



JANUARY 28, 2021 – 3:00 PM

Members of the North Dakota
SENATE POLITICAL SUBDIVISION HEARING

RE: Support for SB2240 – Dr. Denise Jonas

Dear Senators:

As Director of Career and Technical Education in Cass County, I thank you for your leadership and commitment to the State of North Dakota and our region as you navigate the 67th Legislative Assembly. I am testifying on behalf of the Cass County Career and Technical Education Center (CCCTEC) in support of SB2240.

The CCCTEC is a recognized Consortium under the Department of Career and Technical Education comprised of four member school districts: Central Cass, Fargo, Northern Cass, and West Fargo Public Schools. The vision of the CCCTEC is to increase CTE opportunities for students in the region through the sharing of programs, staff, and resources.

The mission of career and technical education is founded in the philosophy of providing career exploration and experiential learning experiences to help students discover their passion, develop skills, and prepare students for college, career and life. These efforts increase graduation completion and contribute to the growing of our workforce.

One of the most visible capstone projects in our Cass member high schools is the construction of our ‘residential house projects’ under the Building Trades program. As Director, it is our desire to pre-sell homes in the spring to provide adequate time for buyer input, instructor project management, and budget planning over the summer to ensure house construction begins in September and is completed by May. With the short school timeline and instructor contractual availability, procedural efficiency is essential.

However, 15.1-09-34 necessitates bidding requirements for projects over \$50,000. Since 2014, our average costs of materials and contracted services for an 1,800 sq. ft. residential structure ranges from \$66,000 to \$124,000, relative to buyer input. This range could require schools to complete a rigid bid process that is inflexible should buyer preferences change (or if a buyer is not identified prior to bidding, preventing their input without expensive change orders), which could necessitate splitting costs among multiple vendors, potentially jeopardizing free design services many schools enjoy when partnering with a specific vendor for design and procurement, or attempt to meet other exemptions enumerated in 15.1-09-33.4 that were not intended for student construction of residential homes.

Additionally, these constraints reduce procedural efficiency and potentially delay the construction timeline. They also have the potential to increase project costs, challenge vendors and instructors to compare quality and quantity, reduce the capacity for schools to meet buyer preferences, and ultimately affect the ability of a district to sell a home.

We appreciate the specific reference to revenue generated with these projects. Being responsible stewards of taxpayer dollars is a priority for school districts, and often the sale of these homes end-up costing districts nothing after offsetting construction costs with revenue, all while providing a simulated work-based learning experience for our students. We believe this exemption would provide needed flexibility without exposing public dollars to irresponsible added risk given its ability to generate revenue.

Based on these realities, we ask that you pass Senate Bill 2240 to create an additional mechanism in NDCC15.1-09-34 to exempt high school home construction projects sold on the open market, the revenue of which is used to cover the cost of the building materials for use in the course.