

21st CENTURY SCHOOLS BOND ADVISORY COMMITTEE
MEETING MINUTES –June 27, 2023 ROOM 916

The 21st Century Schools Bond Advisory Committee (Committee) met on June 27, 2023 in Room 916. Chair Roberto Martinez called the meeting to order at 3:06 p.m.

Committee Members

Mr. Roberto Martinez, Chair
Mr. T. Willard Fair, Vice Chair
Mr. Stephen Hunter Johnson
Ms. Gepsie Metellus

Dr. George Koonce
Dr. Sean Foreman
Ms. Maria Norton
Mr. Julio Piti

Ex-Officio Non-Voting Members

Mr. Raul Perez
Mr. Felix Jimenez
Mr. Tom Knigge

Committee Alternates

Mr. Orlando Valdes

Miami-Dade County Public School Attendees

Mr. Erick Laventure
Mr. Jeff James
Mr. Neil Singh

Ms. Jennifer Andreu
Ms. Juana Murillo
Ms. Nathaly Simon

Other Attendees

Recording Secretary

Ms. Denise Castillo

Mr. Roberto Martinez called the meeting to order and welcomed the Committee. Acknowledging there is no quorum, Mr. Martinez asked Mr. Raul Perez to start the meeting.

Mr. Raul Perez opened with a brief review of the agenda for the 21st Century Schools Bond Advisory Committee Meeting. Mr. Perez started by providing an update on the status of GOB projects, years 1 through 5 and accelerated scope projects. Mr. Roberto Martinez wanted to clarify what year corresponded to Year 1, Year 2, etc. on page 3. Ms. Gepsie Metellus stated it would be useful to add the corresponding fiscal years to the slides. Mr. Perez stated it would be added for future GO Bond Advisory meetings.

Mr. Perez provided a history regarding the GO Bond and stated it went to the Board in November 2012. He explained that the program started in the Fall of 2013 and stated it took a full year to start because District staff had to get the bonds certificated, sell the first set of bonds, and have the funds allocated. Then they also submitted a solicitation for a program manager because they needed staff. Mr. Perez stated that, by May 2013, they had the program manager on board and then they started the interview process. By August 2013, all the staff needed was hired and everyone was ready to go. Once that was completed, the projects were grouped in 5 categories from Year 1 to Year 5, and each of those projects would start in that year. That did not mean the project would be completed that year because that was just the start date of the projects. Year 1 consisted of 68 projects, and they were mainly between the 1-to-2-million-dollar range in construction budget, but it did have two large signature projects, the replacement of Miami Norland Senior High School and the addition/expansion of MAST at Virginia Key. Year 2 consisted of 76 projects, around 60-62 of those projects were between \$200k-\$1 million. Years 3, 4 and 5 were the bulk of the remaining GOB projects that were larger than \$2 million, all the way up to \$15-\$20 million. Mr. Martinez asked if that meant all projects were either started or completed within those 5 years. Mr. Perez confirmed that is what that means. Mr. Martinez asked if it was just to cover level 1 and 2 at the schools and not

all the deficiencies. Mr. Perez explained there is a deficiency database and those projects were for priorities 1 (safety to life), 2 (upgrades of major systems: HVAC, electrical) and 3 (building envelope, water intrusion, roofing, windows). Mr. Martinez asked if the School District still reports all the deficiencies to the State. Mr. Perez stated it is a state mandate and that is completed with the 5-year educational plant survey provided by a consultant.

Mr. Sean Foreman asked Mr. Perez if, throughout the year, anyone has come to him with major problems that have not been addressed. Mr. Perez expressed there have been additional items come up and, when they visit schools, they see additional items that need to be added to the deficiency list, along with items that had already been completed. There are some projects that are coming back as a phase II with scope that was not in the original GOB and not part of that budget but are now being addressed through the Five-Year Capital Plan. Mr. Perez expressed they are 81% through the program. Mr. Perez continued to discuss slide 3 and discussed how most of the projects are in construction.

Mr. Perez continued to go over the GOB project update and the accelerated/complementary projects. Mr. Perez expressed that the accelerated projects came about due to feedback from the community and the schools. Mr. Martinez ask if the scope was already in the original project if it had to go back to the School Board to get approved. Mr. Perez expressed that, since the scope was part of the original project and was pulled out to accelerate it, it did not need approval from the School Board again. Mr. Martinez asked if the complementary projects had been approved by the School Board and Mr. Perez expressed those would need to go to the School Board to get approved since they have new scope. Mr. Perez stated the way the Bond was created was that any dollar that was assigned to a school needed to stay at that school, but if the funds needed to be moved, they would do a F-21 agenda item to have the School Board approve the change.

Mr. Perez proceeded to go over the expenditures and contracted amounts, and the quarterly expenditures slides. Mr. Perez explained that the GOB was put out for the \$1.2 billion which was approved by the voters. Mr. Perez stated that aside from the \$1.2 billion, the bonds were sold in tranches of approximately \$250 million and depending on when those bonds were sold in the market, they actually sold above par. The District received a premium in addition to the bond that was \$1.2 billion. In bond premium alone, that represented close to \$119 million and, in the interest the bonds earned while they were in our possession, that was close to another \$20 million. There has also been another projection of an additional \$1.2 million in interest. The bond of \$1.2 billion is really settling in at \$1.34 billion.

Ms. Gepsie Metellus asked if there were no more accelerated projects pending. Mr. Perez expressed that currently there are a total of 973 accelerated projects and that 788 had been completed. Mr. Perez stated that they have around 200 remaining. Mr. Perez explained that slide 5 has the breakdown of what has been completed and what is still pending in each category. Ms. Metellus and Mr. Martinez requested that accelerated and complementary get separated for future presentations.

Mr. T. Willard Fair asked if there was a way to get a report of all the GO Bond projects that were completed by the District to show how much was given to each school. Mr. Martinez asked if there could be some slides included in the next meeting to cover this

information. Mr. Perez stated those slides would be included.

Ms. Gepsie Metellus stated that is information that should be highlighted in the annual report showing a page titled success section including the number of accelerated and the number of complementary. Mr. Martinez expressed it would be a good idea to reach out to all the Board members to see if they had any feedback on items they would like included in the annual report. Mr. Perez expressed that all of those are in the annual report but that he really likes the highlight page. Mr. Perez continued to review quarterly expenditures.

Mr. Martinez introduced Ms. Jennifer Andreu to provide the OEO update. Ms. Andreu, from the Office of Economic Opportunity, started with the infographic slide and moved onto the GOB Prime Expenditures summary. Ms. Andreu went over slide 13. Mr. Felix Jimenez asked if the expenditures were actuals and Ms. Andreu confirmed that they are. Mr. Fair expressed they should be able to celebrate the accomplishments that have been made with the numbers in OEO and Mr. Martinez stated that it only tells part of the story because it also increases economical development within the community. Mr. Fair expressed that is understood within the Advisory meeting and amongst the Committee Members, but not out in the community because they do not have that type of information and he feels those facts should be celebrated. Ms. Metellus stated she felt it is it being celebrated in two ways, one being in having vendors become eligible to be part of a program that they would normally not be a part of, and two by having the entire community benefit from the program. Mr. Fair expressed he still feels the information should be publicized to make sure the community does not feel like the promises made were not kept. Ms. Metellus stated she agrees with Mr. Fair and there should be press releases and summary pages that can be shared to show that promises made were kept.

Ms. Andreu stated they are at the church, all the Chamber events and, as the last disparity study was concluded, several Town Halls were held along with working group sessions all over the community to advise the community that the program is sunseting because there are no longer disparities with African Americans in Facilities. She stated they will no longer continue to have mandatory goals because they have accomplished what was set out to accomplished. Mr. Stephen Hunter Johnson asked Ms. Andreu if that was a good thing that they are no longer going based off the goals and Ms. Andreu stated it is illegal. Mr. Johnson stated that was not his question, that his question was if it's a good idea to stop basing this on the goals. Ms. Andreu stated they are slowly taking the training wheels off and they are monitoring because they are hoping that the relationships that were formed with the program will still be there without the program, and without the mandatory goals. Ms. Andreu stated if they do start to see a decline, they will revisit or do another disparity study. Mr. Jeff James expressed that only the MWBE is being sunset but not the SBE or MBE. Mr. Koonce stated that if Mr. Johnson is confused, imagine everyone else. Mr. Johnson explained that he is not confused but that he is outraged. He stated if they went from a position of less than 2% to 12% he is very happy, and that is something to cheer about. But he has found that economics is a vacuum and he also noticed that 86% is going to Hispanics and other businesses; that vacuum gets filled because that is the nature of things. Mr. Johnson feels it is a concern for him that the mandatory goal will no longer be in place because we are there.

Mr. Koonce asked Mr. Johnson what else he would recommend on top of the actions that Ms. Andreu mentioned are already in place. Mr. Johnson stated that he does not feel there is enough data to say they are done with the program. Ms. Andreu explained that these types of programs are in place nationally to sunset because they are never intended to be in place forever. Therefore, legally they must have a sunset date. She explained there could not be an open-ended program to be continued indefinitely. Mr. Julio Piti expressed there are great gains but there is still a long way to go, which Mr. Fair agreed with. Mr. Piti explained there are other ways to describe that even though it has sunset legally, it will still continue. Mr. Martinez stated the program does not just help certain segments of the community, because everyone benefits when all the communities rise. He explained that he feels it is very important for everyone to understand that it does benefit all communities. Another benefit is that it increases the number of qualified contractors and subcontractors that the District has available to contract with. Mr. Fair expressed that everyone knows that, but there are people in the community that will manipulate that.

Mr. Foreman asked if there has been a press release from the District about the success of the program in the newspapers and in the media. Ms. Andreu stated that maybe through Mr. Perez's office but not through OEO. Ms. Andreu stated they have done videos that they share with the vendor community, but they have not done a press release. Mr. Perez stated that, from what he recalls, they have provided highlights to the information office and it does press releases. He also pointed out that there are several GOB events. Mr. Perez stated that related directly to the current topic of press releases on the program's success, his office could give it some thought, and he sees some options. He knows the Superintendent has his A items that are presented at the Board meetings every month. Mr. Perez expressed that maybe they could come up with a monthly newsletter that can be included in the District's overall releases of information and on their social media platforms. Mr. Foreman stated he feels the information needs to be put out there because he feels that there has not been a ten-year report done by the media looking back at the program's past ten years.

Ms. Metellus asked Ms. Andreu if the SBE were involved in her current process and what their recommendations have been given the success. Ms. Andreu stated they are and stated they were very involved in the disparity study and attended all the workshops. She also stated they attended most, if not all, of the Board meetings. Ms. Andreu stated they are very involved and make recommendations. They have been involved in the equal pay policy.

Mr. Johnson asked Ms. Andreu if there was a way he could get a breakdown of the \$51 million because he would like to get a better understanding of what that number really represents. Ms. Andreu stated she could provide that, and that it was mentioned by Mr. Perez, that it could be seen on the website by firms. Ms. Andreu stated the bulk of the \$51 million went to one firm and they received feedback regarding that. She stated that the community asked if that could be taken out of the equation to see the balance of about \$11-\$12 million and see what that looked like. Mr. Johnson then asked about the 86.7%. Mr. Martinez stated that Mr. Johnson could meet with Ms. Andreu one-on-one to answer any questions because he feels he has great ideas to share. Mr. Perez explained there is also a workshop that will go over all the information, but Ms. Andreu stated the workshop coming up in August is focused on women.

Ms. Andreu reviewed the certified firms and stated the prequalified firms have stayed the same as mentioned at the previous meeting. Ms. Andreu also reviewed the contractor pre-qualification dashboard, as well as the compliance update regarding certifications and goals established for firms. Ms. Andreu reviewed slides regarding compliance and upcoming events.

Mr. Perez moved on to slide 24 covering HB 1259. He provided a brief summary of HB 1259 and explained it did pass starting July 1, 2023. HB 1259 increases the charter school sharing of local capital revenue. Moving forward capital dollars that would normally come to the District will now go out to the charter schools. This process will be gradually implemented: this year it is 20%, with each consecutive year it will increase to have it at 100% within the next 5 years. The impact to the Capital plan could be anywhere from \$378 million to \$522 million. Mr. Perez stated there is an offset with the property values going up which has brought an increase in revenue.

Mr. Martinez asked how the District monitors that the Capital sharing is used for its intended purpose and where that money goes when it involves an asset. Mr. Martinez wanted to know if anyone knew the answer because he wanted to know how the money is going to be used. Mr. Johnson explained he sits on the Audit Budget Committee and he can say that Charter Schools are also audited through the Office of the Independent Auditor. As a result, once the money is allocated there are checks and balances in place to ensure the charter school uses the money as intended. Mr. Martinez asked who will own that asset. Mr. Johnson explained that would depend on the company. Mr. Martinez stated they would have to make sure that the private entity is benefitting for the benefit of the children. Mr. Felix Jimenez stated that some of them are non-profit but yet their landlords are for-profit.

Mr. Perez gave a brief GOB update on some of the projects that have been ongoing and have been completed recently. Mr. Martinez asked Mr. Perez how many students are enrolled at Miami Palmetto SHS and at John A. Ferguson SHS. Mr. Perez explained that at Maimi Palmetto SHS there are currently roughly 2,900 students and John A. Ferguson SHS has roughly 4,200 students. Mr. Foreman asked Mr. Perez how it is decided which schools get a track and a stadium. Mr. Perez explained that it depends on the size of the school and the land.

Having exhausted all the agenda topics, the Chair, Mr. Roberto Martinez, reminded the Committee the next meeting would be held on September 26, 2023.

With no further business to conduct, the meeting was adjourned at approximately 4:37 p.m.

Approved:


Mr. Roberto Martinez, Chair

Date: 9/26/23