

Half-Cent Sales Surtax Citizen Advisory Committee

Meeting Minutes

Monday, December 18, 2017

Opening

The regular meeting of the Sales Surtax Citizen Advisory Committee was called to order at 4:04 p.m. on Monday, December 18, 2017 at St Johns County School District Office, 40 Orange Street, St. Augustine, Florida by Dr. Bill McCormick, Chairman.

Present

Ed Albanesi, Susan Connor, Fred Danner, Jack Hardman, Dr. Bill McCormick, John Quattrochi and Victor Raymos. Alternates: Damian Cook and Norvie Veracruz. Absent: Thomas Cave, Barbara Little, Shannon McCormick, Melissa Nelson, Steve Olson, Hugh Rappa and Mark Simpson. School District staff present: Paul Rose, Mike Degutis, Nicole Cubbedge, Cathy Mittelstadt, Dawn Posey, Elizabeth Moore and Judith Harvey.

Approval of Minutes

Minutes from the December 19, 2016 meeting were approved with a motion by Mr. Raymos and seconded by Mr. Danner. Minutes from the March 20, 2017 meeting were approved with a motion by Mr. Raymos and seconded by Mr. Quattrochi. Minutes from the June 19, 2017 meeting were approved with a motion by Mr. Raymos and seconded by Mr. Quattrochi. Minutes from the September 18, 2017 meeting were approved with a motion by Mr. Raymos and seconded by Mr. Danner.

Financial Reporting

Mr. Degutis presented the Financial Report to the Committee. The first spreadsheet that Mr. Degutis presented was the Sales Tax Receipts for the 2017-2018 year. He explained that the first four bold entries were for receipts for July, August and September and then the September quarterly total. The projections were less than the budgeted amount but Mr. Degutis explained that when the projections were made, they did not have a lot of data on trends. Mr. Degutis noted that there are usually two spikes which help level out the amounts received. These spikes occur during November/December with the Night of Lights and then in late February, March and April when there are a lot of festivals in the area. He stated that with time, they would be able to seasonably adjust the projections. He also stated that they are tracking the interest earnings on

two funds which are Bond Proceeds and Sales Tax Revenue. He stated that the Sales Tax Revenue works as a “pay as you go” for projects. He also explained that the debt service is taken out each month. He also noted that these sales tax receipts are updated through November 30, 2017. Mr. Albanesi asked if all the quarterly projections will be higher since he noticed that the projections were for \$300,000 but the September Quarterly receipts were \$502,241.85. Mr. Degutis noted that they underestimated on the quarterly receipts and overestimated on the monthly receipts.

Mr. Degutis then reviewed the Sales Tax Funds spreadsheet for each project. He reviewed the budget, actual, encumbrance and balance for Picolata Crossing Elementary, previously known as Elementary M, and the new K-8 School LL. He explained that new K-8 School KK was only partially funded by sales tax. At the bottom of the Sales Tax Funds spreadsheet, the other funds used for K-8 School KK which were funded by Impact Fees, Proportionate Share and 1.5 mils are listed. Mr. Degutis explained that by adding the blue line (portion of new K-8 School KK funded by sales tax) and the yellow line (portion of new K-8 School KK funded by the other 3 sources), the total amounts are then listed on the highlighted green line at the bottom of the spreadsheet. Mr. Degutis indicated that the radios were paid in full and were invaluable during Hurricane Irma. He also stated that the Hartley and Ketterlinus roofing projects were complete. Ms. Connor asked if K-8 School KK and LL were the same square footage and layout and if so, why were the costs different. Mrs. Cubbedge explained that there were more costs associated with the K-8 School KK site which resulted in higher costs. Mr. Hardman asked if the impact fees were used first and then the sales tax revenue next for K-8 School KK. Mrs. Cubbedge stated that almost all of K-8 School KK was funded through impact fees and proportionate share and that only a small portion of sales tax revenue was used for that project. Mr. Hardman then asked if the sales tax and impact fees were enough to finish the schools. Mr. Degutis answered in the affirmative.

Project Reporting

Mr. Paul Rose then gave the project report. He showed slides of each project. He also discussed and noted a few things on each project. He reiterated that K-8 School KK had more extensive site work and prep thus was not as far along with the actual building compared to K-8 School LL. He stated that Picolata Crossing Elementary, formerly known as Elementary M, opened on time. He also noted that the Hartley Elementary and Ketterlinus Elementary roofing projects were completed in the summer and although they were not glamorous, they were needed. He also noted that the radio enhancement system was paid for in full and being utilized. Mr. Cook asked what procedures were in place regarding the large windows during a lockdown. Mr. Rose explained that the schools put a visual barrier over the windows in the instance of a lockdown. Mr. Cook asked if the glass was tempered glass and Mr. Rose said no. He stated that the visual barrier was the only procedure.

Next, Mr. Rose explained that St Johns County School District was one of a select few who did not have GPS on their transportation resources. He said that now with the radios and new

software system that they can link all 220+ buses. He said that the Transportation Department knows where the buses are going and where they are located. Mr. Rose showed a picture of Landrum Middle School with all of the buses staged to pickup students. He then showed a second slide of a typical route of a bus with the red marks indicating each stop. He said the system can also do a diagnostic check. He stated that the system can alert them to issues with a bus which can result in significant savings. He stated that the mechanics can look at the computer and then decide what to do about an issue with a bus. He explained that they set up geocode fences so that they will know when a bus arrives and/or departs and they can also check on any reports that they receive regarding a bus speeding or being late. They have integrated it with the bus planner so the system helps with routing also. Mr. Cook asked if the system tracks speed and Mr. Rose said yes and also references the time of the speeding incident. These items are reviewed by the safe operator committee where they go over the violations with the drivers. Ms. Connor asked if the schools had access to the program and Mr. Rose said no. Ms. Connor stated that it would be nice if the system alerted when buses are running late. Mr. Rose stated they are proactive in communication with the schools and getting the information uploaded to the software that the schools use. Mr. Rose stated that it has improved operations in the transportation department.

Mr. Rose then gave a brief update of some upcoming items. He stated that there are some school expansions. Patriot Oaks Academy and Switzerland Point Middle School will undergo dining room expansions. He said there will be more roofing projects scheduled for the summer. He also stated that RB Hunt Elementary will undergo a playground update. He stated there will be site improvements at The Webster School and Murray Middle School. He said there will be 24 locations that receive updates for security cameras and monitoring devices. Fruit Cove Middle School will receive an update to the alarm system. He stated that 6 locations will have updates to their intercom systems. He also explained that 9 locations will have security systems upgraded. They are also still working on the single point of entry with 14 locations. They also have 7 locations that are receiving upgrades to security for key cards and cameras. The last upcoming item is an exterior lighting upgrade for Sebastian Middle School. Dr. McCormick asked if there were only 3 schools left for the single point of entry. Mrs. Cubbedge said they are down to only a few left. Mr. Rose stated that part of the single point of entry issue was how to define a single point of entry when for example, a high school has several facilities that are accessed. Mr. Cook asked if the others were a mix of elementary and middle schools and Mr. Rose stated in the affirmative. He said they were excited with what they had been doing at St. Augustine High School (SAHS) and that there were some gaps but overall, they were pleased. Mr. Cook asked what they were excited about at SAHS. Mr. Rose said that there were several entry points at SAHS but that SAHS has people positioned to deal with all these access points. Mr. Hardman asked if sales tax money was to be used for all of these upcoming projects or were they using other funds as well. Mr. Degutis said that other funds would be used also. He stated that, for example, purchasing buses was a part of the capital outlay budget. Mr. Hardman asked if these items would be put in the sales tax. Mr. Degutis stated that they would only put things in the specific sales tax categories.

Presentation – Annual Report

Mrs. Cubbedge then presented the PowerPoint of the Draft Annual Report. She said that the Citizen Advisory Committee's (CAC) bylaws stated that the annual report must be presented to the School Board in January. She explained that Mr. Hardman did the presentation last year. She stated that the meeting will be held in January at 40 Orange Street. She explained that the staff prepared a power point in draft as a starting point for the Committee. Mrs. Cubbedge gave some history about the half-cent sales surtax and the Committee. She also explained that the half-cent sales surtax passed on November 3, 2015 and the CAC was selected to meet quarterly. She also explained that the School Board will consider reappointments and fill vacancies at their February 2018 meeting. She then went through the categories for the capital expenditures for the half-cent sales surtax. She also explained that the staff came up with a critically needed list and then explained the progress of each of these needs. She also showed pictures of these projects. Mr. Cook asked if Publix gave the okay for the colors of K-8 School KK since they are so similar to Publix. Mrs. Cubbedge explained that they were similar but not the same. Then Mrs. Cubbedge went through the budget for 17-18 with the spreadsheets provided by Mr. Degutis to show the expenditures. Mrs. Cubbedge then listed the proposed 18-19 budget with the same categories listed. Mr. Hardman asked if the lease payment for Zonar would remain. Mrs. Cubbedge said yes because it was a three (3) year on-going lease.

Mrs Cubbedge stated that this power point was a draft. She then asked for comments from the Committee regarding the power point. Dr. McCormick then asked the Committee if they had any questions. Mr. Cook stated that he thought it would be nice to add in pictures of the before and after pictures of the roofing projects at Hartley Elementary and Ketterlinus Elementary so that everyone can see the difference. The draft power point only included pictures of the front of the two schools with the Half-Cent Sales Surtax signs displayed out front. Mr. Cook then asked who will do the presentation to the School Board. He also thought that it would be nice to have something in the power point about how the radios helped during Hurricane Irma and how repairs have been avoided with the buses. Mr. Danner said it would also be helpful to show the cost savings from the CEPS system and how it helped identify cost savings. Mr. Rose explained that they have not done any specific analysis yet since they have only had the system for a month. He said it takes resources to capture that information and process it. Mr. Hardman asked if he had hired more people. Mr. Rose stated that they had not because resources were needed in other areas such as more teachers, but that the system is beneficial and they will produce some reports. Mr. Hardman asked if it will save on fuel. Mr. Rose stated in the affirmative. He said it will save on fuel because it analyzes idling times which do cost more fuel. Mr. Danner suggested that these savings be shown in the power point. Mr. Rose agreed and said that this system helps new and sub drivers to navigate and avoid predicaments. Mr. Cook expressed that he thought all of these items (cost avoidance, geofencing, safety, etc) should be noted in the power point to illustrate the full use of the system. Mr. Rose said absolutely. Ms. Connor said it was a great presentation. Ms. Connor asked if once the presentation was finalized, could they distribute it to SAC and PTO to share what has been accomplished and what is upcoming. Mrs. Cubbedge said they were working on updating the website and they will then run a collection of pictures of these accomplishments. Ms. Connor said that was a great idea. Mr. Hardman said it

would be nice to get the presentation out into the community so the CAC can talk about it with the public. Mr. Danner said he thought adding the slides of the roofing projects would be good and to also show the signs in front. Dr. McCormick said the pictures are good. Ms. Connor asked if the next school would be a high school. Mrs. Cubbedge said it would likely be another K-8 or an elementary school. Mrs. Cubbedge stated that they would not build another high school until they could borrow more funds. The last bonds will be paid off in 2021. Mrs. Cubbedge also stated that they would not put a high school in under the sales tax revenue since it would not serve the whole county and that projects should benefit the whole county and that high schools are huge projects with lots of facets. Mr. Rose had to leave and thanked the Committee for their time. Ms. Connor then asked where the new high school would be located. Mrs. Cubbedge stated that they are looking at several sites but it would probably be to relieve the overcrowding at Nease High School and Bartram Trail High School.

Mrs. Cubbedge asked Dr. McCormick who would make the presentation. Mr. Albanesi asked who the audience would be for this presentation. Mrs. Cubbedge explained that the report was for the School Board and the public. She said the School Board knows about the report but will still need to see the future plans. She said it was also for the public to keep them informed of what the sales tax dollars are being used for and the Committee's future plans. Mr. Cubbedge then asked if the Committee needed any clarification. Mr. Albanesi said it was the second time he had heard it but he did not hear the presentation to the advisory committee. Mrs. Cubbedge then gave some background on how the process worked. She said the PowerPoint was created by the subcommittee and then the staff tweaked it and brought it to the full committee. She explained that Mr. Hardman presented it last year on behalf of the committee. She further explained that since time was short, she updated the PowerPoint that was used last year and was now bringing it before the committee. Dr. McCormick stated that he felt the committee had received very good input from the staff. He also stated that Mr. Hardman did a great job of presenting last year and he was okay with Mr. Hardman presenting again this year. Mr. Albanesi stated that he felt that the public does need to hear what is going on with the sales tax revenue. Dr. McCormick stated that the public can attend the meeting. Mrs. Cubbedge stated that there have only been 2 persons from the public who have come to the meetings. One visitor was a bystander and the other visitor was a reporter. Dr. McCormick stated that it would be nice if the School Board would change so that the workshop did not precede the meeting which resulted in Mr. Hardman presenting twice. Mrs. Cubbedge explained that this was an unusual occurrence because teachers were getting awards and that normally the School Board workshops and meetings are not held on the same day. She stated that the next School Board meeting will be on January 8th at 9am here at 40 Orange Street.

Ms. Connor asked if the School Board will be appointing the vacancies. Mrs. Cubbedge explained that this time there would not be an open application process. She also explained that if a member was no longer interested in serving on the Committee or if a member wanted to stay on the committee, they should let Mrs. Cubbedge or their School Board member know. The School Board will vote on the vacancies at their February meeting.

Mr. Hardman asked about an update on the impact fees. Mrs. Cubbedge stated that the School Board had another workshop with Dr. Nicholas and this workshop was only with the School Board. She stated that Dr. Nicholas walked the School Board through all the information. She also stated that the School Board had additional questions especially since it had been 5 years since the fees were reviewed and the last school the District had opened before Picolata Crossing Elementary (Elementary M) had been quite a while ago. The School Board also had questions regarding the tier structure based on square footage that St. Johns County was proposing. Mrs. Cubbedge also stated that the School Board has not made their final recommendation to the County yet. She said they are planning to have another discussion in January and will then make a recommendation to the County. Mrs. Cubbedge explained that the County will work on their side of the issue and then the School Board will give their recommendation on the School Board side of the issue. Dr. McCormick asked if they would give their analysis at the round table. Mrs. Cubbedge stated that Dr. Nicholas walked them through all of the information and that the School Board is still working on it.

Next Meeting Date/Time

The next meeting will be held on Monday, March 19, 2018 at 40 Orange Street, St. Augustine, Florida.

Public Comment

None

Adjournment

Mr. Quattrochi made a motion to adjourn and Mr. Hardman seconded the motion. The meeting was adjourned at 5:23pm.

Minutes submitted by: Judith Harvey