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**School Board Workshop  
November 17, 2009**

**Building Projects Delays**

School Board Members requested a discussion regarding delays in completing building projects in a timely manner.

The Deputy Superintendent from Facilities and Construction Management started the discussion with historical data. Over the past 5 years there have been 847 completed projects from the Amended District Educational Facilities Plan.

The total expenditures on major projects is \$1,764,775,070. This includes, kitchen/cafeterias; class size reduction additions; new high, middle and elementary schools and centers; health and safety/ADA; and indoor air quality projects.

There are many internal issues that can cause project delays, such as: emergency health and safety issues, funding design permit reviews, contractor performance, just to name a few. Some external delays have been caused by unforeseen design conditions, building or engineer code changes, permitting process, environmental enhancements, water management, utilities, State funding, and market conditions for bonding. The mentioned delays can have a negative or positive financial impact, for example, the market can cause inflationary fluctuations, such as after Wilma when construction materials were very expensive. There can be possible cost savings for purchasing of materials for construction; such as they are now, due to the economic downturn. Delays can also be caused by a loss of funding due to reduced property taxes, which is happening at this time in Broward County.

The Board requested that when an audit is done on a construction project, and there have been delays due to permits and inspections, the audit should give an explanation for the delays. These delays are out of the School District's control and the audit should give possible solutions or expectations for when the delays will be resolved. Staff is requested to design a format and process for departments to explain and respond to audit reports.

Board Members spoke about the QSEC process and requested that all end users and stakeholders are involved in the design process. Also, when choosing a design, Board Members requested staff to list the different design project models in a matrix, with pros and cons, so that they can see what the advantage is for each model such as, which has the less cost.

The Board addressed change orders for construction projects. At one time there was an extreme amount of change orders for construction projects, but they have been greatly reduced.

At this time there are a total of 561 projects. Up to date information can be found on the Facilities web site for these projects. The School District historically had many construction delays. Now there is improved project delivery time due to the use of standard designs for classroom additions and early involvement during the design plan.

The QSEC discussion, from the November 3, 2009 workshop, was brought up by the Board regarding the selection of a construction company process by doing a short list and then selecting a low bid from that group with a guaranteed maximum price for the construction. This process, which has never been done in Florida, is being investigated by our legal department to see if that is something the School District can do. School Board Members think that would be a very effective process.

Going forward from here, construction projects are mostly renovations for updating schools into smart classrooms. Of course, at this time there is no building of new schools or additions, due to the Plant Survey done by the State, which forbids any building at this time. It was brought out that a School District can use funds to prepare the grounds for a playground, but cannot buy the equipment per the State. The PTA or other parent groups could fundraise dollars to purchase the playground equipment. Board Members were surprised to hear this and asked that the letter, which stated that information, be forwarded to them.

Material for this topic can be found on the eAgenda November 17, 2009 workshop.

### **Property Purchases**

Board Members revisited the purchase of Southwest Ranches land acquisition. Staff was requested to give an overview presentation on how the transaction was initiated, the factors that led to the decision to purchase, the misconceptions, and current conditions.

The Town of Southwest Ranches came to the School District with an initial proposal during the period of January-September 2003. The Town proposed to build a high school on a 30.42 acres site and then sell it to the School Board.

The Town of Southwest Ranches then offered the property for sale for a total of \$6,000,000. The location of this site is Sheridan Street and SW 190th Ave, Southwest Ranches. The presentation to the School Board Members included a design of the high school.

At the October 16, 2003 Site Review Committee meeting the Southwest Ranches site was selected for High School LLL (land acquisition only). Southwest Ranches owned parcel 1 & 2. Parcel 3 was not owned by Southwest Ranches but owned by Edward & Judith Fernandez. The Town of Southwest Ranches anticipated acquisition of parcel, but was unable to do so.

November 4, 2003, the School Board approved the site selection. November 18, 2003, the School District obtained a letter of permission to do due diligence on the property from the Town of Southwest Ranches. The School Board granted authorization to proceed with three appraisers for the initial appraisals. The property was appraised for \$4,217,033. The appraisal from Southwest Ranches was \$1,782,967 more than the School District's appraisal. Staff met with the town and negotiated a purchase price of 15% above appraised value not to exceed \$4.5 million for the as is site. The property was reappraised and the final price was \$4,339,000.

October 2004, the Board approved the contract of sale at the reappraised price. June 2005, Southwest Ranches provided notice of land clearing for SBBC to continue due diligence. From June -July 2005 due diligence was continued and it was revealed that the entire site was wetlands. At this point, staff was advised by the School Board to look for an alternate site for High School LLL.

In November 2005, the Board approved a request for a 90-day extension to review the situation at Southwest Ranches. Chappel Group Inc. was retained to evaluate the site regarding the

wetlands impact and the mitigation potential cost. It was found that 25.07 acres were wetlands. There was another analysis of the site done by Miller Legg and it was found that there was not as much usable land as previously thought and the total mitigation cost would be \$1,320,000. It was further stated that the presence of wetlands is common to this area, which is historically part of the Everglades ecosystem. Construction within wetlands typically requires dredging and filling operations.

Due to this finding, the School Board directed the Site Review Committee to deselect the Southwest Ranches site and recommended selection of the alternative site for High School LLL, the Pembroke Pines site, located at the Northeast corner of US 27 and Pines Boulevard. The Board approved the alternate site on December 13, 2005. The factors in the decision to purchase this site were: the price per usable acres, total purchase price, no mitigation costs, and the range of potential uses for an elementary school, K-8 school, Cypress Bay 9th Grade Annex or administrative site. Due to the availability of land at the time, the range of potential uses, and the reasonable price, the SBBC closed on the property.

It was brought out by the Board that the Southwest Ranches site was never deselected and in fact was purchased and land banked.

Board Members wanted to discuss the many misconceptions by the public regarding the Southwest Ranches property.

1. It is not swamp land. The land is usable, but would have to be mitigated before use and would provide 17 acres of buildable property at a cost of \$581,600.
2. Due diligence was conducted and independent consultants were hired prior to the closing of the property.
3. The need to demuck is not unusual in Broward County, due to the fact that much of the land in this county is part of the Everglades.
4. The property value today is \$4,800,000, which still exceeds the original purchase price by \$461,000.

It was brought out by the Board and staff during this discussion that the Southwest Ranches property has a maintenance cost of \$56,760. This cost was never disclosed in the contract for this property, but was included in the title for the property. This is the only property owned by the School District that has a maintenance cost.

Board Members requested for the future:

- Full disclosure of total cost of ownership on any contract that is brought before the School Board for approval.
- Staff is requested to create a mechanism or process, which would cancel an approval the School Board made for a purchase of property. At this time there is no such process. If such a situation happened again, regarding purchasing property, Board Members directed staff to return before them for another discussion on whether or not to close on the property.

Options for either disposition or use of the Southwest Ranches property will be presented as part of the Underutilized Sites presentation at the workshop on December 8, 2009.

Material for the presentation can be found on the eAgenda November 17, 2009 workshop.

**Summary of Discussions on the Proposed Location of Broward Addict Recovery Center Across from Seagull School**

It came to the attention of the Central Area Office that the Broward County Commission was deciding on a site for the Broward Addict Recovery Center (BARC), located across from Seagull School. The County did not advise the School District of their plans for BARC.

At the Broward County Commission Meeting on November 10, 2009, the Director of Growth Management addressed the Broward County Commission during Public Comments on this item and stated that the School District was against the proposed location of BARC across from Seagull School, due to the incompatible nature of BARC with the school and its fragile student body.

Additionally, it was stated that the School Board Chair and the Superintendent are both aware of the BARC issue and have concerns about the proposed location of BARC across from the Seagull School. This site would have permanent occupants and in and out patients who would be in the area of the student population

The Commission expressed their concern that the District had objected to the proposed location, but did not offer any compromise position in its objection.

The Commission also had a subsequent discussion regarding the Sexual Assault Treatment Center to also be located at the site across from Seagull School. The School Board Members and Superintendent have concerns about this proposed location of the Sexual Assault Center. It was brought out that the Sexual Assault Treatment Center also treats not only the assaulted, but also sexual predators who would be in the area of the student population. The Board asked staff to research exactly what the Sexual Assault Treatment Center would be used for and who would be attending.

Growth Management staff will continue to monitor this ongoing discussion with the County and will participate, as appropriate, in the discussions, provide necessary comments, and provide updates on the issue to the Superintendent. Staff is requested to bring forward a resolution on the School Board's position regarding the location of BARC and the Sexual Assault Treatment Center to the December 15, 2009 School Board meeting.

Material for this presentation can be found on the eAgenda November 17, 2009 workshop.

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