

Office of School Facilities
Jaime G. Torrens, Chief Facilities Officer

SUBJECT: THAT THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA, AUTHORIZE THE SUPERINTENDENT TO IMPLEMENT THE FOLLOWING INITIATIVES AND REPORT TO THE BOARD BY JULY 20, 2012:

- A. FINALIZE NEGOTIATIONS AND EXECUTE AN INTERLOCAL AGREEMENT (ILA) WITH THE VILLAGE OF KEY BISCAYNE (VILLAGE), SETTING FORTH A FUNDING PARTNERSHIP TO FACILITATE FACILITY IMPROVEMENTS AT THE KEY BISCAYNE K-8 CENTER AS WELL AS CONSTRUCTION OF A PERMANENT 6-12 EDUCATIONAL FACILITY AND RECREATIONAL FIELDS AT THE MAST ACADEMY CAMPUS (MAST), WITH IMPLEMENTATION OF PHASE I FOR SCHOOL YEAR 2012-13 VIA INSTALLATION OF PORTABLE UNITS ON THE MAST CAMPUS TO PROVIDE TEMPORARY RELIEF FOR THE KEY BISCAYNE K-8 CENTER AND TEMPORARY ACCOMMODATION FOR THE FIRST INCOMING CLASS OF NINTH GRADERS; AND FINALIZE NEGOTIATIONS AND EXECUTE A JOINT USE AGREEMENT (JUA) BETWEEN THE BOARD AND THE VILLAGE FOR USE OF THE PROPOSED RECREATIONAL FIELDS AT THE MAST CAMPUS, AND ANY OTHER DOCUMENTS THAT MAY BE REQUIRED TO EFFECTUATE THE IMPLEMENTATION OF THE ILA AND JUA; AND
- B. EXPAND BY 25% ENROLLMENT INTO MAST THROUGH A COMMUNITY-WIDE LOTTERY BASED ON CURRENT ELIGIBILITY CRITERIA, THEREBY INCREASING MINORITY PARTICIPATION THROUGH TARGETED GRADE LEVEL RECRUITMENT PRIOR TO 9TH GRADE INTO MAST-STEM PROGRAMS AND EXPANDING ELECTIVE COURSE AVAILABILITY BY LEVERAGING A LARGER POOL OF STUDENTS; AND
- C. UPGRADE AND IMPROVE MAST FACILITIES AND TECHNOLOGY; AND
- D. CREATE RECREATIONAL/ATHLETIC GREEN SPACE AT MAST; AND
- E. RELIEVE OVERCROWDED CONDITIONS AT KEY BISCAYNE K-8 CENTER AND PROVIDE A HIGH SCHOOL SOLUTION FOR KEY BISCAYNE

R
E
V
I
S
E
D

REVISED

F - 7

COMMITTEE:

FACILITIES AND CONSTRUCTION REFORM

LINK TO

STRATEGIC FRAMEWORK:

FINANCIAL EFFICIENCY/STABILITY

Introduction

District staff has been in discussions with the Village of Key Biscayne (Village) over a strategic opportunity to meet a need for additional secondary educational choices for Village residents, and in a way that captures a share of secondary level students currently not attending District schools, as well as concurrent opportunities to relieve overcrowding at the Key Biscayne K-8 (K-8) in a more meaningful and permanent way. After reviewing a number of possible options, discussions have now centered on construction of a 6-12 permanent facility at the M.A.S.T. Academy Campus (MAST) with approximately 1,100 student stations to provide relief for current overcrowding and ongoing student enrollment growth at the Key Biscayne K-8 facility, as well as offer a continuum of education for Key Biscayne students transitioning to high school. The newly created student stations are meant to serve Village of Key Biscayne residents.

At a meeting held June 12, 2012, the Key Biscayne Village Council unanimously approved Resolution 2012-21 authorizing the Village Manager and Village Attorney to negotiate an Interlocal Agreement (ILA) with the Board to cement a partnership through which, based on discussions to date, the Village would issue debt for the 6-12 facility at MAST, the cost of which is estimated at \$18 million, as well as field improvements estimated at \$2 million, and cost-share on a 50/50 basis. Additionally, the Village would fund \$2 million for renovations to the K-8, to be repaid in full by the Board based on a mutually agreed upon schedule. Details on the proposed terms and conditions of the proposed partnership, including financing, are detailed below.

In addition to the Village Council meeting, District staff also attended a meeting at MAST held June 12, 2012. The main purpose of the meeting was to address concerns that the proposed 6-12 facility at MAST would in some way dilute the MAST program as to overall quality, or limit access to the program county-wide. District staff assured the participants that neither the program nor the process through which students are selected (i.e. randomly from a list of eligible applicants) would be changed as it relates to the existing MAST. However, in an effort to increase countywide access to the MAST program, it is recommended that a 6-8 grade component be added. This will require reconfiguration of space in the existing MAST building.

Currently, minority students are disproportionately affected by the MAST entrance level criteria into 9th grade. Consequently, beginning with the 2012-13 school year, a district-wide middle school component will be added to the current MAST and an incoming class of up to fifty 8th graders will be recruited; subsequently the MAST middle school component would expand to sixth and seventh grades. This will enable students to get a benefit from a rigorous STEM program, thereby providing minority students with increased opportunities to participate in the prestigious MAST program.

R
E
V
I
S
E
D

Proposed Terms and Conditions of Interlocal Agreement (ILA)

In order to facilitate implementation of the ILA for the 2012-13 school year, a phased approach is proposed; specifically, up to 8 portable units would be placed on the east side of MAST, in an area that will not conflict with MAST's day-to-day operations. The allocation of stations to incoming ninth grade and eighth grade students from the K-8 will be determined by the District based on operational needs. Over the course of the subsequent two school years a few additional units will be added while the permanent facility is designed and built. It is envisioned that once the ILA is in place, including financing and cost sharing details, the permanent facility could be designed and built in approximately 24 months.

District staff recommends approval of an ILA between the School Board and the Village ("the Parties") under substantially the terms and conditions enumerated below.

1. As noted previously, the estimated cost of the permanent educational facility is approximately \$18 million and the cost of the proposed recreational facilities is estimated at \$2 million. Each party's contribution shall be based on a 50/50 cost-sharing basis. If the combined project cost of the facility and fields is less than \$20 million, the Parties shall share equally in the project cost reduction;
2. The Village shall fund \$2 million for renovations at the K-8 to consist generally of the improvements listed below, with the entire amount to be repaid by the Board:
 - a. New windows
 - b. Classroom lighting retrofits, flooring and interior painting
 - c. Classroom technology (interactive boards)
 - d. New A/C system in classrooms
 - e. Restroom renovations, including ADA retrofits
 - f. Cosmetic enhancements, e.g. replacement of second floor railing (Building 2)
3. The Parties agree that the Village shall provide upfront financing for the new facility and recreational fields at MAST and for the cost of the K-8 renovations based on a term of 30 years and deferral of the Board's repayment to FY 2020-21, substantially as follows:
 - a. Initial funding/financing by the Village and 50/50 cost sharing for the MAST 6-12 facility and for the recreational fields, estimated at approximately \$20 million;
 - b. Initial funding/financing by the Village for the K-8 renovations estimated at \$2 million, with future repayment solely by the Board;
 - c. Repayment by the Parties of the debt based on a schedule where the Village alone would pay down debt for the first 8 years through FY 2019-20, followed by 12 years of joint payments by both parties starting in FY 2020-21, and then a final 10-year repayment period funded solely by the Board;
 - d. The Village has requested that should the Board decide to seek voter approval for additional funding for capital projects, the Board would agree to

R
E
V
I
S
E
D

include the project in the authorized project list. The project would be eligible for reimbursement only if the additional funding source is approved by the voters in time for the Board to issue bonds prior to February 2017 to retire any outstanding Village debt. The rationale supporting the request is to avoid double taxation by the Village taxpayers. Any interest paid by the village prior to retiring the outstanding Village debt would not be reimbursed by the Board.

4. In addition to and in consideration of the proposed funding/financing collaboration outlined above, the Parties further generally agree to the following implementation schedule:

2012-2013

- Install up to 8 portable units (6 classrooms and 2 ancillary units) on MAST campus to accommodate 8th and 9th graders;
- Finalize scope of work for physical plant renewal at the K-8 center;
- Commission design professional and contractor for physical plant renewal at the K-8 center, recreational fields and for main project;
- Build recreational fields on the east side of MAST for opening around May of 2013 (parking, concession stand and separate, freestanding bathroom facilities to be provided as part of last phase)

2013-2014

- Complete K-8 improvements
- Install additional portable units at MAST to accommodate 8th, 9th and 10th graders
- Award construction contract for K-8 improvements, recreational fields and new facility

2014-2015

- Install additional portables for school year 2014-15 to accommodate 8th, 9th, 10th and 11th
- Complete construction of new facility
- Remove all portable units

2015-2016

Complete remaining work in the recreational fields, e.g. concession stand and restroom facilities

5. Disbursements by the Village shall be made to closely reflect the project schedule, in amounts and at specific times to be mutually agreed upon, at three main project stages: design commissioning, construction award, and installation of FF&E;
6. All monetary obligations of the Board under the ILA will be subject to appropriation in the annual budgetary process. Notwithstanding the provisions of paragraph 8 below, failure of the Board to appropriate sufficient moneys shall not constitute an

R
E
V
I
S
E
D

event of default. The Board shall have the right but not the obligation to satisfy its payment obligations, in whole or in part, earlier than contemplated, or to otherwise accelerate payment, without incurring pre-payment penalties or other fees;

7. The Parties agree that in the event that either the Board or the Village are unable to meet the deadline for completion of their respective obligations under the ILA due to any circumstance beyond the control of the Board and/or Village, including a force majeure event, then the time for such performance shall be extended for such reasonable period of time as may be required;
8. Except as otherwise provided in paragraph 6 above, an event of default shall be deemed to have occurred by either Party if such Party fails to observe or perform any covenant, condition or agreement of the ILA and such failure or breach continues for a period of thirty (30) days after written notice specifying the default and requesting that it be remedied is sent to the defaulting Party, provided however; that if the default is curable but cannot be cured within thirty (30) days, then the defaulting Party shall have additional time as is reasonably needed to cure same;
9. In the event that either Party is required to enforce the ILA by court proceedings or otherwise, then the Parties agree that each Party shall be responsible for all fees and costs incurred by such Party, including all attorneys' fees and costs (of trial, alternative dispute resolutions, or appellate proceedings); and
10. The Superintendent is the party designated by the Board to grant or deny all approvals required under the ILA.

The Office of School Facilities, District/School Operations, including School Choice, and the Office of Intergovernmental Affairs, Grants Administration, and Community Engagement, all recommend approval of the ILA. The ILA will be reviewed by the School Board Attorney's Office and the Office of Risk and Benefits Management prior to final execution.

RECOMMENDED:

That the School Board of Miami-Dade County, Florida, authorize the Superintendent to implement the following initiatives and report to the Board by July 20, 2012:

- A. finalize negotiations and execute an Interlocal Agreement (ILA) with the Village of Key Biscayne (Village), setting forth a funding partnership to facilitate facility improvements at the Key Biscayne K-8 center as well as construction of a permanent 6-12 educational facility and recreational fields at the MAST Academy campus (MAST), with implementation of phase 1 for school year 2012-13 via installation of portable units on the MAST campus to provide temporary relief for the Key Biscayne K-8 center and temporary accommodation for the first incoming class of ninth graders; and
- B. finalize negotiations and execute a Joint Use Agreement (JUA) between the Board and the Village for use of the proposed recreational fields at MAST, and any other documents that may be required to effectuate the implementation of the ILA and JUA; and
- C. expand by 25% enrollment into MAST through a community-wide lottery based on current eligibility criteria, thereby increasing minority participation through targeted grade level recruitment prior to 9th grade into MAST-STEM programs and expanding elective course availability by leveraging a larger pool of students; and
- D. upgrade and improve MAST facilities and technology; and
- E. create recreational/athletic green space at MAST; and
- F. relieve overcrowded conditions at Key Biscayne K-8 Center and provide a high school solution for Key Biscayne.

R
E
V
I
S
E
D

JGT:ARC