



To: Board Members  
Superintendent

From: Scott J. Lempe, Chief Operating Officer

Date: February 14, 2014

RE: February 18, 2014 Workshop Read-Ahead, Capital Program

Board Members,

As you know, we have some time on your February 18, 2014 Workshop Agenda to discuss the Capital Program. The attached read-ahead is intended to facilitate that discussion. Recall that at our last Capital discussion we discussed the Capital Plan. We reviewed the Capital Improvement Plan (CIP) and discussed the current planning environment. We then discussed the Board's Capital priorities. Broadly those priorities included, in no particular order: Safety and Security, Technology, Asset Preservation, and Reduction of Reliance on Portables. In addition, at the annual Convocation of Governments there was universal support to move forward with an SCTI presence in the city of North Port.

Our goal for this workshop is to gain Board approval of a five-year Capital Program for the period 2014/2015 thru 2018/2019. This program will become the basis for your Capital Budget.

Tab 1 summarizes staff's recommendations regarding our Capital Program over the next five years. Page 1 summarizes outyear revenue and recurring expense estimates and shows projects funded in the current budget. Page 2 starts with a summary of money available for competing projects and then identifies staff's recommendations for each of the next five years. While the Board only votes on the first year (in this case, the 2014/2015 School Year) we believe it's helpful to see that year in the context of a five-year plan. The five-year plan also allows us to communicate with principals regarding out-year projects and begin planning for those projects well in advance. The program represented at Tab 1 responds to the Board's priorities in the following ways:

- 1) Effectively doubles our annual expenditures on safety and security related capital investments—an increase of \$1.2 million per year (Mr. Reyka will discuss the specifics in Tab 2);
- 2) Increases out investments in Information Technology in two key ways—accelerates the “refresh model” and begins replacing classroom Instructional Technology;
- 3) Funds several asset preservation projects, beginning with Pine View starting in the 2014/2015 school year, Venice Middle School beginning in the 2015/2016 school year, and Brentwood Elementary in 2016/2017;

- 4) Reduces reliance on portables starting with a classroom wing at Fruitville Elementary School in the 2014/2015 school year and then funds additional classroom wings beginning in the 2017/2018 school year;
- 5) Includes \$2 million to partially fund the first phase on construction of SCTI-North Port.

To develop these priorities staff started with input from the Board. We then turned to our project matrix (Tab 3) to evaluate campuses against each other based on a set of criteria the Board previously approved. Many of our campuses today have either been rebuilt, renovated, or are very well maintained. As a result, our Prioritization Matrix no longer differentiates campuses well, in all cases. Therefore, we then looked at individual building Facility Condition Indices (FCIs—top 40 reflected in Tab 4). Once we had a set of recommendations we discussed them with the broader Capital Projects Team (CPT), which includes all four of the instructional Executive Directors. We vetted our recommendations and the data that supports them through the CPT. We next developed rough cost estimates that you see in the proposed Capital Program. Once we know the Board is supportive of these recommendations, and we make any changes you'd like to see, we'll refine our cost estimates, in particular those to be executed in the 2014/2015 school year, and include the refined costs in your 2014/2015 Capital Budget.

To facilitate our discussion we've included a summary of the scope of each recommended project at Tab 5. This will hopefully give you an idea as to what each line represents. We look forward to hearing your thoughts on what we believe is a well thought out Capital Program that both responds to your priorities and focuses dollars and effort on the most pressing projects. Please feel free to call me if you have any questions or concerns prior to the Workshop.



Scott J. Lempe  
Chief Operating Officer