



Newmarket Joint Advisory Committee Newmarket Town Council Chambers



PROGRESS REPORT TO THE JOINT ADVISORY COMMITTEE JANUARY 6, 2015

We are calling this a progress report because we are still missing data that will make a final report possible. We need to re-examine the timeline that we have tried to adhere to, and which other more rational beings have counseled would be difficult, if not impossible to reach.

Less than four months ago, on September 25, 2014, the Joint Advisory Committee first met, and formal work on our project began. According to the proposal submitted by the consultants, "The intent of the Independent Consultancy proposal is to conduct a review and examination of existing data that has been collected regarding the facility at Newmarket Junior/Senior High School; of the various options that exist to resolve facilities issues; and to provide guidance and recommendations regarding next steps." The options under consideration were (1) tuition Newmarket Senior High School Students to another school district; (2) addition/renovation of the existing facility; and (3) construction of a new facility.

The proposal calls for completion of a data report, convening focus groups and a public forum, inclusion of the input gained from those events, and a final presentation to the School Board and Town Council. Given the lateness of the start of the project, and the requirements of the work, many felt that it would be impossible to complete the report in time to present a major warrant article in March of 2015. Subsequent events have proven that feeling to be accurate. We have still tried to complete our work on the data report by the end of December, hold public events in January, and issue the final report in early February. As is clear from this progress report, we will not be able to fulfill that schedule. In addition to the very late start of the project, a great deal has been added to the scope of the work.... appropriately.... and to the analysis of the options, as will be discussed shortly. Simply establishing a framework for the project took considerable time. Finally, some needed data has been slow in coming, usually understandably so, but not always.

The initial fundamental questions regarding each option were: (1 Tuition) Are there districts within a reasonable distance from Newmarket with the capacity and potential interest to engage in a long term tuition contract with Newmarket; (2 Renovation) Is the current facility capable of sustaining renovations that could

modernize the facility; (3 Construction) can a smaller, trimmer new facility than those that have been proposed in the past meet Newmarket's needs?

The Joint Advisory Committee soon delved into additional areas for inquiry that would add substance to the project. The first was to develop a framework for evaluating **educational quality**. The idea was that none of the options should be considered in a vacuum, and that the resulting impact on the educational program and educational outcomes for Newmarket students should be considered as the options unfolded.

As part of its quality measures, the JAC adopted the following working definition of a quality educational system:

A system that provides students with the essential knowledge and skills necessary to function positively and productively in a democratic society and to meet the challenges of an ever-changing world. This includes helping students obtain skills in critical thinking and reasoning, communication and social interaction, and problem solving in order to achieve their individual potential and to become lifelong learners.

The JAC further decided to utilize the following inputs for assessing the quality of a system: (1) Course offerings, (2) Graduation requirements, (3) pupil teacher ratios, (4) Faculty salaries, and (5) per pupil expenditures.

Finally, for outputs, the JAC considered NECAP Assessment results, and dropout rates.

A second area that added to the original proposal was consideration of the facility needs of the **Elementary School** as well as those of the Jr/Sr High School.

The third area of substantive inquiry dealt with **economics and demographics**. It is clear that New Hampshire as a state, and Newmarket as a community, is dealing with a very new economic reality, and this reality has an impact on any consideration of Newmarket options. For twenty years, or more, New Hampshire enjoyed a strong economy relative to the rest of the region, overall population growth through in-migration, and growing student enrollments. The New Hampshire Legislature inevitably funded building aid, and helped support the State Retirement system to which educators were required to belong. Under these circumstances projects began with a consideration of the size required, followed by consideration of the quality desired, and only then by an analysis of the cost involved.

Those conditions no longer exist, and will not exist for the foreseeable future. Numerous studies have referred to the "Graying of NH." In-migration has virtually disappeared. Student enrollment has declined, in some communities precipitously.

State Building Aid has disappeared, and the State no longer contributes to the Retirement System, passing millions of dollars down to the local level.

Under these circumstances, the JAC believes, and we agree, that fiscal analysis and financial sustainability of any option should be at the center of the discussion. Thus, the fundamental questions must include financial considerations. The question is no longer simply “what quality do we desire, and how much will it cost,” but “how much can we afford, and will the proposal provide us enough quality for what we can afford?”

We spent a substantial amount of time around this question. Given difficult economic conditions, NUMBERS become even more critical than usual. What is the best estimate we can make of future student enrollments? In construction, what size is necessary to provide for that enrollment? What kind of contract would be necessary to sustain a long term tuition agreement? What is the tax impact of any of these options?

Clearly, the goal is to find where the best educational quality we can develop intersects with financial sustainability.

So, the project has become more complex during the short time we have been together. Let’s see part of what we have done so far.

We have settled on the 2014 NESDEC Enrollment study as the basis for our projections, after examining the 2010 NHSAA enrollment study, the 2013 NESDEC study, and doing an enrollment projection of our own, based on student enrollments in Newmarket from 2000 on. The NESDEC study is the most recent, and the most sophisticated of the studies. It also reflects the lowest student enrollments of all the studies examined.

In examining the tuition option, we have identified two school districts that have the capacity to take Newmarket students and are willing to discuss a long-term tuition contract. We have examined three tuition contracts already in effect, and are comparing those contracts to current operating costs in Newmarket. This option is potentially viable, depending on the actual contract that would be negotiated. What we will be able to do is to identify what conditions would have to exist to make a tuition agreement financially viable. We will also address the advantages and disadvantages of a tuition agreement in general, and the educational advantages and disadvantages of an arrangement with the districts we have identified.

We have yet to identify what improvements should be made to the existing Jr/Sr High School facility for the remaining students in grades 6-8, and to factor this into the equation.

We have examined the current structure in relationship to a possible addition/renovation project. We have consulted with a structural engineer and an

architect familiar with buildings such as Newmarket's, and have had them visit the building. The structural engineer had already done some work with the building in the past. We have been concerned.... perhaps overly concerned.... with issues related to modern seismic codes when renovating older buildings. We have come to two conclusions, which we will explicate in our final report. First, the buildings are suitable for renovation, and it will be possible to work within the requirements of seismic codes. We have also very recently received encouraging news relative to the cost of such a project. While we have not yet completely vetted the numbers, and have a number of questions remaining, we are very optimistic that this option may also be viable. We should be able to provide more specific numbers soon. Once we have those numbers, we will also discuss the advantages and disadvantages of this option.

We have also made progress in regard to the New Facility Option. We have examined bond limit capacity statutes/regulations regarding the size of approvable bond issues. Given the lack of state building aid, and examining bond issues in other communities, we are recommending that Newmarket not exceed 50% of total bonding capacity. We have identified what we consider to be an appropriate sized building, considering the NESDEC student enrollments, and state standards for square footage per pupil, and we have established a reasonable square foot cost for the building. Our next step is to once again define the advantages and disadvantages of this option, to determine its ultimate economic and educational viability.

There is much left to do. First, we have to address the Elementary School needs, and the needs that have been expressed for athletic fields. Although these needs were not contained in the original proposal, those aspects will need to be included in examining any of the options,. There have also been some important questions raised regarding the feasibility and cost of operating a single building if high school students are tuitioned to another district. Similarly, a question has been raised regarding the future of a separate SAU in Newmarket if high school students are tuitioned out. These questions are beyond the scope of this study, but where they belong on a final report is still an open issue.

As a result of all this, we recommend that we be allowed additional time to complete the report and to hold focus groups and a public forum later in the spring. Since we will not complete the report in time for any substantive action to be taken based on the report this March, we have the "luxury" of making sure we are very clear and precise with our results. Also, since the goal is to have a warrant article for March of 2016, the conversation can shift to a discussion of proper timing and planning for next March.

From the beginning, we have been urged to prize quality of speed. We believe that additional time will enhance the quality of the report itself, and of the planning which can ensue from the additional time. Finally, given the emphasis on cost that we have spoken so much of in this summary, we are looking only for additional time to complete our task, and not additional funding.

In summary, the Consulting Team is recommending discussion of the following topics for recommendation to the School Board :

1. Add the Elementary School to the scope of work for the study
2. Extend the timeline for completion of the study

For the January 20th JAC meeting we suggest the following topics be included on the agenda

1. Discussion of data associated with Renovation of the Jr/Sr High School
2. Establish a revised schedule for completion of the final report
3. Review data to be used in analyzing costs of options
4. Discuss format of the report
5. Discuss the process for the JAC to receive the report and comment upon it
6. Discuss recommendations for School Board action after the report is formally presented

Thank you for your consideration

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(January 4, 2015)