

BOARD AGENDA ITEM

May 14, 2013

SUBJECT:

Further Consideration of Proposed RFP Concept for Capital Projects

BACKGROUND:

During the 2012 budget planning and legislative session, there was anticipation that the legislature might eliminate the accommodations tax prerequisite for school districts to utilize the educational capital improvements sales tax. A bill was being considered for that purpose. In the May 22 meeting a motion was made and passed directing the Administration to draft a proposed RFP (Request for Proposal) regarding "survey and marketing" relative to the one-cent sales tax. The thought was that were the bill to succeed, the District may have wanted to move forward with a referendum to utilize this funding. A special meeting was held June 19 to receive input about different types of construction management. However, about that same time it had become clear that the legislation would not be changed at that time. Accordingly it seemed to be a moot issue to the administration for further action on the RFP.

ADMINISTRATIVE CONSIDERATION:

There has continued to be discussion about this subject and whether or not further action seeking proposals was required. The Administration has studied the management needs that would be necessary with an infusion of \$18,000,000 annually into the construction budget [a rough estimate of anticipated proceeds of a successful ballot initiative to utilize a penny capital project sales tax if it were authorized by the legislature]. The administration believes that it would not be necessary to contract independent construction management to handle additional projects available at this level of funding. However, if an education capital funds penny sales tax is enabled, and should a ballot initiative to add the same be successful, one option would be to issue bonds up front and pay off that bonded indebtedness with the penny. In such case, enough simultaneous project work may create the need for independent construction delivery methodology to supplement present in-house capability.

Summarizing, the administration believes there are several factors which must fall into place before the likelihood of adequate funding to address the District's capital building needs is a reality. Accordingly the immediacy of that need is clouded with uncertainty, but the District leadership, both administratively and governance-wise, would be prudent in moving forward with plans to address those needs if eventualities permit. Where the present need for this RFP fits into that planning is presently uncertain from the administrative perspective. There are numerous factors tied into such a consideration for which the Board may want further study and input before final directive.

RECOMMENDATION:

Discuss and give further direction to the Administration concerning the May 22, 2012, motion to draft a proposed RFP. Such direction could include implementation; holding in abeyance any implementation pending further Board study and receipt of input; or present withdrawal (rescission) of the May 22 motion pending further study and review of options.

ATTACHMENT:

May 22, 2012 motion

PREPARED BY:

William H. Burkhalter, Jr.
(with assistance from Mr. Caver)

- PUBLIC PARTICIPATION

No requests were made.

- OFFICE OF BOARD CHAIRMAN

No items this meeting.

INFORMATIONAL ITEMS:

A-1 FINANCIAL REPORT, AS OF MARCH 31, 2012: The board reviewed and accepted the information as presented.

A-2 CONSTRUCTION STATUS REPORTS FOR THE BYRD LEARNING CENTER (BLC) FOOD SERVICE OPERATION CENTER PROJECT: The Board reviewed and accepted the information as presented.

A-3 CONSTRUCTION STATUS REPORTS FOR THE JACKSON MIDDLE SCHOOL ADDITIONS PROJECT: The Board reviewed and accepted the information as presented.

A-4 EAST AIKEN SCHOOL OF THE ARTS PILOT PROGRAM UPDATE: Mrs. Carrie Power presented a power point presentation regarding the pilot program at East Aiken School of the Arts.

A-5 FACILITY FUNDING COMMITTEE: Mr. Hazen presented a power point presentation regarding Facility Funding. After much discussion, Mr. Fleming MOVED to have the administration compose an RFP regarding the survey/marketing for 1 cent sales tax increase; SECONDED by Mr. Liner; MOTION carried on a vote of 8-1 (Mr. Hightower opposed).