

**THE OVERSIGHT COMMITTEE FOR
THE IMPLEMENTATION OF THE THIRD AMENDED AND RESTATED INTERLOCAL
AGREEMENT FOR PUBLIC SCHOOL FACILITY PLANNING, BROWARD COUNTY, FLORIDA**

**Final Minutes
Oversight Committee Public Meeting
January 9, 2019
12:00 noon**

Kathleen C. Wright Administration Center, School Board Meeting Room

1. Call to Order

Chair Stermer called the January 9, 2019 Oversight Committee meeting to order at 12.20 p.m.

2. Roll Call

Linda Houchins called the roll, and the following Committee Members were in attendance:

- Alhadeff, Lori
- Curtin, Timothy
- Eichner, Shelley
- Eisinger, Debby
- Fisher, Lamar P.
- Good, Patricia
- Hunschofsky, Christine
- Klopp, Keven
- Resnick, Gary
- Rogers, Roy
- Stermer, Daniel J.
- Wexler, Lois

3. Approval of Minutes – April 11, 2018 Meeting

Committee Member Rogers made a motion to approve the minutes from the January 9, 2019 Oversight Committee meeting. Committee Member Eisinger seconded the motion, and the minutes were approved unanimously.

4. Additions to the January 9, 2019 Meeting Agenda

There were no additions to the January 9, 2019 meeting agenda.

5. Approval of the Final Agenda for the January 9, 2019 Meeting

Committee Member Good made a motion to approve the final agenda for the January 9, 2019 meeting. Committee Member Rogers seconded the motion, and the motion passed unanimously.

6. Excused Absences for January 9, 2019 Meeting

Chair Stermer stated that he received an excused absence request for the January 9, 2019 meeting from Committee Member Rich Levinson. Committee Member Eisinger made a motion to accept the excused absence request from Committee Member Rich Levinson. Committee Member Good seconded the motion, and the motion passed unanimously.

7. Election of Officers

Committee Member Rogers made a motion to reappoint the current chair, Daniel Stermer. Committee Member Eisinger seconded the motion. Chair Stermer suggested a friendly amendment be accepted to the motion to reappoint the entire current officers for another year. There were no other nominations, and Committee Member Fisher made a motion to close nominations. Committee Member Klopp seconded the motion, and the motion to close nominations passed unanimously. A vote was taken on the main motion including the friendly amendment, and the motion passed unanimously.

Chair Stermer welcomed the new members to the Oversight Committee; School Board Member Alhadeff, Mr. Curtin, Mr. Klopp, Vice Mayor Harris and Commissioner Fisher. He stated that the Committee is scheduled to meet the first month of each quarter. Chair Stermer said that because the Draft Student Generation Rate/School Impact Fee (SGR/SIF Study) was not moving forward and the Third Amended and Restated Interlocal Agreement (TRILA) had been approved, the urgency and need for the Committee to meet quarterly decreased; thus, the October 2018 meeting was canceled. Chair Stermer said the October 2019 meeting conflicted with Yom Kippur, and he suggested that the Committee convene for the April 2019 meeting and dispense with the final two meetings of 2019. Leslie Brown, Chief Portfolio Services Officer advised that the Draft SGR/SIF Study would be discussed at the current meeting. Brief discussions followed regarding the Draft SGR/SIF Study, and Chair Stermer requested that the new members avail themselves of District staff for any questions they may have regarding responsibilities. He also requested that any members that had not completed the 2018/19 parking pass application should email Ms. Houchins. Chair Stermer thanked the committee for the honor to serve as the chair.

8. PUBLIC INPUT

There was no public input.

9. SUBCOMMITTEE REPORTS

None

10. OLD BUSINESS

10.1 Status – Student Generation Rate and School Impact Fee Study

Ms. Brown said she appreciated Chair Stermer's redirection and codifying responsibilities of the Committee. Ms. Brown talked about the Draft SGR/SIF Study updated timeline. She stated that at the May 2018 School Board Workshop, the School Board directed staff to put the Draft SGR/SIF Study on hold for six (6) months. She said District staff was now asking for the Oversight Committee's input regarding next steps. Ms. Brown also talked about the time span regarding how often the SGR/SIF Study should be initiated. She said that TRILA called for a SGR/SIF Study to be conducted every three (3) years, and the current Draft SGR/SIF Study was

completed by that deadline in 2017. Ms. Brown also advised that the last recommendations from the SGR/SIF Study were adopted by the Broward County Commission in 2014. Committee Member Wexler asked whether the choices now available to the Committee were to either move the 2017 Draft SGR/SIF Study forward or begin the process over again and initiate a new study in 2020. She said it was important for the new Committee Members to thoroughly understand the findings in the Draft SGR/SIF Study. Committee Member Wexler advised that the recommendations for school impact fees in the Draft SGR/SIF Study proposed dramatic changes in certain fee categories; and moving forward, she did not want construction to be negatively impacted. Chair Stermer asked whether the District would use the same consultants if a new Study were to be initiated in 2020. Ms. Brown said that if a new Study was initiated, the District would prepare a Request For Proposal (RFP) and solicit bids. Chair Stermer suggested that the District wait, and at the appropriate time, put out an RFP and solicit responses from new consultants. He said there were serious concerns regarding the methodology used in the current Draft SGR/SIF Study. Committee Member Rogers suggested that the District wait, and at the appropriate time, put out an RFP and solicit responses from new consultants.

Ms. Eichner shared discussions from the December 2018 Staff Working Group (SWG) meeting regarding the Draft SGR/SIF Study. She said that Lisa Wight had sought feedback from the SWG regarding their opinion if the Study was only conducted once every five (5) years instead of the current three (3) years. Ms. Eichner said the two (2) issues discussed at the SWG were 1) can impact fees be used to pay down the debt service, and 2) should Broward County be still assessing and collecting impact fees which are designated for new capacity while excess student stations exist Districtwide. She said the consensus of the SWG was to recommend to the Oversight Committee that those two (2) issues be resolved before the School District can move forward with the Draft SGR/SIF Study or start a new Study in 2020. Committee Member Resnick asked if any effort had been made to move forward on the items from the Draft SGR/SIF Study that had no issues and asked if there were any lawsuits challenging the use of school impact fees. Ms. Brown stated that there were no lawsuits challenging use of school impact fees. She said that the District's Chief Financial Officer requested the District Bond Counsel to advise on that subject, and the Bond Counsel said that school impact fees could be used to pay debt service. Ms. Brown said that a legislative bill had been put forth in one of the past legislative sessions to try and force school districts to not use school impact fees towards debt service, but the bill failed. She stated that there was no State Statute that said that impact fees cannot be used toward debt service. Ms. Brown stated that District counsel had advised staff that there had been no prohibition or case law against school districts' use of impact fees to pay debt service and that the District had the right to assess impact fees. Ms. Brown said it was important for all the Members to understand that the back and forth regarding those issues will go on forever; that all have pertinent interests in the outcome of these issues, and that at this point in time, there is nothing precluding the District from using impact fees for debt service. She said she appreciated the Oversight Committee's help in thinking through the issues. Chair Stermer added that while there was nothing stating that school impact fees could not be used to pay debt service, there was also nothing specifically stating that they could be used for debt service.

Committee Member Rogers made a motion stating that the Committee defer taking any action on the Draft SGR/SIF Study until all members have had the opportunity to review the whole picture. Committee Member Good said that the Broward County School District was not the only school district to use impact fees to pay debt service, and that it is not unique to Broward County. She said that school impact fees are an important part of the District's funding process. Discussions followed regarding transmittal of the Draft SGR/SIF Study. Ms. Brown stated that

the timeline listed in the back-up materials was the process that had been traditionally used but was not set on the calendar and could be changed. Committee Member Wexler said there had been several objections from the County regarding the methodology used in the Draft SGR/SIF Study. She asked Josie Sesodia, Director of Planning and Development Management, Broward County, if she was prepared to identify what those objections were. Ms. Sesodia stated the County expressed concerns and recommendations that were articulated in writing to the District, and several meetings occurred between the District and County staff to work out those issues. She said as a result, some revisions were made to the Draft SGR/SIF Study by the consultants which addressed the issues raised by the County. Chair Stermer suggested that District staff send the Draft Proposed SGR/SIF Study, minutes regarding the Study, Broward County comments, comments from other groups, and all questions and concerns to the new Oversight Committee Members; and give them time to review the materials and ask questions. He said the Study gets gaveled by the County Commission, sets impact fees and has a significant impact across Broward County. Ms. Eichner asked that the information should also be sent to the SWG Members.

Ms. Brown said she would like Ms. Sesodia or one of her staff to sit on the RFP Committee for the next Study so that when the methodology for the RFP was developed it would be open and shared before going out to the public. She suggested that if the new Committee Members would like to meet with staff, she would be glad to meet with them. Chair Stermer suggested that after receiving the materials regarding the Draft SGR/SIF Study, if the new Committee members wanted more information, staff could schedule a workshop.

Committee Member Klopp asked if there was anything regarding the methodology that the County was not comfortable with or whether all the issues had been resolved except for the use of impact fees to pay debt service. Chair Stermer stated he believed there were still issues based on the methodology that generated certain dollar amounts for certain categories. Discussions followed regarding delaying the Draft SGR/SIF Study and waiting for the process to begin again in 2020. Ms. Brown shared that the SGR /SIF Study is initiated every three (3) years, and a similar situation occurred with the 2010 Study which was not adopted by the Broward County Commission.

Chair Stermer stated there was a motion on the floor to defer moving forward with the Draft SGR/SIF Study timeline until no earlier than 2020. Committee Member Eisinger seconded the motion. Committee Member Wexler said she thought it would be disingenuous to take action on that point given that there are so many new members and they would not have the opportunity to know what they were voting on. She added that she would be ready to support the motion at the next meeting. Discussions followed regarding the refusal by the County Commission to adopt the 2010 SGR/SIF Study and the modifications made by the County Commission to the 2014 SGR/SIF Study. Committee Member Wexler said there may be an opportunity to salvage the Draft SGR/SIF Study if it were reviewed. Alan Gabriel advised that the School Board makes a recommendation to the County and the County Commission has the authority to make modifications if there is justification to do so. Committee Member Good said she would like to work with the Draft SGR/SIF Study and said it was not acceptable with her to put the Draft SGR/SIF Study on the shelf. Ms. Eichner said it was not the recommendation of the SWG to shelf the Draft SGR/SIF Study, but to not undertake more studies and spend more money until the core issues were resolved. Ms. Brown said she did not think the two issues would ever be resolved. Discussions continued regarding the Draft SGR/SIF Study and the data contained in the Study. Committee Member Resnick said he was not in favor of shelving the Draft SGR/SIF Study and suggested that the Committee give the new members time to review

the materials before taking further action. He also said that he was in favor of working with the existing Draft SGR/SIF Study as revised and suggested providing a presentation to include County staff regarding changes made at the County's request.

Committee Member Rogers stated that he was a developer for many years with full knowledge and scope of developers, but he was not receiving any input from the development community. He said all the comments had been good, but he withdrew his motion and asked that the meeting proceed as the Chair deemed appropriate. Discussions continued, and Chair Stermer suggested that the Draft SGR/SIF Study be placed on the next Oversight Committee agenda but that prior to that meeting, all the underlining draft Reports, comments, opinions, and minutes be forwarded to the new members and to the SWG, and that a Workshop for the new Committee Members should also be held. Committee Member Good suggested that the Oversight Committee meeting dates be modified to meet earlier than April 2019 to expedite the process. Chair Stermer said the July meetings are usually canceled because of summer. He asked Ms. Houchins to send a survey to the members to see if they would be available to meet either the last week of February or the first week of March 2019; specifically, to discuss the Draft SGR/SIF Study. Committee Member Klopp said the Committee was not taking any action or making any decision but just making a recommendation to the School Board, and he suggested that some recommendation be made so the School Board could decide whether they want to move the Draft SGR/SIF Study forward. He said he was not comfortable supporting doing nothing. Brief discussions followed regarding the Oversight Committees prior recommendation to the School Board and the development communities' actions regarding the Draft SGR/SIF Study.

Ms. Brown said she wanted the new Committee Members to know that there were one (1) to three (3) categories where the fees increased significantly. She said District staff looked at those increases that were greater than 100% and reduced them by 75%. Ms. Brown said District staff had been working to get the fees to a consistent rational basis. She said based on the Oversight Committee's direction, staff was willing to go back and look at those fees again.

Chair Stermer said there was no action item on the Draft SGR/SIF Study other than to set a schedule. He said he did not think any member came prepared to vote on any piece of the Draft Study, and he said the decision to calendar the item would be re-engaging the process. Chair Stermer asked that staff ensure that all new members have the information to review and then proceed to schedule a workshop for the new members before the next Oversight Committee meeting. Committee Member Resnick suggested that the legal memorandum from the District Bond Counsel should also be provided to the new members. Ms. Brown asked that since the 5-year versus the 3-year timeframe for the Study was still pending, if the 2016/17 Draft Study moved forward, would it be appropriate to count it as the 2020 Study, so that the District does not have to begin the process over.

10.2 Status - Third Amended and Restated Interlocal Agreement for Public School Facility Planning

Ms. Brown advised that the TRILA successfully passed, and on December 4, 2018, School Board Growth Management Policy 1161 was amended to align with the TRILA.

11. NEW BUSINESS

11.1 Draft 2018 Annual Status Report on Implementation of the Second and Third Amended Interlocal Agreement for Public School Facility Planning

Ms. Brown stated that the Draft 2018 Annual Status Report was provided in the back-up materials for the Committee's review. Chair Stermer advised that the Report would come back to the Committee for approval at the April 2019 meeting. He said if there were any questions or comments to reach out to District staff. Chair Stermer stated that the Oversight Committee had been more proactive in their efforts with local governments who were unresponsive to the implementation of the TRILA. Ms. Wight said that this year's Report covered both the Second Amended ILA and the TRILA. Committee Member Klopp commented that District staff had done a good job and stated that the 2018 Annual Status Report had less sections with issues needing resolution than in previous years.

11.2 Revised Interpretation Document Regarding Third Amended and Restated Interlocal Agreement for Public School Facility Planning

Ms. Brown advised that the Interpretation Document has been revised based on approval of the TRILA. Committee Member Eisinger made a motion to accept the revised Interpretation Document regarding the TRILA. Committee Member Rogers seconded the motion, and the motion passed unanimously.

11.3 October 9, 2019 Oversight Committee Meeting Conflict

Chair Stermer suggested deferring the calendaring issue until the April 2019 meeting.

12. INFORMATIONAL ITEMS

12.1 June 7, 2018 SWG Final Minutes

12.2 December 6, 2018 SWG Draft (Not Approved) Minutes

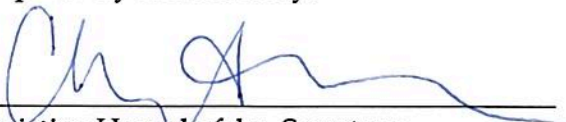
12.3 Next Scheduled Meeting - April 10, 2019

Committee Member Klopp commented on the picture of the Oversight Committee on the District website, and District Staff said they would work towards changing the picture. Chair Stermer suggested that staff make the agenda and back-up materials all one PDF packet.

13. ADJOURN

Chair Stermer adjourned the meeting at 1:35 p.m.

Respectfully submitted by:


Christine Hunschofsky, Secretary

4/17/19
Date