

I. Call to Order

Call to Order: Chairman Arnold

Present: District 1 – Joe Arnold, Chairman
 District 2 – Malissa Morgan, Vice Chairman
 District 3 – Dixie Ball
 District 4 – India Riedel
 District 5 – Jill Holcomb

Ken Kenworthy, Superintendent of Schools
 Tom Conely, School Board Attorney

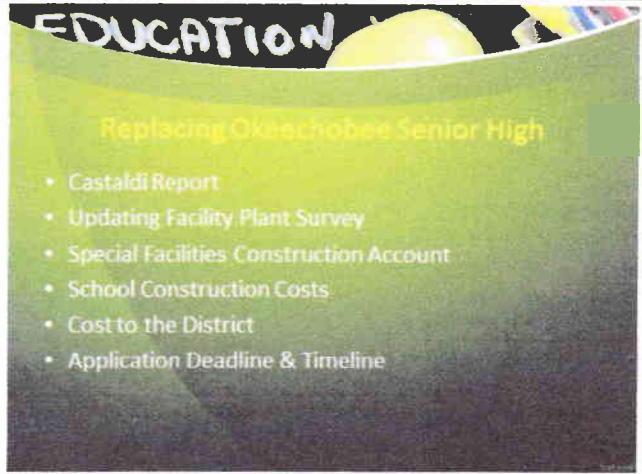
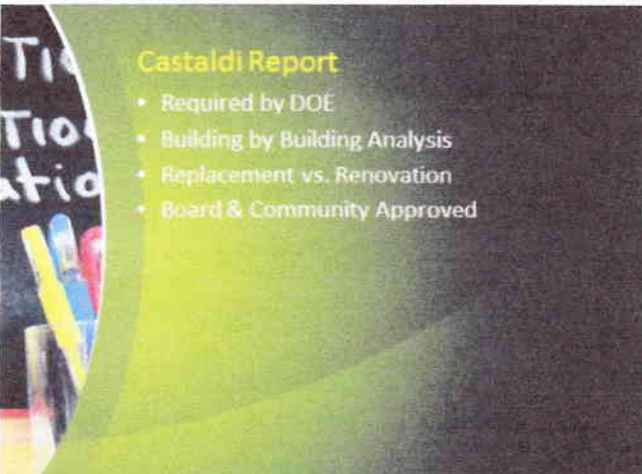
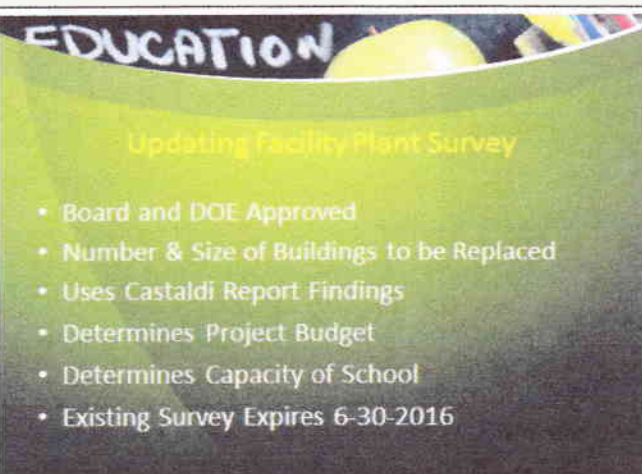
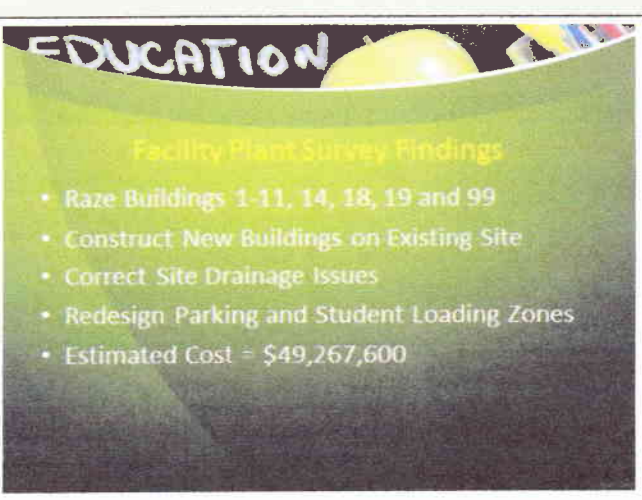
Invocation: Tom Conely, School Board Attorney
 Pledge of Allegiance: Led by Chairman Arnold

II. Information/Discussion Items

Superintendent Kenworthy introduced Dr. John Watson, Educational Facility Planner, of Clemons, Rutherford and Associates, Inc., Tallahassee. Dr. Watson worked for many years in the Florida Department of Education, Office of Educational Facilities, before moving to his current position and has expertise in the area of Special Facilities Construction. Dr. Watson reached out to the District recently to determine if there is any interest in applying for Special Facilities Construction funding for building a new high school.

Dr. Watson’s presentation to the Board consisted of the following:

| | <u>Comments</u> |
|---|---|
|  | <ul style="list-style-type: none"> • The Special Facilities Construction Program was created in 1980 by the Legislature to help small, rural districts complete construction projects that would not normally be possible without some assistance from the Legislature. • Okeechobee has participated in the program three times previously for Everglades Elementary, Osceola Middle, and Seminole Elementary construction. |
|  | <ul style="list-style-type: none"> • Brian Barrett, Director of Operations, and Dr. Watson first reviewed the FISH report (Florida Inventory of School Houses) to verify the ages of all the buildings on the OHS campus. • All of the buildings outlined in yellow were reviewed for square footage, condition, age, usage, and any problems that the building may have. • Normally, older buildings may look good from the outside, but the internal mechanical systems are failing. |
|  | |

| | |
|--|---|
|  <p>EDUCATION</p> <p>Replacing Okeechobee Senior High</p> <ul style="list-style-type: none"> • Castaldi Report • Updating Facility Plant Survey • Special Facilities Construction Account • School Construction Costs • Cost to the District • Application Deadline & Timeline | <ul style="list-style-type: none"> • A very specific process is required by DOE when utilizing the Special Facilities Construction program. • The slide to the left lists, in sequential order, the steps that must be followed up to submitting the application. |
|  <p>Castaldi Report</p> <ul style="list-style-type: none"> • Required by DOE • Building by Building Analysis • Replacement vs. Renovation • Board & Community Approved | <ul style="list-style-type: none"> • The Castaldi Report provides a scale for determining value of replacement versus renovation. DOE life expectancy for a school building is 50 years. • When the scales get tipped too far in one direction, it makes no sense to keep renovating an old building. • The Castaldi Report is sent to the Office of Educational Facilities for review after Board and community approval. • Upon completion of the review, the Office of Educational Facilities sends their findings to the District stating either agreement or disagreement. |
|  <p>EDUCATION</p> <p>Updating Facility Plant Survey</p> <ul style="list-style-type: none"> • Board and DOE Approved • Number & Size of Buildings to be Replaced • Uses Castaldi Report Findings • Determines Project Budget • Determines Capacity of School • Existing Survey Expires 6-30-2016 | <ul style="list-style-type: none"> • Once a letter is received from the Office of Educational Facilities stating that replacement can move forward, the Facility Plant Survey needs to be updated to change general maintenance items to demolishing the buildings and replacing them. • Next, an updated Facility Plant Survey is presented to the School Board for approval. If the Board approves, the Survey is submitted to Tallahassee noting that all the buildings have gone through Castaldi analysis. |
|  <p>EDUCATION</p> <p>Facility Plant Survey Findings</p> <ul style="list-style-type: none"> • Raze Buildings 1-11, 14, 18, 19 and 99 • Construct New Buildings on Existing Site • Correct Site Drainage Issues • Redesign Parking and Student Loading Zones • Estimated Cost = \$49,267,600 | <ul style="list-style-type: none"> • The existing District Survey was completed 4 years ago. Dr. Watson recommended doing a Spot Survey rather than a whole new Plant Survey. The Spot Survey would include items shown on the slide to the left. • If DOE approves the updated Facility Plant Survey, they will respond that the project may move forward. • The approved survey from DOE will include a recommended budget based on a cost per square foot. • The estimated amount that the District would be looking at is approximately \$50 million dollars. |

| District | Year | Project Name | Amount | Status |
|----------|------|---------------------|-------------|-----------|
| 10000 | 2005 | Washburn Elementary | \$2,000,000 | Completed |
| 10000 | 2006 | Washburn Elementary | \$2,000,000 | Completed |
| 10000 | 2007 | Washburn Elementary | \$2,000,000 | Completed |
| 10000 | 2008 | Washburn Elementary | \$2,000,000 | Completed |
| 10000 | 2009 | Washburn Elementary | \$2,000,000 | Completed |
| 10000 | 2010 | Washburn Elementary | \$2,000,000 | Completed |
| 10000 | 2011 | Washburn Elementary | \$2,000,000 | Completed |
| 10000 | 2012 | Washburn Elementary | \$2,000,000 | Completed |
| 10000 | 2013 | Washburn Elementary | \$2,000,000 | Completed |
| 10000 | 2014 | Washburn Elementary | \$2,000,000 | Completed |
| 10000 | 2015 | Washburn Elementary | \$2,000,000 | Completed |

- The districts highlighted in yellow are those that Dr. Watson assisted in the Special Facilities Construction program over the last 10 years.
- From a dollar standpoint, Okeechobee High School would be the largest project in the history of the plan.

Special Facilities Construction Account

- Section 1013.64(2), F.S.
- Specific Legislative Appropriation
- By Application Only
- Project Must be Critical Need & In Survey
- District Must Satisfy Financial Requirements
- Application Deadline: August 1

- According to F.S. 1013.64, funding of a Special Facility Construction project is a specific legislative appropriation that is available by application only. The project must be proven to be a critical need and must be noted in the District Plant Survey.
- Applications are due August 1 so that all legislative items are in the Governor's office in time for the start of the next legislative session. The Board could elect to submit an application by August 1 of this year or August 1 of 2016.

3-Year Financial Commitment

- PECO New Construction • \$ 0
- CO&DS • \$ 112,338
- Local Millage (1.5) • \$ 7,902,750
- Total • \$ 8,015,088

- The Board must agree to pledge three years of Capital Outlay funds towards the project in return for assistance.
- The three sources of revenue that the District is asked to pledge are its PECO dollars, the CO&DS (Capital Outlay & Debt Service) funds received from the state, and the 1.5 Local Millage for Capital Outlay.
- When the Capital Outlay millage was adjusted from 2.0 to 1.5 several years ago, it was not adjusted in Special Facilities from 1.5 to 1.0 mils. There is proviso language in the legislature to adjust the local millage pledge to 1.0 so that participating districts may keep a .5 mil for other maintenance projects.
- The Board's pledge of funds for three years is estimated at \$8,015,088.00.

District Payback

- Estimated Budget • \$ 49,267,700
- District Contribution • \$ 8,015,088 (16.27%)
- State Contribution • \$ 41,252,612 (83.73%)

- The state's contribution would be an estimated \$42 million, and at the end of the third year, the District would own the building(s) free and clear.
- The District would end up contributing approximately 16% of the cost, while the state would contribute 84%.
- Dr. Watson noted that the bigger the project, the better it is for the District since the Board's pledge does not change regardless of the size of the project.
- The funds come to the District yearly, and the District expends the funds from a dedicated account as appropriate to complete the project.

| | |
|---|---|
|  | <ul style="list-style-type: none"> • After the Castaldi Report and updated Survey are approved by DOE and the Board decides to pursue this revenue stream, the Superintendent, at the Board's direction, will write a letter to the Educational Facilities Department reporting that the District has a valid project as approved by DOE in the updated Survey and Castaldi Report and requesting a visit by a Special Facilities Construction Pre-Application Committee. • A 5-member committee will visit Okeechobee High School, review all the paperwork, and interview the Finance Officer and Superintendent. • The committee will make a recommendation to the Commissioner of Education to stop or proceed. • If the District gets approval to proceed, it should immediately advertise for an architect. The plans from the architect must be turned into DOE prior to the August 1st deadline. • The Special Facilities Construction Committee (made up of members from the Florida House, Senate, DOE, FADSS, and FSBA) will meet to prioritize all applications submitted to that point according to the level of need. The Superintendent will be asked to make a presentation to the committee at this time. Available funding will be granted based on the Committee's prioritization. Since the first year of the Special Facilities Construction program in 1981, no project application has ever been denied. • Typically, the 1st year of the project involves site preparation projects, and the bulk of construction occurs in the 2nd year. Therefore, most of the project funding is provided in the 2nd year. |
|  | <ul style="list-style-type: none"> • Dr. Watson suggested an Option 2 to include transferring the 9th grade from the Freshman Campus to a new campus on the OHS site which would increase the project to \$60 million. • Whether the total project is \$50 million or \$60 million, the District's share does not change. Therefore, Dr. Watson suggested affecting as many students as possible with the project. |

Further Discussion/Questions/Comments:

- If the Freshman Campus is moved to the OHS site, will there still be 1 cafeteria, 1 gymnasium, 1 lecture hall allowed for the site? Yes, however, since the allotment of square feet is based on the number of students being served at the site, those areas would be somewhat larger to accommodate an additional 500 9th grade students. As long as the plans stay within the allotted square feet and funding, it is the District's

decision to build 1 gym or two gyms. A good option is to build a practice gym or PE multi-purpose room at the 9th grade center.

- To lessen disruption to students and staff, the 9th grade campus could be built first and used as needed for 10-12th graders as buildings are torn down and rebuilt. Classroom space will also to be supplemented with portables during the construction phase.
- OHS currently has a large footprint on the site. Districts are tending to build schools vertically with a smaller footprint for efficiency and safety factors.
- It is recommended that buildings be further back from 441 to avoid flooding problems and lack of drainage that currently exists. An additional retention pond is needed in the front of the property.
- The equipment for CTE programs would be state of the art as well as all equipment in classrooms and the cafeteria.
- How does a district survive 3 years without access to its Capital Outlay funds? It is best to be certain that large ticket items, i.e. buses, HVAC systems, roofs, are in good enough working order to last for the three years that the Capital Outlay funds are pledged to the Special Facilities project. Any Capital Outlay funds that have not been encumbered by the start of the Special Facilities project will have to be pledged to this project, so it is important to make big ticket repairs and maintenance prior to the application approval. The Director of Operations will report to the Board, school-by-school, any issues that could become critical repair/replacement issues in the next three or four years. These items need to be addressed to prevent or correct as many as possible before getting involved in replacing the high school.
- The proviso language in the current appropriation bill stipulates that any district where a single mil is worth less than \$1 million must pledge only .75 mils for the Special Facilities Construction project. The district keeps .75 mils of the Capital Outlay millage for other capital projects. Senator Montford has agreed to sponsor a bill for the 2016 legislative session to remedy the situation so that proviso language does not have to be placed in the appropriation bill going forward.
- How important is lobbying for the Board to get a project like this approved? It is critical to bring the District's legislators up to speed on this piece of legislation and the Board's intention to apply for the Special Facilities funds. It is important for the District's legislators to communicate with the Education Appropriations Committee.
- Approximately how many counties are currently in the program or intending to apply? Four counties applied for 2015-16: Hamilton, Jefferson, Liberty, and Taylor. Last year, the committee took up Dixie, Calhoun, Holmes, Levy, Madison, and Washington Counties. Madison County will be removed from the list this year when they receive their money, because their renovation project is a 2-year project. Glades County will receive their 3rd-year payment this July 1st and will come off of the Special Facilities funding list.
- What has to be completed to meet the August 1st deadline this year? The most difficult task to complete by August 1st will be the Phase III Construction Drawings. These are the plans that go to the contractor. The Castaldi Report is essentially completed and ready for Board approval. The Spot Plant Survey needs to be submitted to DOE and returned for Board approval. The District then needs to submit a request for a Special Facilities Committee to visit to Okeechobee. The committee has 60 days after receipt of the request to make their visit, and it is difficult over the summer months to get committee members to all be available at the same time. An option for meeting the deadline would be to submit a set of plans that have been used by another district as a place holder. Then the District would have 1 year to alter those plans. By meeting the August 1, 2015, deadline, if accepted, the money would be available starting in the 2016-17 school year. Dr. Watson commented that this is not the best way to go, but it would get the District on the list for Special Facilities Construction money.
- Are any other districts planning to submit by August 1, 2015? Dr. Watson replied that he did not know of any at this time.
- If the Board decides to pursue the August 1, 2015, deadline, would the District have enough time complete projects before Capital Outlay funds must be pledged to the OHS project? Brian Barrett, Director of Operations, is working on a list of major items that need repaired/replaced/maintained at schools in the next several years, and it will be

Minutes of
Okeechobee County School Board Workshop
March 23, 2015
6:00 p.m.

presented to the Board at the April 14th meeting. If the Board applies for the August 1st deadline this year, it will have 1 year to address major maintenance items. The District's bus fleet is in good shape – 3rd newest fleet in the state. But even so, it would be difficult to go three years without replacement buses. He also suggested that money should be set aside in the General Fund for emergencies such as having to replace a chiller, roof, etc.

- Summary of Castaldi Report – Dr. Watson reported that every building failed except Buildings 3, 4, and 5. In another 5 years, Buildings 3, 4, and 5 would also fail the Castaldi test. Buildings 3, 4, and 5 have flooding problems that the other buildings do not have.
- Is the condition of the buildings at the high school so critical at this point that they must be replaced, and is the taxpayers' money being spent wisely doing this? Dr. Watson responded that there are classroom buildings with no restrooms, infrastructure and mechanical systems are failing. There are no current mold problems even though there is major flooding of Buildings 3, 4, and 5 from time to time. The drainage system problems are recurring. Dr. Watson commended the maintenance and custodial staffs at OHS for a superb job in maintaining the buildings. He commented that the housekeeping and maintenance in District school buildings is excellent and that if the District did not have the outstanding maintenance staff that it has, these buildings would not have lasted to this point. He added that teachers and students should be given the best possible environment possible.
- What would the timeframes for this project look like for the next couple of years? If everything is completed by the August 1st deadline, and the Educational Facilities committee agrees it should go forward, the request is submitted as part of the Education Commissioners budget to the Governor. If the legislature approves the budget, the District would receive its first money on July 1, 2016, and June 30, 2019, would be the end of the District's participation. If approved for funding, the Board will need to adopt a resolution to accept the funding.
- The Board expressed concern about having funds available for maintaining schools and making major purchases during the 3-years that OHS is under construction and when Capital Outlay revenue must be pledged to the project. Superintendent Kenworthy commented that there are possibly some large repairs that will need to be looked at such as the roof at South Elementary and the HVAC at Yearling Middle School. The funds for large capital items can be encumbered as of the first year that the District receives money from the state for Special Facilities.
- Would any of the buildings on the athletic fields be eligible for the Special Facilities funding? No, they are considered extra-curricular activity buildings. The gymnasium is eligible by reason of being part of the curriculum.
- Everything needs to be included in the Spot survey such as tearing down buildings, fill dirt, asphalt, etc. so that it is included in the budget and funding.
- Dr. Watson commented that when the Educational Facilities committee comes for a site visit, they will give the District extra credit for the outstanding maintenance of the OHS buildings since it is evident that the District did its very best to maintain the buildings.
- Chairman Arnold asked what the next step is for the Board. Superintendent Kenworthy answered that at the April 14, 2015, meeting the Board will need to decide if they want to move forward to meet the August 1, 2015, deadline or postpone to August 1, 2016. The Castaldi Analysis Report will be presented, also at the April 14th meeting, for Board approval.
- Superintendent Kenworthy commented that the most concerning piece for him in meeting the August 1st deadline is the lack of time to design the school. Although a plan from an existing high school may be used for the initial submission, it is unlikely that an existing school plan will work considering the sequence of tearing down buildings and constructing new ones so that school can remain open throughout the construction. It will take more time on the architect's part to put a plan together and more time for the Board to meet, plan, and gather input from others so that the community gets what it expects and deserves for a high school.

III. Additional Information Items

Superintendent Kenworthy presented the following data charts:

- Administrative Costs Per Unweighted FTE
- Student Growth: Reading and Math
- Student Performance: Reading and Math

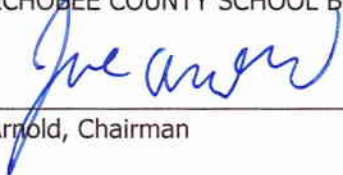
III. Public Comment

None

X. Adjournment

There being no further business to discuss, on a motion by Dixie Ball, seconded by India Riedel, the Board adjourned at 7:10 p.m. The next regular meeting of the School Board is scheduled for 6:00 p.m. on Tuesday, April 14, 2015, at 700 S.W. 2nd Avenue, Okeechobee, Florida.

OKEECHOBEE COUNTY SCHOOL BOARD



Joe Arnold, Chairman



Ken Kenworthy
Superintendent of Schools