

City of Coral Gables City Commission Meeting

Agenda Item D-1

October 16, 2012

City Commission Chambers

405 Biltmore Way, Coral Gables, FL

City Commission

Mayor Jim Cason

Vice Mayor William H. Kerdyk, Jr.

Commissioner Maria Anderson

Commissioner Rafael “Ralph” Cabrera, Jr.

Commissioner Frank Quesada

City Staff

City Manager, Patrick Salerno

City Attorney, Craig E. Leen

City Clerk, Walter J. Foeman

Deputy City Clerk, Billy Urquia

Public Speaker(s)

Raquel Regalado, Miami-Dade County School Board Member

D-1 [Start: 9:48:30 a.m.]

Miami-Dade County School Board Member Raquel Regalado will present information regarding the referendum to improve school facilities.

Commissioner Quesada: Thank you for rushing this meeting a little bit this morning, I appreciate that. I see School Board Member, Raquel Regalado in the crowd, we were members of the Good Government Initiative together, which was a program for newly elected officials, so we got to know each other relatively well throughout that program, and we tested each other on ideas and the way cities should be run and different organizations and it was a great program, so I really got to know her well. I'm fully supportive of the work that she is doing at the School Board and the Superintendent; I think they've done a good job, I think there is a long way to go, and I think we need that good leadership, and I think they've really taken a strong stance to really improve the School System in Miami-Dade County. So, although I won't be here for a vote or any discussion, I just want to leave you with that and I'm fully supportive of everything

they have going on. Thank you – and if you guys are still going on I'll be back when it's over. Thank you.

Mayor Cason: I would like to invite Commissioner (sic: School Board Member) Regalado to come up and talk to us about the school bond issue.

Commissioner Cabrera: School Board Member Regalado.

Ms. Regalado: Thank you so much, good morning, it's a pleasure. As I told you all, I think it's been about two and-a-half years since the first time I've been here. When I got elected and we talked about changing the dynamic between Miami-Dade County Schools and different municipalities, and I'm happy to say we've been able to do that in Coral Gables and you've been so supportive; and that's why I'm here today to vet any questions you may have about the Bond Initiative and to see if we can have your support. As you know, and we talked about this before, last time we were talking about the state of the schools in Coral Gables. The main concerns are facilities concerns, but to backtrack a little so that you understand the nature of this because this Bond Initiative is a big ask, and it is self-help, but it really is the last recourse that we've had, we've really have considered several options. For the last two years we've been reaching out to municipalities, strengthening our compacts, so if they could fund some of the facilities issues that we have. We've been able to do that with cities like Cutler Bay and Key Biscayne, but the reality is that we are all in an economic downturn, we've all had issues to deal with and it's very difficult for cities to pay for what they feel should be a countywide, or better yet a statewide investment. Unfortunately, the State of Florida has not done right by our public schools, we've been dealing with budget cuts for the last six years, our teachers have not received salary increases in the last four, but we've really tried to do the best that we can. Two years ago we had to take dramatic measures and really closed down what is our construction and maintenance department, and I know that the Mayor and I have had many conversations about the situation that has caused in our schools, because we are completely aware that where you learn affects what you learn, and that is something that I don't think I have to explain to anyone, but it's very sad in the case of Coral Gables, because Coral Gables has fantastic programs, great institutions, but at the facilities level there are a lot of concerns, specifically with Coral Gables Senior High; and as many of you know I'm a Cavalier, a very proud Cavalier. Actually, this year was my 20th year anniversary and I asked my class to make a donation to facilities, not a popular request, usually people want to do something a little bit more glamorous, but thankfully my graduating class was accommodating to my request, but Coral Gables needs so much help. There was the build-out based on the 1988 bond which resulted in the newer building, which many of you have seen and that was to meet the class size requirement, but like many schools in the district what occurred was the older parts of the school received absolutely no construction or refurbishing. So we have e-rate funds, we have the ability to provide Wi-Fi for Coral Gables Senior High to

upgrade the technology, but the infrastructure in the older part of the building simply can't withstand it. We were there with Commissioner Quesada and the Mayor a year and-a-half ago painting and that's really the best that we can do, but you know that it needs so much more, so we are concerned about the roof, we have leaks, we have constant complaints about the poor state of the air conditioning, the impact that, that has on our ability to have technology there even if we were to get a donations of computers because of the lack of A/C in certain parts of the building, we can't use it. Another tragedy for Coral Gables Senior High is the auditorium, which is beautiful, it really is a beautiful space, but it's one that can barely be used because it's in such poor condition, it actually hasn't seen renovations in over 45 years, and beyond the air conditioning the seats are falling apart, and it forces the school to pay to use facilities in other locations whenever they have meetings, which is a completely waste of time. So at the School Board level we considered different options; we considered raising taxes, we didn't do that, the issue was that money would obviously go into the general fund, it wasn't sufficient, we were going to have lots of issues deciding what schools we were going to repair because we have more than 50 percent of our schools of over 60 years old, so raising taxes wasn't going to do it. We considered a half penny; half pennies are very unpopular and they just historically in Miami-Dade County have been a disaster, it seems like half penny is never enough, so we decided not to go with the half penny idea, but given that we have a AAA (triple A) rating, given that on the financial side we've been able to do so well in the last few years we have this Bond Initiative; and just to give you an idea the Bond Initiative that was done in 1988 that was then complicated by Hurricane Andrew in 1992, the interest rate was 11 to 14 percent and the average homeowner was paying \$78.00. This is we are talking about an interest rate of 1.2 to 2.2 with the average homeowner paying from \$10 to \$19, that may be a little bit more in Coral Gables because obviously the property values are higher...

Mayor Cason: That's per year?

Ms. Regalado:...per year for the first issuance. So, we really believe that this is a necessary opportunity, we have the financing we need to comply with "No Child Left Behind" in 2014. We are aware of the great disparities of our schools; we are very fortunate that Coral Gables has so many "A" schools, but the reality is that without the technology component once we all push the core, they are not going to be able to maintain an "A" rating, because they just don't have the technology to do it. This is a game-changer for many of our schools, and I know that it is difficult because when we talk about it people say, well they are already "A" schools, and that's the tragedy of it, that they are "A" schools with poor resources, so you can only imagine what would happen in our schools if these facilities were up to code, if these facilities had the technological advantage, and if children could tap into, if all children could tap into the resources that Miami-Dade Schools has. So we have schools like TARA, we have schools like I-Prep where every classroom is interactive, where children are using Con Institute and they are using

the partnership that we have with the Discovery Channel, and then we have Coral Gables Senior High where they may or may not get to.....so this is an opportunity to really equalize where we are, to once and for all put behind us the inequity by zip code or by street in many cases, and it just doesn't affect Coral Gables Senior High, it would also have very dramatic impact on Coral Gables Elementary, which while K through 8 does have some facilities issues that would also be taken care of. So there are a lot of schools in Coral Gables that would benefit from this, we've done the best that we can to be transparent, this is the first time that we've created a committee before even the bond is approved, because we want everyone to know exactly what it's going to look like, and we are committed to now making changes once it is approved. So, if you have any questions?- and then obviously I would love your support.

Mayor Cason: I have a couple of questions. How much money of this bond would you think would go to Coral Gables schools?- and what would be the breakdown between the facilities and the electronic?

Ms. Regalado: The electronic we have the general number for the entire bond, \$115 million is going to go to technology from the \$1.2. Now there is some e-rate money that is waiting for Coral Gables in specific because we haven't been able to put Wi-Fi because we have so many issues with the electrical, so that – what we are committing to there is that every classroom in Miami-Dade County would have an interactive component and we are looking at a minimum of 7 to 10 computers per class. When we are talking about the high schools, what we are aiming for is a device for every child and the ability for certain children to bring a device from home, because that's what they are going to need in order to comply with core. So we can go through the 5-year plan as to what exactly Coral Gables Senior High needs, it's about, I want to say it's about \$3 million, but I can send you the exact breakdown of what we have in our 5-year plan. The only thing is that we believe that because the bond issuance is so large, we'll be able to do better than our 5-year plan; the 5-year plan was estimated that we received, should we be receiving capital outlay money and fixing this a little bit at a time. One commitment that we made is that we are going to outsource all of this, this is not going to be like the '88 bond, we are not going to do the construction, and we changed our minority and vending policies to ensure that its Miami-Dade County contractors that is going to be getting the work, but because it's so many schools that are going to be done in the next four years, we believe that we can reduce the amount that is in our 5-year plan by 25 to 30 percent, because obviously it's a lot cheaper now and it's a lot cheaper if they are doing larger projects as opposed to the way our 5-year plan is scheduled. So for example our 5-year plan says, well in year 2 we are going to do the roof at Coral Gables Senior High, the roof at Coral Gables Senior High is going to be \$1.2 million; we need to fix the auditorium, fixing the auditorium we think is going to be \$850,000, unless we find mold or asbestos and then we think it's going to be \$1.2 (million), so those estimates are based on those single projects, once you go in and say, OK, if you had to overhaul the school

how much would it be in one shot?- you are going to come out here one time, you are going to do absolutely everything, we believe that we can reduce the number significantly. So I can send you an exact breakdown school by school, but understand that we believe that we are going to be able to do about 25 to 30 percent better than that, once we bid it and we are going to hard bid it, which is what we did....

Mayor Cason: And will we see results pretty soon or is this going to be toward the end of the 5-year or the beginning?

Ms. Regalado: Well Coral Gables Senior High in particular is one of our older schools. The committee that is going to be put together are people who – we are looking at about 21 members, they are going to decide what schools to do first, the priority is the older schools, Coral Gables being one of those older schools, I mean there are some like Shenandoah Middle that's like 70 years old, so there are going to be a few ahead of Coral Gables Senior High, but not many given how many years Coral Gables Senior High hasn't had repairs. So that's what we are asking the committee to do. We are not choosing that because obviously we would have a conflict if we were deciding that, so that's why we are creating a Board that's going to oversee it, but everything is going to be done within the four years and we're starting as soon as possible, so in the case of Coral Gables for example, what our Facilities Department says is that we can start as soon as possible with the auditorium; the auditorium is something that we could do during the school year that wouldn't disrupt the students, and then we can move different phases around the school as we move students, but we are trying to stay away from portables and utilize the summer to do really the heavy lifting, so that once we start the school year for 2013, which is the beginning of, at least 50 percent core, we'll have the technology component in and we'll have at least the classrooms fixed. Another issue obviously in Coral Gables is the light, the lack of light and that's something that's going to be addressed also. As you know when Coral Gables Senior High was redone a few years ago, they lowered the ceilings, there were some issues and there is not a lot of natural light, it's kind of dungeon like in certain parts, so that's one of the things that we are hoping to repair, and obviously which is very important for the City is going to be brought up to Code, which as you know is currently isn't, and that is a constant issue with the neighbors and with the residents; and I know that when we talk about this bond, we talk about technology, and we talk about allowing the children that go to these schools to compete in a global economy, but at the same time I think it's important to note that we want to be good neighbors, and we are aware of the fact that in certain schools, including Coral Gables, we haven't necessarily been great neighbors, because we just haven't been able to keep up our facilities, so hopefully the plan is not just to fix the facility, but also to beautify it since it is Coral Gables, to add more natural light, which will be up to code, right now where it is it doesn't have sufficient light, and then obviously the auditorium, we talked about the fences in the past, if this

is not something that is going to affect the fields, but it will have some changes to the parking lots too because the parking lots are also in desperate need of repair.

Mayor Cason: Discussion? – Bill?

Vice Mayor Kerdyk: Well, I just want to make a comment. First of all, I think you detailed it out very well, thank you very much. As long as I've been sitting here, we've talked numerous times about the necessity for the School Board to update our facilities, and I know they've been sort of handcuffed with what they can do, but I'm very much for the approval and passage of this because our school system needs it. It's a little tough when Coral Gables pays in taxes and taxes and taxes, and of course a lot of our residents use the private school system, having said that what's even tougher is when a lot of these newer areas have all the new construction and here's the City of Coral Gables, Coral Gables High, you use that as an example, is a very good example is one that just continues to deteriorate and I believe a strong community is one that needs strong education and supporting this bond is something that will make the City of Coral Gables even a better place to live. So I'm fully supportive of it.

Ms. Regalado: Thank you. Thank you.

Commissioner Anderson: Thank you very much for your report. As always from the last time you were very thorough, appreciate it very much.

Ms. Regalado: I just wanted to mention one more thing because when we talked about the funding, I mentioned what we considered at our funding level, but just so you understand where the state is, because a lot of people say, well where is the state on this?- why are you resorting to this type of self help? The State of Florida has already met and they said that in the next 10 years they are not going to be helping school districts with facilities money that, that is not slated, that they believe that school districts have the ability to raise taxes and they should do so. In the last two and-a-half years all the money that was raised from PICO, which used to go to construction has been given to charter schools in the State of Florida and will continue to be given to charter schools; and last Session the little money that we received for capital outlay that we used to pay bonds from 1998, we were in Session fighting a Bill that was trying to give that capital outlay money what little of it there was to charter schools. We've already been told that, that's going to come again this Session. So from Tallahassee's perspective we have zero expectations and that's why we are doing this, and the reason why we put it on the ballot is, we really believe that this is an opportunity for every resident in Miami-Dade County to decide if public education is a priority, and that's why we are not doing it ourselves, obviously we are advocating for it, but it is going to be an individual choice. So thank you.

Vice Mayor Kerdyk: I just have to say one more thing, the fact is the biggest issue you have, the biggest challenge you have is going to be to make sure that this construction and you have safeguards in this huge construction project that's out there, and I hope that you have the layers of bureaucracy worked out well because this is going to be a huge undertaking.

Ms. Regalado: We are actually looking at outside project – because we don't want to use it for salaries, but an outside project manager that is not going to be involved in any of the construction, what we are looking at is having several websites for every single construction project so that people can go on there and see the change orders, see the video, see where we are, see what the plans are, because there are just so many projects and the idea is that you'll be able to go in school by school and say well, what are the phases?- where are we on the phases?- what are the change orders?- because as you know no one is going to follow this at the School Board level as we go through different changes, it's too big of a project. So we are looking at different companies that have done it in New Jersey and other places where they have done more than a billion, and that's the plan.

Vice Mayor Kerdyk: My suggestion is to hire somebody like that and take it out of your system, for sure.

Ms. Regalado: Right – we don't want – the last thing we want to do is burden the system and we really want to ensure that there is transparency at every level and we get it done on time.

Mayor Cason: Thank you for your presentation, it was very thorough. I was over at the school twice last weekend talking to some of the teachers and they are very supportive of this themselves, I mean, they can't bring the technology in because of the things you mentioned, the electrical systems and so on, and nothing is more important than a good place, well maintained with the latest technology for our kids and for attracting businesses to Coral Gables, so I'm very supportive of it as well and urge everybody to take a close look at this and make up your own mind when it comes time to vote. Ralph? Maria?

Commissioner Cabrera: School Board Member it's always great to see you, I hope all is well with you and your family and please send them my warmest regards.

Ms. Regalado: I will.

Mayor Cason: Thank you very much.

Ms. Regalado: Thank you so much for your time.

[End: 10:07:31 a.m.]