



**Needs Assessment Committee
Minutes
April 10, 2008
8:30 a.m.**

**Meeting Minutes
Thursday, April 10th 2008
Shelby County Administration Building
4th Floor Conference Room**

Committee members present:

Nisha Powers, Chairman
Nick Clark, Vice-Chairman
Jay Weatherington
Aubrey Howard
Tomeka Hart, President MCS
David Pickler, Chairman SCS
Commissioner Sidney Chism

Committee members absent:

Commissioner Mike Ritz
Scott Fleming, Secretary
Cato Johnson, Vice-Chairman

Non-Voting Members Present:

Terry Langlois
Grace Hutchinson

Others Present:

Mayor A C Wharton
Dan Ward, MCS Superintendent
Rick Copeland
Louise Mercurio
Maura Sullivan
Pamela Anstey
Christopher Lurry

Commissioner J. W. Gibson
Bobby Webb, SCS Superintendent
Stephanie Jones
John Zeanah
Richard Holden
Nancy Richie
Steve Hill

1. Meeting Convened – Nisha Powers

Chairman Nisha Powers called the meeting to order at 8:45 a.m. Chairman Powers recognized Mayor Wharton for general comments. The Mayor in his remarks underscored the critical nature of all that the Needs Assessment Committee does and that the commissioners rely heavily on its input and that any lack of cooperation from stakeholders in the process will not be tolerated. He also committed the needed resources to the committee to accomplish its mission. Chairman Nisha Powers and the Executive Committee met with the Education Committee Chairs, Commissioner Gipson as well as the Mayor in making sure that the Needs Assessment Committee had

addressed their mission and was doing everything suggested by the Mayor and the Commissioners, and also met with the school systems to make sure that they were in a cooperative frame of mind and want to continue to work with the Needs Assessment Committee.

2. Approval of the Minutes from the October 25, 2007 Meeting – Nisha Powers

Motion: Nick Clark moved the approval of the minutes. Seconded by Commissioner Chism

Action: Motion Approved.

3. Proposed amendment to the NAC bylaws – Skip Jones

Skip Jones, Assistant County Attorney suggested changes to Article 5 of the current bylaws. The first change was to change the wording in the first sentence to change the requirement from meeting quarterly with an attempt to meet quarterly. The next change was a suggested wording change to the bylaws that would address the definition of a quorum in order that the committee could more easily transact business. The recommended wording was further amended by Aubrey Howard to require two members of the executive committee and one other officer (member) to constitute a quorum. The one other change discussed was the ability of members of the committee to participate electronically by conference call or email. Unfortunately, it's not allowed by Sunshine Law of the State of Tennessee. The State only allows its own subcommittees to meet electronically; it does not allow local governments or their committees to meet electronically.

Motion: Aubrey Howard moved the approval of the amendment. President Hart seconded the motion. Aubrey Howard moved to the original motion as amended which was seconded by Nick Clark.

Action: Motion as amended was Approved.

4. Memphis City Schools Capital Needs – Louise Mercuro

Louise Mercuro distributed two handouts that summarized in a draft format a proposed 6 year capital plan for the Memphis City Schools totaling \$301 million. Currently they have reallocated funds remaining from completed projects to fund the new K-8 school in the annexation area, major renovations and a 20 classroom addition to Woodale. The six year plan as presented has not received final approval from the MCS Board.

With regard to the \$11,537,402 "pay as you go" capital funding yet to be appropriated by the County Commission, the Memphis City Schools plans to use their ADA portion of the funding for the Fairview and Humes renovation projects. These projects were year 1 projects in the EFS multi year capital plan. Both projects had been previously presented to the Needs Assessment Committee and approved.

Other adjustments to the originally reviewed MCS capital plan are the need to eliminate the 16 portables at Ross Elementary. Most were there 25 years ago when the school opened. A 20 classroom addition is needed to eliminate the portables and accommodate the students from the Southwind/Wyndke annexation. The addition of a transportation terminal in the eastern portion of the district has also been added.

There is an overcrowding problem which was not anticipated in the plan in the Berclair area. That will include Wells Station, Berclair Elementary and also Shelby Oaks. Without the addition of another elementary in the proximity of Kate Bond Middle, Macon elementary will be changed from an alternative school back to an elementary. It is basically ADA and deferred maintenance for Macon Elementary. Kingsbury is also in very bad shape. It is highly used for Special Ed and there is no room for wheelchairs.

Every year there is critical deferred maintenance. Year 2 is \$13.9 million. This brings the first year total to \$50 million.

Currently Memphis City Schools has only \$1 million in unallocated capital funds.

Aubrey Howard asked were all of the projects previously included in the capital plan. Louise Mercurio stated yes.

Aubrey Howard asked in reference of the \$50 million and two projects on the way, how much shortfall was currently in the system from what was on hand. Louise Mercurio indicated that they basically have nothing on hand and they have just over \$1 million left unallocated.

Aubrey Howard asked about the proposed source of funding for the two projects. Louise Mercurio indicated that the only thing that they have at the present time is the \$7 million that is owed from the county, and it will be used immediately for one of the two projects based on the MCS Board's priority.

Nick Clark asked about the ability to measure the capital cost per student when evaluating renovation projects over new construction. Louise Mercurio indicated that that will be a determining factor in adjustments made to the five year capital plan. The MCS Board has adopted a policy that will require the elimination of portables.

Nisha Powers asked about the schools that were not slated to not have deferred maintenance because they were going to be closed and if this is still the case. Louise Mercurio indicated that they would have shown up in the plan in year 5 as needed deferred maintenance, but they would not have been a high priority, and so it would be noted or may even be changed to take that deferred maintenance out.

Commissioner Chism asked how many schools were underutilized. Using a 60% capacity as a measure, approximately 20 schools. The MCS staff is currently using detailed floor plans to better determine capacity.

Aubrey Howard asked about the future busing needs for MCS. Louise Mercurio indicated that they have to bus if the students are in elementary and middle school and located more than 1½ miles from the school, and located 2 miles from the high school. Special Ed kids have to be bused.

Commissioner Chism asked if the one or two special needs kids that are bused have to be bused to the nearest school or could they be bused to a school that has more appropriate resources. Louise Mercurio indicated that they could bus them to a school that is available for their needs.

Nisha Powers asked about mandated capital needs. Louise Mercurio indicated that they have been included in the plan, but some have been postponed to future years based on ability to fund and implement the improvements. The list is lengthy and includes a wide range of cost estimates.

5. Shelby County Schools Capital Needs – Maura Sullivan

Maura Sullivan presented the 5 year capital plan adopted by the Shelby County School Board at their March 20, 2008 meeting for the 2009-2013 years. Included in the report presented to the Needs Assessment Committee was a listing of projects as well as statistical information indicating the assumptions upon which the plan was based. The potential impact of annexation had been taken into consideration. The students enrolled in Shelby County Schools had increased by 824 to a total of 47,614.

Nick Clark asked about the plans for the old structure if a replacement were built for Collierville Middle School. Richard Holden responded that that building is in the Collierville Historic District and has requirements for improvements that require compliance with the city regulations. The cost of this would be considerably more than the funding available.

Maura Sullivan reported that a construction cost analysis has been performed on the projects and that information can be submitted in the format needed for the Needs Assessment Committee.

Nisha Powers updated the committee regarding the format for capital information needed by the Needs Assessment Committee. Initially cost per square foot drove the information process, but there is a need now to revise the process with input from representatives of both school systems. This should be done before the next meeting. If utilization has changed dramatically, this information needs to be captured in the committee's annual report.

Aubrey Howard asked about the slow down in growth throughout the county. Maura Sullivan responded that the growth rate had been 1.98%, but had been less than that last year and they were projecting a smaller increase for next year. While the 5 year plan had been presented to the NAC in prior years, it does get amended by the County School Board as assumptions are revised.

Aubrey Howard asked about the coordination between the two school systems on annexation areas. Maura Sullivan responded that the two school systems have been working cooperatively on these issues for some time. In these meetings they address equalizing where there is excess capacity through mutual agreements. There is currently no excess capacity near the current boundary between the two school systems.

Richard Holden reported that there are currently 3000 students in portables in the county school system and that 4 of the 5 years of the capital plan have not been funded.

Nick Clark asked if there were issues, as far as district lines, where there were surplus capacity on one side or the other that were not being taken advantage of. Louise

Mercurio indicated that the two boards meet regularly to discuss this situation. Maura Sullivan indicated that there is not excess capacity close to the Shelby County and the Memphis City borders and there is not excess capacity in the Shelby County side close to the Memphis City line.

Chairman Pickler reported that the two boards are working cooperatively through interim service contracts where annexations are pending. The federal desegregation order for the Shelby County School system limits the flexibility in that regard.

6. Proposed Capital Projects for the Pay as you go Capital Funding- Louise Mercurio and Maura Sullivan

Louise Mercurio reported that the projects to be funded by this funding for the Memphis City Schools are the Fairview and Humes renovations and ADA work. About \$3 million was spent at Fairview and almost the same at Humes. They are year one projects, so the \$7 million would go to one of those two projects.

David Pickler asked if it was the intent of the NAC that since we have \$11 million that we are going to tie the specifics of a single project or even a couple of projects to those dollars or would it be permissible to tie that to a longer term capital plan that has been presented by a board for a year or a multiple year time period. Need guidance on how to proceed so we can get the guidance to the school systems. Aubrey Howard indicated that it would be a combination of both, if it's a major project. Chairman Nisha Powers asked if there was a specific concern.

David Pickler indicated that he wanted to make certain that we understand that we are being specific in terms of what we are asking for from the school systems because from the school systems stand point, the \$11 million was set aside effectively last summer. He was also trying to get some clarity so that the school systems understand the process so they could make the request for the funds that are sitting waiting to be utilized.

Aubrey Howard asked if the projects that you are currently planning included with the \$11 million would be applied to some of those projects or are these projects in addition to what is already in the capital plan. David Pickler indicated that from the SCS Board stand point these are projects included in the capital plan. Louise Mercurio indicated that they are included in the capital plan.

Nick Clark commented that the NAC do try to have what the allocations are which this committee recommends to have that tied to the specific projects so that you have a timeline and a project line that shows where the money went to.

Tomeka Hart asked for clarification of the \$11 million.

Chairman Nisha Powers indicated that it is confusing because \$11 million is being presented to the NAC and may be utilized for unfunded projects already reviewed by the NAC. Louise Mercurio indicated that that was the case for them.

The NAC is here to review the projects and not the funding. If both school systems are telling the NAC those projects that we are presenting today for that \$11 million has

already been presented last year, we really intended for that to be funded as part of last year's budget cycle, it is my understanding that this should not be in front of us today.

David Picker indicated the funds were both part of the operating funds in the budget for both school systems for 2007-2008. Those funds have already been allocated for projects for capital and operational. It would help from Shelby County School's stand point that the NAC would send a recommendation to the County Commission that those funds be release to the school districts based on the program that has already been presented to the NAC.

Chairman Nisha Powers asked that whatever request that was being made that falls under the request for the \$11 million was it in the annual capital request for last year that was reviewed and approved. Louise Mercurio indicated that it was. Chairman Nisha Powers indicated that, if so, the NAC is done with that item. David Pickler asked the same question of Maura Sullivan. Maura Sullivan indicated that it would have been in the five year plan and also in the booklet of projects that was submitted. The funding will be used for the renovation of Shadowlawn Middle School.

Richard Holden reported that there were projects that were pulled from the capital plan due to lack of funding. Chairman Nisha Powers indicated that in the future, we have a second annual request, not only a five year plan, because the five year plan is dynamic and it changes. Louise Mercurio indicated that they would revise and take out the \$7 million based on what the MCS Board would approve and come back to the NAC with another request. Aubrey Howard asked if whether or not the projects that you intend to spend the \$11 million on have been brought specifically before this body. Louise Mercurio indicated that they have in last year's request. David Pickler added that the projects dropped were originally part of the plan presented to the Needs Assessment Committee.

Chairman Nisha Powers asked since the schools feel like they have already presented their requested for the \$11 million, if the NAC should move forward. Commissioner Chism indicated that if the money has already been appropriated, the NAC should move forward.

Motion: Motion was made by Nick Clark that the projects as reviewed last year by Needs Assessment Committee be funded by the \$11.5 million available in pay as you go funding to be appropriated by the County Commission. Commissioner Chism seconded it.

Action: Motion approved.

7. Specifications for Consultant Contract – Nisha Powers

Nisha Powers proposed the scope of services included in the committee packet be used to issue and request for proposal for consultant services.

Motion: Motion was made by Nick Clark that a provision be added that the consultant assist in the development of guidelines for the committee to use to evaluate projects to recommend for funding from the prospective school district to the County Commission. This was added without objection.

Action: Motion approved.

8. Other Business

Chairman Pickler commented that the amendment to the by laws could create an opportunity for abuse in the future.

Nick Clark indicated that this is something the NAC should be conscious of. Nick Clark reported that he is resigning from the committee and this will be his last meeting.

Bobby Webb reported on a legislative effort in process to make lottery funds available state wide to school systems for capital expenditures and that the original proposal allocated the funds to each school system on an ADA basis, but that a proposal is currently being considered that would change the allocation in a way that would reduce the capital funding designated for the Memphis City and Shelby County schools.

Motion: Motion to adjourn by Jay Weatherington. Seconded by President Hart

Action: Meeting adjourned at 10:30