

Half-Cent Sales Surtax Citizen Advisory Committee

Meeting Minutes

Monday, June 19, 2017

Opening

The regular meeting of the Half-Cent Sales Surtax Citizen Advisory Committee was called to order at 4:05 p.m. on Monday, June 19, 2017 in Building C at First Coast Technical College located at 2980 Collins Avenue, St. Augustine, Florida by Dr. Bill McCormick, Committee Chairman.

Present

Jack Hardman, Dr. Bill McCormick, Victor Raymos, Susan Connor and Barbara Little. Alternates: Grant Misterly, Norvie Veracruz and Ed Albanesi. Absent: Fred Danner, John Quattrocki, Melissa Nelson, Jon Wiles, Thomas Cave, Steven Olson, Mark Simpson, Susan Connor, Bill Kopf, Shannon McCormick and Hugh Rappa. School District staff present: Nicole Cubbedge, Cathy Mittelstadt, Beth Sweeny and Judith Harvey. St. Augustine Record: Colleen Jones.

Approval of Minutes

Due to the fact that there was not a quorum (only five committee members present), no action can be taken on the minutes from the December 19th meeting and the March 20th meeting. They will be scheduled for approval at the next meeting.

Discussion

Discussion was held on not having quorum and suggestions to aid in getting a quorum. One suggestion was to have Alternates attend meetings and be a voting member in the absence of their respective member. There was discussion of other suggestions including checking on absences and possibly remove members who are consistently absent. None of these suggestions were built into the By-Laws so any changes would need to go before the School Board to amend the By-Laws. Dr. McCormick asked that Mrs. Cubbedge schedule this item for the School Board to discuss and then inform the Committee of any actions the School Board takes.

Financial Reporting

Mike Degutis was at a conference so Mrs. Cubbedge reviewed the Financial worksheets that Mr. Degutis provided for the Committee. The first sheet that was reviewed was the 2016 Sales Tax Receipts. Mrs. Cubbedge noted that the District finished the entire year of sales tax collections with the Actual and Projected Total for 2016 being \$17.8 million. When projections for sales tax collections were originally done, the estimates were conservative at \$13 million. State projections were also taken into consideration for these estimates. The receipts have exceeded the first year's projections. This overage may not always be repeated because future projections will be made more in line with the actual receipts.

Mrs. Cubbedge noted the next sheet, entitled 2016-17 Sales Tax Receipts, shows the fiscal year trend. July-March numbers are in bold because they are actual receipts. The last four entries are projected. Mrs. Cubbedge noted that April numbers should come in soon. \$18.2 million for the fiscal year and the projected budget was for \$17.8 million so the receipts exceeded the projection.

Next, Mrs. Cubbedge reviewed the Financial Report which has information regarding each project. Elementary M, which has now been named Picolata Crossing Elementary (PCE), is ready to open in August. It is fully funded with sales tax dollars. Mrs. Cubbedge noted that it looks like PCE will come in under budget. Part of the reason, for it being under budget, is that the District does owner-direct purchases which is a cost savings since we buy our own construction materials. She noted that they expect savings from being under budget; however, the school is not complete yet.

Mrs. Cubbedge next reviewed the K-8 School LL which is located in Aberdeen. This school has a lot more work to be done.

Mrs. Cubbedge skipped K-8 School KK and addressed it later. Next, she discussed the Motorola Radio Enhancement project. This project was instrumental during Hurricane Matthew from an emergency standpoint since school buses were used to transport residents of the community. This project allows bus drivers to have a link to emergency services on a daily basis and this project has been fully funded.

Next, Mrs. Cubbedge returned to the K-School KK which is located in Nocatee. This school was originally expected to be funded with only impact fees and proportionate share mitigation funds but when the bid came in higher to construct the entire planned school, the decision was made to also utilize sales tax funds. School KK will utilize \$5.5 million in sales tax funds. These funds have not been spent yet but are encumbered.

Mrs. Cubbedge then reviewed the last two projects on the Financial Report that evolved since the last Citizens Advisory Committee meeting. The Hartley Elementary and Ketterlinus Elementary roofing projects were put out for bid since the last meeting. Mrs. Cubbedge noted that any roofing projects must be done in the summer when students are not in session. Since funds from the sales tax were available, they proceeded with the projects. Hartley is an entire roofing

project while the Ketterlinus roofing project is only ½ the roof. Mrs. Cubbedge explained that they were unable to do the whole Ketterlinus roof in the summer. These projects have been started but not yet completed. Mrs. Cubbedge further explained that Hartley Elementary was expanded a few years ago so that part of Hartley Elementary does not need a new roof. Ketterlinus Elementary was not damaged in Hurricane Matthew but the Ketterlinus gym was damaged. St Johns County runs the gym so they are still working through this with FEMA. Eventually, the School Board and St. Johns County will work on the gym together after insurance and FEMA have been settled. Mr. Hardman reminded the Committee that the funding came initially from the \$50 million in bonds which has a repayment of \$5 million. The two school projects that were bonded were Picolata Crossing Elementary (Elementary M) and K-8 School LL.

Project Reporting

Mr. Paul Rose was on site at one of the projects so Ms. Mittelstadt presented a slideshow for the project reporting part of the meeting. This slideshow illustrated the progress of the new schools and renovations. The first project shown on the powerpoint was K-8 School KK which is 3 stories. They were starting to tilt the panels in the pictures but all of the panels are now up. It is coming along faster than LL. It is located off Nocatee Parkway near Davis Park Road and Old Palm Valley Road. Mr. Hardman asked if all the stories will open at one time and Mrs. Cubbedge answered in the affirmative.

The next slide showed K-8 School LL which had panels being erected the following day. There was a lot more sitework with this school so it is behind KK. This school is located on Longleaf Pine off St Johns Parkway and to the left on Shetland Road. Mrs. Cubbedge explained that the two schools also had contractors with differing priorities and in this school, the contractor preferred to do the sitework first and then begin the school whereas School KK, the contractor began working on the school first.

The next slide showed Picolata Crossing Elementary (Elementary M). It has 820 seats and the layout is similar to Palencia Elementary except Picolata Crossing has four classrooms on each wing that Palencia does not have. Mrs. Beth Sweeny noted that Picolata Crossing was built with the intention of being bigger than Palencia. Mrs. Cubbedge noted that the area is growing rapidly so the extra four classrooms on each wing were to help accommodate the growth. Ms. Mittelstadt noted that Administration is set to move into the school after July 4th. Ms. Connor asked if rezoning had already happened and Mrs. Cubbedge said that yes, it had been done. Mrs. Cubbedge noted that Valley Ridge Academy and Patriot Oaks Academy grew by 40% when they opened so they are hopeful that Picolata Crossing will open in the 600's but they could have more. Ms. Connor asked where the students from Picolata Crossing will attend for middle school. Mrs. Cubbedge informed the Committee that the middle schools will not change and that Picolata Crossing will have students going to Pacetti Bay Middle School and Murray Middle School. She stated that Pacetti Bay is crowded and is in fact, larger than Pedro Menendez High School was last year, so the students will go to two different middle schools. Mrs. Cubbedge

said they hope to be able to provide relief to Pacetti Bay in near future. Mr. Hardman asked about looking forward to 2020-2021 and Mrs. Cubbedge acknowledged that there is a need for more schools. Ms. Connor asked if a new high school was on the agenda. Mrs. Cubbedge explained that a new high school is in the 5 year plan but is not fully funded. She said they would need to pay down the debt from tax revenue and will be paying off a bond in 2018. In 2021, they will pay off the \$150 million bond which built Creekside High School, Wards Creek Elementary, Ponte Vedra High School, Pacetti Bay Middle School and the expansion at Bartram Trail High School. After that bond is paid, they would have the capacity to borrow funds for a high school. Ms. Veracruz asked if there was a site for the new high school and Mrs. Cubbedge replied that it will probably be in the northern or central part of the county. She noted that Nease High School has a large zoned area but the exact site has not been chosen for the new high school. Dr. McCormick stated that he felt more impact fees were needed. Mrs. Cubbedge noted that those are under study. Mr. Raymos noted that affordable housing is also needed.

Presentation - Capital Outlay Budget – 2017

Mrs. Cubbedge presented the proposed 2017 budget to the Committee. The budget was presented to the School Board in a workshop and the Board has requested the Committee's input. During multiple presentations to the county, a critically needed project list was developed. There were four categories for this budgeted amount. These four areas are: Meet the Needs of an Increasing Student Population – which is the new construction piece; Maintain High Quality Educational Facilities which is the roofing projects; Provide New Technology to Prepare Children for 21st Century Learning which is the technology piece and Continue to Keep our Children Safe which is the safety and security piece.

The first piece to meet the needs of an increasing population is the three construction projects. As Mr. Hardman noted that construction costs have risen and so more has been expended on the first two schools than expected. Thus more expenditures will be needed in this category to honor the promise to the community.

In the second piece which is maintaining high quality educational facilities, there is \$13 million remaining.

In the third piece which is keeping our children safe, there is \$4 million remaining.

The first year budget was the three new schools which were built in hot spots and as Mr. Hardman noted, the bonded sales tax money was to move on constructing new schools quicker.

The second year budget is \$18.6 million. Mr. Hardman also noted that the debt service of \$5.6 million will need to be paid so the net amount available is \$13.6 million.

K-8 School LL is listed under the "Meet the Needs of an Increasing Student Population". These costs will not begin until year 2. School expansions were also noted with dining expansions at Switzerland Point Middle School and Patriot Oaks Academy. These dining expansions will help with feeding so many students at one time. These schools are in high growth areas. Dr.

McCormick asked if the schools will not have to stagger feeding the students now. Mrs. Cubbedge explained that the schools will still stagger lunch times but these expansions will help.

The last part of this section is savings for Future School Construction/Expansion of approximately \$2 million.

The next category is to “Maintain High Quality Educational Facilities”. There are two roofs listed in the first part of this category. Mill Creek has two roof replacements and PV/Rawlings has one roof replacement.

The next part of this category is for a covered PE Area & Restrooms at RB Hunt. There have been longstanding issues because the fields were separated from the buildings and there were safety concerns so this area will alleviate those concerns.

The last part of this category is for site improvements. The Webster School and Murray Middle School needed some site improvement work.

All of these areas need to be done in the summer when no students are present on campus.

The next category is “Provide New Technology to Prepare Children for 21st Century Learning”. The first part is classroom technology upgrades at 34 schools. The next part is student and teacher instructional devices. Mrs. Cubbedge explained that teachers will be getting new computers and the old computers will go to IT to be reimaged and become student machines. Mrs. Cubbedge also stated that she had a list of schools if anyone would like to see it. Ms. Connor asked about the “bring your own device to school (BYOD)”. Mrs. Cubbedge stated that the District is beginning that program but the infrastructure needs to be present to support it. The BYOD will be done in stages and these upgrades will help the District get the BYOD up and running.

The last category is “Continue to Keep Our Children Safe”. The District is working on the single point of entry and have 14 schools left. The single point of entry would force visitors to check into the front office. Dr. McCormick asked if any schools would be left to do after these 14 are done. Mrs. Cubbedge said that there will only be 1 or 2 but they are the most complicated to fix and will need more time with some engineering studies to be done due to the layout of the school.

The presentation of the proposed budget which listed a lot of projects and categories was concluded. Mrs. Cubbedge stressed that the District wanted to keep the promises made to the community during the campaign for the sales surtax.

Mr. Raymos mentioned that Governor Scott signed the education bill that was less than what had been hoped. Mrs. Sweeny addressed his point citing two different issues:

-FEFP – She indicated this issue might result in a special session. As far as the operational side, he did put more in the base and not cut. It would be \$100 per student increase.

-HB 7069 – This is the capital side. It is a piece of the 1.5 capital millage. The District would share the per student basic amount with charter schools. The District’s impact would be small

since there are only 3 charter schools in the county but it is still approximately \$200,000 that would be shared. Other counties could potentially lose millions so there is the possibility of huge impacts. There is one charter application now in the county but if the charters expand then it would become a larger issue.

Mr. Raymos noted that encouraging charter schools would have a negative impact on the District. Mrs. Sweeny said it would depend on how much the charter schools grow. If there is persistently low performing schools then there tends to be more charter schools. This criteria does not apply to St Johns County.

There were caps placed on what Districts can spend on building schools and the deadline to start building is July 1st. After July 1st, the sales revenue will be subject to caps. Mrs. Sweeny, Mrs. Cubbedge, Mr. Rose and Ms. Mittelstadt will work on how those caps will affect the District.

Ms. Connor asked about whether having the dining expansion was taken into consideration when they designed the new K-8's. Mrs. Cubbedge explained that the new K-8's are bigger and they did take that into consideration. Mrs. Cubbedge further explained Patriot Oaks Academy and Valley Ridge Academy experienced 40% growth after they opened so that was taken into consideration so the student stations were increased from 1000 to 1500. The expansion will bring the dining up to the actual student population.

Ms. Little asked about the growth on CR 210 East. Mrs. Cubbedge noted that this area is known as Twin Creeks between US1 and I-95. The District has two sites for a K-8 and high school site as well as a bus depot area but there are no funds presently to build. All the schools zoned for that area are full. Mrs. Cubbedge noted that the World Golf Village and Nocatee areas have a lot of growth. On CR 16A towards World Golf Village, there is a subdivision, Silverleaf, with approximately 18,000 homes slated to be built. They are just putting in infrastructure there but not building houses yet. Home construction should probably begin there within a year.

Dr. McCormick asked if there were any other questions. Mr. Hardman noted that the Committee had a responsibility and an opportunity to get the information out to the people of St Johns County as to the allocation of the money. He suggested meeting with parents and neighborhood groups to accomplish this responsibility.

Ms. Connor suggested that a list of all the schools and how the monies would be spent be drafted as talking points.

Mr. Raymos said he would share with the Board of Realtors and that the meeting today is also a public meeting.

Dr. McCormick asked if the next meeting would be at FCTC or back at 40 Orange Street. Mrs. Cubbedge explained that the District is working on 40 Orange Street and hoped to have the lobby operational and the air conditioning on the 3rd floor working where the School Board meetings are held. Thus, the next meeting will be scheduled at FCTC but Mrs. Cubbedge will notify them later. Dr. McCormick said that since these are public meetings, he thought parents should be encouraged to come. Mrs. Cubbedge noted that the District posts public notices about the meetings.

Mr. Hardman asked about the date for the next meeting. Mrs. Cubbedge said they could keep the same trend of every 3 months scheduling the 3rd Monday of the month which would be September 12, 2017.

Dr. McCormick discussed the idea of possibly opening it up so alternates can come and fill in and vote when members are absent.

Mr. Raymos thanked Mrs. Cubbedge for the documents because it was easy for him to catch up with what the Committee had been doing.

Next Meeting Date/Time

The next meeting will be held on Monday, September 18, 2017 at First Coast Technical College.

Public Comment

None

Adjournment

Ms. Connor made a motion to adjourn and Dr. McCormick seconded the motion and the meeting was adjourned at 5:19pm.

Minutes submitted by: Judith Harvey