generation Rates

This memorandum contains findings for the Tumwater School District's 2020 student generation rates (SGR).

To calculate the SGR, BERK used current student address data provided by the District[1] and current land use and property records available from the Thurston County Assessor. BERK geocoded student addresses using GIS software and matched address points to County property records; each matched address was as single-family or multifamily, based on County property records.

The SGR was calculated based upon (1) housing units inside the District boundaries and constructed within the last 5 years (2015 – 2019) and (2) the number of enrolled students currently living at those addresses. Based on Thurston County Assessor records, the District contains 722 single-family homes and 240 multifamily housing units constructed in the last five years. An estimated 443 students live in these housing units (405 in single-family homes and 38 in multifamily units).

The resulting findings are presented in the summary tables on the following page.

[1] Some provided student addresses either could not be accurately geolocated or corresponded to parcels with no verifiable residential uses present. Addresses corresponding to temporary lodgings (hotels, motels, etc.) were also excluded. 128 records were excluded based on these criteria.

Exhibit 1. 2020 Tumwater School District Student Generation Rates

2020 Tumwater School District Student Generation Rates		
	Single Family	**Multifamily**
Elementary (K through 5)	0.301	0.050
Middle School (6 through 9)	0.172	0.050
High School (10 through 12)	0.089	0.058
Total	**0.561**	**0.158**

Exhibit 2. Tumwater School District Student Generation Rates by Grade Level

2020 Tumwater School District Student Generation Rates by Grade Level		
	Single Family	**Multifamily**
Kindergarten	0.043	0.008
Grade 1	0.046	0.004
Grade 2	0.062	0.013
Grade 3*	0.055	-
Grade 4	0.047	0.021
Grade 5	0.047	0.004
Grade 6	0.051	0.021
Grade 7	0.037	0.008
Grade 8	0.043	0.013
Grade 9	0.040	0.008
Grade 10	0.037	0.013
Grade 11	0.030	0.038
Grade 12	0.021	0.008
Total (All Grades)	**0.561**	**0.158**

* *No addresses for 3rd Grade students matched multifamily housing units constructed in the previous 5-year period. As such, a grade-level student generation rate could not be calculated for this group.*

ATTACHMENT D

TUMWATER SCHOOL DISTRICT
2018 ENROLLMENT FORECAST

TUMWATER SCHOOL DISTRICT ENROLLMENT FORECAST
PREPARED BY GREENE GASAWAY PLLC
DECEMBER 18, 2018

This report is prepared by Greene Gasaway PLLC under subcontract with Parametrix. The contract is to provide a projection of enrollment on a school-by-school basis in order to support boundary revisions within the district.

Greene Gasaway PLLC (GGA) starts with district-wide projections; district-wide projections are more common and are more reliable than school-by-school projections since they utilize larger data sets. Once GGA selects the most likely district-wide projection, school-by-school projections are made utilizing the same formulas used for the district-wide projections. Finally, the school-by-school projections are modified to eliminate distortions and to adjust the total of the school-by-school projections to approximate the district-wide projections.

Analysis of enrollment data in the State of Washington is based on October headcount data. OSPI established October headcount as the monthly count most likely to represent the maximum headcount for a school year. Greene Gasaway PLLC (GGA) uses two methods to project district-wide enrollment; both utilize October headcount. First, a six-year cohort projection is used to make a six-year enrollment projection. This method approximates the method utilized by OSPI in projecting enrollment on Form 1049. The method is normally reliable for the near future, and since OSPI uses Form 1049 in determining eligibility for state assistance funding, it is an important reference projection. Second, GGA uses a proprietary model that uses residential construction to generate students in a ratio that is consistent with Thurston Regional Planning Council's (TRPC's) twenty-year projection of housing and population. These long-term projections are only accurate if the underlying demographic assumptions utilized by the TRPC demographers are accurate, and only if the anticipated rate of residential construction is close to what developers eventually construct. The model is adjusted to project near-term enrollment consistent with near-term cohort projections; twenty-year projections are consistent with TRPC's county-wide housing and population ratios. This model is then applied to the data for each school to generate a school-by-school projection. The total of the school-by school projections is tracked and the projection of each school is adjusted as required to maintain the total in the range established by the district-wide projection.

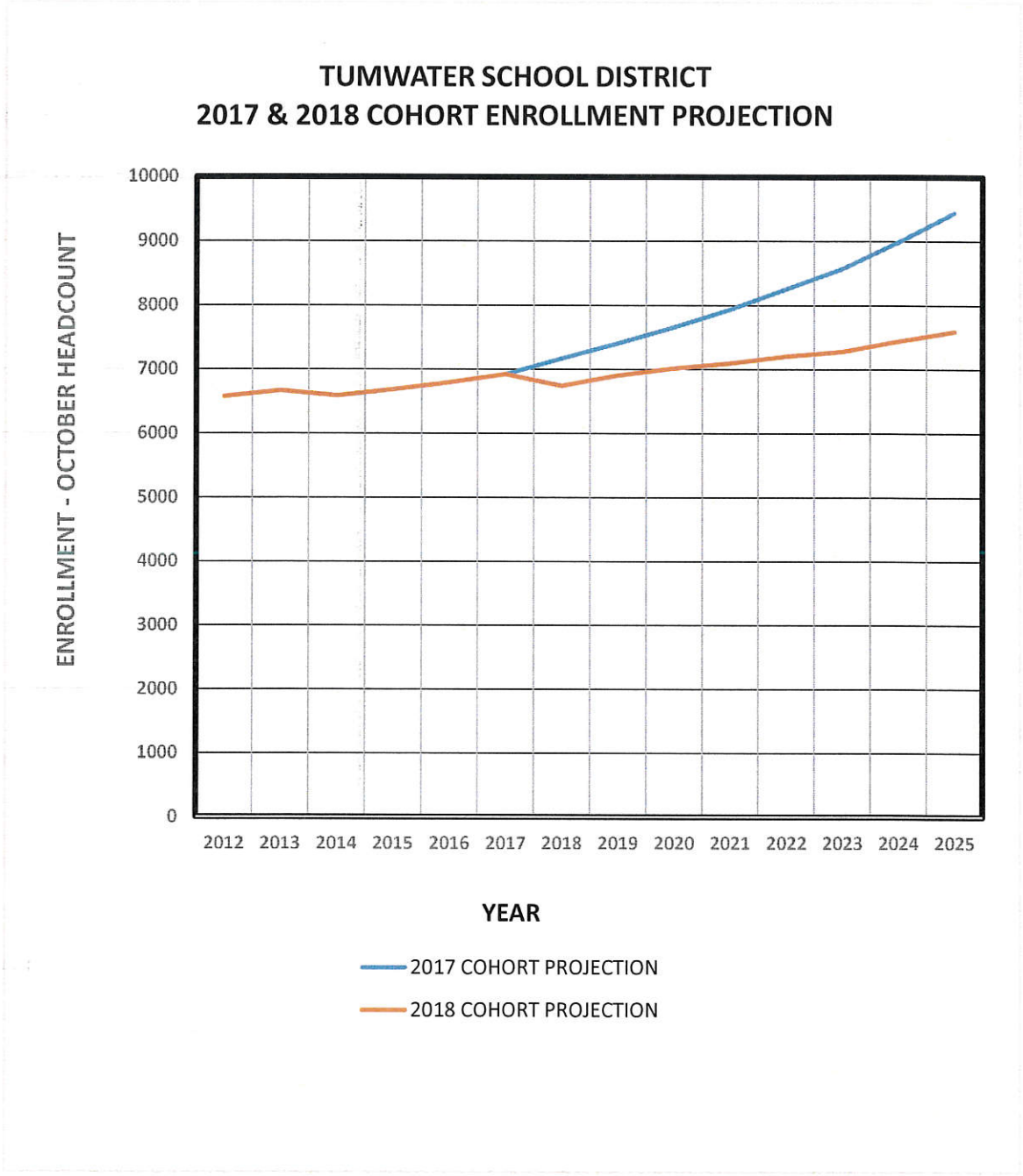
This report analyzes trends in October headcount. It does not seek to project other significant enrollment information (FTE trends, for example) which provide the basis of state funding of operations, nor does it seek to analyze capacity nor to analyze the impact of class-size initiatives.

Projecting enrollment depends on analyzing consistent historical data in order to develop trends which are assumed to remain consistent for a limited time in the future. Unusual events, known as anomalies, limit our ability to develop historical trends. The economic collapse in the fall of 2008 disrupted most trends that were based on the previous six years. That anomaly has slowly worked its way out of the data base; but the rate of residential construction has probably been

higher than normal since 2015 as pent up demand and historically low mortgage rates have supported high rates of construction of residential units in recent years. Between 2000 and 2040 Thurston Regional Planning Council (TRPC) projects that an average of 370 residential units (houses and apartments) will be constructed in Tumwater School District annually. The rate is projected to be above average between 2016 and 2030 and below average the remainder of the period. To the extent that the rate of growth in student enrollment corresponds to the rate of occupancy of new residential units, we would expect faster growth in enrollment between 2016 and 2030 than during other periods between 2000 and 2040. There is a second trend which influences our thinking about the rate of growth in school enrollment in Tumwater School District, TRPC believes that the county is experiencing a baby-boom echo, or really a second echo. We believe that the peak of this echo occurred between 2010 and 2015 which means that enrollment between 2015 and 2030 would reflect larger classes in lower grades driving enrollment growth initially in elementary grades, then progressively through middle school grades and high school grades. The back side of the echo would be perceived as decreasing birth rates and slower enrollment gains even with strong rates of construction.

In September 2018 Tumwater School District experienced another anomaly which significantly impacted enrollment. The October 2018 enrollments do not follow the previous trends. It may be that the nine-day teacher's strike changed the decisions that parents and students made regarding which school they chose to attend; it may be other events which have not yet been identified created an anomaly. It is too early to tell how this anomaly will play out longer term, but in the October 2018 headcount, the enrollment is significantly below what was anticipated based on the October 2017 headcount. In the fall of 2017, OSPI projected (or would have projected) Tumwater School District enrollment for 2018 at 7,172 students and for 2025 at 9,441 students. In October 2018, OSPI actually recorded 6,924 students and projected enrollment for 2025 at 7,596 students; 248 students fewer in 2018, and 1,845 students fewer in 2025.

GRAPH OF OCTOBER HEADCOUNT ENROLLMENT AS PROJECTED BY COHORT METHODOLOGY BASED ON 2017 AND 2018 COUNTS



For the purposes of this report, Greene Gasaway assumes that the trends established in the years 2000 through 2017 will remain in place through 2040, and that the enrollment of October 2018 was, in fact, a one year anomaly which will gradually be overwhelmed by the underlying trends.

Since 1995 Greene Gasaway PLLC (GGA) has prepared enrollment projections for Thurston County school districts. Over that time span, GGA has developed proprietary programs to project school age populations that are consistent with TRPC's housing and population projections and that are based on the number of housing units constructed. This "model" generally projects a continuation of the baby-boom echo over generations, and fewer students per residential unit over time. It is generally consistent with a stable birth rate. GGA's opinion of future enrollment from 4 years to 20 years in the future is heavily influenced by the results of our "modeling".

Thurston Regional Planning Council provides demographic data not readily available in other counties. TRPC provides county-wide population projections by five-year age cohort; the cohorts from 0 to 20 provide an approximation of the school-age population in the county. TRPC also provides projections of population and number of residential units by smaller geographic areas. Upon request of a member organization, TRPC provides this data by geographic areas requested by the member; TRPC provided population and housing data by current elementary school boundary for Tumwater School District as part of this study.

GGA "modeling" is calibrated to roughly correspond to projections of population and number of residential units projected by TRPC.

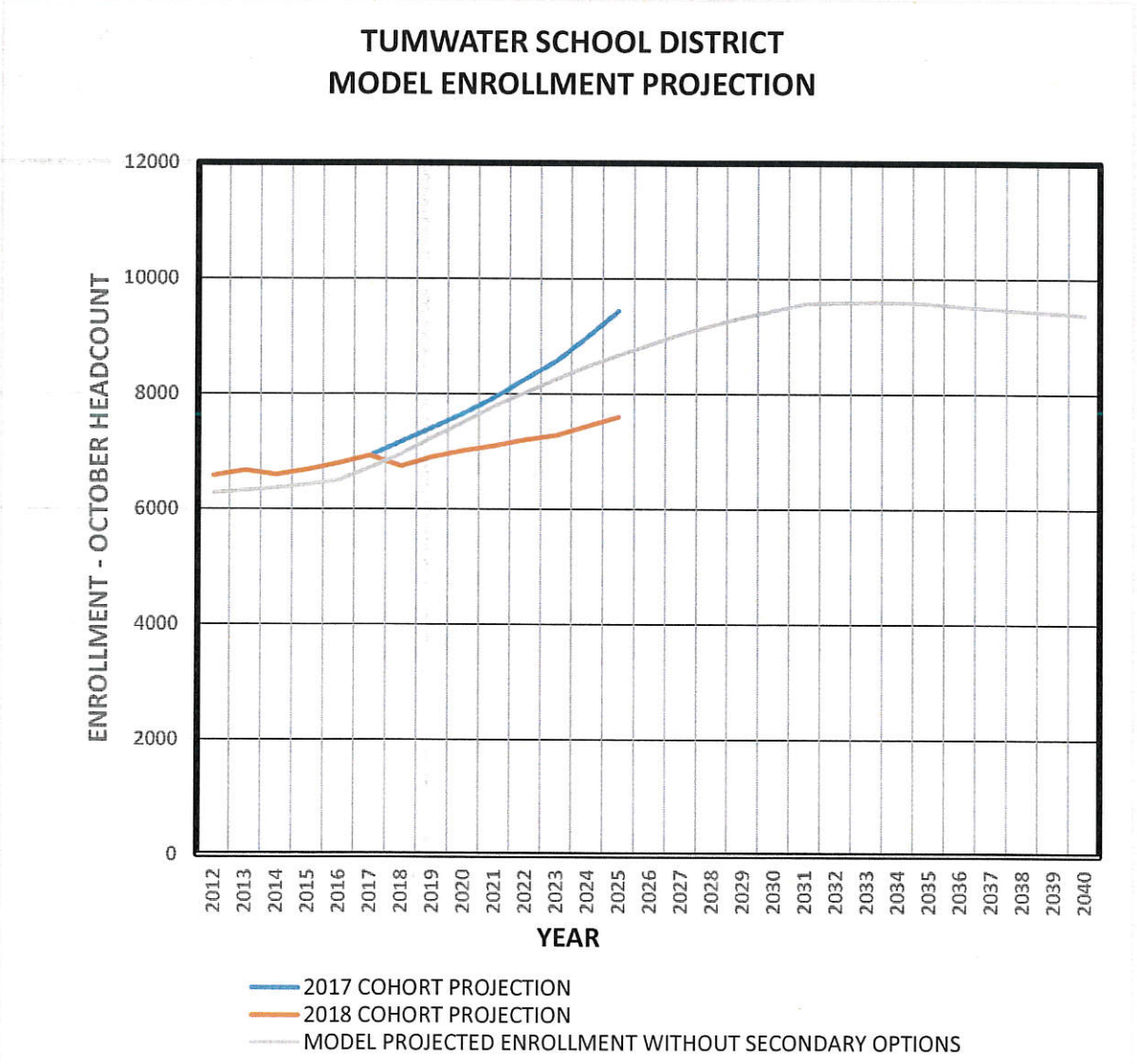
Current TRPC projections indicate an increase in the school-age population of approximately 22% between 2015 and 2040. The increase will be driven by both a baby-boom echo and by increasing population due to-migration from outside of the county. The school districts will experience this increase by a more rapid increase in elementary enrollment, followed by a more rapid increase in middle school enrollment, followed by a more rapid increase in high school enrollment. Enrollment growth at each grade grouping will slow as the effects of the baby-boom growth moves through the system into older grades.

TRPC is projecting a decrease in the percent of the population that will be of school age; in other words, the population will increase faster than the number of children of school age. Currently TRPC estimates that nearly 16% of the population is of school age. By 2040, TRPC estimates that this percent will fall to slightly below 14% of the county's population. TRPC is projecting a 38% increase in county population, but only a 22% increase in school-age population. By comparison, in 1980, TRPC estimates that the percent of the county population of school age was approximately 21% of the population.

Translating the data to Tumwater School District (TSD), TRPC projects that population of TSD will grow much faster than the county average; TRPC projects an increase in the population of Tumwater School District of nearly 62% between 2015 and 2040. If TSD has the same percent of the population of school-age as the county as a whole, approximately 15%, the school-age population of the district would increase to approximately 9,500 students by 2040.

This report will provide district-wide and school-by-school projections for each of the schools whose enrollments are geographically based. Secondary Options and Skills Center will not be projected since enrollment at these facilities are not based on their service area. Over time, however, as the school-age population increases, demand for services at these facilities are likely to increase in proportion to the increase in the county's school-aged population.

GRAPH OF OCTOBER HEADCOUNT ENROLLMENT AS PROJECTED BY TRPC DATA (GGA METHODOLOGY)



Greene Gasaway PLLC has reviewed the school-by-school enrollment data provided by Tumwater School District and begun to correlate that data with the data provided by the Thurston Regional Planning Council. Enrollment data reflects not only the underlying geographic data of where people choose to live, often because of educational services available, but also choices that students and parents make regarding where to obtain those services. Students can choose to attend public school, or any one of a number of other options. Students can choose to attend their local school, or any other school to which they can obtain admittance. Discrepancy in cohorts or divergence of enrollment data from population data often has an explanation in rational decision-making by students or their parents.

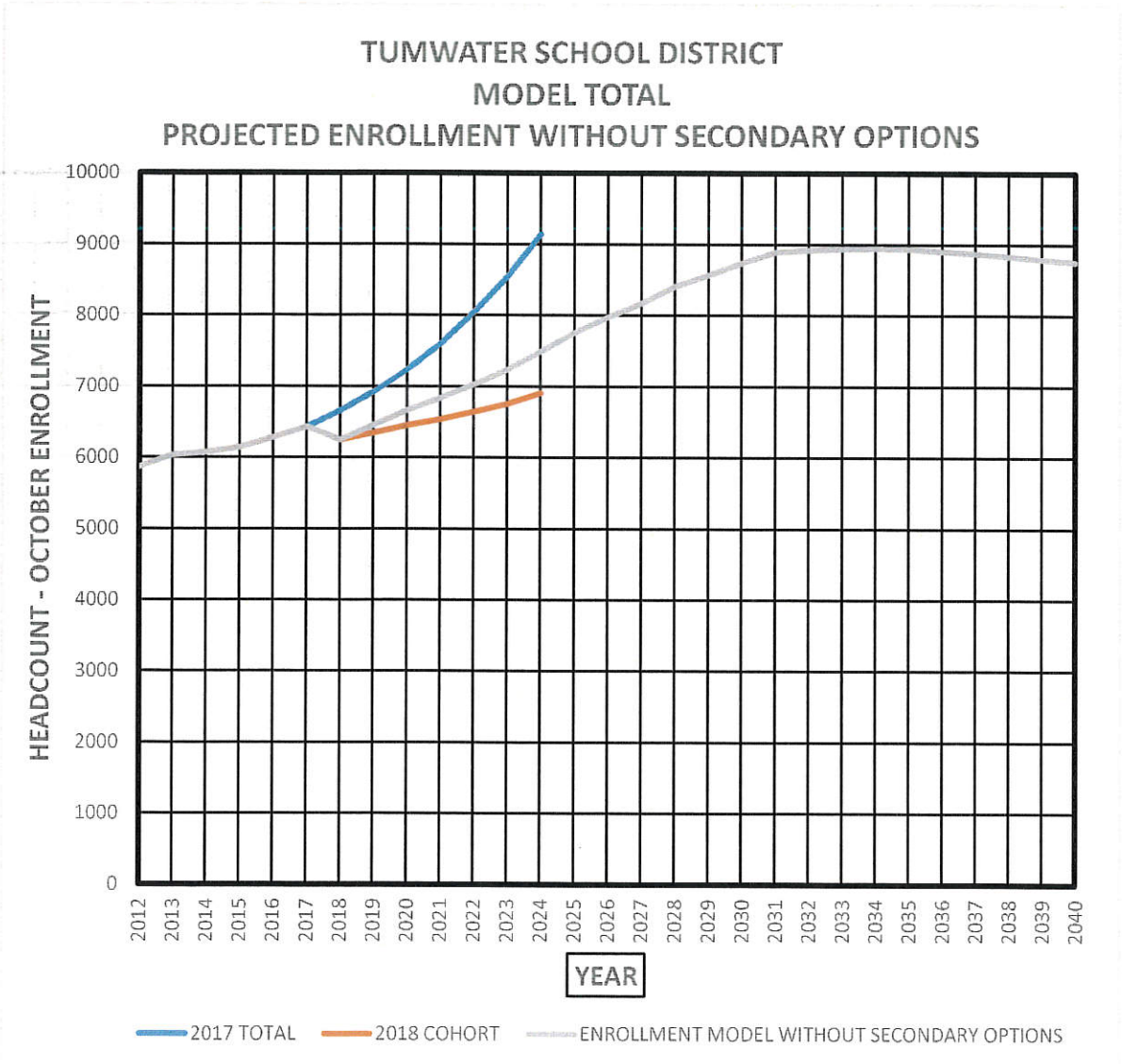
Following are some of our initial observations of the TRPC data:

- TRPC projects that the annual construction of residential units over the next 20 years will exceed the annual rate of construction of the last 15 years by over 20%.
- TRPC projects that the annual construction of residential units will be highest in the Michael T. Simmons Elementary School (MTS) service area, but the construction of residential units in the Black Lake Elementary School (BL), East Olympia Elementary School (EO), Tumwater Middle School (TMS), and Black Hills High School (BHHS) service areas will also be above the district average.
- TRPC projects that the annual construction of residential units in the Littlerock Elementary School (LR) service area will slow significantly, and that the annual construction in the Peter G. Schmidt Elementary School (PGS), Bush Middle School (BMS) and Tumwater High School (THS) service areas will slow slightly.
- TRPC anticipates that the number of students per residential unit will decrease over time. The percent increase in enrollment is, therefore, expected to be less than the percent increase in the number of residential units.
- TRPC projects that the portion of multifamily units with decrease slightly by 2040.

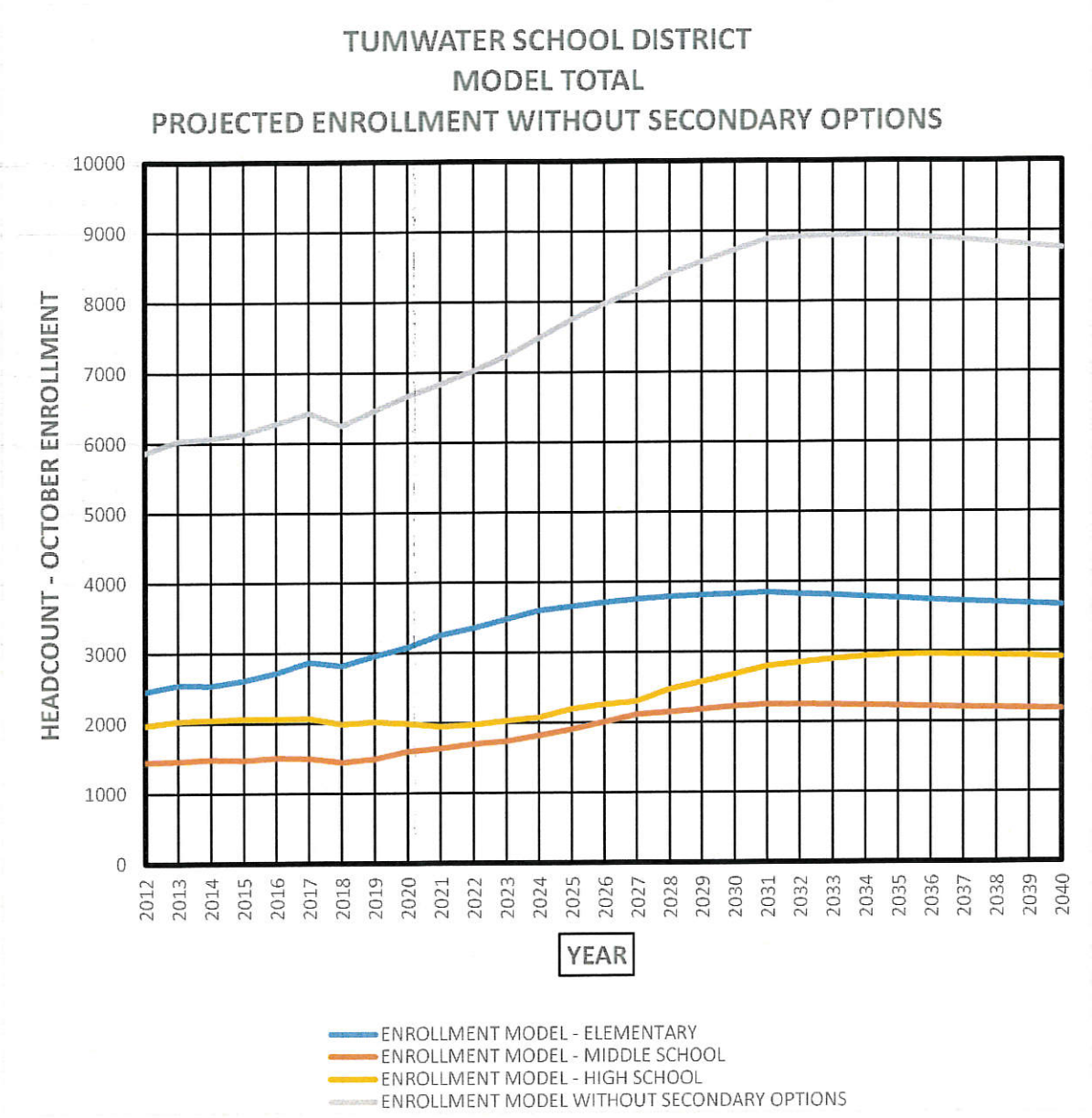
Following are some of our initial observations of the Tumwater School District enrollment data: data:

- BL and THE have fewer students than what would be expected based on the number of residential units in their service areas. We have maintained that expectation in our projections
- PGS has a higher enrollments than what would be expected based on the number of residential units in their service areas. We have maintained that expectation in our projections
- BMS and THS have higher enrollments than what would be expected based on the number of residential units in their service areas. We have maintained that expectation in our projection.
- TMS and BHHS have higher enrollments than what would be expected based on the number of residential units in their service areas. We have maintained that expectation in our projections.

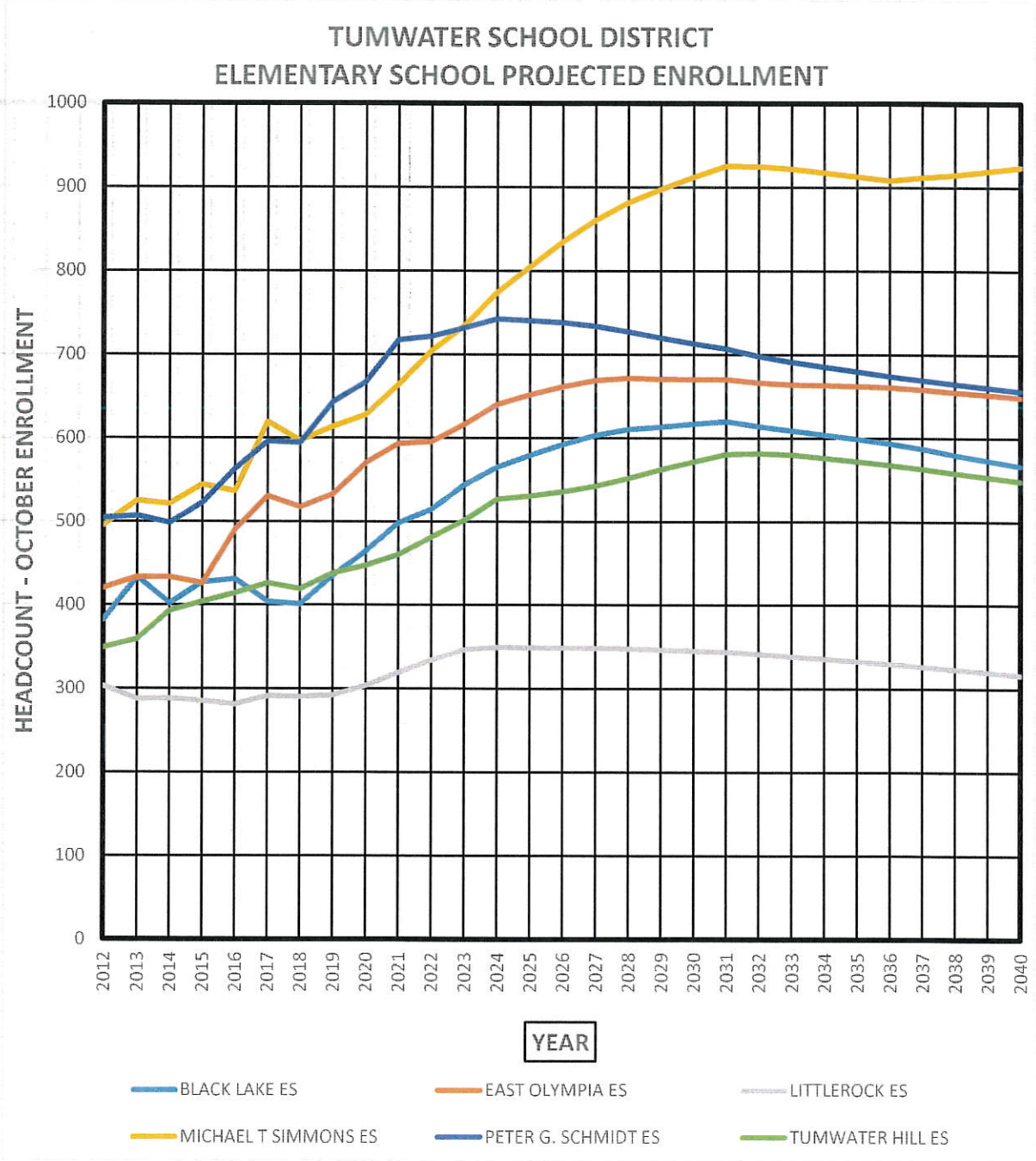
Greene Gasaway PLLC has modeled the enrollment for the district and for each of the schools in the district that have a geographical service area. We have not studied the Secondary Options or Skills Center enrollments. We have plotted the anticipated enrollment for each facility on a graph that also plots the 2017 and the 2018 cohort projection for that facility. In most cases the model projects an enrollment between the 2017 cohort and the 2018 cohort. In service areas with little projected residential development, the model projection flattens or dips. In service areas with a great deal of projected residential development, the model shows large increases in projected enrollment through the early 2030's. The characteristics of the Thurston Regional Planning Council's population projection is such that little growth in enrollment is expected between 2030 and 2040. The increase in population in that time period will be largely driven by a larger proportion of older citizens living longer.

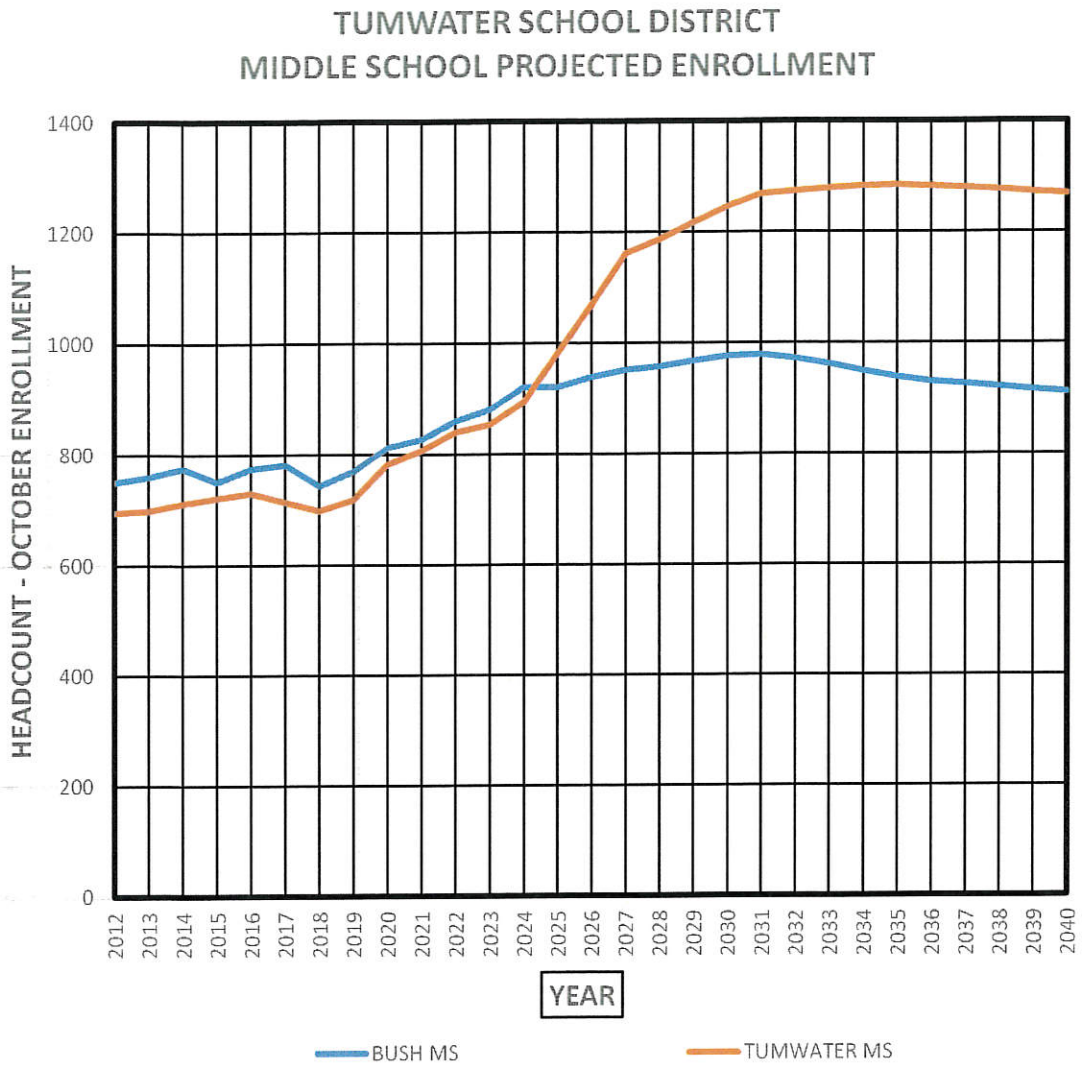


Graphing the model projection by grade-grouping; K-5, 6-8, 9-12; shows a diminishing baby-boom echo structure with elementary enrollment increasing more rapidly initially, followed by growth in the middle school grades and the high school grades.



Greene Gasaway PLLC has projected the enrollment of each facility using the 2017 cohort, the 2018 cohort and the enrollment model. The enrollment model generally falls between the 2017 cohort and the 2018 cohort. Graphing only the model projection for each facility by grade-grouping provides a visualization of the relative growth anticipated in each service area. Elementary school, middle school and high school graphs follow.




TUMWATER SCHOOL DISTRICT
MIDDLE SCHOOL PROJECTED ENROLLMENT
HEADCOUNT - OCTOBER ENROLLMENT
1400
1200
1000
800
600
400
200
0
2012
2013
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2015
2016
2017
2018
2019
2020
2021
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2024
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2038
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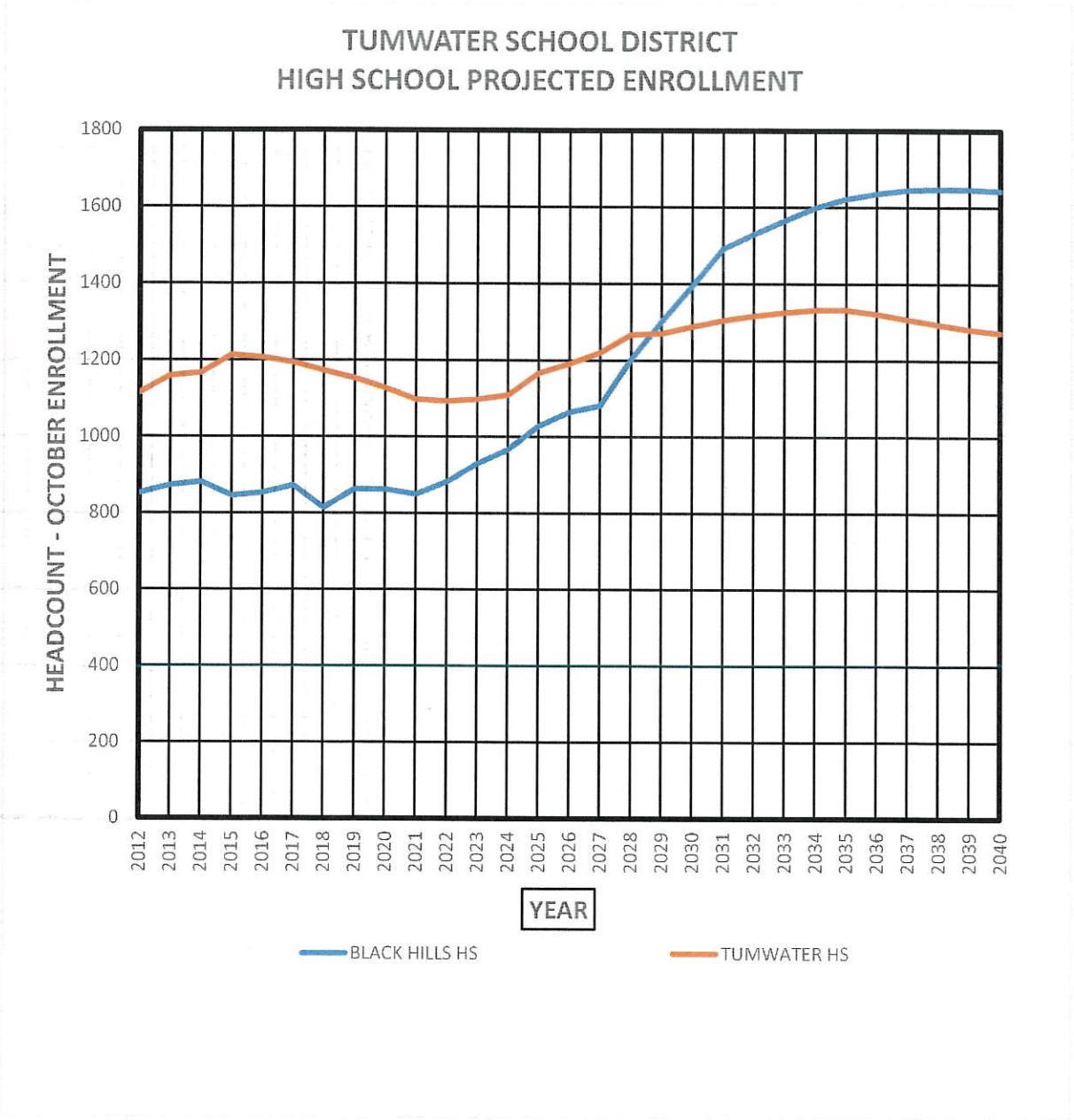
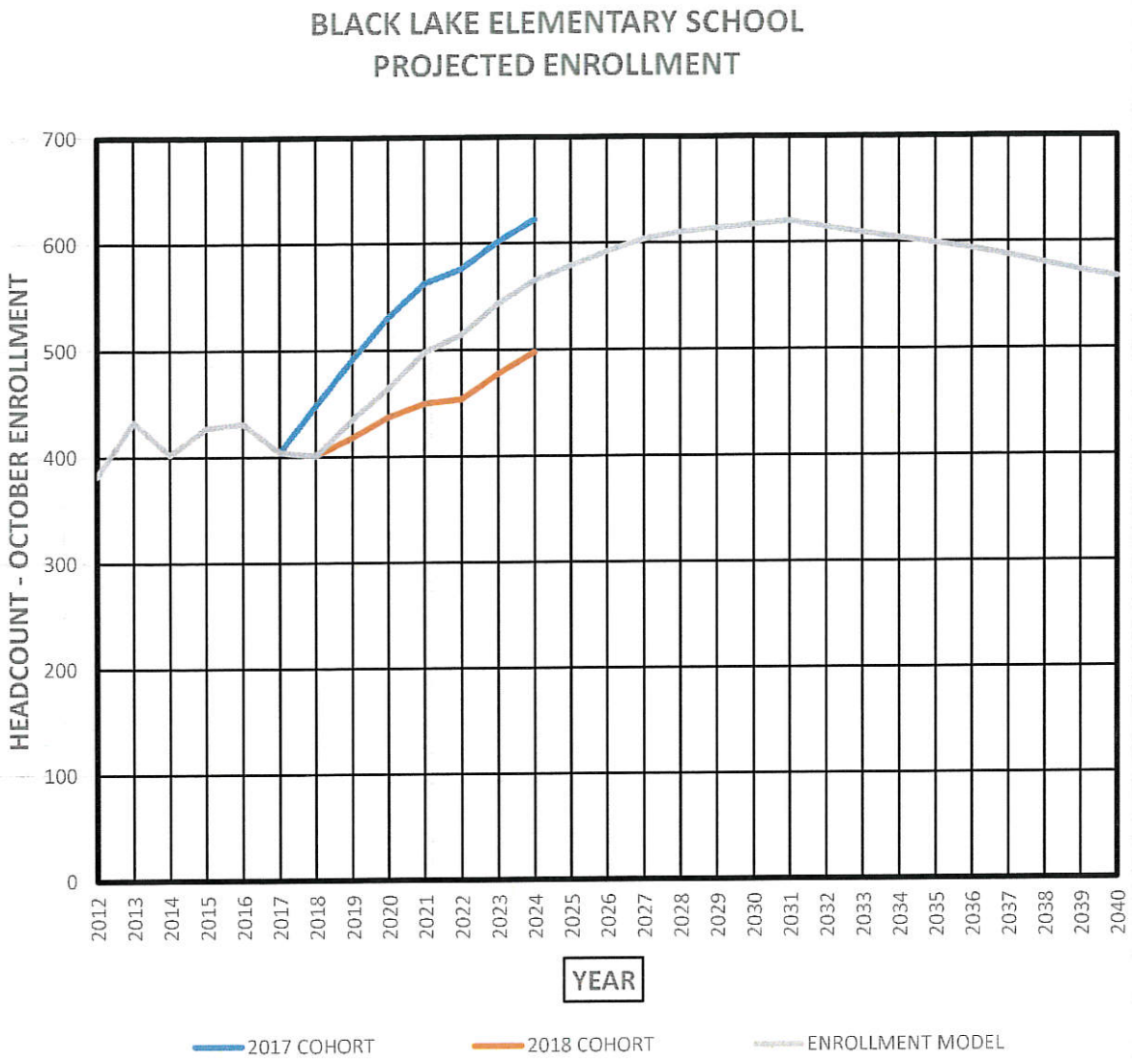
2040
YEAR
BUSH MS
TUMWATER MS



The graphs for each facility show the 2017 cohort, the 2018 cohort and the model projection. The cohort projections only extend to 2025. Cohort projections are only used to project about six years into the future. The model projections extend to 2040. Thurston Regional Planning Council provides population and residential unit projections to 2040. Model projections are only accurate to the extent that the underlying assumptions are accurate.


BLACK LAKE ELEMENTARY SCHOOL
PROJECTED ENROLLMENT
HEADCOUNT - OCTOBER ENROLLMENT
700
600
500
400
300
200
100
0
2012
2013
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2019
2020
2021
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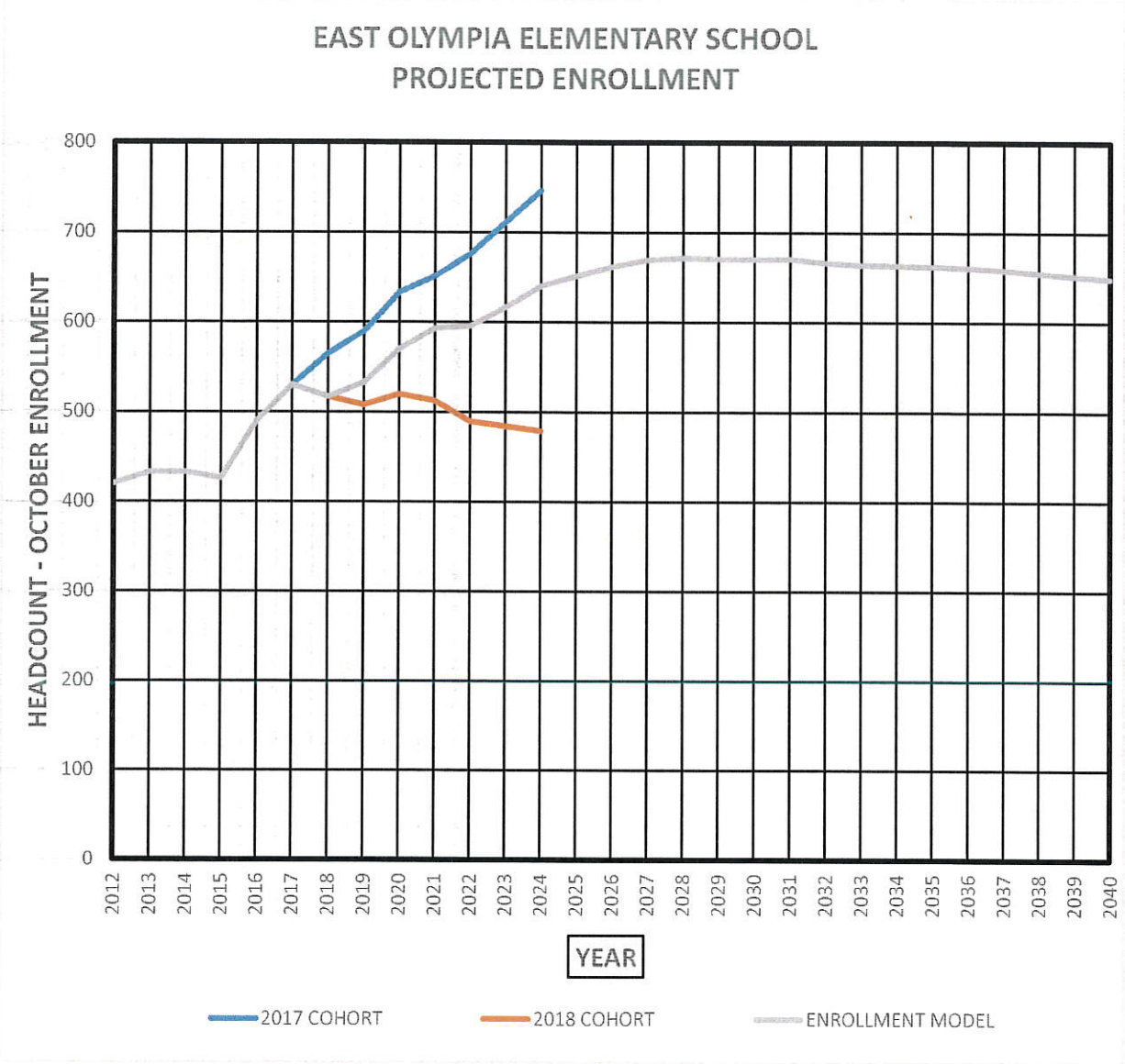
2040
YEAR
2017 COHORT
2018 COHORT
ENROLLMENT MODEL


EAST OLYMPIA ELEMENTARY SCHOOL
PROJECTED ENROLLMENT
HEADCOUNT - OCTOBER ENROLLMENT
800
700
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100
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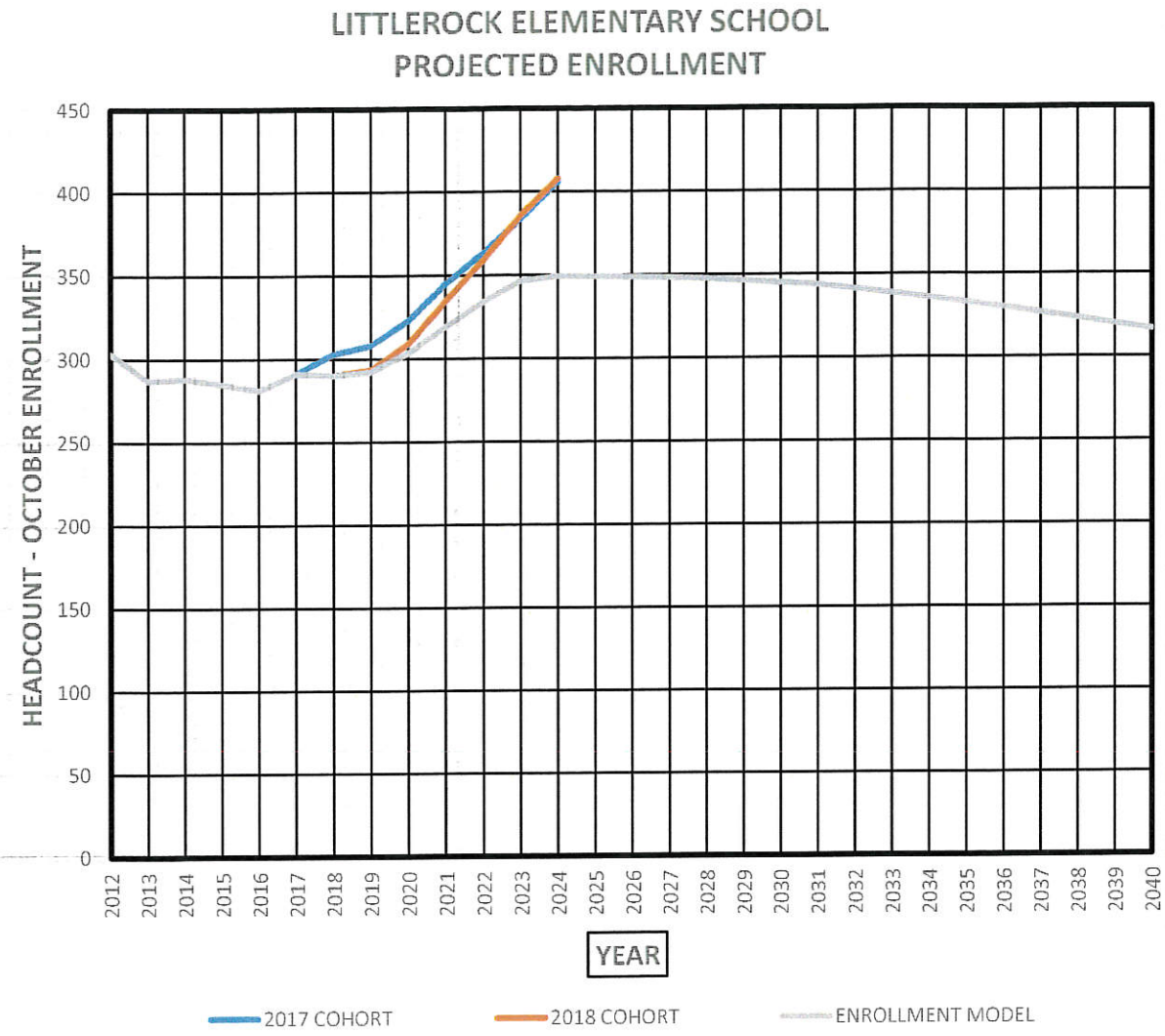
2035
2036
2037
2038
2039
2040
YEAR
2017 COHORT
2018 COHORT
ENROLLMENT MODEL


LITTLEROCK ELEMENTARY SCHOOL
PROJECTED ENROLLMENT
HEADCOUNT - OCTOBER ENROLLMENT
450
400
350
300
250
200
150
100
50
0
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021
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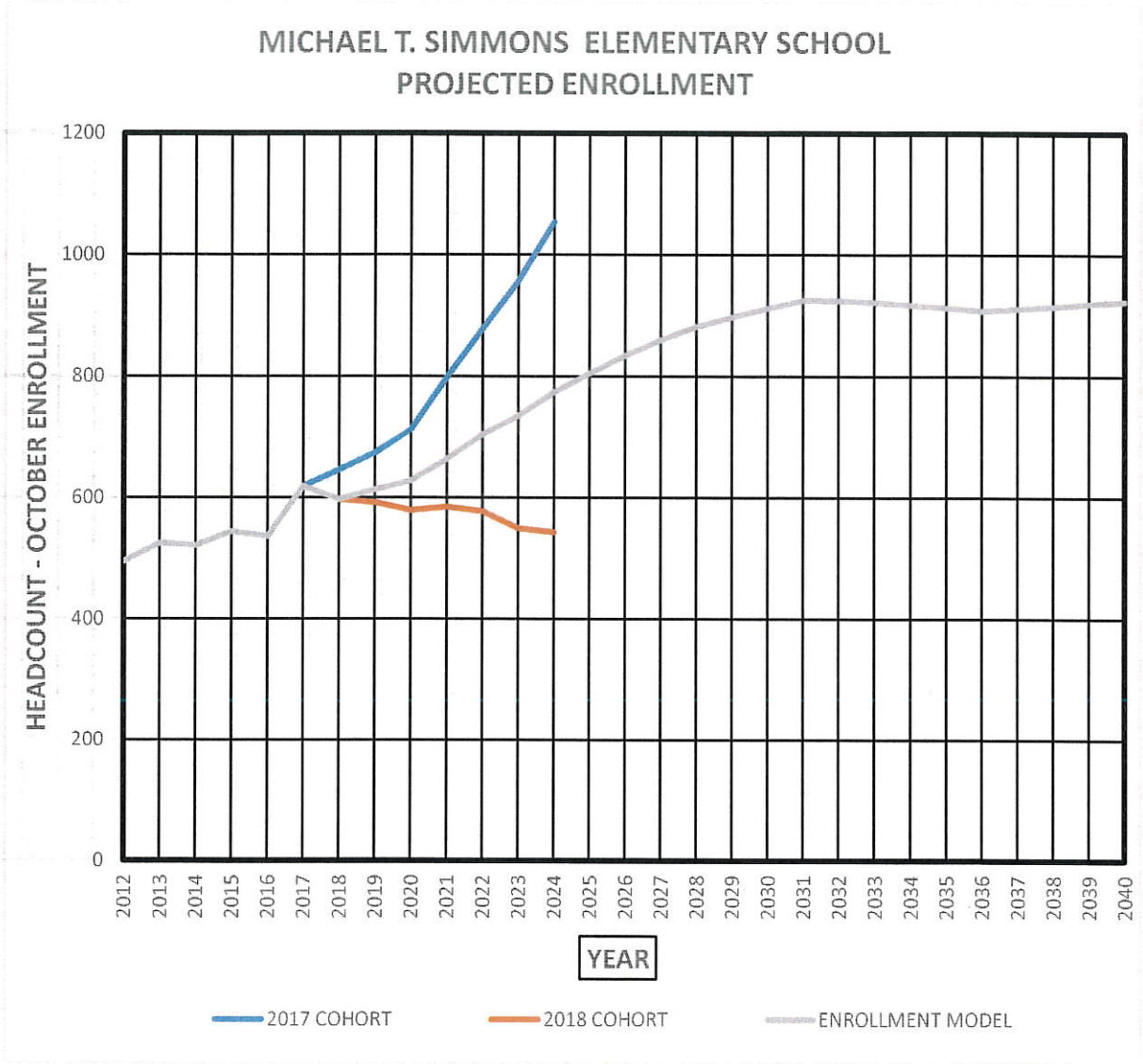
YEAR
2017 COHORT
2018 COHORT
ENROLLMENT MODEL


MICHAEL T. SIMMONS ELEMENTARY SCHOOL
PROJECTED ENROLLMENT
HEADCOUNT - OCTOBER ENROLLMENT
1200
1000
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0
2012
2013
2014
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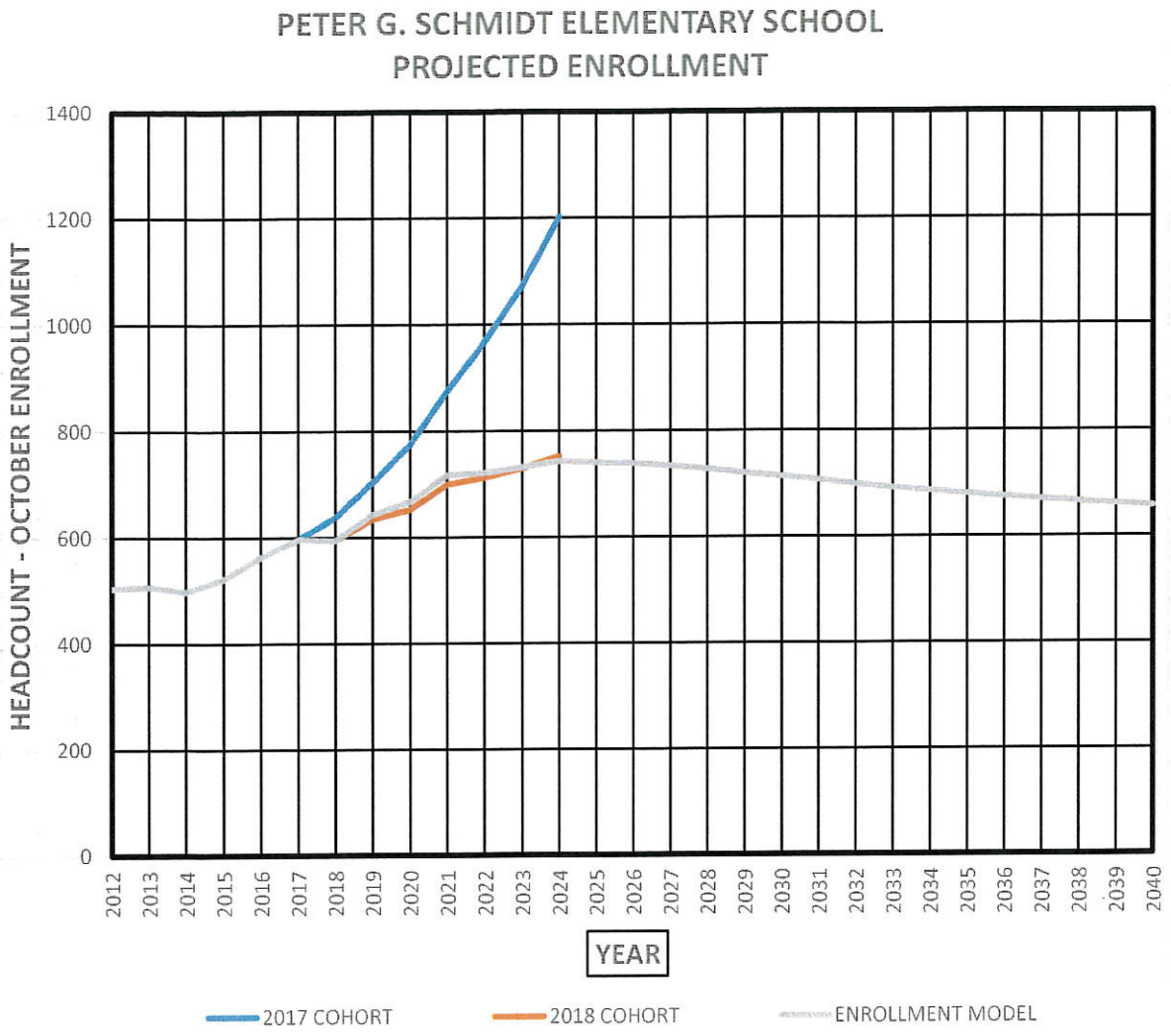
YEAR
2017 COHORT
2018 COHORT
ENROLLMENT MODEL


PETER G. SCHMIDT ELEMENTARY SCHOOL
PROJECTED ENROLLMENT
HEADCOUNT - OCTOBER ENROLLMENT
1400
1200
1000
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400
200
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2012
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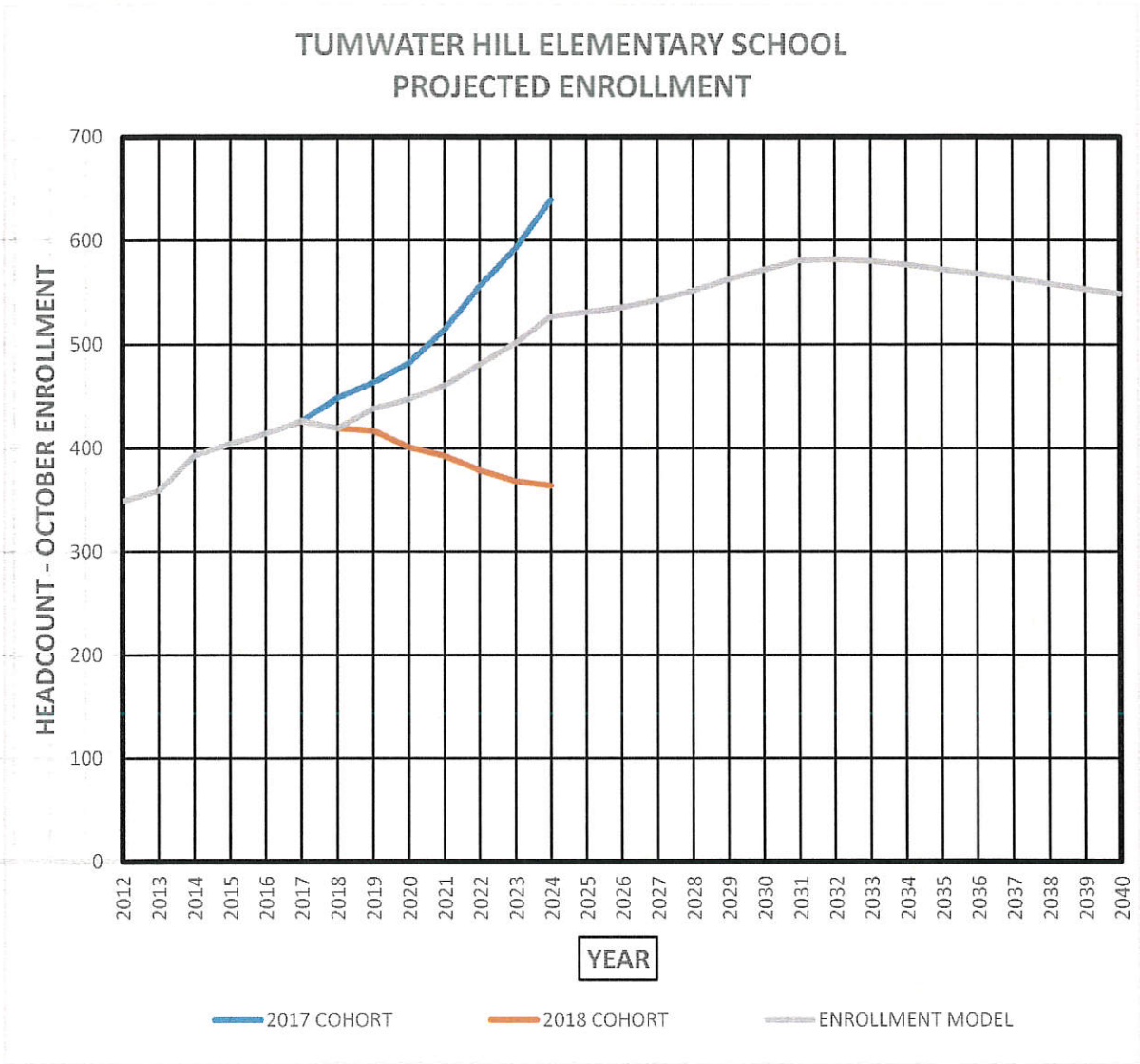
2039
2040
YEAR
2017 COHORT
2018 COHORT
ENROLLMENT MODEL


TUMWATER HILL ELEMENTARY SCHOOL
PROJECTED ENROLLMENT
HEADCOUNT - OCTOBER ENROLLMENT
700
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500
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300
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100
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2012
2013
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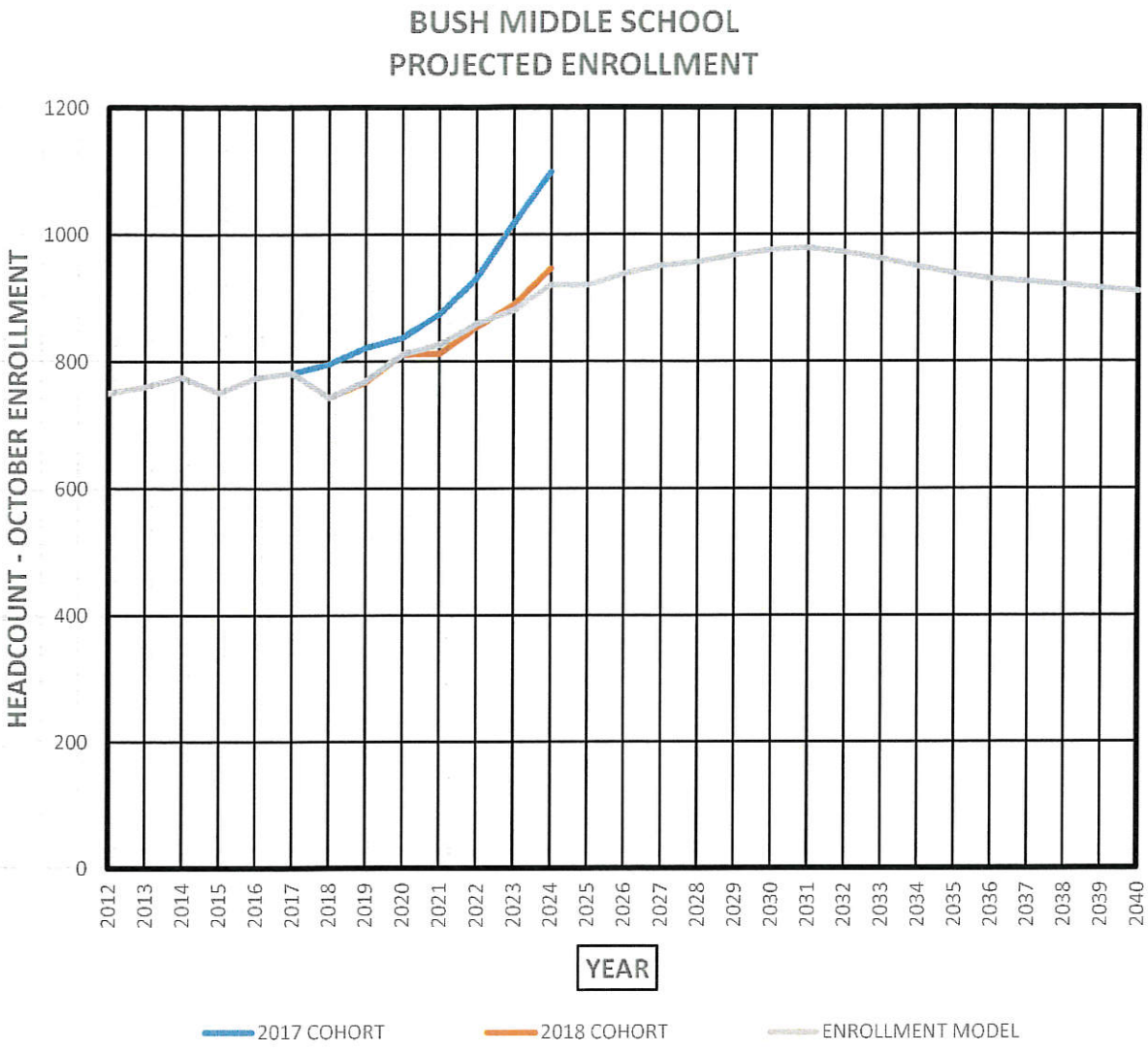
YEAR
2017 COHORT
2018 COHORT
ENROLLMENT MODEL


BUSH MIDDLE SCHOOL
PROJECTED ENROLLMENT
HEADCOUNT - OCTOBER ENROLLMENT
1200
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2013
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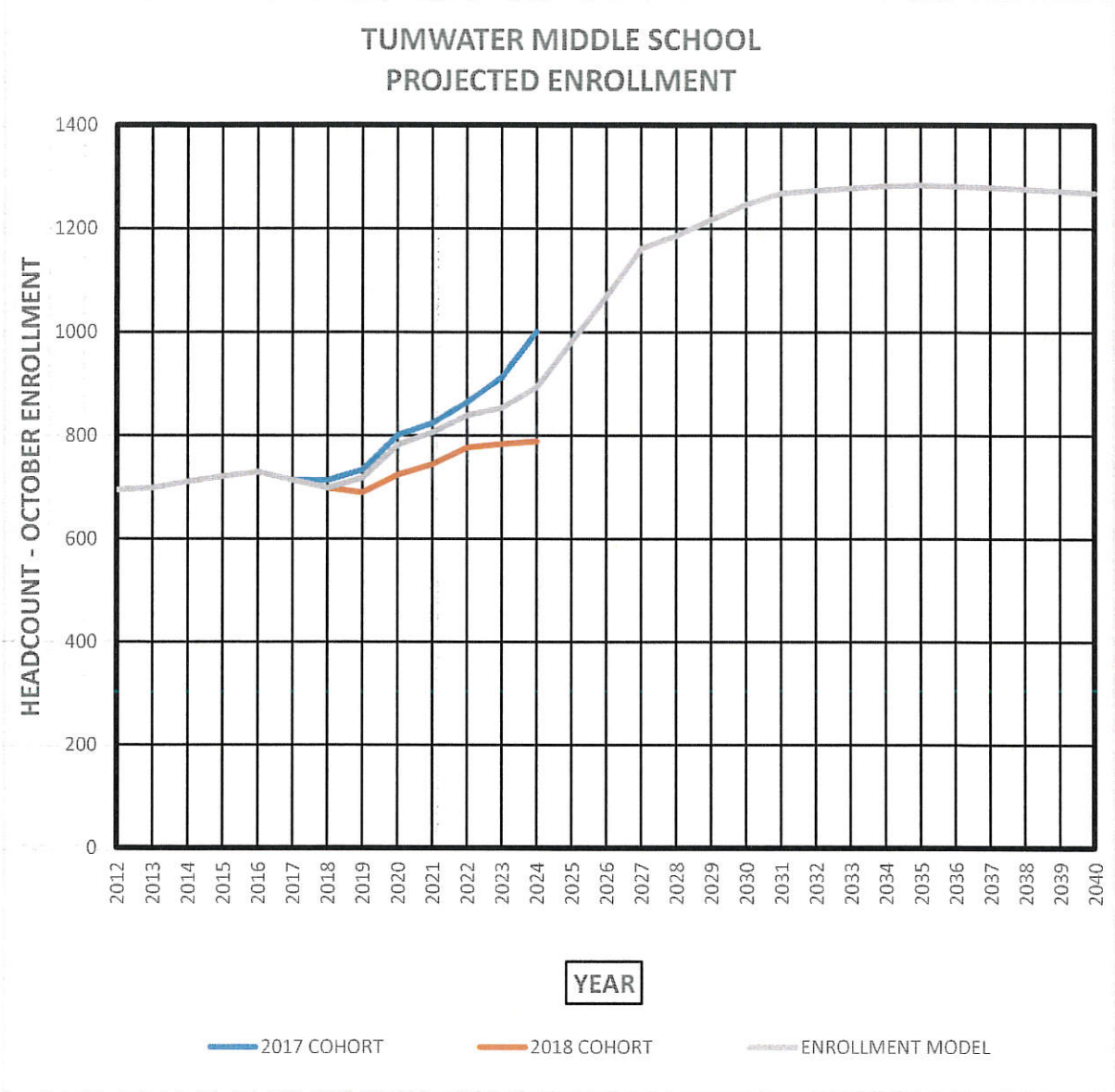
2040
YEAR
2017 COHORT
2018 COHORT
ENROLLMENT MODEL


TUMWATER MIDDLE SCHOOL
PROJECTED ENROLLMENT
HEADCOUNT - OCTOBER ENROLLMENT
1400
1200
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2012
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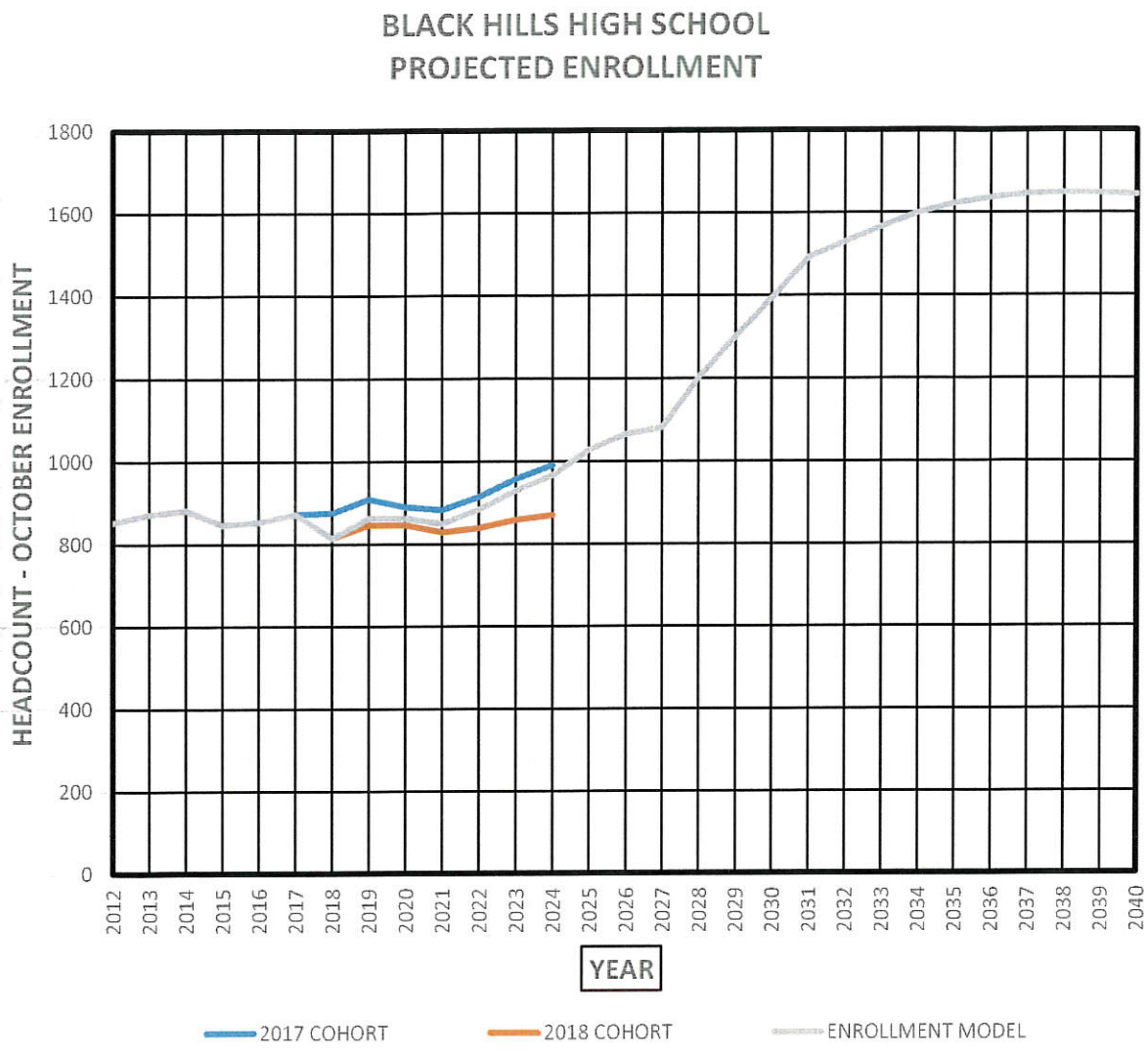
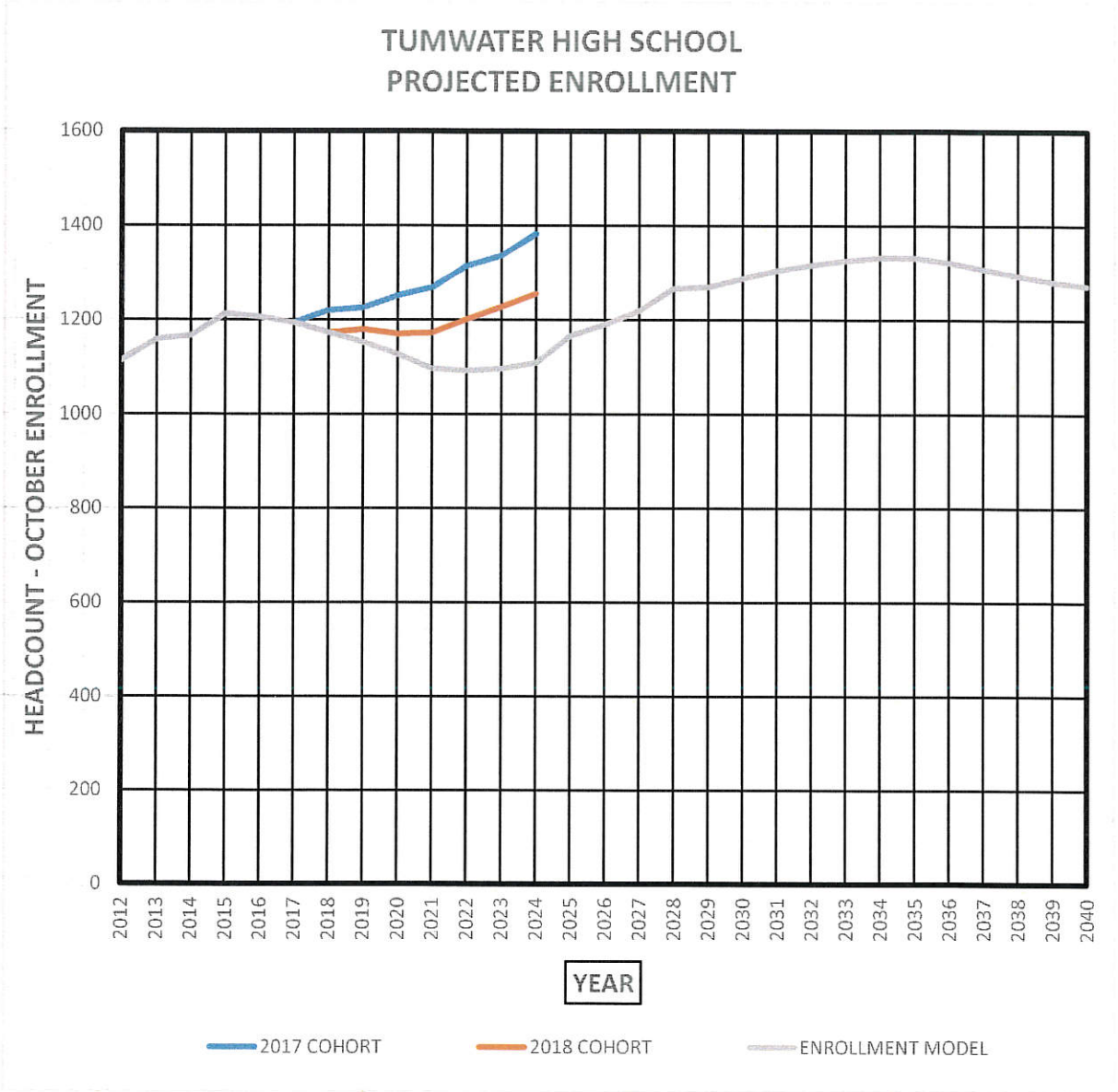
2035
2036
2037
2038
2039
2040
YEAR
2017 COHORT
2018 COHORT
ENROLLMENT MODEL


BLACK HILLS HIGH SCHOOL
PROJECTED ENROLLMENT
HEADCOUNT - OCTOBER ENROLLMENT
1800
1600
1400
1200
1000
800
600
400
200
0
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
2026
2027
2028
2029
2030
2031
2032
2033
2034
2035
2036
2037
2038
2039
2040
YEAR
2017 COHORT
2018 COHORT
ENROLLMENT MODEL


TUMWATER HIGH SCHOOL
PROJECTED ENROLLMENT
HEADCOUNT - OCTOBER ENROLLMENT
1600
1400
1200
1000
800
600
400
200
0
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
2023
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2037
2038
2039
2040
YEAR
2017 COHORT
2018 COHORT
ENROLLMENT MODEL

****END****