

Approved by the Charlotte-  
Mecklenburg Board of Education  
March 13, 2007  
Regular Board Meeting



Charlotte, North Carolina

January 23, 2007

**REGULAR MEETING  
of the  
CHARLOTTE-MECKLENBURG BOARD OF EDUCATION**

The Charlotte-Mecklenburg Board of Education held a Regular Board Meeting on January 23, 2007. The meeting began at 5:07 p.m. and was held in Room 267 of the Government Center.

Present: Joe I. White, Jr., Chairperson;  
Molly Griffin, Vice-Chairperson, (District 5);  
Kaye McGarry, Member At-Large;  
Trent Merchant, Member At-Large;  
Larry Gauvreau (District 1);  
Vilma D. Leake (District 2);  
George Dunlap (District 3);  
Tom Tate (District 4); and  
Ken Gjertsen (District 6)

Absent: There were no absences

Also present at the request of the Board were Dr. Peter Gorman, Superintendent; Maurice Green, Chief Operating Officer; James G. Middlebrooks, attorney from Helms Mulliss & Wicker, PLLC, representing the Board; and Nancy Daughtridge, Clerk to the Board.

**Upon motion by Mr. Tate, seconded by Ms. Griffin, the Board voted unanimously of those present for approval to go into Closed Session for the following purposes:**

- **To consult with the Board's attorneys on matters covered by attorney-client privilege. These matters include but are not limited to the pending litigation between the Board of Education and The San-Gra Corporation; Granger Construction Company, Inc.; Hayes, Seay, Mattern and Mattern; and R. L. Casey.**

**The motion was made pursuant to Section 143-318.11(a) of the North Carolina General Statutes.**

Chairperson White reconvened the Regular Board Meeting at 6:30 p.m. in Room 267 of the Government Center. CMS TV Channel 3 televised the meeting.

Present: Joe White, Chairperson;  
Molly Griffin, Vice-Chairperson, (District 5);  
Kaye McGarry, Member At-Large;  
Trent Merchant, Member At-Large;

Larry Gauvreau (District 1);  
Vilma D. Leake (District 2);  
George Dunlap (District 3);  
Tom Tate (District 4); and  
Ken Gjertsen (District 6)

Absent: There were no absences

Also present at the request of the Board were Dr. Peter Gorman, Superintendent; Members of Executive and Senior Staffs; James G. Middlebrooks, Attorney from Helms Mulliss & Wicker, PLLC, representing the Board; Carole Hamrick, Manager of Board Services; and Nancy Daughtridge, Clerk to the Board.

## I. CALL TO ORDER

Chairperson White called the meeting to order at 6:30 p.m. Chairperson White welcomed everyone to the Board's second meeting of the month which will be held in a Work Session format. He apologized for starting the meeting late and noted that the Board had been conducting business in a Closed Session meeting.

### A. Adoption of Agenda

**Ms. McGarry moved that the Board approve the adoption of the agenda, seconded by Ms. Griffin, and the Board voted 9-0 to approve the motion.**

### B. Community Report

- Report from Superintendent's Standards Review Committee

Chairperson White called upon Dr. Gorman to introduce the report. Dr. Gorman said the agenda for this meeting includes several key items that will shape the approach as we move towards meeting the facility needs of our students, staff, and community. Dr. Gorman reviewed a timeline to clarify the direction. The Superintendent's Standards Review Committee will present their report tonight. The public will have an opportunity to provide feedback to this item at the February 13, 2007 Regular Board Meeting. Staff will develop recommendations and present them to the Board at the February 27, 2007 Regular Board Meeting. The Board will vote upon those recommendations at the March 13, 2007 Regular Board Meeting. The Ten-Year Capital Project Plan will also be presented this evening. The public will also have an opportunity to provide feedback to this item at the February 13, 2007 Regular Board Meeting. The Board will conduct a Workshop and have the opportunity to provide further clarification on this item at the February 27, 2007 Regular Board Meeting. The Board will vote upon this item at the March 13, 2007 Regular Board Meeting. A report on Public Private Partnerships or Capital Leases will also be presented tonight. Staff will present a recommendation for a Pre-Development Agreement with a developer to the Board which will require a Board vote at the February 13, 2007 Regular Board Meeting. The Pre-Development Agreement will be brought forward, subject to successful negotiations, at a later time. The Board will also receive a report tonight on Capital Program Management. Timelines for this item are under development and are subject to change. The Request for Qualifications (RFQ) is due the first of March, the review process will begin mid-March, and

the interviews will begin the end of March. Staff will present a recommendation on this item to the Board at the April 24, 2007 Regular Board Meeting. Dr. Gorman said he would provide the Board a copy of the information and timelines later this week. Mr. Dunlap expressed concern regarding the timeline and wanted to ensure the process would allow adequate time for the public to provide feedback and for the Board to review the information. Dr. Gorman said this can be taken into consideration. The timeline was developed because the Board traditionally does not include major action items at the second meeting of the month. This is scheduled for March and if it were pushed back to April it could present timing challenges to other related items and the budget process. Staff would be happy to schedule additional meetings for discussion and answer questions. Dr. Gorman said the goal is to present information tonight and provide Board members adequate time to think about the information and ask questions; to have a public hearing at the first meeting in February; to have additional Board discussion at the second meeting in February; and for the Board to vote upon the recommendations at the first meeting in March. Mr. Dunlap said this was fine but he was concerned that there was only one public hearing scheduled because many people may want to speak to these items. Dr. Gorman reported that staff had recently held a series of six public meetings (one in each district), a draft of this information was shared with the public, and the public had an opportunity to provide feedback. Dr. Gorman called upon Guy Chamberlain, Associate Superintendent for Auxiliary Services, and Mike Raible, Executive Director of Facilities, Planning, and Real Estate, to present the report. Mr. Chamberlain said the School Building Solutions Committee had a number of recommendations. One recommendation was a short-term emergency Certificates of Participation (COPs) request to the Board of County Commission for a Bond referendum in 2007 not to exceed \$400 million. Another significant recommendation was the district needed to evaluate its methods of construction and space standards with the ultimate goal of reducing construction costs by ten percent. In that regard, the Superintendent directed staff to form a committee to complete this task. Two committees were assembled. One committee dealt with the construction standards and the other dealt with space standards and educational specifications. Committee members were selected who had prior experience or knowledge in each of these areas which alleviated time spent on a learning process and allowed the committees to complete their work in a short period of time. The committees spent endless hours discussing, studying, and reviewing a variety of items. Mr. Chamberlain said Mike Raible and Bill Klein, Director of Construction, worked closely with the two committees and provided them information, feedback, and direction. Mr. Raible said the report includes recommendations by the committee that will save money on future capital projects. Mr. Raible was pleased to report that several of the cost saving suggestions had already been implemented by CMS. Mr. Raible introduced Bo Boylan, Chairperson of the Superintendent's Standard Review Committee; Dennis Lalaria, Chairperson of the Educational Specialist Subcommittee; and Eric Davis, Chairperson of the Construction Subcommittee. Mr. Boylan reviewed the committee's charge, scope of work, guiding principles, and general observations regarding their work. Mr. Davis said the Construction Subcommittee's process was divided into the broad categories of site work (how to prepare the land to receive the building) and the building itself. Mr. Davis shared examples of specific recommendations that were accepted or rejected which provided an insight on how the committee conducted its work to develop the cost saving recommendations. Mr. Lalaria reviewed the process the Educational Specialist (curriculum and instruction) Subcommittee followed which focused on the footprint of the building and what happens inside the building on a daily basis. The subcommittee felt it was important to maintain the integrity of the

instructional space and to not negatively impact the instructional program. Mr. Davis said two recommendations that were accepted that are noteworthy for the Board's attention are Number 24 (Creating a baseline standard to be used across municipalities that fall under CMS) and Number 60 (Let state and city DOT pay for road improvements). A recommendation that was rejected but has a lot of interest is Number 81 (Redesign methods of construction). This recommendation was rejected because it is incumbent upon the design professionals hired to analyze each given situation, demonstrate the cost benefit, and then make a recommendation through the normal design process. It would not be appropriate for the committee to recommend a specific standard given the variability of those conditions. Mr. Lacaria said two big cost saving recommendations that were accepted which could cause controversy are Number 71 (Eliminate stadiums and field houses at individual high schools and build regional sports complexes to be shared across schools at a school site) and Number 72 (Build regional performing arts facility to be shared across schools and located at one of the schools, possibly co-locate an auditorium with future area office for student use and teacher in-service, etc., use). The subcommittee endorsed these recommendations but perhaps they should be determined based upon what we as a community value. Mr. Boylan said the dollar amounts attached to the recommendations are not absolute but could represent potential savings of \$900 thousand for elementary schools, \$1.2 million for middle schools, and \$7 million for high schools. These figures are not fully inclusive of all the recommendations. Mr. Boylan said there are difficult decisions to make regarding future school construction and we must decide collectively what we value; determine points of agreement; negotiate the differences; and then move forward collaboratively to build schools. The committee used an involved deliberation on each of the recommendations. Mr. Boylan said the committee would like for the Board to take note of the recommendations and particularly the strong consensus from a diverse group of people. A discussion with Board members followed.

- Mr. Dunlap said we have wanted a set of standards that would be acceptable to everyone. He is more concerned about educational standards as opposed to building standards. He asked did the committee address educational standards? Mr. Boylan said Mr. Lacaria's subcommittee reviewed specifically curriculum and instruction. Mr. Lacaria said the committee's purpose was to review methods to cut costs rather than ways to add to the program with the idea that cost savings may fund those types of infrastructure improvements while being mindful of not cutting classroom space and the way the classrooms were used. Mr. Dunlap said he is disappointed with the recommendation to eliminate lighting on tennis courts and softball fields especially since the new director of Parks and Recreation has stated that they would like to create partnerships. Mr. Lacaria said some of the recommendations had to be considered in tandem with other recommendations such as the pursuit of more joint-use athletic facilities to help defray those types of costs as well as install and operational costs.
- Ms. Leake asked did the committee review the baseline standards established prior to 1998? Mr. Lacaria said the committee worked with the 2001 baseline standards only. Ms. Leake believes the committee should have reviewed the previous baseline standards to understand if they generated any cost savings. That review would have established a three-part comparison of what we did then, what we are doing now, and what we hope to do in the future. Mr. Lacaria said their review included the Department of Public Instruction standards and what other comparable school districts were doing in the state and country. Ms. Leake supports the recommendation to combine the teacher lounge and

workroom because many of the older schools do not have lounges. It is important to have equity across the district regarding classrooms, resources, and ensuring fairness in the process. Ms. Leake said she would support eliminating computer rooms because she has talked with many teachers and they would prefer having computers in the classroom. She believes more members of the committee should have been teachers because they could have provided insight on maintaining versus removing from the process as well as recommendations that focused on student achievement. Ms. Leake is concerned about the recommendations regarding the athletic programs and music programs because they are needed for the children of the district. She is disappointed in the number of female members on the committee and the number of people that represented the black community.

- Mr. Tate requested a copy of the baseline standards and the educational standards in order to better understand how the recommendations would impact the future.
- Mr. Merchant asked was there a low and high range for the dollar amounts? Mr. Boylan said the committee was mindful of the ten percent cost savings mark but was not bound by that amount. The committee reviewed small cost savings but focused on the larger cost saving recommendations because they would have the most impact. Mr. Merchant asked did the committee discuss what the cumulative impact would be if all the cost saving recommendations were implemented? Mr. Boylan said the committee talked about this but decided to not pursue it because they did not want to be bound by creating recommendations that the committee could not support, that did not support their guiding principles, or were based on a number that might be artificially created. Mr. Merchant asked in terms of the impact on student life and how schools operate, did the committee consider each item individually? Mr. Boylan replied, yes, there was a lot of discussion on how the recommendation would impact the students. The committee tried to be clinical about the dollars but the committee members are parents and taxpayers so the deliberations included a human side.
- Ms. McGarry commended the committee members for their expertise and dedication. Ms. McGarry said the Citizens' Task Force recommended putting construction within another entity versus CMS and this has never been explored. The responses from the area architectures, engineers, and general contractors include good suggestions that touch on this idea. She asked did the committee explore that recommendation? Mr. Boylan said the committee solicited outside input from architectural professionals. The committee received a limited number of responses and did not feel comfortable coming to the Board with a conclusion based on that narrow sampling but the committee does believe this is worthy of further study. Ms. McGarry encouraged the Board and CMS to pursue this concept. She said the report refers to standards compared to other counties in North Carolina. Mecklenburg County is the largest county in North Carolina and our needs are different. She believes CMS should not be following but be leading and making the best decisions based on its situation. Ms. McGarry said the community must determine what they value. She believes many people value education and she would want to primarily protect the instructional spaces. She said there are schools such as Eastover Elementary School with classrooms that are 900 square feet but our standard for elementary schools is 1200 square feet. She said the smaller classroom is not negatively impacting the instruction at that particular school. She believes CMS should pursue less square footage for classrooms and non-instructional spaces. Ms. McGarry said the media centers and libraries are not open most of the day. She believes media centers could be made smaller

and that additional space could be better utilized by providing seats for students. Mr. Lacaria said the committee considered this and recommended reducing some of the non-instructional space in the media centers at all three school levels. Ms. McGarry expressed concerns regarding kitchens being made larger than DPI standards; tutorial rooms; the construction of schools; and working with the North Carolina Department of Transportation (NCDOT) to have them incur some of the expenses.

- Ms. Griffin is pleased that CMS is already utilizing several of the cost saving recommendations. Ms. Griffin asked are the standards being applied to renovations at older schools as well as to new construction? Mr. Lacaria replied, yes, this speaks to several items discussed such as the playground, the canopies, and the number of parking spaces at a high school. When it is time to repave North Mecklenburg High School this will impact the number of parking spaces the school will have if this is adopted as a baseline standard. Ms. Griffin asked when the committee was considering bus canopies, teacher lounges, auxiliary gyms, and lights on the field did the committee review what the older schools presently have? Mr. Lacaria said to a certain degree but time did not permit a thorough investigation. Ms. Griffin expressed concern regarding the potential disconnect of not renovating older schools to these standards but continuing to build new schools with the standard. Mr. Lacaria said this was taken into consideration.
- Mr. Tate said regarding class size and capacity, a school may be built with a capacity but because it is a Focus School its class size would be a different number. He asked did the committee take those type situations into consideration? Mr. Boylan said the committee did not consider baseline to be the number of students in the school. They considered baseline to be the number of classrooms that the building is designed to hold regardless of how they are used.
- Ms. Leake said she spoke with parents and they are concerned about universality, expandability (expand the buildings to grow with the size of the school), and commonality (all the schools would look alike). Ms. Leake asked did the committee take these concerns into consideration? Mr. Boylan said one of the underpinnings of their recommendations is a commonality of how the facilities are built and this was discussed. He believes the design competition addressed these areas as well. Ms. Leake discussed the importance of renovations, bringing the older schools up to standard, and making schools safe.
- Mr. Gauvreau asked when the committee came up with the potential savings was the committee aware that CMS would have a \$2.5 billion Ten-Year Capital Project Plan? Mr. Boylan said that type of information was absent from the deliberations. Mr. Gauvreau asked if the committee had been aware of the \$2.5 billion project plan would the committee have looked for more savings? Mr. Boylan said the committee tried to stay within their charge which was to review baseline standards and establish some cost savings which the committee accomplished. Mr. Gauvreau believes there are more cost savings that could be established which could result in millions of dollars and encouraged Dr. Gorman to address this matter soon. Dr. Gorman said staff will continue to review the standards and the other agenda items coming up. The Board will ultimately make the decision on what the standards will be.
- Chairperson White encouraged the Board to keep their comments to the agenda item. A Work Session is scheduled to discuss this item further. He reminded Board members that the meeting tonight had a lengthy agenda.
- Mr. Dunlap asked are we discussing the better use of dollars or reducing the costs of

spending to build the facility that we want? He would agree with most of the cost saving recommendations. He believes additional savings could be found by having better control over architectural designs and the designs should be based on the same set of specifications for all schools. He expressed concern about spending dollars to add classrooms to a relatively new school, such as Hopewell High School, because it would have been more economical to have added the classrooms during the construction phase of the school. Mr. Dunlap said a point of discussion would be how to utilize the cost savings. Would the funds not be spent or would it be used for necessary educational standards that might be met in a facility?

- Mr. Gjertsen supports the recommendations involving standardization of design, materials, and process improvements. He said the Board will have to make decisions on standards and he hopes at the end of that process the community can see that CMS is getting value for the dollars spent on construction. One of the underlying assumptions made in the report is that schools need to be renovated and schools need to be built. Mr. Gjertsen asked was there discussion around adequacy or inadequacy in the level of funding we are currently putting into school renovations and construction? Mr. Boylan said that specific issue was not addressed.
- Ms. Griffin asked will the cost reduction recommendations be included in the estimates for the Ten-Year Capital Project Plan? For example, will the cost of a new elementary school be reduced in the Ten-Year Plan based on the potential savings? Dr. Gorman said this would have to be done on a job-by-job basis and staff will review calculating those costs. Ms. Griffin said this and the To-Be-Determined (TBD) costs could be substantial and may have an impact on the total estimate of the plan. She would like to see those numbers as soon as possible because it will have a large impact on the future Bond package.
- Mr. Gauvreau said Dr. Gorman should be acting on this data and return with a recommendation in the public's interest that shows restraint. Dr. Gorman said staff will review the recommendations and return to the Board with a recommendation for Board approval. This will happen the second meeting in February after the Public Hearing.
- Chairperson White said the reports include challenging and opinionated areas for the Board's consideration. He noted that some of the cost reduction recommendations had been previously implemented by CMS but were later eliminated. He expressed concern regarding the pros and cons of the items related to personal preference; the items that may save money now but will cause additional pain and grief in the future such as the elimination of canopies and the past negative experience with the open classrooms; and co-locating athletic fields.

## II. CONSENT ITEMS

- A. Recommend approval of appointment of administrative personnel.
- B. Recommend approval of a resolution for supplementary funding request from the Federal Government (Department of Education) for Federal Impact Aid.

Ms. Leake pulled Item II. A.

**Ms. Griffin moved, seconded by Mr. Tate, that the Board approve Consent Item II.B., and the Board voted 7-0 to approve the motion. Mr. Merchant and Mr. Dunlap were out of the room at the time of the vote.**

Ms. Leake said it is important to have excellent leadership (principals) at each school, especially the troubled schools. She discussed concerns regarding the placement, quality, length of service, and past experience of the principal appointments. She encouraged the Board to review the recommended appointments and to only support strong leadership and question the quality of persons being recommended. Chairperson White said he would support the recommendations of the person that this Board hired to hire principals.

**Ms. Griffin moved that the Board approve Consent Item II. A., seconded by Mr. Tate, and the Board voted 5-2 to approve the motion. Chairperson White, Ms. Griffin, Mr. Merchant, Mr. Gauvreau, and Mr. Tate voted in favor of the motion. Ms. Leake and Mr. Gjertsen voted against the motion. Ms. McGarry and Mr. Dunlap were out of the room at the time of the vote.**

Dr. Gorman presented the following administrative appointments:

- David Gray named principal at Myers Park Traditional Elementary School. Mr. Gray has a Master of School Administration from Appalachian State University and a Bachelor of Science in Applied Learning and Development from The University of Texas. Mr. Gray previously served as assistant principal at Sedge Garden Elementary School in Winston-Salem, N.C.
- Alicia Springs named principal at Kennedy Middle School. Ms. Springs previously served as assistant principal at Alexander Graham Middle School.
- Philip Steffes named principal at Merry Oaks Elementary School. Mr. Steffes previously served as principal intern and assistant principal at Endhaven Elementary School.
- Thomas Lamb named principal at Albemarle Road Middle School. Mr. Lamb previously served as assistant principal at Northridge Middle School.

Dr. Gorman asked that the Board take a five minute recess so that staff could set-up for the Report Items. The Board recessed the Regular Board meeting at 8:12 p.m. and Chairperson White reconvened the meeting at 8:25 p.m.

### **III. REPORTS/INFORMATION ITEMS**

#### **A. Report on the Ten-Year Capital Project Plan**

Chairperson White called upon Dr. Gorman to introduce the report on the Ten-Year Capital Project Plan. Dr. Gorman called upon Mike Raible, Executive Director Facilities and Real Estate, to present the report. Mr. Raible said capital needs addresses growth, and growth includes such items as additional classroom and additional support facilities required for that growth, the deteriorating infrastructure, and legal mandates and initiatives. Considerations that form the basis of this plan include the weighted staffing formula; projected district-wide enrollment; maximum new school sizes (39 classrooms for elementary schools, 54 classrooms for middle schools, and 100 classrooms for high schools); the current ten-month calendar; four period school at secondary school; and the Superintendent's Standard Review Committee's recommendations. Mr. Raible explained the methodology is to develop a way to regionalize (convert school-by-school) district-wide projections. The report expresses projections in terms of additional classrooms needed rather than student population. The projections are based upon the Charlotte Department of Transportation (CDOT) projected households by

Transportation Analysis Zones (TAZ); TAZ student yield from 2006-2007 actual counts; classroom teacher allotments from 2006-2007; and total classroom counts. Mr. Raible reviewed the Twenty-Year Enrollments and the Ten-Year Classrooms needed. Based on this formula, CMS needs 691 classrooms for the 2006-2007 school year and 3,446 classrooms in the 2016-2017 school year. Mr. Raible reviewed the elementary, middle, and high schools needed to address growth and eliminate all portables. CMS would need 634 classrooms or sixteen additional new elementary schools for the 2006-2007 school year compared to forty additional new elementary schools for the 2016-2017 school year. CMS is not at 100% utilization at all middle schools at this point but would need thirteen additional new middle schools by the 2016-2017 school year. CMS would need thirteen additional new high schools by the 2016-2007 school year. Mr. Raible reviewed the top thirty-three projects in priority order. The estimated value of the projects is approximately \$410 million and included seven new elementary schools; two new middle schools; two new high schools that have been funded for pre-construction through COPs; several renovations; and an addition to Vance High School. Mr. Raible noted that the calculations for the projects followed the previous calculation provided to the Board except that the priority score for schools currently over capacity had been increased to 400 from 300. A discussion with Board members followed.

- Mr. Dunlap asked the impact on renovations when the composite score for over capacity was changed from 300 to 400? Mr. Raible said increasing the numerator in the calculation would move the new schools that need capacity higher on the priority list. The overcrowded schools that need renovations would also move higher on the list. The schools that were only dependent on a renovation priority tended to move lower on the list. Mr. Dunlap is concerned that the calculation changed and the fairness of the process in establishing what is the most critical need regarding new schools versus renovations. He wants to ensure the calculation is not weighted towards new schools and that the existing facilities have a fair chance of having renovations completed. Dr. Gorman said he and staff were concerned about providing Board members with the original document which was a draft version. The Board was informed that the draft may change and, therefore, some projects would move on the priority list. Both new schools and existing schools over capacity received extra points. This is merely an issue of capacity. There has been an increase in the number of cumulative mobiles, a decrease in the critical remaining classrooms for renovations, and eventually every school will be on the priority list as it reaches its thirty-year life cycle. Dr. Gorman said the schools in the growth areas are growing at a faster pace than the classrooms needing renovations. CMS needs both new schools and renovations and this formula addresses both. Mr. Dunlap said an issue that has not been addressed is a fair process for eliminating mobiles because some parents requested mobiles at their schools. He wants a formula that will ensure fairness in the process and that will be strictly adhered to for every school.
- Ms. Griffin said she anticipates a lot of input from the public at the Public Hearing scheduled for February 13, 2007. She would like to hear that input first and then have a full discussion on this item at the Work Session scheduled for February 27, 2007.
- Mr. Merchant asked questions to better understand the top thirty-three priority list. Dr. Gorman and Mr. Raible responded. He asked that the spreadsheet for projects be revised to reflect new schools, renovations, and land.
- Mr. Tate does not believe the above information would be helpful.
- Mr. Gjertsen said this is a \$2.5 billion list of projects over a ten-year period, what is the

yearly average that CMS has spent on construction over the last five years? Mr. Gjertsen believes it would be significantly less than \$250 million per year. Mr. Raible said it is approximately \$150 million. It has been higher but not as an average over the last five years. Mr. Gjertsen said that reflects a \$100 million gap between the current level of spending on construction and the proposed needs. Mr. Raible noted the plan is based on current dollars.

- Ms. Leake expressed concern that some of the projects had dropped in priority as well as the new additions versus renovations. Ms. Leake said regarding Davidson IB Middle School, she believes it would save the district money if the school was demolished and the students were transferred to other schools. She asked that this be reviewed. She said the projects in District 2 are related to air conditioning, plumbing, roofing, and auditoriums, and she asked how does that equate to classroom seats? She is concerned about the equity in the process of providing funds. She does not understand why the number one priority changed from Alexander Graham Middle School to Vance High School. Mr. Raible explained how the priority list had changed. The draft version listed every category separately in terms of its order and scope. In reviewing the list, some schools had more than one project and they were incorporated into one renovation which moved them on the priority list. Ms. Leake expressed concern that there are schools on the priority list for an auxiliary gym when there are schools that do not have a gym. Mr. Raible explained that many of the high schools have phased projects and the auxiliary gym is built into a phase of that work.
- Mr. Tate asked what will be achieved if all the projects are completed in the ten-year period? Will there be zero portables and will all the critical needs schools be renovated? Mr. Raible said there would be twenty-two schools remaining to renovate, there would be zero portables based on the current student enrollment projection, and all the categorical items would be completed. Mr. Tate asked why were the twenty-two remaining school renovations not included in the Ten-Year list? Mr. Chamberlain said there are a number of schools that are close to the baseline standards and do not require immediate attention. Mr. Tate asked that the Board be provided detailed information on each project, for example what is included in Phase 3 at Independence High School.
- Ms. Griffin asked that the mathematical formula be explained. Mr. Raible explained the formula.
- Ms. McGarry said it is important to get the priority right this time. She is pleased the statistics on population growth are more accurate than what was used previously. She said this is a crisis situation about accommodating growth throughout the district and increasing the number of seats must be the first priority. She expressed concern that the costs for new school construction was still very expensive with high schools estimated at \$46 million, middle schools at \$21.2 million, and elementary schools at \$15.8 million. She believes CMS should conduct further review for cost reductions. Mr. Raible said the reductions in the estimated costs in the current priority list are a result of reducing the square footage at Flat Branch Elementary School from 92,000 square feet to 80,000 square feet; the reductions realized as a result of the middle and high school design competitions where high schools went from 305,000 to 260,000 and middle schools from 155,000 to 130,000. Ms. McGarry believes the focus of the priority list and Bonds should be on classroom instruction and new elementary schools rather than high school tracks and stadiums. She said Item #10 on the priority list is site acquisition at \$30 million. She believes CMS could spend that money more wisely and should focus on securing

alternative sites. Mr. Raible said this is the dollar amount anticipated to be needed for future sites. For example, the land needed for new elementary school #7 is not in inventory at this time. Staff has reviewed big box sites in the targeted areas as possible alternative sites. Some of the proposed school sites do not have vacant retail sites in the area. Staff has also discussed joint-purchase with Central Piedmont Community College. Ms. McGarry suggested staff also pursue the possibility of other types of buildings such as office buildings. Mr. Raible said staff has reviewed potential office buildings and sites for temporary or permanent housing for high schools as well as studies on the costs of those compared to building a new a school. Staff is continuing to review this option but it is difficult because of where the students are located and where schools need to be built. Ms. McGarry said she understood the uptown population statistics did not call for a new high school but Item #65 is for a new high school in the uptown area. Mr. Raible said based on the additional classrooms needed in the ten-year window, West Charlotte High School and Myers Park High School, which join the downtown attendance area, will need a new high school to relieve the overcrowding of those two schools. Ms. McGarry said CMS must convince the public that they are reviewing alternative options and utilizing other cost factors so that taxes will not have to be increased. Ms. McGarry said she is concerned about the Bond debt.

- Mr. Gauvreau said this document reflects there are several fairly new schools in the inner-city that have a negative number for classrooms needed. He encouraged staff to consolidate these schools before renovating schools in the nearby areas. Mr. Gauvreau is concerned that the data is still not as accurate as it could be; there are better ways of getting data; and CMS should focus on the red areas of the maps. Dr. Gorman said over time staff will review classroom capacities, programming, and classroom usage which is important for determining school capacity. Dr. Gorman encouraged everyone to support the fact that CMS has needs that include capacity and renovations. Mr. Gauvreau said there are schools with empty seats and those schools should be included in the priority plan. Mr. Gauvreau expressed concern about the huge increase in capital needs projections which has increased from \$1.3 billion in 2003 to \$2.5 billion currently. The projections have increased 84% since 2003 whereas enrollment projections only increased 35%. Mr. Gauvreau encouraged Dr. Gorman to provide better planning numbers.
- Mr. Dunlap asked to be provided the following information:
  - All COPs requested and/or approved for the last two requests for COPs.
  - List of all projects approved for the last two Bond requests (the last one that failed and the prior one that passed).

Mr. Dunlap expressed concern that people were promised projects that have not been completed. He believes if those projects are not going to be completed the people should be told why. Mr. Dunlap said people are celebrating the fact that schools will cost less but what this is mainly focused on is building smaller schools. This is not stating the cost per square foot to build schools decreased. To ensure fiscal responsibility, it is important that the portables that will be eliminated are phased out at the end of their life cycle.

- Mr. Merchant said for the high-need proposed elementary school locations has staff considered building one large school or two fifty classroom schools rather than build three thirty-nine classroom schools? This would save money in land acquisitions, construction costs, and support staff in the schools while still trying to maintain a similar per pupil ratio. Mr. Raible said CMS has done this in the past such as the Governor's Village which has two elementary schools with fifty-four classrooms that are side-by-side and share a

cafeteria. When you have that many elementary school classrooms at one location, from a planning perspective, it is difficult to draw an attendance boundary. This concept also creates concerns from an educational standpoint. Mr. Merchant said he is more concerned about the schools built with thirty-nine classrooms that have many mobiles.

- Mr. Dunlap said the County just built a new Courthouse with an extra floor that is not being used. He said since CMS has needs downtown that CMS should ask the County if they can use that space for a small school with a legal theme.
- Mr. Gjertsen asked if staff had considered building schools significantly smaller than the factory size. He said a four or five acre elementary school with four hundred students would be easier and the square footage costs would be the same. Mr. Gjertsen said there are concerns about the formula and the 80/20 split. He expressed concern that his district, which is one of the highest growth areas in the county, is only receiving about seven percent of the first billion dollars which will fund one high school and renovates Independence High and Pineville Elementary schools in his district. Mr. Raible said Lancaster Highway, Elon, and Flat Branch elementary schools are not included in this list. Mr. Gjertsen said when they get on the list his district will still be short two schools and the district will be overcapacity. Mr. Gjertsen believes there is a problem with the formula.
- Ms. Leake said the Lake Wylie area is a high growth area and there must be a focus on that area as well. She wants to ensure the process is fair, equitable, and legal.
- Ms. Griffin asked how were partial magnets included in the maps? Mr. Raible said when the additional classrooms were figured, the partial magnets were rolled in with the existing school population.
- Ms. McGarry said another alternative that the Board should support is to increase the cap on Charter Schools. Charter Schools are public schools that receive no facility funds from the county, provide new seats, and give parents a choice.
- Chairperson White said the Governor of South Carolina is now advocating one school district and one county. He said there is a shortfall in both new construction and renovations and the percentages of 80/20 or 60/40 are not that important. What the Board must focus on is the entire district and the 133,000 students. The challenge is to spend the money to best serve the most students.

#### B. Report on Public Private Partnership (Capital Lease)

Chairperson White called upon Dr. Gorman to present the report. Dr. Gorman called upon Guy Chamberlain, Associate Superintendent for Auxiliary Services, to present the report. Mr. Chamberlain provided Board members with an update on the status of the Public Private Partnership Initiative. A Public Private Partnership is where the school district enters into a Lease Agreement with a developer to occupy a school. The developer funds and builds the school, and CMS leases it. Typically, it would be a series of twenty one-year leases. Senate Bill 2009, which passed last summer, would allow CMS to go up to a forty year payback and at the end of the consecutive leases CMS would own the building. Mr. Chamberlain said the School Building Solutions Committee recommended a \$170 million COPs. It was approved by the Board of Education but defeated by the Board of County Commissioners. The Superintendent and the County Manager discussed alternative approaches to get approval. Collectively, the idea was to reduce the COPs to \$125 million and seek a Public Private Partnership with six projects that included Idlewild Elementary School renovations; South

Mecklenburg High School renovations; Harding University High School renovations; Long Creek Elementary School replacement; new Hucks Road Elementary School; and new Lancaster Highway Elementary School. Staff has reviewed the details of this delivery method and there are still some questions as to whether this process would be more economical than the conventional funding through COPs or Bonds. A private developer cannot get the funding cheaper than CMS can through COPs and Bonds but they can get tax exempt instruments that are close to COPs and some banks are now issuing debt to private developers at a rate very close to COPs. A limitation of the statute is that the lease would not have the full faith and credit of the government entity (the County) which the Bonds do have. The banks are not too concerned about this because once CMS gets into the school house they will not be leaving. They are not concerned about CMS occupying a building for five years and then walking away. Mr. Chamberlain said a benefit of this method is that CMS does not pay any money until the building is built and CMS occupies the building. CMS does not incur any upfront costs. The developer incurs all those costs as well as all of the risks of building a facility such as a contractor going out of business. Another benefit would be the developer would be able to start a project ahead of time and deliver it ahead of time. The developer would also be able to save inflation costs which amounts to a half of one percent per month. Taking these factors into consideration, this method becomes fiscally responsibility. CMS issued a Request for Qualifications (RFQ) several months ago; four developers have been interviewed; and a developer from Atlanta has been selected (Place Properties). CMS is negotiating a Pre-Development Agreement which is essentially agreeing to work towards a Capital Lease for a number of facilities. While this process was taking place, staff was concerned that the Public Private Partnership may not work and prepared to bid the two elementary school (Hucks Road and Lancaster Highway) projects. As CMS proceeded with the negotiations with the developer, it was apparent to CMS that it would not be fiscally feasible to do the two elementary schools through a Public Private Partnership. There are a number of details that must be worked out prior to the developer being able to secure the funds which would delay these projects until July or August so the opportunity to open the schools by 2008 will not happen. Mr. Chamberlain believes the renovation projects will work going through the developer. Mr. Chamberlain said staff recommends that these two projects be pulled aside and substitute them with the next two highest new elementary school projects which would be Dixie River Elementary School and the Mount Holly-Huntersville Road Elementary School which are not scheduled to open until 2009. Staff is prepared to bid the Hucks Road and Lancaster Highway elementary schools in March. Mr. Chamberlain said staff is proceeding with the Pre-Development Agreement and will bring it before the Board at the February 13, 2007 Regular Board meeting. Mr. Chamberlain believes staff can make this method work and in the long-term this method will save money.

C. Report/update on Capital Program Management

Mr. Chamberlain provided Board members with an update on the Request for Qualifications (RFQ) on Program Management Services. He said staff is proceeding with this process and is writing a Request for Qualifications. The document will include qualifications; prior experience in program management; specific to schools; not specific to schools; provide resumes of staff that they would propose to provide; and would be similar to the RFQ sent out several years ago which lead to the selection of Bovis Lend Lease. Bovis Lend Lease will be invited to participate. A stipulation included in the RFQ is that anybody desiring to do

Program Management Services and is successful will not be allowed to do any construction for CMS because there is a patent conflict of interest. Program Managers are responsible for contract administration, negotiation of change orders, and approval pay applications. Mr. Chamberlain said there are some perspective large construction firms who also perform program management services, like Bovis, that may decide not to participate because they will not be able to do construction. Bovis does not perform that service for CMS as they are strictly an extension of our professional staff for Program Management. Mr. Chamberlain said he has recommended to the Superintendent that the Selection Committee be a bipartisan committee. Mr. Chamberlain has recommended that he and Mike Raible participate on the committee as well as Phil Berman, Eric Davis, John Springer, and Bobbie Shields. The selection process includes notification of the RFQ; companies will have thirty days to respond; the committee will spend about ten days reviewing the RFQs; schedule interviews; and select the most qualified firm. We anticipate only interviewing four or five firms. Mr. Chamberlain said he anticipates this will come before the Board in April.

## **ADJOURNMENT**

**By consensus, the Board agreed to adjourn the meeting.**

The Regular School Board Meeting adjourned at 10:20 p.m.

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Chairperson, Joe. I. White, Jr.

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Clerk to the Board, Nancy Daughtridge