

# CITIZENS ADVISORY TASK FORCE

Meeting #1  
November 16, 2020

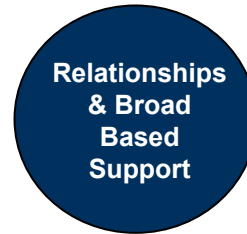
# Welcome

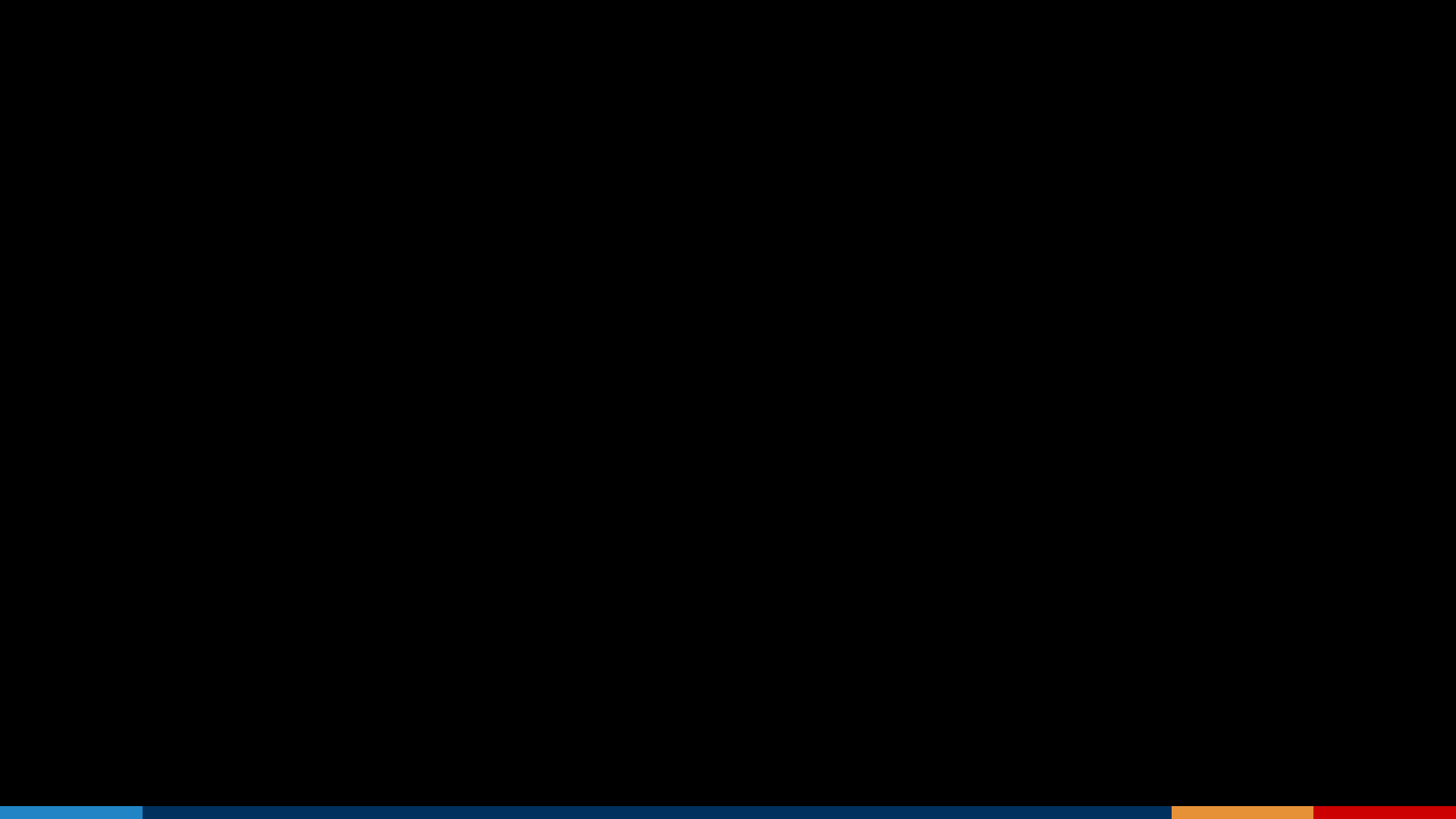
Barry Edwards  
Superintendent of Schools



# The Purpose & Work of the CATF

- ▷ Your charge was to study the most critical needs of the district and make recommendations that aligned with the Board's Priority Goals.
- ▷ You did this in January 2020.
- ▷ The Board of Trustees have identified the district's 2020-2021 priority goals in four key areas:





# Your Table Facilitators

Kenneth Parker



Amanda Brantley



Reba King



Karen Trevino



Daniel Brown



Jackie Waneck



Freddy Nunez



Emily Allen



# Your Facilitator

Alma Molleur



# Outcomes for Tonight

- ▷ Overview of Where We've Been Together & Reminders of Our Work Process
- ▷ Growth & Economic Development Trends
- ▷ Construction Market Conditions
- ▷ Bond Capacity & Tax Implications
- ▷ Overview of subsequent meetings



# Our Journey Thus Far

(Slide from Meeting #6 December 2019)

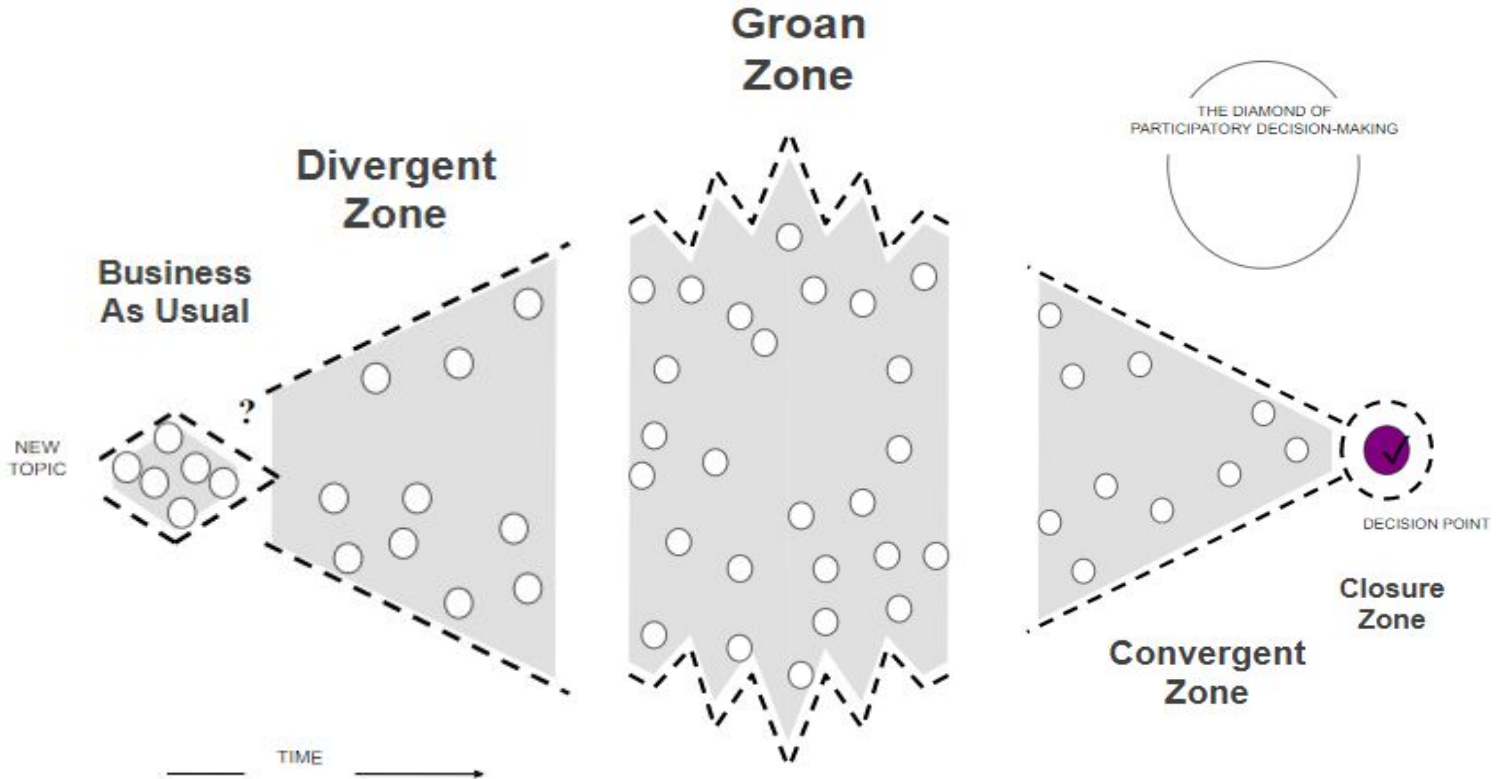
| Demographics & School Finance  | Vision for Teaching & Learning in BISD   | Educational Adequacy & Facility Conditions  | Guiding Principles & Priority Recommendations  | Financial Capacity & Related Tax Impact   |
|--|--|---|--|---|
| <p>Multiple Campuses Over or Nearing Capacity</p> <p>Continued Enrollment Growth</p> <p>1,100+ Students in 5 Years and 2,100+ Students in 10 Years</p> <p>Current Tax Rate \$1.371**</p> <p>Nearly 70% of Budget Goes to Instruction</p> | <p>Grade Alignment of PK-5, 6-8 and 9-12</p> <p>Full Day PK</p> <p>Minimized Transitions</p> <p>Enhanced Relationships</p> <p>Smaller Learning Communities 6-8</p> <p>Enhanced CTE</p> | <p>Facility Tours (meetings 2 and 3)</p> <p>Comprehensive Assessment Results</p> <p>Buildings and Facilities Are Well Cared For</p> <p>Deferred Maintenance List is Extensive</p> | <p>Safety Growth</p> <p>Grade Alignment</p> <p>Limit on School Size</p> <p>Straight Feeder Pattern</p> <p>No Tax Rate Impact</p> <p>Project Recommendations</p> <p>Must Dos, Should Dos, Wish to Dos</p> | <p>Fast Growth District</p> <p>Superior FIRST Financial Rating</p> <p>\$37.3 Million in Savings to Taxpayers Since 2009**</p> <p>7 Cent Tax Rate Reduction in 2019**</p> <p>\$140,535,000 Projected Bond Capacity with No Tax Rate Impact**</p> |



# Ground Rules

- ▷ One conversation at a time, no sidebar talk.
- ▷ Honor the time contract.
- ▷ Listen to understand, respect & honor others' input.
- ▷ Think WE not ME.
- ▷ Be kind.
- ▷ Be honest.
- ▷ Be relentless in pursuing consensus.
- ▷ Have fun!

# Dynamics of Group Decision Making



# Decision Making Process

Consensus

Sustainable Decision

Supermajority



A close-up photograph of several people's hands clasped together in a circle, symbolizing teamwork and consensus. The hands are of various skin tones and are wearing different colored sleeves (blue, white, green). The background is blurred, focusing attention on the hands.

**Consensus is our goal!**

# GROWTH & ECONOMIC DEVELOPMENT TRENDS

Cameron Cox, CEO  
Bastrop Economic Development Corp.

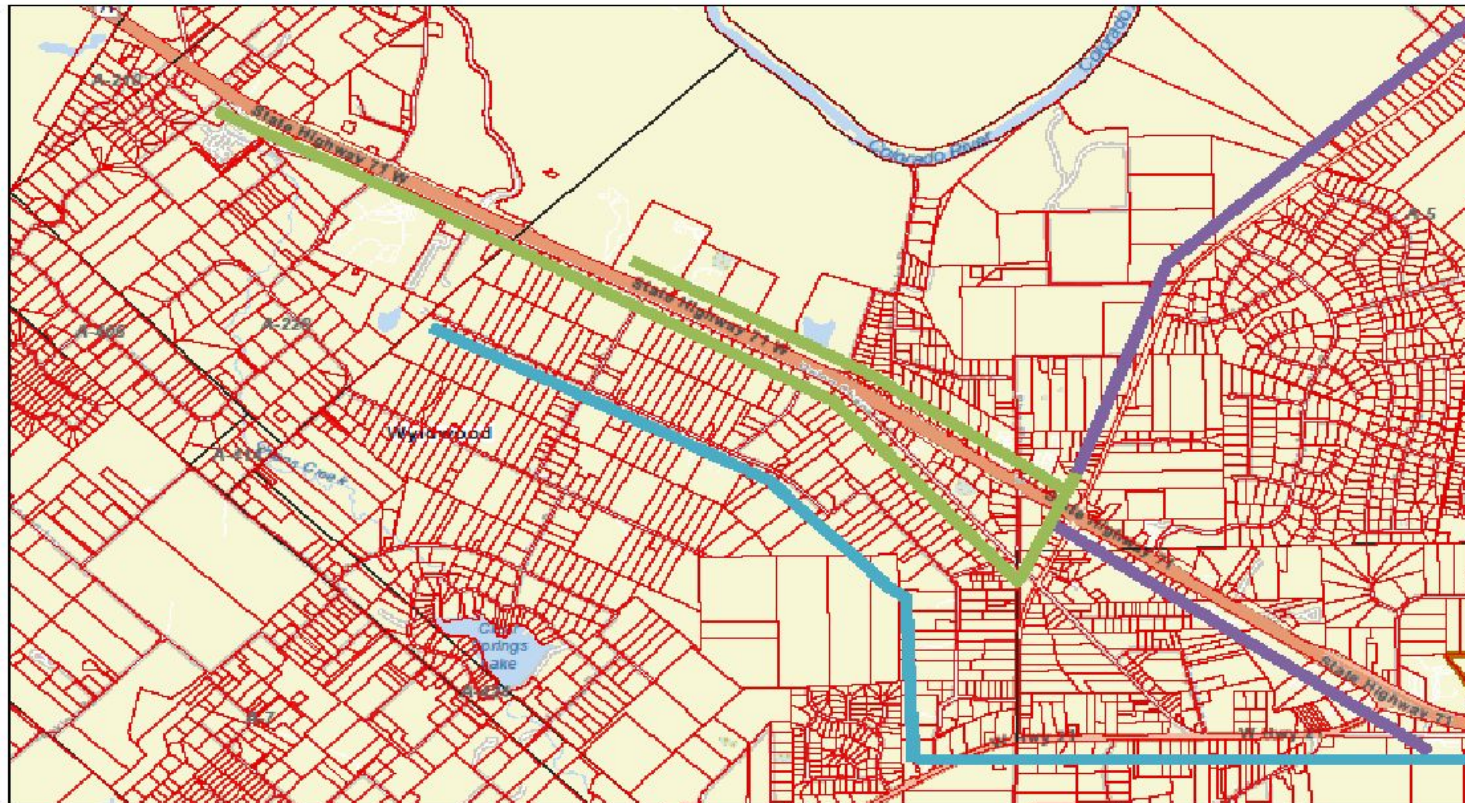


## City's ETJ & BISD Shared Jurisdiction

- ▷ Both BISD & City of Bastrop have large, legal jurisdictions covering rural Bastrop County to the Travis County line
- ▷ This is where the development is coming due to Tesla & Austin.
- ▷ This is the area the BEDC is interested in for a sewer study.
- ▷ Benefits City of Bastrop, BISD and our core strategic plans of strengthening our land for development and our schools.



# CORIX/BEDC 3-Phase Plan v1

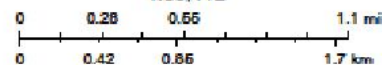


9/25/2020, 6:27:52 AM

 Abstracts  Parcels  City Limits

**GREEN** Phase 1  
**PURPLE** Phase 2  
**BLUE** Phase 3

1:36,112



Sources: Esri, HERE, Garmin, FAO, NOAA, USGS, © OpenStreetMap

Bastrop County Appraisal District, BIR Consulting - [www.birconsulting.com](http://www.birconsulting.com)

Disclaimer: This product is for informational purposes only and has not been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of boundaries.

# BEDC Study

- ▷ To be completed over next 5-6 months
- ▷ Will provide the feasibility, costs, and proposed locations for trunk lines, collection lines and treatment systems
- ▷ Needs to include BISD proposed schools and facilities



# Q & A

## Growth & Economic Development



# CONSTRUCTION MARKET CONDITIONS

Justin Huling  
Project Manager



## PRIOR TRENDS

- National Economy



- Texas Economy



## CURRENT CONDITIONS



## PROJECTIONS

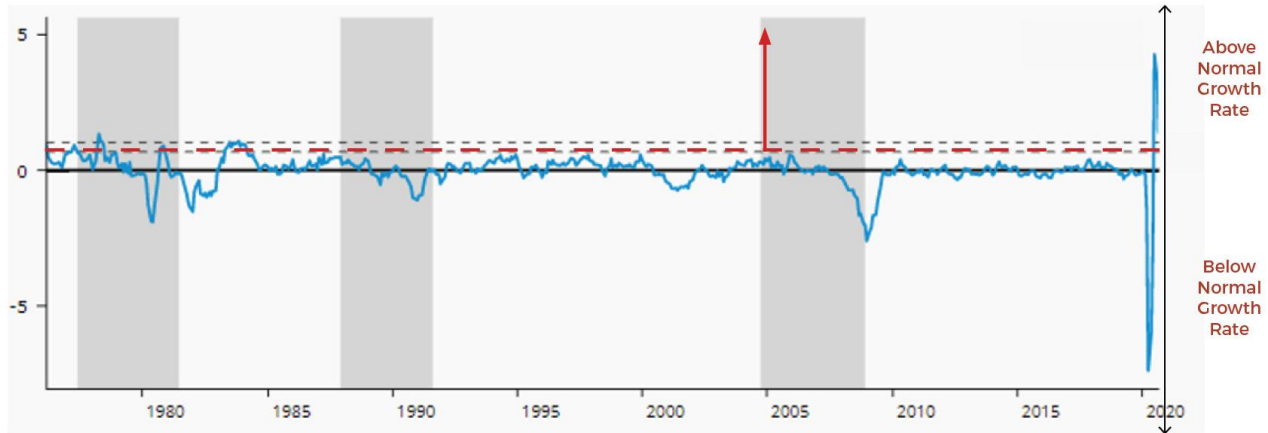


## WHERE WE HAVE BEEN



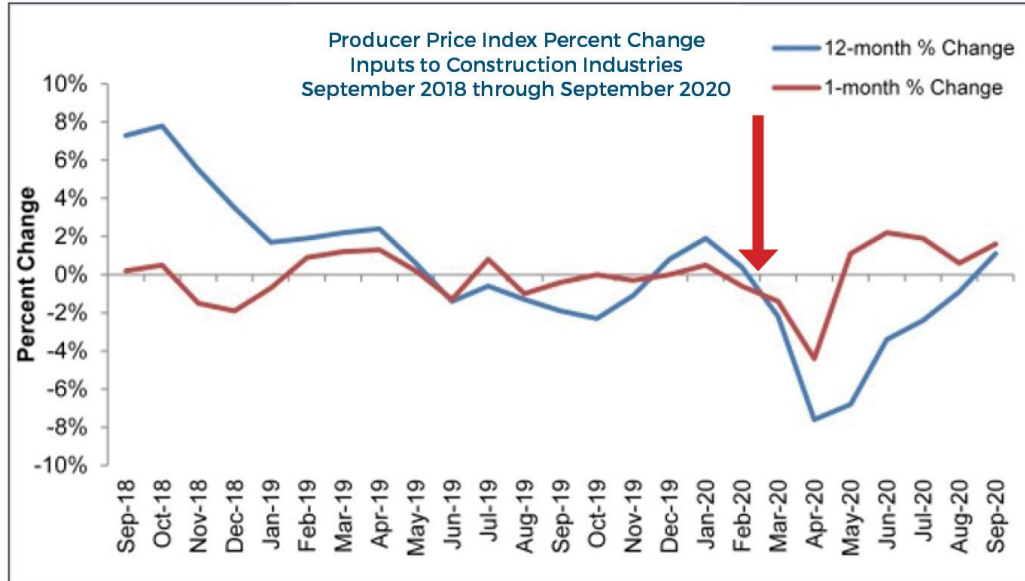
- SLOWDOWN STARTING IN 2007;  
RECESSION FROM 2008 - 2010
- SHARP INCREASE IN PRICES JUST PRIOR  
TO RECESSION
- STABLE ECONOMY FOR SEVERAL YEARS  
PRIOR TO COVID
- COVID AFFECTING LOCAL MARKETS  
AND GLOBAL SUPPLY

# NATIONAL ECONOMY



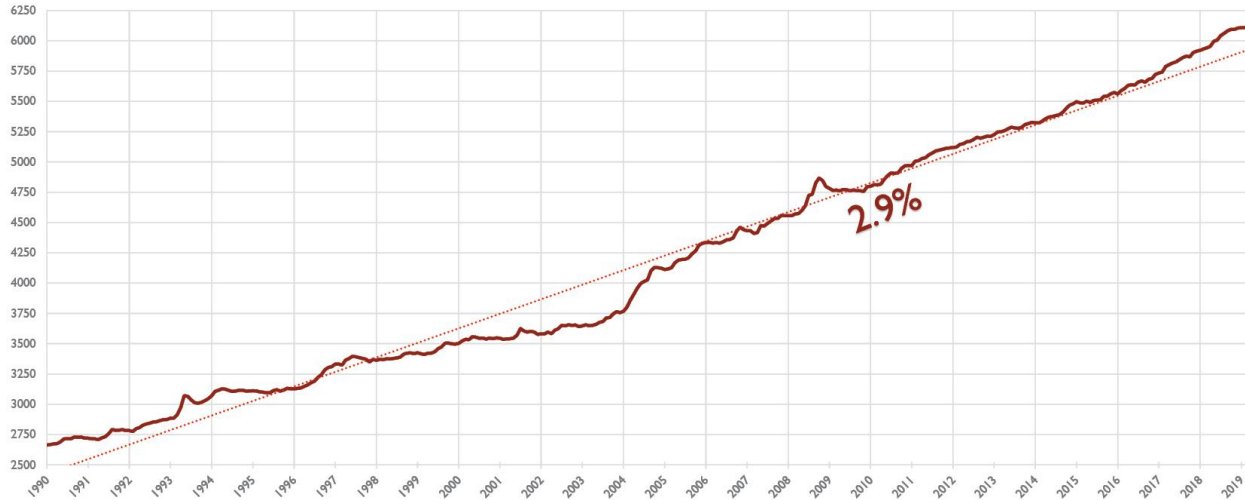
CHICAGO FEDERAL RESERVE - NATIONAL ACTIVITY INDEX

# CONSTRUCTION MATERIAL PRICES: NATIONAL



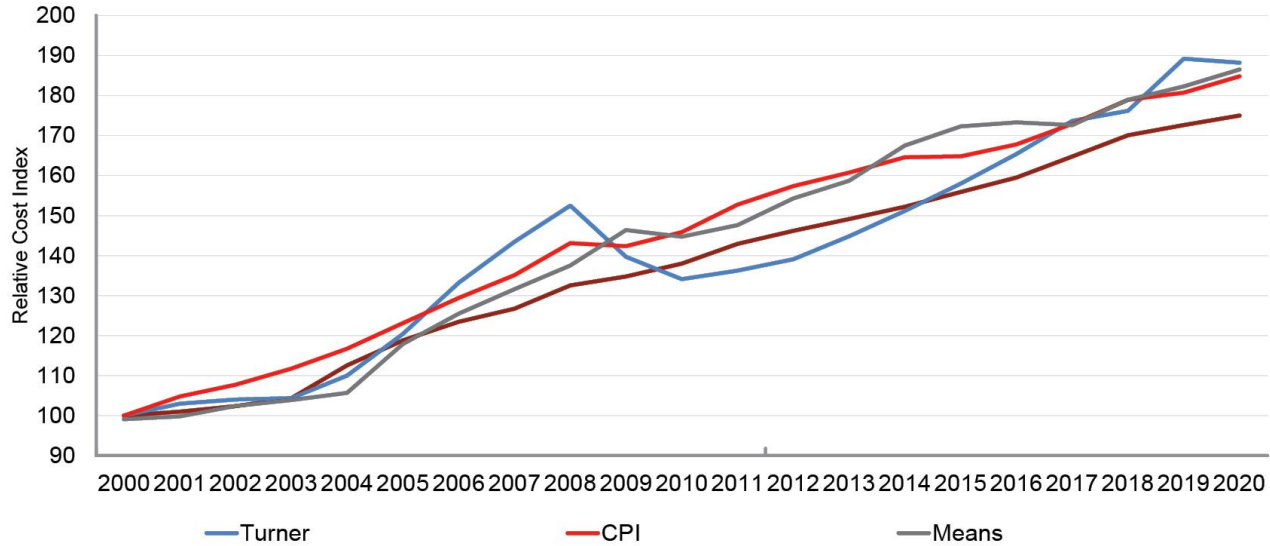
SOURCE: BUREAU OF LABOR STATISTICS

# NATIONAL BUILDING COST INDEX



SOURCE: ENGINEERING NEWS RECORD

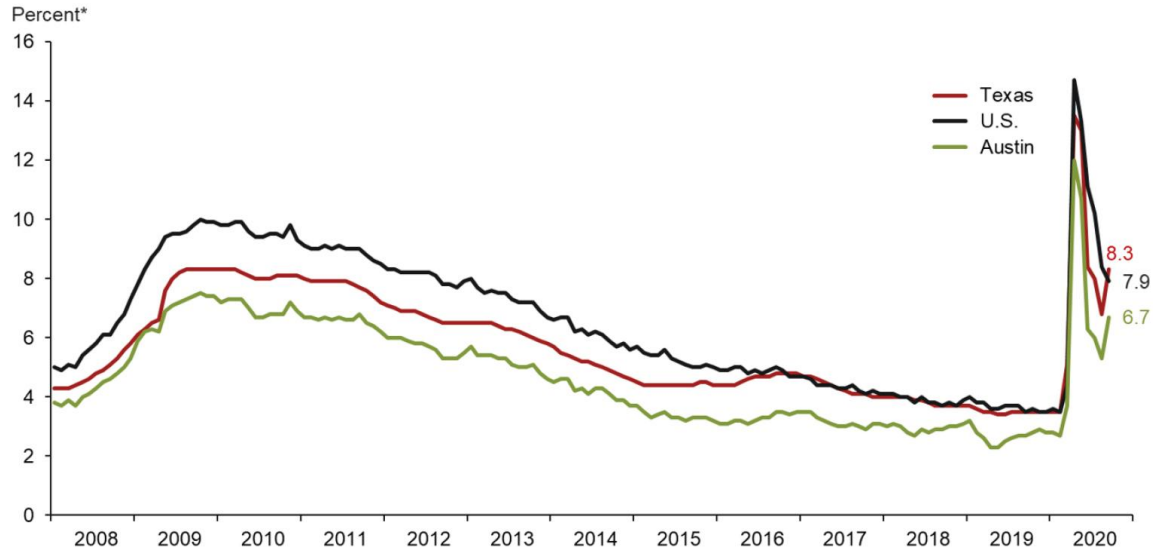
# INFLATION TRENDS







# UNEMPLOYMENT RATE



SOURCE: BUREAU OF LABOR STATISTICS

# CENTRAL TEXAS



**Bastrop County population increase of 19.6% since 2010\***



**Leading tech & automotive manufacturers investing in Texas**



**Austin MSA population increase of 29.8% since 2010\***



**School Bond Activity**



**Texas population increase of 15.3% since 2010\***



**Austin area resistance to economic downturn**

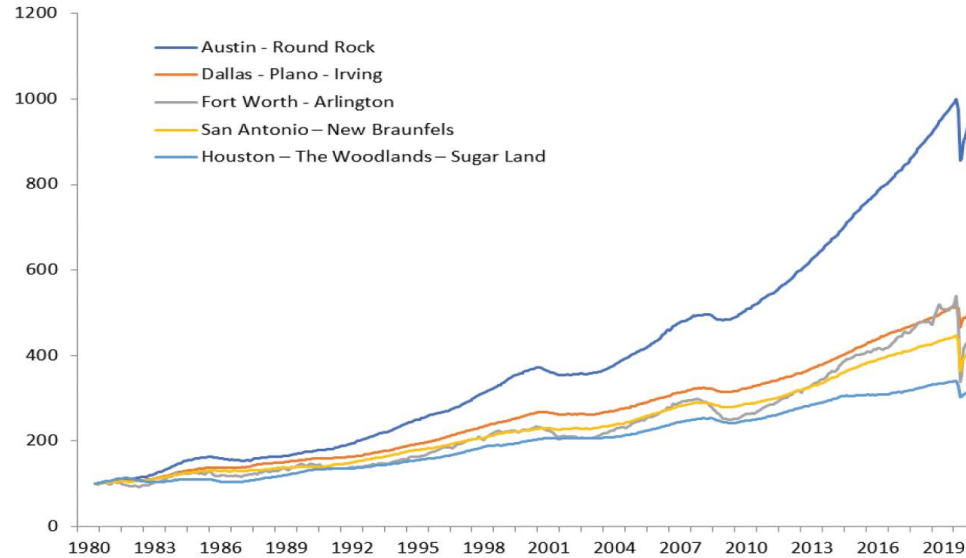
\*US BUREAU OF THE CENSUS

# BUSINESS CYCLE INDEX



## Business Cycle Indexes: Major Texas Metros

Index, October 1980 = 100\*



\*Monthly, seasonally adjusted  
Last data entry September 2020

SOURCE: FEDERAL RESERVE BANK OF DALLAS

amazon 

  
TESLA

 Apple

# REGIONAL SCHOOL BONDS



**\$7.5 Billion** in bonds passed in Texas in November 2020 election

**\$2.5 Billion** in bonds passed regionally around Bastrop in November 2020 election

**\$2.5 Billion**

- MAJORITY OF SUBCONTRACTORS ARE LOCAL TO THE AREA
- SOME TRADES AFFECTED MORE THAN OTHERS
- TIMING IS IMPORTANT
- RELATIONSHIPS MATTER

## EPA

- Manufacture of Polyiso Insulation
- Coal plant shutdown & fly ash

## TARIFFS & TRADE WARS

- Manufactured steel
- Lighting
- Kitchen components

## TRADE AGREEMENTS

- Renegotiation of NAFTA
  - ↳ Mexico is primary trade partner to Texas

## LOCAL ORDINANCES

- Recycling & energy mandates
- Flood plain revisions
- Updated building codes



## COVID-19 ACCOMMODATIONS

- **COVID-19 shutdowns affecting manufacturing and lead times**
- **Revised construction processes reducing productivity**
- **Contractors may sharpen pencils in the short term, but are subject to labor and material costs**



## DISTRICT TEACHING & FACILITY PROGRAMMING

- **Building programming of spaces**
- **Extra-curricular and co-curricular activities**
- **Updated design standards**



## GOVERNMENT POLICIES

- Energy codes
- Building codes
- Green deals



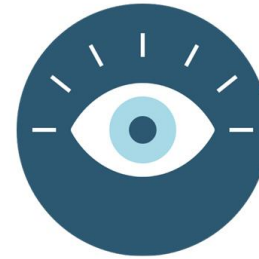
## ECONOMIC CLIMATE OF TEXAS AND AUSTIN

- Texas is the nation's largest exporting state
- Texas job growth is outpacing the national average
- Austin growth is outpacing the rest of the state



## EXPECT THE UNEXPECTED

- Plan for cost increases
- Anticipate code and ordinance changes



## USE THE PAST TO PLAN FOR THE FUTURE

- Pre-COVID business cycle expansion was 2nd longest in history
- Market still has growth indicators
- Sharp price fluctuations level out eventually
- Unexpected cost increases happen periodically



# Q & A

## Construction Market Conditions



# BOND CAPACITY & TAX IMPLICATIONS

Josh McLaughlin  
BOK



[Presentation](#)

























































# TABLE TALK

## Bond Capacity & Tax Implications



# Lingering Questions







what's next?

- ❑ Meeting #2 is December 7 at 6:00 pm
- ❑ Cedar Creek High School
- ❑ Consideration of Additional Projects for Bond Recommendation