

Office of Superintendent of Schools  
Board Meeting of June 20, 2001

June 20, 2001

Facilities Planning and Construction  
Suzanne A. Marshall, Chief Facilities Officer (Construction)

**SUBJECT: AUTHORIZATION TO EXECUTE A PURCHASE AND SALE AGREEMENT  
FOR THE NORTHEAST TRANSPORTATION CENTER**

At its meeting of May 16, 2001, the School Board (Board) directed staff to pursue an extension of the present lease agreement with Miami-Dade County (County), while continuing efforts to renegotiate the terms and conditions of the purchase of the Northeast Transportation Center.

Accordingly, District staff contacted County personnel to renegotiate the terms and conditions of the purchase agreement and seek an extension of the lease agreement beyond June 30, 2001. As late as June 11, 2001, the County indicated it is unable to reconsider the terms proffered in September 2000 and that the property must be sold as soon as possible, because the sale of this facility is part of its deficit reduction plan. If the District should opt to pursue the acquisition, the County also indicated that it would be willing to recommend to the Board of County Commissioners a lease extension for a period not to exceed six months, at a monthly rental rate of \$25,834, which sum would not be credited towards the purchase price of the property.

While awaiting the County's determination, staff also did the following:

- Explored the cost of replicating the subject facility elsewhere. Staff commissioned the services of PBS& J Construction Services, Inc., to provide order of magnitude cost estimates which indicated that construction costs (exclusive of land) would exceed \$7,000,000.
- Confirmed with the user departments that the subject facility is ideally situated for the storage and maintenance of school buses serving the northeastern corridor of the District's transportation route. The facility is run at maximum potential, storing and maintaining approximately 300 buses and housing a workforce of approximately 500 District employees. The workforce is primarily comprised of personnel that either walks to and from work or travels by way of Metrorail, located across the street. In the event the District decides to relocate the facility, the toll on these employees would be great.
- Coordinated with the District's Facilities Compliance Department and consulting engineers to coordinate the logistics of undertaking the improvements necessary to obtain a certificate of occupancy. It was estimated that the District could obtain a temporary occupancy certificate within one month by accomplishing stopgap measures and obtain a final certificate of occupancy within six to eight months from commencement of repairs.

- Commissioned an update to the 1999 appraisal that was deemed reasonable by the District's review appraiser. The new market value has been estimated at \$3,200,000, up from \$2,900,000.

In light of the above and after carefully analyzing and weighing all possible alternatives to the purchase of the subject facility, it appears to staff that purchasing the property at the previously negotiated price of \$3,100,000, in as is condition, under the following additional terms and conditions is a reasonable option at this point:

- The District shall be responsible for environmental remediation, estimated at \$100,000 over a five-year period. It should be noted that this figure is an estimate, and that additional environmental assessments may reveal added costs;
- The District shall bear the cost of improving the facility to meet State occupancy requirements, estimated at \$965,000. This does not include the replacement of the bus-washing facility, the cost of which is estimated by the District at \$148,000;
- The County shall be responsible for the requisite documentary stamps/surtax on the County Deed;
- The County shall secure an updated abstract or title insurance commitment for the subject property;
- The Board shall obtain and pay for a title insurance policy, insuring the Board for the full purchase price of the property, at a cost not to exceed \$10,500;
- The County shall pay for and provide to the Board a current signed and sealed survey, certified to the Board; and
- The purchase of the property shall be conditioned upon the County certifying that there are no federal guidelines or restrictions that will negatively impact the District's ownership and continued use of the property.

**RECOMMENDED:**

That The School Board of Miami-Dade County, Florida, authorize the Superintendent or his designee(s) to execute a purchase and sale agreement with Miami-Dade County for the purchase of the Northeast Transportation Center at a purchase price of \$3,100,000, in as is condition, under the terms and conditions set forth above.

DGD:svl