

## **Argument “For” the Issuance of \$23 Million in General Obligation Bonds**

The Board of Education (the “Board”) of Kane School District (the “District”) proposes the issuance of \$23 Million in General Obligation Bonds to construct a new elementary school in Kanab, without increasing the tax rate.

The original portion of Kanab Elementary School (“KES”) was constructed in 1954. Additional classrooms were added in 1977 and more in 1987. Due to enrollment growth over the years, several modular classrooms have been added to the campus.

The current KES building does not meet modern seismic standards, or modern fire code and needs substantial repairs and/or upgrades to roof, heating system, electrical, security systems, etc. The gymnasium is not large enough to house KES students, staff and parents for school activities. Also due to student enrollment growth additional classroom space is needed.

The Board recently commissioned a feasibility study on the KES facility. This study was conducted by a team of professionals consisting of, an architect, mechanical engineer, structural engineer, electrical engineer and a general contractor. These experts provided cost estimates to make code and other needed upgrades to the current building. Some of the needed upgrades would be to add a full-size gymnasium, seismic upgrades, fire sprinkler system, upgrade the coal boiler, and security upgrades. The estimated cost to remodel the current facility and to make needed repairs would be just under \$14 million.

The number one recommendation from the team of professionals, is to construct a new school building at an estimated cost of \$23 Million. A new building would be a 70,000+ square foot facility with an estimated life of 50 to 60 years and could accommodate up to 700 students. A new building would be designed in a manner that would allow for additional classrooms to be added if needed in the future. The current building is approximately 40,805 square feet and is only accommodating the current student count of just under 500 by using several modular classroom units.

Proceeds from the bond will go only toward the construction of a new elementary school in Kanab. The repayment plan has been structured so that property taxes will not increase. Currently, KSD is debt-free. Bonding through a positive vote of the people is the lowest cost mechanism available to a school district. Because of the State School Bond Guarantee Program, the District can capitalize on the State’s “AAA” rating to obtain the lowest interest rates and make the most of precious taxpayer dollars.

The Board also recognizes building needs at Valley High School (VHS) in Orderville. A feasibility study was recently conducted on the old VHS gym, stage area and music room. The professionals have recommended seismic upgrades to the roof of the old gym and the removal of adjacent structures. The Board plans to complete needed building improvements by use of District capital funds.

By voting “YES” to support the proposed bond, you will be supporting students now, and for many years to come with no increase in your taxes.

Board of Education of Kane School District

(No argument against the bonds was received by the statutory deadline)

A public meeting will be held to present the arguments on October 8, 2019 at 7:00 p.m. at 746 South 175 East, in Kanab, Utah.