

APPROVED MINUTES

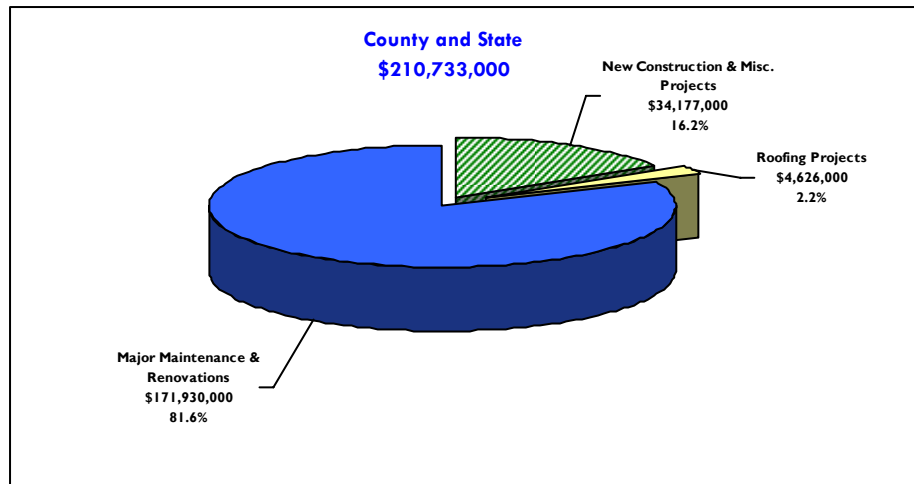
REPORT OF THE WORK SESSION ON THE PROPOSED FISCAL YEAR 2007 CAPITAL BUDGET RECOMMENDATIONS

Wednesday, September 21, 2005
Greenwood

The Board of Education of Baltimore County, Maryland, met in open session at 7:05 p.m. at Greenwood. President Thomas G. Grzymiski and the following Board members were present: Mr. Donald L. Arnold, Mr. Luis E. Borunda, Ms. Frances A.S. Harris, Mr. John Hayden, III, Dr. Warren Hayman, Mr. Rodger C. Janssen, Ms. Ramona N. Johnson, Mr. Joseph J. Pallozzi, Ms. Joy Shillman and Miss Gabrielle Wyatt. In addition, Dr. Joe A. Hairston, Superintendent of Schools, staff members, and the media were present.

Mr. Grzymiski thanked staff for its work in preparing the information presented at the meeting.

Mr. Sines, Executive Director of Physical Facilities, reviewed with Board members the breakdown of the FY07 capital budget requests. He noted that \$3,000,000 has been set aside for site acquisition.



Mr. Sines reviewed the status of planned major renovation projects:

- 97 Elementary Schools – 100% complete
- 26 Middle Schools
 - 4 complete
 - 3 in construction
 - 5 in bidding process
 - 14 in design (County funded, awaiting State construction funding)
- 23 High Schools

Next, Mr. Sines reviewed the material cost increase over the last two years:

Material Cost Increase (% Increase) (ENR)				
	2003-2004	2004-2005	2005-2006 (predicted)	2005-2006 (actual)
Cement	0.4%	3.0%	5.7%	6.0%
Rebar	2.9%	45.8%	(5.5%)	4.0%
Pipes and Fittings	1.5%	20.4%	5.7%	8.0%
Structural Steel	1.9%	16.4%	6.2%	11.0%
Lumber	(0.6%)	25.2%	(3.4%)	(4.0%)
Sheet Metal	1.1%	10.4%	3.6%	4.2%

Mr. Borunda entered the room at 7:10 p.m.

Mr. Sines reviewed the average age of Baltimore County schools and scope of renovation funding:

<u>Average Age of Schools</u>
High – 43.12 years (25 schools)
Middle – 46.12 years (26 schools)
Elementary – 43.82 (104 schools)

<u>Scope of Renovation Funding</u>	
HVAC	22.2%
Miscellaneous Items	16.1%
Hazmat, Inspect. & Constr. Svcs.	13.0%
Program	12.9%
Codes	11.1%
Plumbing	10.1%
Lighting	7.8%
ADA	5.1%
Electrical	1.7%

Ms. Barbara Burnopp, Chief Financial Officer, reviewed the priority order. She noted that the State funding to be requested is \$117,934,000. She explained each project category. Ms. Burnopp noted that there is no State funding request in FY07 for the Carver Center of Arts and Technology because BCPS does not yet have planning authority from the State.

Next, Ms. Burnopp reviewed miscellaneous projects, major maintenance, alterations, ADA projects, site improvements, and roof replacements. She noted the total County requested funding is \$92,799,000 bringing the total requested funding from State and County to \$210,733,000. Ms. Burnopp stated that the school system is asking the county to fund \$60,000,000 in a non-bonding year.

Finally, Ms. Burnopp reviewed the expected five-year program requests through FY2012 and a draft proposal of the FY 2007 – FY 2012 County capital budget.

Mr. Hayden asked whether priority figures include adding and subtracting the possible 30% increase in construction costs. As explained by Mr. Sines, the local Board establishes its priorities. Ms. Burnopp noted that if the state funds a project, BCPS would move forward.

Dr. Hayman asked where BCPS would be in 2006-2007 concerning projected cost increases. Mr. Sines explained how projects are estimated, baseline data reviewed, and tracking of prior experience. Ms. Burnopp noted that the longer the project is delayed, the more likely it could be that the projections could be incorrect.

Mr. Janssen expressed concern regarding the increase in the Kenwood High School renovation cost and the need to request additional funds from the county. Mr. Sines stated that Kenwood High School was a fast-track project and that BCPS would move forward quickly. Mr. Sines noted that if the project would not have been on fast-track, cost increases would have been identified after the state had approved funding.

Mr. Janssen asked whether there was a reasonable adjustment in the state formula. Mr. Sines responded BCPS would need to make its case to the state in order to receive any formula adjustment.

When Ms. Harris asked whether preventive maintenance and repairs are projected into the budget, Mr. Sines responded stet. According to Ms. Burnopp, these dollars do not include ongoing operating monies.

Mr. Arnold asked whether bathroom and hallway flooring maintenance is in the operating budget. Mr. Sines responded restroom upgrades would be incorporated into the multi-systemic renovation if funding allowed. However, the school system does not have the funds for the multi-systemic renovations at this time. Ms. Burnopp stated that bathroom remodels are considered in systemic renovation. Mr. Arnold asked if all the systemic proposals in this capital budget would take care of all the school bathrooms. Mr. Sines responded when the project budget is short or does not meet the bid, the scope must be amended.

Ms. Johnson inquired about money in the budget for bathroom renovations. Ms. Burnopp responded that schools not listed on the capital budget under systemic renovation do not have bathroom renovations included in the capital budget. Mr. Sines stated the school system would need approximately \$30,000 per restroom per school to renovate any restroom.

Ms. Shillman asked if the operating maintenance budget could cover emergency bathroom repairs. Ms. Burnopp responded affirmatively if funding is available.

Ms. Shillman inquired about the high cost of replacement windows at Stemmers Run Middle School. Mr. Richard Cassell, Physical Facilities Administrator stated that the cost includes windows, glass block, and installing completed window systems.

Miss Wyatt asked how BCPS prioritizes its list if full funding is not received from the state. Mr. Sines responded once the priorities have been set, BCPS goes sequentially. Projects will become deferred if funding is not received.

Mr. Borunda inquired as to how many projects are currently on fast-track. Mr. Sines responded Windsor Mill Middle School is on track to open for the 2006-2007 school year.

Mr. Janssen asked whether the school system could place planning funds in the budget for a new high school in the central or northeast area. Ms. Burnopp responded the school system must have a site before funding can be requested.

Mr. Hayden referred to a newspaper article that suggested three schools would be affected by reduction of students. Mr. Ghassan Shah, Planning Administrator, stated that BCPS high school population has been constantly 33,000 in the past ten years. Mr. Shah noted that BCPS must show significant overcrowding in order for the state to agree to participate in funding for new school construction. BCPS is also competing with other counties for those funds.

Mr. Borunda hopes that requests for funding for maintenance issues including ADA compliance and physical hygienic conditions of restrooms come forward as consistent with the Green Building Program/Indoor Air Quality (IAQ) requests.

Mr. Pallozzi asked how the *No Child Left Behind* Act would affect kindergarten and special education class size. Mr. Sines responded that the state had reduced class size from 25 to 23 students. Mr. Dent stated that BCPS must get approval from the state to reduce classroom capacity from a regular class to a special education class

Ms. Harris asked for clarification on kindergarten class sizes.

Ms. Johnson inquired about schools without air conditioning. Mr. Grzymiski responded that a study had been completed and that placing air conditioning in schools would cost approximately \$87 million.

Mr. Grzymiski asked a question on behalf of Ms. Murphy. Ms. Murphy asked which proposed projects in the capital budget would affect the operating budget. Ms. Burnopp responded that new schools require new staff and start-up materials; therefore, each new school has a significant operating budget impact.

Mr. Grzymiski inquired about the cost of the Vincent Farm land. Mr. Dent responded the land purchase has been turned over to the Bureau of Land Acquisition; a price has not yet been determined.

Mr. Borunda asked for clarification on Carver Center for the Arts and Technology design service.

At 8:52 p.m., Mr. Hayden moved to adjourn the work session. The motion was seconded by Miss Wyatt and approved by the Board.

Respectfully submitted,

Joe A. Hairston
Secretary-Treasurer

bls