

Executive Summary

First Amendment to Twenty Four (24) Classroom Agreement with the City of Parkland

In order to accommodate for the increase in students within the City, the original Classroom Addition Agreement proposed that in exchange for payment of funds in the amount of seven million seven hundred twenty-four thousand dollars (\$7,724,000) from the City fund to the School Board, the School Board shall construct, maintain, and operate twenty-four (24) permanent classrooms ("Classroom Additions") at one or more public schools located within the corporate limits of the City, and remove twenty-four (24) portable classrooms at a location of the School Board's sole discretion as long as the location is within the North School Impact Fee Service Area, which also includes the corporate limits of the City.

Pursuant to the Classroom Addition Schedule contained in the original Agreement, a lump sum payment is due to the School Board by February 15, 2016, to fund the completion of twelve (12) classrooms by the opening day of school in the 2017/18 school year, and twelve (12) classrooms prior to the opening day of school in the 2018/19 school year. Also, if staff determines that seven million seven hundred twenty four thousand dollars (\$7,724,000) is insufficient to fully fund the Classroom Additions, then staff must notify the City by September 15, 2016, and include an itemized list to justify the need for additional funds. Upon the notification, the Developer will pay an additional amount of up to one million two hundred thirty-two thousand dollars (\$1,232,000) for a total maximum contribution of eight million nine hundred fifty-six thousand dollars (\$8,956,000) to the School Board. The dollar amounts and timeframes for payment included in the Classroom Addition Agreement were produced in collaboration with URS, the consulting firm that provides program management services to the District. Furthermore, the original Agreement includes a provision that in the event the twenty four (24) Classroom Additions are not constructed, in whole or in part, by the School Board for any reason, the School Board shall construct the maximum number of classrooms that the available received funds permit, and the School Board must return all unspent or uncommitted funds to the City no later than December 31, 2017.

The City wishes to expedite a payment installment of seven hundred fifty thousand dollars (\$750,000) ("Design Payment") to enable the design work for the project to commence and completion of the full twenty four (24) classroom additions by the opening day of school in the 2017/18 school year. Therefore the Amendment was modified primarily to incorporate this transaction and to reflect the expedited construction schedule. The amendment also includes a clause which allows for a refund of the Design Payment to the City if a design contract is not awarded. It should be noted that the potential total maximum contribution amount has remained the same (\$8,956,000). Pursuant to this Amendment, if the design contract is not awarded and the Design Payment must be refunded to the City, the terms of the original Classroom Addition Agreement are reinstated.