



## Approved in Open Board Meeting, October 16, 2012

- an inventory of existing school facilities; projections of facilities space needs;
- information on leased, loaned and donated space and relocatables used for conducting the district's instructional programs;
- the general location of public schools proposed to be constructed, including a listing of the proposed schools' site needs and anticipated capacity and maps showing the general locations;
- the identification of options deemed reasonable and approved by the School Board which reduces the need for additional permanent student stations;
- the criteria and method, jointly determined by the local government and the School Board, for determining the impact of proposed development to public school capacity.

The public is invited to give input to the District Educational Facilities Plan and during the public hearing, the Board may amend the District Educational Facilities Plan. All amendments will be incorporated into the District Educational Facilities Plan and the 2012-2013 District Budget.

The first year of the District Educational Facilities Plan will be incorporated into the annual budget.

### **Announcement by Chair**

Welcoming the audience to the second public hearing for the 2012-2013 to the 2016-2017 District Educational Facilities Plan (DEFP), Ms. Murray stated that the District Educational Facilities Plan is to keep the public and the School Board informed as to whether the district is using sound policies and practices that meet the needs of students and warrant public confidence in the district's operations.

Explaining the procedure to be followed for this hearing, Ms. Murray stated that the public will be given an opportunity to provide input to the School Board prior to the District Educational Facilities Plan being adopted by the School Board. Individuals wishing to speak about the plan are required to sign in as a speaker. At the end of the presentation speakers will be called to the floor and will be given three minutes to address the Board. Speakers and members of the audience were asked to extend every courtesy to each other and to the members of the School Board, and the same will be extended to them.

### **Statement by Superintendent**

Mr. Runcie informed that the District Educational Facilities Plan projects \$1.2 billion in capital revenues that will be available for the School Board's implemented Capital Outlay Plan for the next five-year period ending on June 30, 2017. Mr. Runcie stated this plan is developed by obtaining input from stakeholders, facilities, maintenance and other district departments to gather needs and provide input from schools. Staff also met with individual Board Members and presented the issues to the Facilities Task Force to gather feedback.

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During this process, Mr. Runcie stated that the district's needs are prioritized using benchmarks that include safety and maintenance issues, Americans with Disabilities Act (ADA) accessibility, Indoor Air Quality issues, preservation of district's needs, as well as replacing obsolete vehicles, equipment and technology.

Mr. Runcie informed that over the past several years declining property values and a reduction to the capital budget tax rate has placed school districts throughout the state under tremendous pressure. Locally, this has caused the district to shelve over \$1.8 billion in projects, computers and buses. These projects have been memorialized and as the economy improves, they can be resumed based on the School Board's priorities.

Through long-range financial planning and the project cancellations, the Superintendent stated that reserves have been built up so that the district can weather the downturn in the economy. These reserves help to meet the primary objective of the maintenance and upkeep of schools and the purchasing of the central technology to meet end-of-course testing requirements.

The Superintendent noted that there are signs that the Broward County property tax revenues are stabilized and for the first time since 2008, property tax values showed an increase over the prior year. Since the district's main source of capital revenues is the local property tax, this is good news for the district. Mr. Runcie stated that there is still a duty to keep an eye on the future so that public education can be dramatically transformed and give every child an equal chance to excel.

### **Staff Presentation**

Mr. Omar Shim, Director, Capital Budget, stated that this is the same plan that was approved by the Board on July 31, 2012, but it includes elements that the Board requested to be included at that meeting. In addition, the site map on page 25 has been upgraded to include a vacant site, which also shows the Wedge site that the Board recently acquired in the northwestern portion of Broward County. A footnote was added to the school-by-school section of the plan that helps to explain and to clarify many of the projects that were listed in the previously budgeted column.

Mr. Shim explained that the Five-Year Plan is a budget planning document and sustains projects for funding that the Board has approved and many of the projects are in some stages of planning and construction. The actual start or finish of a project is determined by the construction schedule which can be provided and kept up to date by the facilities department.

Referring to page 108, Mr. Shim informed that a recap of the prioritized projects were provided, as discussed at the Board Workshop on October 25, 2010.

Referring to page 166, Mr. Shim informed that Roofing Needs as of 2012-13, totaling \$23.8 million, is listed, of which \$5 million in funding was identified to address those needs. The district's maintenance department will review each roof to determine if measures can be taken to extend its use, or if the roof needs to be replaced using these funds.

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Mr. Shim further stated that the Five-Year Plan supports the learning environment by investing in maintenance, safety, accessibility, and classrooms free of Indoor Air Quality issues. It is a stable and sustainable plan because of the strategic decisions the Board has previously made to reduce the number of projects in the past in order to deal with the expected revenue shortfalls, and focus on the district's priorities.

Based on the July 1, 2012 property value estimates from the Property Appraiser's Office there has been an increase of .63% above last year's Five-Year Plan. This is the first time since 2008 that the property values has shown an increase over the prior year values. Mr. Shim noted that the increase in property values could indicate that property values are starting to stabilize. The state has reconfirmed this positive move in their latest taxable value estimates and projections, making adjustments based on property values released by the Property Appraiser's Office.

Mr. Shim reported that property tax revenues account for the major source of funding in the 5-Year Plan for a total of \$1 billion of the \$1.2 billion spending plan, about 82%. Mr. Shim stated that interest revenues in the plan are down, only \$1 million is expected, and impact fees are up, offsetting that slightly and indicating that there may be growth in the horizon since these are somewhat growth driven and they account for \$14.8 million.

Mr. Shim noted that the state has projected less revenues from PECO dollars and the Legislature did not appropriate any PECO dollars for traditional public schools in 2012-2013, however, funds were provided for charter schools. PECO funds from traditional public schools totaled \$24.5 million when compared to the \$50 million expected to flow through charter schools over the next 5-year period.

Capital Outlay and Debt Service are revenues from the motor vehicles' license plates and Capital Outlay Bond Issues are bonds that the state issues by leveraging CO&DS revenues. Broward County is expected to pay off a portion of its state-issued debt, which will create about \$50 million in capacity in years 2013-2014. Mr. Shim informed that the Designated Reserve are funds the district has set aside to weather the economic downturn, totaling \$110 million.

Continuing, Mr. Shim explained that when compared to the plan adopted in September 2011 most of the capital millage has decreased by \$45 million, state revenues, based on a decline in PECO, as compared to last year's plan. Mr. Shim stated this was offset by the maintenance and facilities staff bringing projects below what was budgeted, and by the close-out of the new projects and purchase orders which brought any excess funds back into those reserves, which increased by \$50 million.

Mr. Shim further reported that no funding was allocated for capacity additions and only \$6 million was allocated for remodeling and renovation projects. Approximately 60%, or \$750 million of the funding allocated, will go to pay COPs debt service for debt issued prior to the downturn. This debt was issued to pay for capital outlay needs, to meet student growth and the class size reduction mandate.

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Mr. Shim stated that the percentage of the capital budget that services debt was significantly affected when the Florida Legislature reduced the capital millage from 2 mills to 1.5 mills. If the Legislature had not reduced the capital millage rate the debt service percentage would fall from 60% to 36% of capital revenues. Currently there is no plan for the district to issue any new debt in the Five-Year capital plan.

Mr. Shim informed that shortfalls are still anticipated but the proposed Five-Year Plan is a balanced plan. There is anticipated shortfalls to fully fund maintenance and other capital costs; the district is balanced in year one and year two but there is a \$13.7 million shortfall in the second year. Going forward three years and beyond, there is a significant gap. Mr. Shim reiterated that there is an upward climb in property values which would result in additional offsets in the future.

Mr. Shim informed that a summary of new requests is included in this plan and is different from last year, about \$11.6 million. Roofing is \$5 million; \$4.5 million has been added for technology; security cameras at \$1.1 million; air conditioning older kitchens in older schools at \$550,000, fixing drainage issues at Tamarac Elementary School at \$500,000, and the North Side Elementary School parking lot lease is about \$70,000 per year.

In conclusion, Mr. Shim stated that the school district cannot fully fund all its capital outlay needs and there is only funding for corrective maintenance instead of preventative maintenance, which does increase the district's deferred maintenance backlog. Only the highest priorities projected from the Facilities Needs Assessment can be funded and only essential technology needed to meet end-of-course testing requirements are available. Mr. Shim noted that the district does not have funds for school buses or other vehicles at this time. The district has done good long-term planning to cut projects and lower spending in order to build other reserves to weather the financial downturn. These measures have helped with the most critical needs over the next two years and it is hopeful that property values will increase and create a positive outlook.

Ms. Dinnen thanked staff for including page 108 in the Five-Year Plan, the prioritized construction projects that the Board has discussed and has requested.

Mrs. Rupert, referring to the Overview, page 3, All Capital Expenditures, requested an update on the single point of entry for all elementary schools. Mrs. Rupert stated that this was a priority for her, as it is a safety issue.

Remarking that these are general guidelines, Mr. Shim stated when looking at the benchmarks against the district's needs, an evaluation needs to be made as to the funding available to restore the projects. As to the single point of entry, Mr. Shim concurred that this is a safety issue and funding was set aside to cover the elementary school level and some of the centers. Beyond this level, Mr. Shim stated there is a desire to cover the middle and high schools and based on the layout of the campus at some schools, some schools warranted more attention than others and those are the locations where the focus was placed. Mr. Shim further stated that an overall review needs to be made to evaluate the status of this program, to bring all the elementary schools into compliance.

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Mr. Tom Lindner, Chief Facilities & Construction Officer, Facilities & Construction Management, informed that there are about 15 elementary schools remaining which is funded from the safety contingency. Funding was set aside for 4 additional schools this year with the plan to move forward through the Five-Year Plan. Mr. Lindner concurred that it should be a priority and there are some schools that have more exposure than others; some schools had issues and they were presented for funding approval to complete the projects.

Referring to page 16, Land Acquisition and Development, Mrs. Rupert inquired how many employees work at Sawgrass Technology Park and at K.C. Wright Administration Center.

Mr. Lindner responded that 568 employees are housed at this location and there are approximately 600 employees at K.C. Wright, which has capacity for 800 employees.

Referring to page 29, Estimated Appropriations, Mrs. Rupert stated that the Educational and Administrative Leases/Sites is 1% of the appropriations. She requested a dollar figure for this percentage.

Mr. Shim, referring to page 31, stated that over the five-year period it is about \$10.4 million.

Mrs. Rupert noted that technology and equipment for 2012-13 is less in successive years, down one-quarter as much.

Concurring, Mr. Shim stated that additional dollars were added to try to meet some end-of-year testing.

Ms. Angela Coluzzi, Director, Network Integration, responded that the actual amount of technology is \$6.8 million (Appendix E, Estimated Appropriations, page 19). Of this amount, \$3.2 million is for computers that will address online testing. There is E-rate funding included, which also addresses online testing for infrastructure to ensure that this is upgraded, and continues to be, so that computers can access online testing.

Mrs. Rich Levinson noted that \$3.2 million is included in the first year of the plan for technology, in year two there is \$1.5 million, but in years 3, 4 and 5 there is only \$1 million which is a low amount for the district. Mrs. Rich Levinson stated this is an area that needs to be reviewed and a campaign needs to be developed as a means to boost the technology, such as partnering with local corporations and businesses.

Mrs. Rupert, inquired about Appendix E, page 45, Estimated Appropriations - Vehicles \$416,808.

Mr. Shim responded that these funds are utilized to fix anything that breaks, buses or maintenance vehicles, and it would not cover GPS systems or similar items.

Mrs. Bartleman's inquired about the status of the handicapped accessible bathroom in the gym at Blanche Ely High School.

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Mr. Shim, who noted that the school-by-school section of the plan addresses this year, stated there is a difference between how funds are appropriated from the budget standpoint and when the construction schedule is done. The construction schedule can be affected by many things, such as permitting, which can affect the start and finish dates in the planning phase. Mr. Shim stated that from a budgetary standpoint the budget must be established and the budget needs to be kept consistent in order to have public trust, by not shifting money around between projects which had been a pattern in the school district.

Responding that Blanche Ely is in design and moving forward, Mr. Lindner stated that the real issue is that almost every one of the projects that has been funded in the previous year is in some stage of design except the ones that are in progress, major projects that began in 2007 and are almost completed. The projects are still carried until they are closed out. Mr. Lindner further stated that there are other projects that are in design and will continue in design, but they have not moved forward due to a future forecast that the maintenance budget will be cut in half. Mr. Lindner informed that the only projects that have moved forward deal with ADA (managed on a case-by-case basis) and the continued larger sprinkler projects (two a year), even though there are several funded in the plan.

Concurring that the project listed in the plan indicates it is funded and it is in progress, Mr. Lindner stated that anyone in the community can determine the status of the project by looking up their school in the facilities website, the construction and design schedule that gives dates, and most of the project managers attempt to keep these up to date about every two weeks to once a month. Mr. Lindner reiterated that some of the projects are on hold if they do not fit into the priority criteria; they are stopped at the design phase and this status is also noted on the website. Mr. Lindner was of the opinion that some of the projects will be canceled, moved into the memorialized list and capturing those funds to sustain the maintenance organization over the next two years. ADA will continue to move forward, as it is driven by statute.

Mrs. Bartleman requested for next year's budget that stalled projects be starred and moved into the memorialized column.

Mr. Shim stated that staff is constantly planning ahead and it has been shown that in a few years out problems have been identified, keeping an eye on the revenue side, and there is a contingency plan as far as how to react and what cuts are to be made. Remarking that there is nothing else to cut, Mr. Shim stated that every project is being reviewed with a contingency plan in case something occurs in the future.

Concurring, Mrs. Bartleman reiterated that this needs to be communicated in the plan.

Mr. I. Benjamin Leong, Chief Financial Officer, Office of the Chief Financial Officer, stated that a review on projects not moving forward is needed by staff. This will be presented to the Board for consensus rather than just indicating in the plan that the project is not moving forward.

Mr. Lindner informed that this is currently being developed.

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Regarding the single point of entry issue, Mrs. Bartleman stated that Mr. David Golt, Chief of Police, Broward District Schools Police Department, should select those schools with the most need.

Mrs. Bartleman inquired about the purchase of high-end technology for test taking purposes. She stated there are many computers that can be utilized only for test taking purposes, only to help the school with scheduling, as opposed to buying \$1,000 computers.

Ms. Coluzzi responded that Netbooks were used but there was a problem with the screen size; the manner in which the test is administered, it was too difficult to scan back and forth and it was too hard for the student to take the test. The laptops that were purchased are utilized in the school, not only for test testing. Because it was purchased 8 years ago it helped to procure the longer span of life rather than getting them fixed in 5 years and replacing parts as much as possible.

Ms. Coluzzi informed that staff is working with the state and vendors to get a smaller tablet device that costs less but will be able to be used for test taking. Ms. Coluzzi stated that there are eight different tablets sitting in product review, being tested for online testing, with the idea to buy something for half the price and get twice as much. She stated that the test vendors are working with the state on changing the format of their tests in many states. In order for the district to be able to procure them, they need to be on board to make sure it works together.

Mrs. Bartleman requested the Superintendent, when meeting with other superintendents, to present this issue and put pressure on the Commissioner of Education, as the district is under contract with the vendor to provide the test.

The following individual addressed this item:

Ernestine Price

Responding to Mrs. Price, Mr. Runcie stated that funding is very limited and the district is currently not in a position to meet the needs of the district. The Superintendent concurred that those needs should occur at all schools.

Mr. Lindner explained that there are ADA funds for ADA projects set aside and the classrooms at Blanche Ely are accessible. The project in design has 100% construction documents, expected to be completed on September 24, 2012, and begin construction, after putting it out for bid, on November 27, 2012. Mr. Lindner stated that the project is only to add additional restrooms and make the concession stand accessible.

Mr. Lindner further stated that students that need ADA accessibility are tracked by a full-time employee in Facilities, and as the students matriculate through the system the school is upgraded with ADA-compliant restrooms and other access facilities. Mr. Lindner said there is a group of individuals in the district that lets facilities know where that student is in the system so that staff stays ahead of the issue for the student as he/she moves through the school system.

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Mr. Leong informed that \$3 million is set aside in the Five-Year Plan, page 31, ADA Compliance, for funding accessibility.

Mr. Lindner informed that the schools are made ADA accessible when the students come to those schools and there is not a program to make all of the schools ADA accessible. He stated that the older schools suffer because the act did not come into effect until well after the schools were built. If construction is done at the school, it is a requirement for the school district to make the school ADA accessible.

Mr. Williams stated that the Safety department plays an important part in identifying ADA, and he directs school staff and district staff in reference to this issue.

Responding to Mrs. Leach's inquiry, Mr. Lindner stated that ADA comes out of Capital Funds.

Mrs. Leach stated that she understands prioritizing students in their ability to access their educational environment, but in the future all schools need to be accessible because there are teachers and staff that are included in this environment.

The following individual addressed this item:

Robert Mayersohn

Mr. Mayersohn suggested a review of the Florida Pre-Disaster Mitigation Program as a possible funding source.

**Adjournment:** This meeting was adjourned at 6:30 p.m.

RT