

KNOX COUNTY SCHOOLS

ANDREW JOHNSON BUILDING

Dr. James P. McIntyre Jr., Superintendent



MEMORANDUM

TO: Chair and Members
Knox County Board of Education

FROM: Dr. James P. McIntyre, Jr.
Superintendent

DATE: April 7, 2014

RE: Capital Budget and Planning Priorities

A handwritten signature in black ink, appearing to read "James P. McIntyre, Jr.", with a long horizontal line extending to the right.

In 2009, the School Board embraced a new facilities planning strategy where a specific set of capital priorities was identified, and then we worked as a school system to address those priorities over multiple fiscal years as capital budget resources allowed. This practice was necessary primarily because we have somewhat limited fiscal capacity to undertake capital projects, but we also have significant need.

We have been successful in addressing all of the capital priorities identified in 2009, and we continue to make progress on those identified in 2012. Before I suggest a few additional capital priorities, and provide you with my recommendations for a Fiscal Year 2015 Capital budget, I thought it might be useful to provide a status report on our progress toward addressing the 2012 capital priorities.

Status of 2012 Capital Priorities

In February, 2012 the Board of Education approved a capital plan for Fiscal Year 2013 that included a significant continuing commitment to Physical Plant Upgrades, Roofs, and HVAC projects, as well as five specific capital priorities that were to be addressed as capital revenue streams became available. These recommended priorities were:

- North-Central Elementary Solution
- Central-West Elementary Solution
- Shannondale Elementary School (addition/renovation)
- Magnet School Facilities (current and future)
- High School Facilities Improvements: Farragut and Powell High Schools

Over the last two years we have been able to address a number of these capital priorities with projects that are currently underway, have been completed, or that are funded for construction:

North-Central Elementary Solution

The previously adopted capital priorities identified the expectation of continued modest enrollment growth over the next few years in the North-Central corridor of Knox County. With most elementary schools in the region at or close to physical capacity, a renovation and addition project at Adrian Burnett, perhaps coupled with one or more additional projects, will help to ensure that we will have adequate educational facilities to accommodate students for many years to come. We have continued to analyze this need and the possibility of addressing potential enrollment growth with a renovation or addition to Adrian Burnett Elementary School and/or potential smaller projects at Brickey-McCloud, Powell Elementary School, or Copper Ridge.

Adrian Burnett's core amenities -- its cafeteria, library, administrative space and restrooms -- were constructed for a much smaller number of students. Therefore, as we make a commitment to this school for the long-term, a substantial renovation/addition would address these challenges, as well as eliminate the need for portable classrooms. This remains a capital priority, and we continue to examine the feasibility of a major expansion on the Adrian Burnett campus.

This is a very small school campus, and there is limited space in which to expand. Consequently, any expansion and renovation will have to be completed in several phases, and the time required for construction could be significant. Additionally, there would likely be considerable impact to Adrian Burnett Elementary School during construction in the form of limited parking, changing traffic access patterns, and the loss of playgrounds and green space for student activities.

Central-West Elementary Solution

Another area of anticipated enrollment growth is in the Central-West region of the county, including the areas served by Norwood, Inskip and Pond Gap elementary schools. An extensive addition and renovation project at Pond Gap Elementary School will build some enrollment capacity, provide future flexibility, and allow the design to support the Community Schools concept that is showing significant promise at the school.

This project has been approved by the School Board, and was funded in the fall of 2012 with a \$7 million fund balance appropriation. The conceptual design for this project has been completed and approved by the Board of Education, and development of architectural and construction documents has been on-going for the past several months. At this point, the project is just about ready for public bids to be solicited from general contractors for the construction.

Since this fund balance appropriation in 2012, our fiscal outlook has changed considerably. At that time, unexpectedly strong sales tax revenue led to a budget surplus that added considerably to the Knox County Schools' fund balance. Today, anemic sales tax growth has meant our fund balance is not nearly as robust, and available funding should be utilized for one-time expenditures that might assist in mitigating our general fund budget challenges. At this point, I no longer believe it is prudent to pay for this project through fund balance dollars. Therefore, I will recommend that the Pond Gap Elementary School project be approved for full funding in the FY16 Capital Budget. This may delay the project by some 8 -12 months, but I believe this is the most fiscally conservative and appropriate path for us to pursue.

Shannondale Elementary School (addition/renovation)

Shannondale Elementary School has both a relatively low square foot per student ratio, and relatively a high proportion of its existing square footage in portable classrooms. In 2013, the Board of Education approved a fund balance appropriation of approximately \$4 million to expand and renovate Shannondale Elementary School. This expansion and renovation will add 13 classrooms, a teacher work area, and a new media center/library to the facility. This will eliminate the need for portable classrooms at the school and increase the school's capacity by 60-75 students. This project is currently underway and completion is anticipated by October, 2014.

Magnet School Facilities (current and future)

In the 2012 capital priorities, we sought to revitalize and potentially expand our magnet school offerings and make facilities improvements to support these unique educational opportunities. Over the past two years, we have addressed the following needs:

- The Knox County Schools has entered into a partnership with Pellissippi State Community College (PSCC) to establish a Career Magnet Academy on their Strawberry Plains Campus. Construction and renovation to adapt the PSCC facility to meet our needs is ongoing and will be complete in the summer of 2014. This exciting new school will open with a freshman class of about 125 students in August.
- We have committed funds to upgrade the site of the L&N STEM Academy. The existing drive will be extended through the campus to facilitate traffic flow, and fencing will be installed to improve school access control.
- About \$150,000 in enhancements have been made to Vine Middle Magnet School to support the expansion of the Science, Technology, Engineering, Arts, and Mathematics (STEAM) magnet concept and to address some smaller facility needs.

While we are making progress against this capital priority, needs remain at several of the schools hosting our various magnet programs. This will continue to be a capital priority and we will continue address magnet school facility needs as resources permit.

High School Facilities Improvements: Farragut and Powell High Schools

- Deferred Maintenance at Farragut High School - We have provided major maintenance upgrades to Farragut High School that were needed due to the high capacity use of the facility for several years, and the wear and tear created by very large student populations. These upgrades have been completed and included such items as door/hardware replacement, locker replacement, and restroom upgrades. Total cost of this project was \$1.8 million.
- Powell High School Cafeteria – The need to expand cafeteria seating capacity at Powell High School has been identified. This could be accomplished by building a new administrative office area between the existing auditorium and band room. Such a design would allow for the demolition of the existing administrative office space creating a Commons area that can be used as a cafeteria seating area similar to that at many of our high school facilities (Central High, Karns High, Hardin Valley Academy, etc.) The existing kitchen/server/cafeteria can be renovated as needed to best serve the student population. This project remains a capital priority, and we will seek funding in future year capital budgets as resources permit.

FY2015-19 Capital Recommendations

Attached, please find my recommended FY2015-2019 Capital Improvement Plan. For the near term, the Knox County Schools FY15 Capital Budget recommendation has been developed around an expenditure target of approximately \$15 million. The recommended FY15 budget will include smaller repair and maintenance projects known as Physical Plant Upgrades (\$3.7 million) as well as critical roof projects and needed Heating Ventilation and Air Conditioning (HVAC) maintenance and replacement (\$3.5 million). In the FY15 Capital Budget, I am also recommending a study of middle school facilities and enrollment dynamics, a new addition that is urgently needed at Mooreland Heights Elementary School, as well as capital expenditures in three critical support areas: security, technology, and improving school accessibility for people with disabilities.

Security

Last year, the School Board approved capital resources that have allowed us to begin the process of providing all of our schools with current generation video surveillance systems, and addressing the facility needs associated with implementing a well-designed access control strategy at each school. This effort is critical to the safety of our students and staff, and therefore I am recommending that we provide \$3.875 million in our FY15 capital budget to continue this important work across our school system.

Technology

As we progress toward on-line assessments as part of the Partnership for the Assessment of Readiness for College and Career (PARCC), and continue to implement and seek to expand our successful School Technology Challenge (STC) effort, continued investment in technology infrastructure and hardware will be necessary. I believe instructional technology is critical to the future preparedness and success of our students, and this capital budget proposal includes roughly \$2 million for technology-related expenditures.

School Accessibility

In the current capital budget, we set aside funds to enhance the accessibility of our schools for persons with disabilities, and I have recommended that we continue this practice in FY15. We have identified a number of accessibility projects as priorities in our conversations with the City of Knoxville and Knox County *Americans with Disabilities Act* (ADA) Committee. Capital funding of \$500,000 will help expedite some of these projects, and address any other immediate requirements that are identified.

Mooreland Heights Elementary School Addition

As has been publicly discussed, the student population continues to grow at Mooreland Heights Elementary School. In recent years, we have been able to address this growth through the judicious use of portable classrooms. However, with a significant and largely unexpected influx of students enrolling in the current school year -- in part due to the completion of renovations to the Montgomery Village housing development -- we are no longer able to use this strategy to meet the needs of this community.

Therefore, I am recommending a four classroom permanent addition to this school that will accommodate the current students and allow for some continued modest enrollment growth. This project will also include two additional restrooms in this two-story addition. We estimate the project will require a budget of about \$1.3 million.

Comprehensive Middle School Needs Review

Middle school is a formative and important time in the educational lives of our students. There are currently several different dynamics at play with respect to our middle school student population and our available inventory of middle school facilities. These include:

- Large populations of students enrolled in a significant number of middle schools in our community
- A growing middle school student population in the west and northwest areas of Knox County
- Lengthy bus rides for students enrolled in a handful of middle schools across the district
- A middle school feeder pattern that is not necessarily well aligned with existing elementary and high school zones
- Middle schools that sometimes struggle with creating a sense of community when students come from many different elementary schools and are zoned to several different high schools
- A significant level of community interest in the northeast region of Knox County in providing a middle school facility that is in closer proximity to the elementary schools and high school that serve that portion the county, and
- Ample classroom space available to support the enrollment in the central-east portion of the county.

I believe we need to examine and address these middle school concerns expeditiously, but I am convinced that they cannot be addressed individually. It will be most appropriate, effective, and efficient to look at the entirety of our middle school challenges holistically. Therefore, I am recommending we designate a modest level of resources for a complete review of our middle school infrastructure and analysis of student population growth / enrollment patterns during FY15. Such a study will provide important data and insights that will inform our future decisions regarding capital resources, enrollment planning, and zoning strategies.

In light of recent public discourse, we have estimated potential expenditures in the capital improvement plan for construction of a new Hardin Valley Middle School and a new Gibbs Middle School should the study recommend this course of action.

High School Facilities Improvements

Just as we have completed a general facility upgrade at Farragut High School and plan to address some needs at Powell High School, we also have a need to provide some general upgrades to Karns High School to improve both the functionality and the aesthetics of the facility. I am recommending that we provide \$750,000 in the capital improvement plan (FY16) to allow our maintenance department to complete this work. The upgrades will include the replacement of lockers, ceiling tile, wall base molding, and parking lot lighting. It will also include painting the interior of the facility and repaving of the rear drive.

Conclusion

There are a few important considerations that we seek to keep top of mind when developing capital recommendations for the School Board. The first is that *need* should be the defining criterion for inclusion of a project in the capital improvement plan. This may seem obvious, but in developing this recommendation I have relied heavily on the professionals in our Maintenance, Facilities, and Enrollment departments to identify the most acute facilities needs and enrollment trends, and to help me to prioritize those needs appropriately.

In addition, I believe it is imperative to always recognize and remember that we are addressing the capital needs of our schools in order to support the education of our children. Our capital priorities must align to and reflect our rigorous educational goals and expectations. Everything we do in the realm of capital improvements is ultimately to enable and support the work of high quality instruction in the classroom.

I believe this proposed FY15-19 Capital Improvement Plan, including my FY15 Capital Budget recommendation, addresses our most pressing short-term and long-term facility needs, supports our ambitious educational aspirations, and will help us to ensure a comfortable and appropriate learning environment for all our students.

I would respectfully request that the School Board consider and approve this FY15 Capital Budget and FY15-19 Capital Improvement Plan at your called meeting on April 14th. Please let me know if you have any questions. I will look forward to our discussion.