

**21ST CENTURY SCHOOLS BOND ADVISORY COMMITTEE
MEETING MINUTES – MARCH 7, 2023 ROOM 916**

The 21st Century Schools Bond Advisory Committee (Committee) met on March 7, 2023 in Room 916. Chair Roberto Martinez called the meeting to order at 3:00 p.m.

Committee Members

Mr. Roberto Martinez, Chair
Mr. Frank Silva
Rev. Guillermo Revuelta, Th. Ph.D
Mr. Francis Ragoo
Ms. Julie Williamson
Mr. Jack Lowell

Dr. George Koonce
Dr. Sean Foreman
Mr. Roger Cuevas
Ms. Maria Norton
Mr. Mario Bailey

**Ex-Officio Non-Voting
Members**

Mr. Raul Perez
Mr. Ron Steiger

Committee Alternates

Ms. Serena Paramore

Miami-Dade County Public School Attendees

Ms. Margarita Betancourt
Mr. Dario Guerra
Ms. Karly Pulido
Mr. Jeff James
Mr. Neil Singh

Ms. Jennifer Andreu
Ms. Charisma Montfort
Mr. Archie Moore
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. Perez explained that there are two projects that need to be completed in year 4 which are M.A. Milam K-8 Center and Coral Gables SHS. Mr. Martinez asked Mr. Perez what scope is left to be completed at Coral Gables SHS. Mr. Perez expressed that Coral Gables was awarded last year and explained that it's roughly a \$13 million dollar project that includes renovations throughout the campus. Mr. Perez stated that in a previous phase there was a building that was demolished, and a new 2-story building was built including a new courtyard. Mr. Perez expressed there is non-GOB related work in the 5-year plan at Coral Gables SHS that includes replacing the gymnasium. Mr. Jack Lowell asked Mr. Perez what the timeline was. Mr. Perez stated that the funding for that would go online starting next year and then there would be communication with the architect for design commissioning. Since Mr. Perez mentioned starting in the next fiscal year, Mr. Francis Ragoo wondered if that would be considered a delay in the overall GOB schedule. Mr. Perez explained that the GOB is not behind schedule because all the projects are in the implementation phase, even though some projects have taken a little longer than others. Mr. Perez explained that the GO Bond was passed in November 2012 but the actual implementation of the projects did not start until September 2013 with the certification process and the selling of the Bonds, as an initial step. Mr. Perez stated that the 10-year anniversary of the program is upcoming. Mr. Perez said some projects had

been delayed during the scoping phase since sometimes the scope that was originally planned had to be updated once the site walkthrough had been completed. But, for the most part, Mr. Perez stated that the program continues to move forward even with the cost escalations that happened a few years ago. He further expressed that, at times, it is currently hard to get workers and pricing. Mr. Ragoo asked Mr. Perez if an extension would be needed but Mr. Perez stated that the Committee concludes when the GOB program is completed and there is no set date.

Mr. Jack Lowell asked about Coral Gables and how the gymnasium project would be affected since it's a non-GOB project. Mr. Perez said there would be no impact; about 80% of GOB projects are completed but the Capital Plan continues.

Mr. Perez continued to go over the GOB project update and the accelerated complementary projects. Mr. Lowell asked if all the portables had been removed. Mr. Perez explained that not all portables have been removed and Mr. Martinez stated that there are 15 portables left. Mr. Perez continued to express that there is a handful of portables because it is one of the most difficult items to address with the principals since they end up using the portables as flexible storage. Mr. Perez proceeded to go over the expenditures and contracted amounts, and the quarterly expenditures slides.

Mr. George Koonce asked about the services listed on the Quarterly Expenditures report on page 8. Mr. Perez explained that those are services provided aside from the construction services and are part of the building code compliance. Mr. Perez expressed that those line items are not part of the construction cost, but are provided by the contractor for the District to order directly from the vendor to avoid sales tax; the materials are then delivered to the site. Mr. Lowell stated that the sales tax is currently at 7% and asked if they have saved 7% of sales tax on all the projects. Mr. Perez confirmed that they have saved on all the sales tax but that after a certain dollar amount the sales tax drops to about 6.5%.

Mr. Perez introduced Ms. Margarita Betancourt from the Treasury Office. Ms. Betancourt gave a summary of the bond sales and explained that they all sold at a premium. Ms. Betancourt expressed that, over the course of the program, they earned almost \$120 million dollars in premium. Mr. Martinez asked what she meant by sold at a premium. Ms. Betancourt explained that the coupon rate is at 5% and they pay the 5% rate when they pay the investors. Ms. Betancourt continued to explain that the true interest rate to the District is less than that because, at the time the sale happens, the going market rate is less than 5%. The investor pays a premium upfront for the bonds and ongoing payments at 5% for the coupon going forward. The premium is received upfront, and they were advised from the bond counsel that it could be used towards project funds. Mr. Lowell asked what the total was, and Ms. Betancourt explained that the PAR total was \$1.2 billion, and the premium was \$119,762,142 which could be used for projects. Ms. Betancourt explained that they earned \$26,230,820 million from the interest. Currently there is about \$340 million left to spend. Mr. Martinez asked where they invest the money and Ms. Betancourt explained that they put about 28% in bank deposits where they are earning about 4.6%, 41% is in government investment pools, money markets are earning about 4.6%-4.8%, and some government agencies are earning a little over 5%. Mr. Ragoo asked which institution is giving 4% and Ms. Betancourt stated that they work with Bank United and City National Bank that are both local. Mr. Sean Foreman asked if the funds

would have to be approved to be allocated. Mr. Perez explained the funds are already allocated to projects but that they have projects in close-out that might have funds left over that will need to be taken to the Board as an F-21 item to be reallocated to other projects. Mr. Lowell asked who the underwriter for their funds has been and Ms. Betancourt stated Bank of America, Wells Fargo and Raymond James.

Mr. Perez discussed Adopt-a-School and explained that it was started by the Chair, Mr. Martinez. Mr. Perez explained that they have been reaching out to Committee members to see if they would want to adopt schools that have a GOB project. Once a school is adopted, the information is forwarded to the Capital Office to invite the Committee member to the school, give a tour and go over the scope of the project. Mr. Perez explained that they currently have a spreadsheet of the schools that have been adopted and who has adopted the schools. Mr. Perez expressed that they are wanting to increase the program and are looking for Committee members to participate in adopting schools. Mr. Perez expressed that it can be any school and that it does not have to be in the District that they are representing. Mr. Ragoo asked if a list could be sent by District and Mr. Perez stated that could be provided.

Mr. Perez introduced Ms. Karly Pulido from the Office of Strategic Planning & Initiatives to discuss sustainability and energy efficiency. Ms. Pulido gave information regarding the different initiatives that the District is taking for sustainability and energy efficiency. Ms. Pulido explained that for energy conservation they have a new project coming up at Booker T. Washington SHS. Ms. Pulido stated that districtwide they just went live with an energy dashboard which is available for the principals and assistant principals to get information on their overall consumption, including electricity and water. Ms. Pulido talked about a couple of Board items: enrollment in the FPL Solar Together Program, and negotiations for solar rooftops for specific sites. Ms. Pulido mentioned that they applied for the EPA School Bus Program but unfortunately, did not get that award. They are moving forward with the Volkswagen settlement money and getting 10 electric school buses. Ms. Pulido talked about recycling and possibly having more than just one pickup a week. Ms. Pulido stated that they have partnered with the South Florida Water Management District to enhance drainage by William H. Turner Tech to improve the overall flooding hazards in the area.

Mr. Ragoo asked Ms. Pulido if the District's goal is to have all the schools use all that energy. Ms. Pulido explained that right now the goal is to get the maximum solar installations on all the roofs at a cost that would be beneficial for the District, and with the FPL Solar Together Program the goal is to be purchasing renewable electricity. The ultimate goal is for a cleaner 2030 future. Mr. Martinez asked Ms. Pulido about funding for car charging stations for parents or students that have electric cars. Ms. Pulido stated that she would look into that.

Mr. Perez introduced Ms. Charisma Montfort from the Office of Procurement Management Services. Ms. Montfort provided a quick update of the procurement initiatives that they have been working through and stated that they currently have close to \$151 million for the GOB projects on the goods and services side. They have been focused on strategic sourcing and looking at the current market conditions. Ms. Montfort explained that they do a lot of training for goods and services along with collaborating with the Office of

Economic Opportunity. They also provide sessions on how to submit a bid on goods and services, how to understand the terms and conditions, and how to submit all the documents for smaller or newer firms that are trying to do business with the District. Ms. Montfort expressed that they also have another collaboration piece with the South Florida Anchor Alliance, specifically with ensuring that the electronic billing process directly aligns with the new program. Mr. Ragoo asked what they currently do for outreach in the community. Ms. Montfort stated that the reason she said that they collaborate is because their function is more about educating on how to submit bids, but they work with The Office of Economic Opportunity and their outreach program. Ms. Montfort stated that they participate in all their outreach events.

Mr. Mario Bailey stated that anytime they run into a small business that is not doing business with the Board, he always recommends that they do business with the District. Mr. Bailey stated that he has heard great things about the outreach and that they are doing an excellent job. Mr. Foreman asked Ms. Montfort how many are involved in her team. Ms. Montfort stated that they have a team of 16.

Mr. Martinez introduced Ms. Jennifer Andreu to provide the OEO update. Ms. Andreu, from the Office of Economic Opportunity, stated that the Procurement Office has attended all their outreach activities. Ms. Andreu started with the infographic slide and moved onto the GOB Prime Expenditures summary. Mr. Martinez asked if the program helps the economic development for the District and provides more opportunities. Ms. Andreu stated that it is a huge economic engine for local residents, including the tri-county at large. Ms. Andreu reviewed the certified firms and reviewed the contractor pre-qualification dashboard, as well as the compliance update regarding certifications and goals established for firms. Mr. Martinez asked if pre-qualified members are increasing the number of vendors that can qualify for District business. Ms. Andreu confirmed that is correct and that it is increasing their bond limits as well. Mr. Ragoo asked how many of the qualified participates have opportunities. Ms. Andreu stated that they reviewed that a couple of months back and it came out to about 60% of all the pre-qualified vendors. Mr. Ragoo asked if there was a reason that 40% did not get an opportunity. Ms. Andreu stated that some companies do not bid. She has reached out to some companies and currently there is so much work, that it gets very competitive. Mr. Bailey stated that he loves how Ms. Andreu reaches out to the companies that do not bid. Mr. Lowell stated that on page 19 he was looking at the numbers for African-American female that have qualified and questioned why the number is so large. Ms. Andreu stated that, according to recent articles that she read, African-American female owners are at a huge increase nationally, however they are not getting the contracts. Mr. Ragoo asked if it could be that it is seen as a male dominant business. Ms. Andreu stated that it is a reality. Mr. Frank Silva stated that he wanted to compliment Ms. Andreu on reaching out to the firms. Mr. Silva asked if the Professional Services non-A/E is not architect engineering. Ms. Andreu stated that was correct. Mr. Silva asked Ms. Andreu if she could give examples of non-A/E services to give them a better understanding. Ms. Andreu explained that it would include professional development but that is something that the District has in-house. Mr. Martinez stated that the certification process is not only benefiting the firm, but that it is benefiting everyone because it is benefiting the economy. Ms. Andreu reviewed slides regarding compliance and outreach upcoming events. Mr. Koonce suggested that Ms. Andreu's presentation be moved up on the agenda at the next meeting.

Mr. Foreman stated that it's great news that 54% of the business has gone to certified firms. Mr. Foreman wanted to know how that information could be shared to have the media cover it and he wanted to know if the NAACP was aware of the 54%. Mr. Foreman also asked Ms. Andreu if there would be a final disparity study later since there were some discrepancies. Ms. Andreu stated that the disparity study was finalized and accepted by the Board in December 2021. Ms. Andreu stated that it is on the OEO website, and she explained that the data was up to date up until 2018 and, by the time the numbers were crunched, with Covid happening, the data was delayed. Ms. Andreu expressed that it is not recommended for another disparity study to be done until 2026. Ms. Andreu stated that she still meets with the Chamber, NAACP and several community groups where the data is shared.

Acknowledging a quorum, Mr. Martinez asked for a motion to approve the meeting minutes from March 7, 2023 with a change regarding the portables to have it say "to be demolished". A motion was made by Mr. Roger Cuevas, seconded by Mr. Jack Lowell, and passed unanimously.

Mr. Lowell asked Mr. Perez about the District real estate and expressed that there is a property near here with the asking amount of \$1 billion. Mr. Lowell suggested that they should talk about what the School Board should do about its real estate portfolio. Mr. Martinez expressed that he remembers a project that Superintendent Carvahlo had. Mr. Perez stated that it was called 20-1500 and a RFP was put out to sell the corner lot across from the Arsht Center. There was a recommendation to put out a RFP for the new District headquarters, and once that was developed, put up the current administration building for sale. The process was started, and an agreement with a developer went to the Board in February 2022, but there was one item remaining to make that deal come true which was the extension of life for the Omni CRA. The value of that property was \$20 million, and the District was getting \$60 million back. However, Mr. Perez stated that there were issues at the City of Miami and the County and the deal expired as of December 2022. Currently the Board members are being contacted everyday regarding different Board-owned properties.

Having exhausted all the agenda topics, the Chair, Mr. Roberto Martinez, reminded the Committee that the next meeting would be held on September 19, 2023.

With no further business to conduct, the meeting was adjourned at approximately 4:25 p.m.

Approved:



Mr. Roberto Martinez, Chair

Date: 9/26/23