



CBAC Meeting #1, March 29, 2023

Questions & Clarifying Topics Submitted by Committee Members

- 1. (Teaching & Learning) The Teaching and Learning Connecting the Dots presentation left one dot out. The school board needs a connection to the administration and family and community. These elected people make many of the final approvals on most all components of education. Where is the Board's role in this flow of connections?**

RESPONSE:

The presentation was designed to highlight the impact of campuses' structural conditions and spaces on quality instruction and student learning. The Board plays an important role in supporting schools, students, and outcomes through their governance and guidance.

- 2. (Finance) If the Texas Permanent School Fund (PSF) Bond Guarantee Program, which is currently capped under federal law (Internal Revenue Service) at \$117 billion, reaches this cap, will it have an effect on Katy ISD bonds?**

RESPONSE:

Katy ISD has stand-alone underlying ratings of 'Aa1' from Moody's and 'AA' from S&P while the PSF has ratings of 'Aaa' from Moody's and 'AAA' from S&P. If PSF capacity is exhausted and not available at the time that Katy ISD sells bonds, our underwriter at HilltopSecurities projects that the difference in interest rates with, versus without, the PSF Guarantee would be between 0.10% and 0.12% for Katy ISD. An interest rate this small does not materially impact our issuance and tax rate calculations/projections.

- 3. (Operations) I had a question and some thoughts about the Long-Range Facility plan that the Operations team presented. Looking at the handout, it appears that any consideration for HS 11 is possibly not being addressed in this bond cycle.**

- If we're expecting to need HS 11 by 2028 and we don't currently own land for it, wouldn't we need to purchase that land in this cycle, considering the timelines laid out in the meeting (5+ years ahead of opening for new land and 3+ years of constructions for a HS)?
- If we don't at least purchase the land in this bond, then wouldn't we run the risk of being too late with land and construction if we wait until a potential 2026 bond cycle?
- It would also seem like a good investment in the case that we didn't need the land after all. Land in Katy is likely not going to get any cheaper. If it appreciates and we don't need it, as unlikely as that seems, that wouldn't be the worst thing ever, right?

RESPONSE:

Yes. The plan is to purchase land for High School 11 utilizing the 2023 authorization. And we agree with your analysis listed in the three bullet points.

4. **(Vouchers) How would a legislative passage of a vouchers program impact Katy ISD and the district's need for future schools bonds?**

RESPONSE:

With almost 30 "voucher" type bills filed in the legislative session it would be difficult to speculate which Bill will get across the finish line, if any. The Texas Education Agency has stated that approximately 250,000 students in Texas are served by private schools and that a reasonable number of students that private schools could take in 2025 would be 10% or 25,000 students in Texas. Senate Bill 8 commits to an education savings account of \$8,000 per student. With the cost of private education at approximately \$20,000 a year, will the \$8,000 be a driving factor in parents selecting a private school over Katy ISD? We are confident that Katy ISD will need these additional schools as Katy ISD is expected to serve over 115,000 students when built out.

5. **(Operations) Why are portables installed at newer campuses?**

RESPONSE:

- **Growth-** As the district builds out, schools become overcrowded and need to house more students and staff. Generally, portables are added to support that growth. When existing facilities are relieved by a new campus, some of those portables are able to be removed. However, we are not always able to eliminate portables at campuses due to several factors; programs, regeneration of neighborhoods, and schools that continue to stay large even in built-out neighborhoods.
- **Programs-** Student programs are a large "driver" for portable needs. Campuses offer several special education programs as well as programs like Gifted and Talented; all of which require additional classroom space, and many times, with small groups of students who require small group instruction.
- **Building Additions-** Historically, Katy ISD has added space to buildings through bond elections. Most recently in the 2021 bond, we added building additions to Katy Elementary, Schmalz Elementary, West Memorial Elementary, Winborn Elementary, and McDonald Junior High. In the 2023 bond, we are proposing building additions to Pattison Elementary, Beck Junior High, and Katy Junior High. Although we are not able to eliminate all portable buildings throughout the district, we are working toward creating additional classroom space at campuses (when needed) as they are renovated.

6. **(Operations) How and when is the district purchasing land and how are drainage needs being addressed?**

RESPONSE:

- **Drainage-** Following Hurricane Harvey, the State of Texas, as well as our counties, have added new regulations related to flood mitigation. These flood mitigation requirements have forced developers and school districts to provide for additional drainage as they construct new facilities; commercial sites, home sites, and school sites. As a result, tracts of land that in previous years were large enough to build on, are now contracted to accommodate the new building requirements and the additional drainage. This requires developers and school districts to purchase larger tracts of land to accommodate their projects.
- **Land Purchases-** Katy ISD utilizes PASA demographic data as well as historical demographic data to determine land and facility needs for the district. The Katy ISD Facilities, Construction and Planning team works with Consolidated Properties, a commercial realtor, to locate, evaluate,

and purchase land and/or facilities for the district. This process requires School Board action and approval.

7. (Communications) What is the plan for communicating the needs for a bond, should the committee recommend one?

RESPONSE:

A successful bond campaign starts long before a school board decides to place a proposition on the ballot. Understanding the community's vision for public education in Katy ISD, establishing community trust, effectively communicating the problem and need, and building community-wide support are all key factors in our community's receptiveness to passing a schools bond. Good research that measures a community's perceptions, alongside their appetite for a schools bond at a given point in time, is also critical in pinpointing information needs and gaps, as well as audience specific messaging. The factors mentioned must also be encompassed by year-round communication highlighting district and campus outcomes, successes, growth, and challenges — all while ensuring that such messages are targeted to specific audiences in the places they seek their information (i.e., TV, social media, school groups, social groups, newspapers, etc.).

Core groups of community members, like the bond committee, play one of the most integral roles in building support for a bond. Because the bond committee will have dedicated a significant amount of time and energy to reviewing, discussing and vetting needs, and will ultimately make the decision on whether to recommend a bond package, this group is key to communicate the need for a schools bond.

Some of the strategies that are historically employed throughout Katy ISD bond informational campaigns include frequent social media messaging, media features with local TV, newspaper, and radio outlets, website information, direct mailers, video messaging from campuses impacted by proposed projects, weekly staff e-newsletters, senior citizen communications, and speakers bureaus that involve bond committee members, Trustees, and district personnel sharing information about the bond with community organizations that include civic, economic development, chambers, rotaries, PTAs, and other groups throughout the greater Katy area.

There will also be an opportunity for the bond committee to establish a sub-committee known as the CBAC Communications Committee. This sub-committee would be charged with identifying key messages and audiences and identifying additional opportunities to share information about the bond measure. The tentative date and time for the first CBAC Communications Committee is April 26.

Finally, it's important to note that many communities choose to organize a political action committee (PAC), or 527 organization, to pull monetary contributions to fund public relations and advertising campaigns, commercials, advocacy materials, and other initiatives to help get the word out about a schools bond and encourage voter turnout. These types of initiatives are often led by a subset of the bond committee and are outside of the scope in which a school district can legally participate or contribute.