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Dickinson Public Schools

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Senator Wardner and members of the Committee, I want to thank you for the opportunity to provide this information for your consideration. My name is Doug Sullivan and I am the superintendent of the Dickinson Public School District. It is my hope that during these discussions that we will be able to accomplish two objectives. First I hope that through our discussions I will be able to illuminate some of the challenges being experienced in Dickinson with energy development that is currently occurring. Second, I hope at the conclusion of our discussions we can agree to work together to establish a strategic partnership that will assist the schools and communities in western North Dakota in addressing these challenges.

The challenges being experienced by the schools and communities in the northwest quadrant of the state are, without a doubt, more difficult and profound than those being experienced by the schools and communities in the southwest. There seem to be daily news articles about the challenges being experienced in northwest North Dakota. I would like to state that my following comments are not meant to criticize nor impugn these schools and communities. They were hit with energy development that arrived at such a rapid pace that I cannot imagine how the challenges could have been predicted nor addressed in advance. However, conversations with leaders in these schools and communities indicate they wish more time had been available to address the myriad of issues that have arisen. This time would have permitted them to address these issues in a more suitable manner for their schools and communities. Senator Wardner and members of the committee, the window of opportunity to appropriately address those issues in southwest North Dakota and prevent similar problems is currently available, but the window is rapidly vanishing.

DICKINSON IMPACT

As stated above, the community of Dickinson has not been impacted to the degree of the schools in the northwest quadrant of the state. However, Dickinson sits on the fringe of the current development and we are experiencing some dramatic impacts in our schools and community. The following information will identify areas of impact and concern regarding the Dickinson Public Schools.

- K-6 enrollment fall 2009 to fall 2011 +177.
- Thirty-nine percent of the 2011 kindergarten class enrollment was energy related.

- Increasing kindergarten enrollment. The last three classes have averaged approximately 237 students and we are anticipating 249 students for the 2012-2013 school year.
- Increasing numbers of special needs children.
- Construction of a new elementary school.
- Fewer low income students resulting in less Title I funding.
- Availability of land for future sites and the cost of this land. Land in northwest Dickinson is currently selling for \$6.00 per square foot.
- Year to date construction numbers (Nov. 2011) as per City of Dickinson:
 - 140 Single family homes;
 - 74 Multi-family units creating approximately 200 dwelling units;
 - 240 hotel rooms under construction in 2011 + 80 new rooms that opened in 2011 and;
 - 41 commercial.
- 2012 construction plans permits:
 - A multi-family housing unit that will create 168 dwelling units;
 - Crew camps construction to house 3,000+ workers;
 - A contractor building 100 single family units in 2012 (this will be in addition to an expected 200+ SF homes);
 - 2 additional hotels (approx. 160 rooms) and;
 - Expected annexation of 400 acres of residentially zoned land; requests have already been received for 126 of the 400 acres.
- Inward and outward student mobility. 2009-2010 572 student mobility cases and 2010-2011 721 student mobility cases for a 26% increase.
- Availability of housing and rental costs for incoming employees. 1 bedroom apartments **starting at** \$1175.00; 2 bedroom apartments **starting at** \$1700.00 and three bedroom apartments **starting at** \$2400.00.
- Staff recruitment- During the summer of 2011 the Dickinson school district had two prospective employees decline a position because of housing cost and availability. The employee who eventually accepted the position had to live in a fifth wheel trailer for three months until an affordable location was identified. This location is owned and operated by a school district employee.
- Escalating wages.

Senator Wardner and members of the Committee, these are examples of the challenges currently being faced in Dickinson and are not intended to be an exhaustive list. I want to reiterate that Dickinson is situated on the fringes of the current energy activity and when the Tyler oil field south of Dickinson becomes more active, these challenges will multiply significantly. Undoubtedly, the Dickinson Public Schools will be faced with the same challenges being experienced in northwest North Dakota.

STRATEGIC PARTNERSHIP

During the last legislative session the legislature exercised sound judgment when the infrastructure fund was significantly expanded. Investment in infrastructure is always beneficial to economic development and quality of life. Quality infrastructure helps to increase economic development and the improvements provide greater public safety. The legislature has established a strategic partnership with the counties and cities to address these important infrastructure needs in a progressive manner.

Schools also represent infrastructure that is crucial to supporting the current economic boom that is generating billions of dollars for North Dakota. In the current environment of increasing community population and school enrollment, schools are also experiencing infrastructure challenges. The capacity of our facilities is being stretched and the classroom space provided by declining enrollment in the 1990's has disappeared. Hence the need for the Dickinson Public Schools to construct a new elementary school.

The question that I believe should be discussed is whether or not it is the exclusive responsibility of the taxpayers in the communities impacted by the energy development, to pay for all of the facilities necessary to educate the children of the workers, who are building the industry to generate the billions of dollars in tax revenue for North Dakota. I will state unequivocally that I believe the answer to this question is that providing the educational infrastructure necessary to educate the increasing student population should be a shared expense between the state and the local communities. I would hope the legislature would be interested in establishing a strategic partnership with schools, similar to that currently in place between the legislature and cities and counties, to address the infrastructure needs of schools. Families relocating to North Dakota to work in the energy industry want to know their children are attending schools that are safe and not over crowded.

A NEW BEGINNING

It is a given and we all know that North Dakota is not the only state experiencing economic development because of energy. Further, North Dakota is not the only state that receives tax revenue as a result of the energy development. I have conducted some preliminary conversations with individuals in states that receive tax revenue as a result of energy development. I only want to say that there are different ways to view how the revenue should be utilized to help address the school facility and infrastructure needs created as a result of energy development. I will also say that, on the basis of my preliminary conversations, I believe one approach utilized in another state for addressing school facilities and infrastructure needs may help us to address this issue in North Dakota. However, the approach for addressing school facility and infrastructure needs utilized in a different state would not, in my opinion, be appropriate in North Dakota for a variety of reasons. It is my hope that we can, through a strategic partnership, start a new

beginning, review some alternatives that are currently in place in other states and work together to address the school facility and infrastructure needs of North Dakota schools in a manner that is appropriate for North Dakota.

CONCLUSION

Senator Wardner and members of the Committee, I want to thank you for your time and for providing me with the opportunity to participate in this discussion. I look forward to future discussion and offer my time and assistance in working to address these important issues for schools. Albert Einstein said that the definition of insanity is doing the same thing over and over again and expecting different results. We are aware of the challenges that are being experienced in northwest North Dakota and we have an opportunity to prevent many, if not all of them, from occurring in southwest North Dakota. I look forward to working with the legislature to take full advantage of the opportunity and time that is currently available to address this issue that is crucial to not only the schools, but also to North Dakota. Thank-you.

Respectfully Submitted
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Superintendent of Schools
Dickinson Public School District