

# KNOX COUNTY SCHOOLS

ANDREW JOHNSON BUILDING

*Bob Thomas, Superintendent*



## MEMORANDUM

TO: Chair and Members  
Knox County Board of Education

FROM: Bob Thomas  
Superintendent

DATE: April 17, 2019

RE: Fiscal Year 2020 Capital Budget Recommendation

Attached, please find the capital budget recommendation for Fiscal Years 2020 (FY20) through 2024 (FY24) that reflects the Board of Education approved capital priorities. In addition to addressing annual capital maintenance projects and upgrades identified in the Board's standing capital priorities, this budget proposes a plan to address two larger capital priorities 1) the north central elementary solution and 2) the northwest elementary solution. This recommendation deviates from the \$7.4 million spending cap for FY20 that is established in the Intergovernmental Memorandum of Understanding approved by the School Board at its called meeting on July 1, 2015 (Attachment A). The worksheet that is Attachment B outlines an FY20 capital appropriation proposal with a framework for the subsequent four years of capital investment. We are proposing an appropriation of \$15.8 million for FY20 to allow us to begin the process of addressing the north central and northwest elementary solutions should the Board accept those recommendations. It also provides funding to begin the process of addressing the recently identified priority of a solution for Lonsdale Elementary School.

### *Physical Plant Upgrades*

For many years we have included Physical Plant Upgrades (PPUs) in our capital budget. This has allowed us to do work in our schools that we would not have otherwise been able to complete. However, recent changes to our capitalization guidelines more strictly limit the nature of expenditures from this funding source. Much of the PPU work we do annually could be considered facility maintenance rather than capital investment. This capital budget recommendation begins to look at transitioning a significant portion of our PPUs to our general purpose budget over the next five years. While I do not believe we need to or should eliminate PPUs from our capital budget, I do think it is necessary to commit general purpose funds to PPUs to allow us to better comply with the standing capitalization requirements. Having PPU funds in our general purpose budget will allow us to complete smaller improvements and maintenance projects without incurring debt to do so.

For FY20 we are recommending an appropriation of \$2 million for PPUs. Our proposed list is Attachment C, and it includes significant projects at Ritta and Gap Creek Elementary Schools to eliminate our dependence on two small and failing sewage treatment plants as well as installation of a new watermain at Bearden Middle School. We also want to dedicate funds to begin a multi-year process of installing carbon monoxide sensors in schools where we have gas fired equipment. While these sensors are not required under applicable regulations, we believe this is a prudent action to help ensure the safety of our students and staff.

As you will see, our cost estimates for our planned projects exceeds the \$2 million appropriation request. We propose to make up the difference by using funds that we have accrued in savings from other PPU projects in recent years. Our calculations indicate that we have just over \$2 million in previously appropriated funds that have accrued as the result of savings on projects completed over the last several years.

### *Roofing and Heating, Ventilation and Air Conditioning*

We have been constrained in our roofing and Roofing and Heating, Ventilation and Air Conditioning (HVAC) work in recent years due to the reduced levels of funding available for

these projects. We are proposing to increase funding in this area over the next five years to ensure that we continue to have sound roofs and reliable HVAC systems in our schools. For FY20 we are proposing a budget of \$2.5 million as shown in the worksheet that is Attachment D. We propose to continue our effort to provide air conditioning in all our gymnasiums with work at South-Doyle and Fulton High Schools. This will leave us with work to complete at seven additional middle and elementary schools. Additionally, we have planned a full roof replacement for the Fair Garden Family Center and a partial roof replacement for Karns Middle School.

#### *BEP Growth (Modular Classrooms)*

In addition to the proposed expenditures cited above and detailed in the attached worksheets, we have also proposed \$750,000 for modular classrooms. This level of funding will allow for the purchase and installation of three two room structures. This will allow us to move one relatively new but unneeded modular from Inskip Elementary School to Hardin Valley Elementary School and to relocate two additional portables for Sequoyah Elementary and for Farragut Primary Schools from Lonsdale Intermediate School.

#### *Systemwide Drives, Parking and Paving*

Last year we began the process of systematically addressing the poor condition of the asphalt on our school parking lots and drives. We completed work at Gresham Middle School, and Gap Creek Elementary last fall and will complete work at Vine Middle School and Powell Elementary Schools this spring and summer. We propose to continue working off the priority list at Attachment E as well as to complete some remedial work on the Farragut High school circle drive to address apparent erosion issues as well as safety and accessibility concerns.

For FY20 we have proposed an investment of \$700,000 in this area. We firmly believe we must make a regular and continuing annual investment to help us address the work that has been deferred overtime and to avoid creating additional backlog.

### *Technology Upgrades*

We have proposed a continued investment of \$400,000 for technology upgrades for FY20. This level of funding will allow us to address issues that may arise with maintenance of our wireless connectivity as well as incrementally move forward with our program of transitioning our obsolete telephone systems to Voice Over Internet Protocol (VOIP) Systems. A list of completed and planned projects is attached (Attachment F).

### *Security Upgrades*

The \$1.5 million proposed in security upgrades will be used to begin the process of replacing and upgrading the locks in all our schools to a more capable system that will both replace older and worn locksets as well as allow us to reduce the dependence on traditional building and district master keys.

We will soon complete our planned video system upgrades to meet the standards we established in 2013, and we have upgraded the radios assigned to our security officers and school administrators. Future fence and video work will be to address newly identified security concerns and to repair deteriorated fencing and unserviceable video equipment. We also want to continue to retrofit our older school buildings with secure entrance vestibules where security needs dictate and building design and resources permit as well as address some potential vulnerabilities identified in the security assessments that we completed last summer.

### *School Accessibility*

We have periodically included contingency funds in our capital plans to address small school accessibility issues and they may arise. This has not been an annual allocation of funds as we have carried any unused funds across fiscal years for use in subsequent years. This year we propose to add \$100,000 to help us be prepared to meet needs in this area.

### *Tipton Station Crossing*

Attachment G is the engineering analysis for a pedestrian crossing of Tipton Station Road between the two South-Doyle High School Campuses. The report examines both overpass and

underpass options, and it identifies an overpass as the most feasible option based largely on the unknowns of dealing with utility service relocation when building an underpass.

While the overpass option appears to cost more initially and will likely have a larger operating cost over time, it is a reasonable recommendation given the relative ease of construction. We are seeking an appropriation of \$1.3 million to complete this project in FY20.

#### *Land Acquisition*

If the North Central and Northwest Elementary solutions are approved, an appropriation for the acquisition of sufficient buildable property is necessary. This line would appropriate \$2.5 million for purchase of property to allow for the implementation of both recommended solutions. We have not started a formal property search, and therefore, we are not in a position to quantify the cost of property more than generally at this time.

#### *North-Central and Northwest Elementary, and Adrian Burnett Elementary Solutions*

Attachment H is a detailed analysis and recommendation with respect to the North-Central and Northwest Elementary, and Adrian Burnett Elementary Solutions. In summary, we propose to build a new northwest elementary school as the solution to growth and population pressure in this area. In addressing the North-Central Elementary Solution, we propose to build a new school to replace Adrian Burnett Elementary School with a school that meets current program standards and capacity needs. We also propose to construct additions at Brickey-McCloud and Sterchi Elementary Schools to address current growth pressure in the remainder of the North-Central area of the county.

The North-Central Elementary Solution is to address a growth issue that has developed over the last decade which has been previously addressed with the use of modular classrooms. The Northwest Elementary Solution is to address a current population issue as well as significant growth projected over the next five years. In prioritizing these projects, we recommend immediately funding land acquisition with construction funding for a Northwest elementary school to begin design and construction in FY21. We would propose to begin property acquisition and design of a new Adrian Burnett Elementary School in FY20 and an addition to

Brickey-McCloud Elementary to begin in FY21. An addition to Sterchi Elementary School should be considered for funding in FY23.

### *Lonsdale Assessment*

In last year's capital plan, we committed to completing an assessment of the adequacy of the Lonsdale Elementary School facility. That assessment is Attachment I to this document. Based on this assessment, we believe the cost of renovating the current Lonsdale Elementary School facility and building an addition large enough to eliminate the use of modular classrooms is comparable with the cost of construction of a new facility. However, an addition/renovation would likely require the acquisition of additional property and would not fully address all the shortcomings or concerns. The adequacy of the facility's core amenities to support the current and future student population is suspect at best, and it is not in line with current program standards. Expansion of the core would be extremely difficult to accomplish fully due to the constraints of the existing building's design and the size of the campus.

We recommend the Board of Education consider replacing the current Lonsdale Elementary School and Sam E. Hill Primary School facilities with a new approximately 600 student elementary school to be built beginning in FY20. While acreage is at a premium, we believe the Board should discuss the possibility of acquiring City of Knoxville property adjacent to the current Lonsdale Elementary campus. This would facilitate the construction of a new school in a phased project, and it could eliminate the need to continue to maintain the Sam E. Hill facility. Once a new facility is completed, the existing Lonsdale Elementary building can be demolished creating needed space for parking and traffic flow.

### **Conclusion**

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 effective education of our children. Our capital priorities must align to and reflect our rigorous educational goals and expectations. Everything we do in with respect to capital improvements is ultimately to enable and support the work of high-quality instruction in the classroom.

This FY20 Capital Improvement Plan, is designed to address our most pressing facility needs and help us to ensure a safe, comfortable and inviting learning environment for all our students. Therefore, I respectfully request that the Board of Education consider approval of this draft of the FY20 Capital Budget and Capital Improvement Plan.

Attachments:

- A- MOU among County Commission, County Mayor and BOE
- B- FY20-24 Capital Plan Worksheet
- C- Physical Plant Upgrade Recommendations
- D- Roof/HVAC Recommendations
- E- Paving Priority List
- F- Telephone upgrade status
- G- Tipton Station Crossing Analysis
- H- North Central and Northwest Elementary Solution Analysis and Recommendation
- I- Lonsdale Elementary Assessment