

Approved in Open Board Meeting November 7, 2017

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
OFFICE OF THE SUPERINTENDENT

September 6, 2017
Wednesday, 5:30 p.m.

MINUTES OF SPECIAL MEETING
(Second District Educational Facilities Plan Public Hearing)

The School Board of Broward County, Florida, met in special session at 5:30 p.m. in the Board Room of the Kathleen C. Wright Administrative Center, 600 Southeast Third Avenue, Fort Lauderdale, Florida. Present were: School Board Members Abby M. Freedman, Chair; Nora Rupert, Vice Chair; Robin Bartleman (via teleconference); Heather Brinkworth; Patricia Good; Donna P. Korn (absent); Laurie Rich Levinson; Ann Murray; Dr. Rosalind Osgood (absent); Robert W. Runcie, Superintendent of Schools; and Barbara J. Myrick, Esq.

(Jeffrey Moquin, Chief of Staff, assumed the Superintendent's seat on the dais.)

Call to Order The Call to Order was followed by the Pledge of Allegiance to the Flag of the United States of America.

Added/Changed Items None.

Close Agenda Upon motion by Mrs. Good, seconded by Mrs. Rupert and carried, the Agenda was approved and declared closed. Mrs. Bartleman, Ms. Korn, and Dr. Osgood were absent for the vote. (6-0 vote)

Purpose of Meeting For The School Board of Broward County, Florida to discuss and adopt the District Educational Facilities Plan (DEFP) for the five years beginning July 1, 2017, and any other items the Board deemed necessary.

Superintendent's Recommendation

1. **District Educational Facilities Plan (DEFP) for the Five Years Beginning July 1, 2017** (Adopted)

Motion was made by Mrs. Rupert, seconded by Mrs. Brinkworth and carried, to adopt the District Educational Facilities Plan for the five years beginning July 2017. (The Superintendent assumed his seat on the dais.) Ms. Korn and Dr. Osgood were absent. (7-0 vote)

Announcement by Chair

Welcoming the audience to the second public hearing for the Broward County School District's District Educational Facilities Plan (DEFP), fiscal year 2018, the Chair stated the purpose of this meeting was to keep the public and the School Board fully informed as to whether the District was using sound policies and practices that met the needs of students and warranted public confidence in the District's operations.

Explaining the legal procedure required for this hearing, the Chair announced this was the second of two hearings for the DEFP. Individuals wishing to address the agenda item were required to sign in as a speaker. At the end of the Superintendent's presentation and before the Board voted, each listed speaker would be called to the floor and given three (3) minutes to address the Board. The Chair thanked the audience for their support and attendance at this hearing. She introduced the Superintendent and asked him to give a brief overview of the DEFP.

Statement by Superintendent

The Superintendent welcomed everyone and indicated he was pleased to submit this District Educational Facilities Plan for the School Board's consideration and adoption.

He thanked the Board for their input at the workshop on June 20, 2017 and for the tentative adoption of the Plan at the first public hearing on July 25, 2017. He said the Plan as presented today, was revised based on that input and included the potential impact of House Bill (HB) 7069. He indicated this adversely impacted the DEFP and would result in a revenue loss over the next five (5) years in millage levy for traditional innovative schools in the range of \$87 million to \$123 million if the lawsuit led by this Board was not successful. This revenue loss was handed to the District while it still had unmet needs resulting from its aging school facilities, infrastructure, equipment, and vehicles.

The Superintendent stated, in spite of HB 7069, this DEFP would continue to deliver the commitments made in the Safety, Music & Art, Athletics, Renovation, and Technology (SMART) Program. For that reason, the District set up a reserve for the resources that may be needed to address economic changes in the construction market as it continued to implement the program.

He commented that Broward County's economic recovery continued to increase the value of property and as a result, the District was able to identify about \$20 million to fund some critically needed items that were not part of the SMART program, but were priorities, in order to continue to meet emergency maintenance needs in the schools, provide safe transportation to students to and from school, ensure payroll was completed timely, and continue to keep swimming pools open and athletic equipment in good repair.

In addition to the critical needs listed above that were reviewed in detail at the first DEFP hearing, the Superintendent said this proposed final DEFP included changes as a result of input from the Board. He stated those changes included the Innovative Program expansion on a two-year cycle rather than a three-year cycle as originally proposed, and funding for a fully-integrated solution to support full implementation of Purchasing Policy 3320 and the SMART initiative. The District was also able to increase its reserves as a result of a favorable year-end closing.

He closed by saying it was important to point out that the District identified over \$2 billion in Capital Outlay needs and that many of those needs were still not funded. The SMART program was the first step in an incremental approach to meet some of the needs that were identified.

The Superintendent indicated the District's Chief Financial Officer and Cabinet Members would make a brief presentation and answer any questions from the Board.

Staff Presentation

Judith Marte, Chief Financial Officer, stated the Plan had three (3) changes made from the tentative Plan. She pointed out this was the final adoption of the Budget; however, the Board would have the opportunity to make amendments over the year if it wished to do so. In reviewing a PowerPoint presentation, she indicated the significant changes made were the addition of \$1.8 million to fund the cloud-based solution, Ariba, in order to meet the requirements of Policies 3320 and 3330; an increase to the Innovative Program expansion equipment on a two-year cycle from \$179,000 to \$285,500; and an increase in Reserves as a result of a favorable year-end closing.

Following the presentation by staff, the Chair received input from the audience.

Discussion from the Board

Mrs. Rich Levinson stated this was extremely difficult to follow. She said her questions were regarding Information & Technology (IT) and inquired if the \$2.5 million from last year for the phone upgrade project was completed with the carryover and the \$1 million from the fiscal year.

Tony Hunter, Chief Information Officer, answered in the affirmative.

Speaking to the Superintendent, Mrs. Rich Levinson requested follow-up to the Board for huge amounts of money on completed projects as to how it was spent and if anything was left over, particularly for IT.

Mr. Runcie replied he would have staff provide status updates annually or when a project was completed.

Mrs. Rich Levinson referred to the security systems and asked what was done with the \$2 million (\$1.9 million from last year), because now another \$5 million was being requested. Every year money was slated for cameras but she did not see any work being done.

Mr. Hunter responded the \$1.9 million went to repair existing cameras/recording devices and replace equipment not functioning at the schools, in addition to a significant backlog after the contractor backed out. The \$5 million was part of the request for this coming year and part of the Board's request to do a site survey at every campus to determine the security needs, which was completed. He said those needs varied with some cameras not functioning and parts were not available; others were functioning but did not have a clear picture. He indicated this \$5 million was to start replacing the most critical equipment needs across the District, but did not include adding additional cameras to campuses.

Mrs. Rich Levinson reiterated she would like the Board to receive updates on which schools had been addressed. She understood the Budget needed to be approved first, but big ticket items should be discussed at a workshop prior to being approved in the Budget. She commented there was an \$11 million carryover from two (2) years ago that was spent on something, but she was unsure for what because it was not indicated. She requested from the Superintendent that an audit be conducted on IT and the major expenditures. It was important to have those types of expenditures audited with that amount of volume and she wanted to see IT purchases included in a yearly audit. Mrs. Rich Levinson asked if the Board would receive a breakdown of past projects and any contingencies.

Mr. Hunter replied yes and would show by school where each of the dollars were spent.

Mrs. Rich Levinson expressed her excitement with the Ariba System. She thanked staff for changing the Innovative Program to a 2-year cycle instead of the 3-year cycle. She referred to the Portable Transition Plan on pages 294-295 of the DEFP book and asked how staff got to the \$891,600 amount.

Leslie Brown, Chief Portfolio Services Officer, responded \$672,000 for Westglades Middle was approved for 2016-2017 and this was being approved for the 2017-2018.

Mrs. Rich Levinson questioned the amount of \$625,000 to move three (3) portables and covering them.

Mrs. Brown replied yes. She said they worked with Heery International and Atkins on the costs and could provide an analysis. The work for covered walkways was very expensive and they were trying to fit the portables in as money became available.

Shelley Meloni, Director, Pre-Construction, explained the increase in cost included escalation costs for insulation in 2016 to the projected year of 2018, a contingency for items not covered adequately previously, and using an external vendor to install the units instead of Physical Plant Operations (PPO).

Mrs. Good commented that it used to cost \$40,000-\$50,000 to move a portable, but \$200,000 was a significant amount.

Mrs. Brown stated the last move was \$96,000 and to move a new portable would cost approximately \$350,000.

Mrs. Brinkworth inquired if the carryover from the previous year was spent.

Ms. Marte responded she could verify all of it had been spent except for \$5.7 million, which had been committed or slated to be committed prior to the end of the calendar year.

Mrs. Brinkworth agreed with her colleague's comments regarding an IT audit and the Innovative Programs increase. She also was excited for the procurement abilities the District would soon embark upon.

Mrs. Rupert supported having an IT audit as well. She questioned why the remediation for IQ assessments would increase 50% this year, what was the cost last year, and if staff anticipated it costing more money than what was allocated.

Ms. Marte replied she would work with the Chief Facilities Officer and provide a follow-up to the Board.

Mrs. Good thanked staff and the Superintendent for bringing it all together in an acceptable manner. She referred to page 5 in the DEFP book and wanted to ensure that the amount would be sufficient for the Environmental Health and Safety.

Mr. Runcie responded that the Board could always add to that amount later. There would be a workshop to discuss the structure of the Budget and could make adjustments at that time.

Referring to Hurricane Irma approaching, Mrs. Good wanted the public to understand how the District would meet the needs should any damage occur to any structures.

Ms. Marte replied both the Capital and General Funds were healthy. She said there were Reserves of \$200 million. She spoke to the Department of Education (DOE) and the Department of Revenue and they were aware if the hurricane hit it would be a state-wide catastrophe that would take place. She indicated there was liquid cash in the bank that was adequate to meet any immediate needs in order to open schools expeditiously as possible. She was comfortable that the District had the appropriate insurance in place.

Adjournment This meeting was adjourned at 6:23 p.m.

/dvn