



# Independent Consultancy Newmarket Jr/Sr High School Facilities EXECUTIVE SUMMARY



## Purpose of the Study

The original purposes of the Independent Consultancy for the Newmarket Jr/Sr High School Facilities as jointly approved by the Newmarket School Board and Town Council, were “to conduct an independent review and examination of existing data that has been collected regarding the facility at Newmarket Junior/Senior High School; to review various options that exist to resolve facilities issues; and to provide guidance and recommendations for next steps.” (See original proposal of the Independent Consultants, August 2014)

Original options under consideration:

- Tuition Newmarket senior high school students to another school district
- Addition/Renovation of the current facility
- Construction of a new facility

Fundamental questions associated with these options:

- **Tuition:** Are there school districts within a reasonable distance from the town of Newmarket with the capacity and potential interest to engage in a long-term tuition contract with Newmarket?
- **Addition/Renovation:** Is the current facility capable of sustaining renovations and additions that could modernize the facility?
- **Construction:** Can a smaller, trimmer new facility than those previously proposed meet Newmarket’s needs?

A Joint Advisory Committee (JAC): composed of two members from the School Board; two members of the Town Council; the Newmarket Code Enforcement Officer; and three citizens of the community, was formed to advise the consultants in their work.

Three additional areas for study were subsequently added for review:

- Discussion of indicators of educational quality
- Review of demographic and economic conditions in Newmarket
- Inclusion of upgrades and additions to Newmarket Elementary School

## Methodology

The report is organized in several sections:

- Discussion of Educational Quality
- Demographic and Economic Challenges
- Tuition option
- Addition/Renovation option
- New construction option
- Elementary School upgrades
- Cost analysis
- Recommendations for next steps

The following summarizes the methodology utilized to analyze data and information gathered for the report.

### ***Educational Quality***

Assisted by the JAC, the consultants developed a 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 consultants provided information on a number of quality indicators: curriculum offerings, graduation requirements, student-teacher ratios, average teacher salaries, per-pupil costs, statewide (NECAP) testing scores, graduation and dropout rates, and post-secondary plans.

### ***Demographic and Economic Challenges***

The consultants reviewed a number of studies, including the New Hampshire Center for Public Policy’s reports entitled “What is New Hampshire—September 2014” and “New Hampshire’s Silver Tsunami: Aging and the healthcare system” and the Oxford Economics report “The Longevity Economy.”

Historical student enrollment statistics from the State Department of Education and Newmarket enrollment projections from the New England School Development Council (NESDEC) were utilized.

Spending and tax rate trends in Newmarket were also reviewed using information provided by the Newmarket School District and the Town Administrator’s Office.

### ***Tuition***

Two school districts, Dover and Epping, meet the criteria to consider a tuition option with the Newmarket School District including the appropriate geographic distance from Newmarket, the capacity to accept Newmarket High School students on a long-term basis, and willingness to participate in preliminary tuition discussions.

Three current tuition contracts between school districts were examined: Barrington to Dover; Barrington to Oyster River; and Fremont to Sanborn Regional. Barrington's agreement with Dover is an example of a financially feasible contract and is used for analysis in this report.

The latest available per pupil cost for Dover High School students was used for a base, while administrative costs, busing and certain required special education costs were also added to obtain a final tuition cost.

Student enrollments from NESDEC were used for this exercise.

The Newmarket School Budget was scrutinized to establish expenditure reductions from the current operation of Newmarket High School.

The net cost of the tuition option is the required contract amount minus operating costs for Newmarket High School students.

Both per pupil costs in Dover and operating costs in Newmarket are increased by 2% annually in order to estimate the net cost of a tuition arrangement in future years.

### ***Addition/Renovation/New Construction***

State Standards for high school square footage per pupil, 160 square feet per pupil, and the high school utilization factor of 85% were used in determining needed space.

A base enrollment of 550 students was utilized.

A structural engineer and an architect conducted an initial review of the current Jr/Sr High school facility.

Construction costs of \$140 per square foot for renovations and \$195 for new construction, as well as soft costs of \$20 per square foot for renovations and \$40 per square foot for new construction, were based upon a review of current construction projects and architect's input.

### ***Elementary School Upgrades***

Architect Ingrid Nichols provided estimated costs and conceptual designs for the proposed upgrades for Newmarket Elementary School.

### ***Cost Analysis***

A Cost Analysis Model was developed demonstrating the impact of the cost projections and assumptions contained in this report. This on-line model can also be used to test other assumptions and projections. It is a useful planning tool that is available for public use.

## **Findings**

***Educational Quality*** in the Newmarket Jr/Sr High School is very sound despite the curriculum being limited by the size of the school.

- Pupil teacher ratios are low

- Graduation requirements are high
- Dropout rates are low
- State test scores are high
- Post-secondary acceptances in two and four year colleges and the military are relatively high

**Demographic and Economic** conditions facing New Hampshire and Newmarket present some challenges including:

- The overall population is aging
- Student enrollment has declined
- The State Legislature has “passed down” millions of expenses to local schools and towns
- Substantial state building aid will not be available in the foreseeable future
- The Newmarket tax rate has increased substantially in the past ten years

As a result, very careful planning and management will be essential to ensure Newmarket’s future.

**Tuition** is a feasible option to solve the Jr/Sr High School issues but depends upon a financially feasible contract being negotiated. It is potentially the least expensive of the options under consideration. Given the parameters within the report, the average cost for a taxpayer in a \$250,000 home over a thirty-year period is \$279/year. This option would allow Newmarket students to experience a more expansive curriculum and additional co-curricular activities. However this benefit must be compared to the loss of governance and control over high school operations and costs.

**Addition/Renovation** of the current Jr/Sr High School facility is also a potential option. Given the parameters within the report, the average cost for a taxpayer in a \$250,000 home over a thirty-year period is \$303/year. The substantial improvement of the school at a cost significantly below that of a new facility (and that potentially allows for other projects to be funded) must be compared to the advantages inherent in a facility that can be designed from the beginning to meet today’s requirements and be flexible enough to meet future demands.

**New Construction** is the final alternative considered and is also feasible. Given the parameters within the report, the average cost for a taxpayer in a \$250,000 home over a thirty-year period is \$494/year. The higher cost of a new Jr/Sr High School must be balanced by its projected useful life span compared to a renovation of the current facility, by its ability to meet all modern codes and standards, and by the flexibility for the future that a good design can achieve.

## **Recommendations for Next Steps**

### ***Engage in backward planning***

If the goal is a warrant article in March 2016, then establishing timelines for critical tasks is a first step in the process. The School Board might want to consider engaging a professional Project Manager to help with this planning.

### ***Further vet the options under consideration***

- **For the tuition option**, discussions with Epping and Dover would be necessary. While the report makes it clear that both communities were potentially interested in a long-term tuition arrangement, what those arrangements could be have yet to be determined. Such discussions would also be an opportunity to explore programs that could be available, and reveal the culture band values of the two districts.
- **For the addition/renovation option**, a structural engineer should be engaged to conduct more in-depth work in the current facility to assure that “surprises” that can occur in renovations would be limited as much as possible.
- **For the new facility option**, the Educational Specifications that were used in the former facility proposal should be reviewed and revised. Careful attention should be paid to actual “needs” for these specifications. It is also recommended that the student enrollment projections in the report be included in the planning of the facility.

### ***Include the needs of the elementary school***

A PreK-12 approach has been brought up frequently during discussions. The School Board needs to decide how to address this issue, which cuts across all three options.

### ***Obtain a broader view from the community***

Participants from the community felt it important to seek guidance from more members of the community. Two suggestions for obtaining such a broader view include using the UNH Survey Center to conduct a professional poll of the community, and holding a special district meeting for citizens to provide advisory votes on the options under consideration.

### ***Continuing and expanding the School Board and Town Council relationship***

This joint project is atypical for New Hampshire. Town and School often see each other in a competitive situation, much to the loss of both. It is recommended that the Town Council and School Board continue to explore ways to share issues and solutions to community needs.

### ***Engage in Strategic Planning***

Whether alone or in concert, strategic planning is a critical long-range need for the School District.

### ***Consider engaging an economist/demographer***

During discussions, various opinions have been expressed about the effect of different options on the future of the community. An economist/demographer could provide insight on the current condition of the

community; the challenges facing Newmarket; the fiscal capacity of the community to meet those challenges over the next several years; and the economic effect of various options on the community.

***Examine potential cost savings opportunities***

Each of the three options under consideration would require additional expenditures, some more than others. No matter what option is ultimately chosen, it will be very important to examine potential.