

Board Special Meeting  
**Work Session: Budget; BEX V Project Implementation**  
Wednesday, March 6, 2019  
Garfield High School  
**400 23<sup>rd</sup> Ave, Seattle WA 98134**



## Minutes

### Call to Order

Call to Order

This meeting was called to order at 4:30 pm. Directors Harris, DeWolf, Mack, Burke, Geary, Pinkham and Patu were present.

This meeting was staffed by Chief Financial Officer JoLynn Berge.

Chief Financial Officer JoLynn Berge summarized the agenda and reviewed the possible outcomes and shared upcoming items on the budget development calendar. Ms. Berge spoke about the consensus that have been reached at previous work sessions. Ms. Berge reviewed upcoming timelines and April 3<sup>rd</sup> date for a possible consensus on restoration. She spoke about the 2019-20 budget deficit of 39.7M and she explained which items were not being moved forward but are still included on the list and confirmed Central Office reductions will still occur. She explained additional Districts are in the same position as Seattle. Ms. Berge gave an update on the legislative session and she explained the Special Education bill that went to the Senate floor today as amended, it upped the factor for funding slightly. As Ms. Berge outlined the changes in the formula and for the safety net funding. She explained the safety net process and how it would affect the District.

Director Harris asked if we have staff calculations and how much it would require. Ms. Berge explained it depends on the approximately 7,000 students in Special Education.

Ms. Berge explained the Levy bill is stuck in the Senate and did not have the votes to get that out. She explained the school employee benefit policy is in trouble as it costs a lot.

Director Burke asked if additional funding for Special Education will be able to offset current expenses. Ms. Berge agreed it will free up some levy funding.

Ms. Berge summarized the staffing changes in the Weighted Staffing Standard (WSS) staffing allocations. She noted the District will have to reduce 146 Full Time Employees (FTE), which include both reductions for projected enrollment declines as well as budget cuts. She reviewed why changes and reductions would occur. She explained per recent bargaining agreements and new federal law, the addition of both secondary and elementary counselors for new targeted concentration schools.

Director Mack asked about enrollment projections being more conservative than previous years. Ms. Berge spoke about how two separate policies are driving cuts. She reviewed the WSS basic education staff changes. She explained what the projected FTE will be and how enrollment is declining. She spoke about the declining trends for all the surrounding Districts.

Director Burke asked when the enrollment numbers will be determined. Ms. Berge explained the enrollment is somewhat known during the first five-day count of the school year.

Director DeWolf asked how weighing staffing reductions effect schools with two or more programs. Ms. Berge explained staffing reductions do impact the courses that can be offered on the master schedule.

Ms. Berge noted that Office of Superintendent of Public Instruction (OSPI) has provided data with general trends on where kids were attending, whether to other districts, private or charter schools. No trends were seen, but we will be asking for this data again next year.

Director Mack asked about post open enrollment and balancing capacity. Ms. Berge explained that is June adjustments. She explained why limited adjustments would be done and how the process is looked at closely.

Ms. Berge reviewed the 2019-20 budget to budget change in enrollment. She reviewed the budget to budget change in formula and how the changes in enrollment will affect FTE. The last column is to show the net impact on teachers and includes all June and fall staffing adjustments compared to the 2019-20 budget. She used Garfield as an example to explain each column.

Director DeWolf asked about School Board Policy 6022, in reference to librarians and how can we tap into that. Ms. Berge explained the economic stabilization is about 3-5% of the fund balance. We have not been identified as a District with financial concerns by the State Auditor's Office (SAO). The SAO writes findings on districts whose fund balance falls too low. The District is in bargaining for next year, and we are not recommending going below the 3% without our economic stabilization fund.

Director DeWolf asked if we can get creative with those funds to help with the 12 FTE cuts. Ms. Berge asked if the School Board is wanting to undo consensus for the budget cuts. Directors discussed, and the majority does not want to change the majority yes vote of consensus. Director Harris explained she has a priority of restoration.

Ms. Berge explained the restoration plan recommendations. She explained who is on the WSS committee and she introduced Ted Howard Principal of Garfield High School. Ms. Berge listed the recommendations, fully restore WSS, restore 50% of fall enrollment and central administration funding. Lastly to prorate the remaining fall enrollment, central administration funding, curriculum and 24 credits.

Director Burke asked how something prorate can be restored. Ms. Berge explained the order of restoration, first WSS would be completely restored then 50% would be restored for fall enrollment and central administration. After those are complete then it would be the remaining items, using a prorated method.

Ms. Berge spoke about how schools have been giving feedback on funding needs and it is used in June and in the fall. Mr. Howard explained the priority list created by the principals for the WSS restoration recommendations.

Director Harris asked if these decisions are made on an individual school basis or a system wide plan. Ms. Berge reviewed slide 15 with the WSS committee recommendations. She explained why items such as safety was priority and how that drove why the Assistant Principals are needed. Tier 1 and 2 schools were held harmless, and large schools would have more impact from these cuts.

Director DeWolf asked how the WSS committee got to the 1,2,3 on the list. Mr. Howard explained the decisions were unanimous. Principals looked at what was needed at each school and it was a hard conversation and safety and needs of students were top priorities. Certificated core staffing allows schools to hire any position they deem most critical, so this was also prioritized.

Superintendent Juneau spoke about continuing to advocate to legislature for funding and restoration. She expressed the appreciation for the difficult decisions made for the WSS committee.

This portion of the meeting recessed at 5:59 p.m.

## **Work Session: BEX V Project Implementation**

### **Call to order:**

Director Mack called the meeting to order at 6:10pm.

### **Welcome/Introductions**

Director Mack introduced Chief Operations Officer Fred Podesta. Mr. Podesta opened the meeting by expressing gratitude to the voters for passing the BEX V levy. He also recognized the work of the BEX/BTA Oversight Committee and the School Board.

### **Outcomes**

Mr. Podesta outlined the intended outcomes for the work session. He introduced Director of Capital Projects, Richard Best, who would present the BEX V Draft Implementation Plan, and Chief Information Officer, John Krull, who would present the BEX V Technology Plan.

### **BEX V Capital Levy Draft Implementation Plan**

Mr. Best opened his presentation by outlining the School Board's role in the implementation of the BEX V projects. He noted the Board's responsibility for reviewing and approving all contracts over \$250K, OSPI D-form documents, budget adjustments, and the final acceptance of completed projects.

Director Mack highlighted that the Board also has responsibilities regarding to boundary shifts and capacity management related to the opening of new school buildings.

Mr. Best identified the variety of considerations that informed the order of projects in the draft implementation timeline. These considerations started with the project ranking, as per the

planning process and prioritization of racial equity analysis. Other considerations included cash flow, interim sites, projects phases, and coordination with other agencies and the community. Mr. Best also conveyed the types of entities the Capital Projects team consulted for support and insight into the development of the plan.

Mr. Best referred to the work session hand-out of the Draft Implementation Plan. He instructed the Board in how to read the document and use the key. He highlighted which schools have already been opened in relation to the timeline for upcoming buildings. In that context, he provided examples of specific projects and their sequencing for the phases of work.

Director Harris expressed surprise at the timing for Rainier Beach, which was scheduled for construction starting in 2022-2023. She asked about moving that project to start sooner. Mr. Best described the design phase as the most important part of a given project, in order to ensure that the work addresses the educational outcomes set forth in the district's Strategic Plan. He agreed to explore ways to accelerate or adjust the construction phases. Director Harris highlighted the need for robust community engagement around the Rainier Beach project.

Director Burke echoed Director Harris' appeal to start the Rainier Beach work sooner. He recognized that it might require a Board decision and asked Mr. Best to be honest with the Board about the implications on cash flow, if the project was moved up. Director Patu expressed her excitement for the long-awaited project.

Director Mack referred back to the Draft Implementation Plan. She reminded the directors that while they don't vote on the plan they do influence project implementation through the Capital budget and the BEX/BTA Oversight Committee. She reported that work was in progress for an advisory committee addressing capacity management and enrollment planning.

Mr. Best identified the two types of project procurement employed by the district as Design-Bid-Build (DBB) and General Contractor/Construction Manager (GC/CM). He outlined the purposes of the two approaches and the projects for which they were being considered.

Mr. Best listed the six stages of a project. He highlighted that the work starts with a School Design Advisory Team (SDAT) and its foundational role in the process. He suggested that the district start using an SDAT to inform the work performed for elementary school buildings. Mr. Best conveyed that the Capital Projects team had mapped out the six stages of each project in the BEX V plan. He presented the timelines, including the project start dates and school opening dates.

Director Burke inquired into the Education Specifications process and stakeholders. He expressed a desire for the district to be aspirational and future-looking in the development of these documents. Mr. Best outlined the process, using the example of Middle School. The process starts with a steering committee of 40 – 60 individuals, comprising subject experts across the district. The team's considerations include: the needs of emerging adolescents, the district's Strategic Plan, and Policy 0030. Department leaders are also consulted regarding subject matters, like what is required to teach middle school science courses effectively. Mr. Best also noted that the team will review lessons learned from recently opened middle schools in the district.

Director DeWolf asked if smaller projects affect the timing of major projects. Mr. Best explained that they do not. The smaller projects are urgent items like replacing roofs. In the BEX V plan, smaller projects include playgrounds and improving school building security systems.

Mr. Best returned to the Draft Implementation Plan to highlight concerns about the Mercer Middle School Replacement project's timeline. He reported three issues with the project. First, the project will require using Original Van Asselt (OVA) as an interim site, which will require the construction of an addition. Second, under the current draft plan, Kimball students starting there in fourth grade would attend OVA for up to four years, due to two years in the Kimball Elementary program and two years in the Mercer program. Third, the feeder patterns for Mercer MS will need to be reviewed and adjusted to ensure enrollment for the new Mercer MS aligns with the educational specifications.

Director DeWolf asked if someone could usurp the School Board's influence via the City of Seattle's landmark preservation process. Mr. Best explained that the district is required to nominate buildings 50 years of age and older for a landmark. However, a private citizen can nominate a building 25-50 years old. In this way, the certainty and/or timing of a given project can be affected.

### **BEX V Capital Levy Technology Plan**

Chief Information Officer John Krull opened the presentation of the BEX V technology budget by expressing gratitude for the community's support of the BEX V levy and reporting that it provided a \$151.7M investment in the district's technology. Director Harris paused the meeting at this time to acknowledge the Capital Projects and Department of Technology Staff (DOTS) with a round of applause.

Mr. Krull presented the first of three categories in the DOTS budget, Student Learning and Support. He detailed the programs, project timelines, and costs included in this category. He emphasized that the work is directly tied to the goals of the Strategic Plan.

Director Mack requested clarification about the role and functions of the staff funded under this category. Mr. Krull explained that these employees provide direct support to the schools. He reported that there are eight Digital Learning Specialists, 30 support staff who each serve multiple sites, and several staff at the central office. Director Harris followed up citing that librarians are often the technology leaders at a given school and asked if there was a way for that role to be funded through this budget. Deputy Superintendent Nielsen advised that there is not a clear immediate answer to this question, as it involves accounting rules and other issues.

Director Burke inquired into the decision process for identifying and purchasing classroom technology. Mr. Krull described a two-year engagement process that produced a plan that starts with a baseline of laptops across the district, complemented with school-based funds to be applied to peripherals and equipment specific to the school. The breakdown is 60% for laptops and 40% for items like 3D printers, laser cutters, and tools for "maker spaces." He confirmed that DOTS and Capital Projects work closely together to ensure that buildings that are going to

see significant work do receive their laptops and peripherals but that structural work is scheduled for after the Capital Projects team completes remodeling or rebuilding the site.

Mr. Krull outlined the remaining two categories of the DOTS BEX V budget, District Systems and Data and Infrastructure and Security. He reported that the district's technology plan was in the final stages of review and would be published shortly. He reminded the Board that the quarterly technology report provides the status of all DOTS projects every three months.

### **BEX V Cash Flow**

Mr. Best referred to the BEX V Capital Levy Draft Cash Flow handout. He described how the document is organized and how to read it. He reminded the Board that this is a draft and that staff continue to review and revise the budget. Mr. Best confirmed that it includes major and smaller projects throughout the district.

Mr. Best reminded the Board that the technology projects occur in the first three years of the levy. This practice means that there is less cash available for Capital Projects work during that period. However, the first three years will also include work on playgrounds, major preventative maintenance, and security systems.

Director Harris asked if frontloading the timeline with DOTS' projects delayed some of the major projects. Mr. Best explained that project schedules were a combination of cash flow, design, and planning requirements. Mr. Nielsen added that 85% of the district's technology budget is entirely dependent on the BEX and BTA levies. These two sources fund the regular ongoing technology of Seattle Public Schools (SPS). This practice has been in place for 20 years. It synchronizes the timing of DOTS projects with the two levies cycles and spares the SPS General Fund the cost of DOTS projects and services.

At this time, Director Mack made a time check and suggested discussion shift to the Portables Plan. The directors agreed to this adjustment to the agenda.

### **Portable Management Plan**

Mr. Best referred to the Portable Management Plan handout. He explained that the document ranks the district's 300 portables by condition, age, location, size, and Labor and Industries label. According to the plan, the worst portables will be demolished, and remaining portables will be relocated to compensate for those losses. Mr. Best highlighted specific categories on the plan: OSPI score (condition), year built, presence of an oil heating tank, and labels. Units that do not have a label are restricted to the site where they are located or may be demolished.

Director Burke asked about the portables at Whitman Middle School and the timing of their demolition. Mr. Best clarified that only one of the portables at that site is in use. He explained that the demolition schedule was contingent on construction by the Seattle Parks Department at an adjacent park, which rendered the Whitman portables inaccessible to demolition until 2021.

Mr. Best concluded his comments, noting that the Portables Management Plan will go to the Operations Committee for discussion in April 2019.

### **Board Questions and Discussion**

Director Mack opened the discussion for questions, starting with her inquiry into the security measures that would be employed throughout the district. Mr. Best clarified that every school would be equipped with security cameras, key card access, a-phones, and perimeter fences. The camera footage would be viewed at the John Stanford Center's main security office.

Director Mack formally thanked the members of the BEX/BTA Oversight Committee and they received a round of applause. She also expressed gratitude to Capital Projects team for consistently opening buildings on time and on budget.

Superintendent Juneau thanked staff for their work. She conveyed that she was encouraged by the conversation because teaching and learning was consistently its focus. She also appreciated the attention to including the Strategic Plan. She concluded her comments with gratitude to the voters for their support of SPS via the levies.

Director Mack adjourned the meeting at 7:29PM.