

Dr. Michael M. Krop, Vice Chair

SUBJECT: STUDY TO DETERMINE NEED FOR NEW BOND ISSUE

The Five-Year Capital Work Program adopted by the Board on September 13, 2000, describes \$1.8 billion in projects with identifiable funding as well as \$557 million in unfunded school construction needs. The Work Program itself is required to use Department of Education (DOE) enrollment projections which do not adequately reflect pupil immigration. The Work Program, therefore, understates additional classroom space needed by at least 25,000 student stations over the five-year period which would increase unfunded needs by \$495 million, including land costs.

Furthermore, the Work Program does not fully fund the replacement or upgrading of relocatable/portable classrooms required by law to be completed by July 1, 2001. The replacements and upgrades are estimated to cost at least an additional \$90 million, which increases unfunded needs by an additional \$59 million.

A comprehensive and all-inclusive listing of other capital needs would inevitably expand the scope of the Work Program to include land acquisition, expansion of K-8 centers, additional fire code compliance, replacement or modernization of additional older schools, technology upgrading and improvement, additional ancillary facilities, and roof and air conditioning replacement.

It is recommended that the Superintendent direct staff to conduct an analysis of district capital outlay needs. Such a study should include input from the district's region offices and school principals and should go beyond those needs identified in the Work Program, which are based only on needs which must be approved by Department of Education survey.

The study should also explore the sequencing and structure of a potential bond series, with a focus on limiting an increase in the debt service millage rate to take advantage of increases in the tax roll, as well as the annual paydown on earlier bond series.

**ACTION PROPOSED BY
DR. MICHAEL KROP:**

That The School Board of Miami-Dade County, Florida, direct the Superintendent to conduct a study to determine the need for and uses of a new bond issue, to be available for review at the Board meeting of June 20, 2001.

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