



**Strategic Facilities Committee Meeting / Workshop #2
Minutes of April 25, 2019**

Facilitator: David Lever

Committee Members Present: Patrick Damon
Karen DeVore
Tracie Miller
Kevin Null
Carissa Rodeheaver
Nathan Sorber
Richard Wesolowski
Duane Yoder

Guests/Speakers: Barbara Baker, Superintendent
Alison Sweitzer, Director of Finance
Deborah Carpenter, Director Garrett County Planning & Land Management

Dr. Lever called the meeting to order at 8:40 a.m.

As some of the committee members were delayed and a quorum could not be reached yet, the presentations started before the committee meeting.

Morning Session

I. Student Enrollments: Historical and Projected

Dr. Philip Lauver, Supervisor of Pupil Services shared enrollment data with the committee. He provided the births in Garrett County from 1994 to 2017. The average number of births from 1994 to 2004 was 344 and the average from 2005 to 2017 was 294 showing a slight decline. The data in the report does not provide details of the births of Garrett County residents versus other county residents. The report also does not include births of Garrett County residents in neighboring states. In 2017 there were 273 births which is the lowest number of births reported.

Dr. Lauver shared the demographic and social economic outlook report based on data from U.S. Census Bureau in 2010 and prepared by the Maryland Department of Planning. The chart reports historical and projected statistics of populations including ages, sex, household size, income, and labor information. From 1980 there has been decline in three age groups, 0-4, 5-19, 20-44, which correlates with declining births and populations leaving the area. There has been an increase in population 45 – 64 and 65+. This reflects an increase in the aging population.

Enrollment data was shared from 1990 to 2018 showing an overall decline in the enrollment numbers from 5033 in 1990 to 3662 students in 2018. There has been a steady decline from 1996 to 2016 which can be attributed to industry closings and populations moving out as well as decline in birth rates.

The committee also reviewed the Maryland Department of Planning projections of enrollments versus the actual enrollments. The final projections were only off an average of 14.4 students. MDP predicts the enrollments to slightly decline followed by slight increase from 2020 to 2028. The MDP reporting does not include Pre-Kindergarten students as this grade is not a mandatory enrollment. From 2019 to 2028, the student enrollments are not expected to exceed 3700 or below 3600. A committee member noted that the declining enrollment reporting does not correlate with the birth projections.

The committee discussed the declining enrollment which can be attributed to younger people moving out of the area for education and job opportunities.

Dr. Lauer also shared the current enrollment of students as of September 30, 2018 based on the schools and grades. This is the official count of students for the school year and used it all state reporting.

The enrollment reporting does not include the homeschool population which is approximately 300 students. Most of these students are either homeschooled with online curriculum or go to a private church school. Dr. Lauer stated that although parents do not have to state the reasons for homeschooling their children, that most of the parents state that they prefer a religious based curriculum.

Strategic Facilities Committee Meeting (continued)

Dr. Lever asked the committee to return to the meeting agenda topics at 9:04 a.m.

II. Approval of the Minutes for Meeting No. 1, April 19, 2019

Patrick Damon made a motion to approve the minutes, and Kevin Null seconded the motion. The committee unanimously approved the minutes with a yea vote from Patrick Damon, Karen DeVore, Tracie Miller, Kevin Null, Carissa Rodeheaver, Nathan Sorber, Richard Wesolowski, and Duane Yoder

Dr. Lever encouraged the members to setup Gmail accounts for email and file sharing purposes if they don't already have a Gmail account. He stated that the minutes and other documents will be shared with the members but they must have a Gmail account to access the Google files. [Directions for setting up Gmail account.](#)

III. Proposed Committee Work Plan

Dr. Lever shared a draft schedule of planning events for the committee from April through November 2019. He spoke about the first two phases of the work.

A. Research / Information Gathering

Dr. Lever provided three research area topics for the committee to consider:

- Grade band
- Distance Learning / Online Instruction
i.e. Washington State offers online learning for their students
- Behavior Issues
i.e. Disruptive behaviors cause definite staffing issues but do they also cause facilities issues? Is there a correlation between the disruptive behaviors with the current opioid epidemic?

Dr. Lever stated that once the core research areas were determined, subcommittees will be set up for further research. He asked committee members to let him know by Monday, April 29th if there were any other research preferences or topics they would like to include.

B. Community Outreach: Listening Sessions

Dr. Lever spoke about the three listening sessions on May 7th, May 8th and May 9th. He stated that a committee meeting would be scheduled (based on doodle poll results) prior to one of the listening sessions. This meeting would be approximately an hour or hour and half.

For the community listening sessions, there would be feedback cards for the public to complete. The committee would meet once again via teleconference after the listening sessions to be certain to include this information in their planning objectives. The tentative date for this teleconference meeting is May 23rd.

The committee resumed the presentations

Morning Session (continued)

II. Educational Program: Grade configurations, locations, special programs (Special education, alternative education, career and technology education)

Ms. Barbara Baker, Superintendent, presented the educational program information to the committee. She spoke about the superintendent goals as well as the Board of Education's goals. She stated that the school system has implemented three initiatives to reach these goals:

- **PBIS (Positive Behavioral Interventions and Supports)**
PBIS is a way for schools to encourage good behavior and is now implemented in all of the schools.
- **RTI (Response to Intervention)**
RTI is a multi-tier approach to the early identification and support of students with learning and behavior needs.
- **Orton Gillingham**
The Orton Gillingham Approach is a direct, multisensory, sequential, and prescriptive way to teach literacy in students. It is implemented in the primary grades. The school system is training all elementary teachers and long term substitutes to use this method of teaching.

She stated this is the first time that we have students that require all three levels of support.

The committee discussed the increase in disruptive behaviors and how the school system responds to these crises including making certain the other students continue to receive instruction. Ms. Baker stated they are not always able to predict the crisis, they have incorporated professional development and resources for the staff so that they are better prepared to respond appropriately. She stated every school has a crisis team that is trained in safety care. Dr. Lever stated that the committee needs to consider these issues in reviewing the facilities. Are older schools ill-adapted for the new methods of training? Are staff members forced to use ad hoc methods based on their facility limitations?

Ms. Baker provided an overview of the school system and facilities

- 12 Schools

- 7 Elementary Schools
- 1 Combination K-8 School
- 2 Middle Schools
- 2 High Schools
- Hickory Environmental Education Center
- Dennett Road Educational Complex
- Central Office

Ms. Baker also discussed the Career Technical Education (CTE) programs offered at the high schools:

- Allied Health
- Agricultural
- Automotive Maintenance
- Biomedical Sciences
- Business Administration
- Computer Science
- Pre-Engineering
- Marketing
- Trades - Carpentry
- Restaurant, Culinary and Catering Management which is only offered at Southern High School

The below CTE programs were removed based on a decline in student interests:

- Childcare
- Masonry

Ms. Baker stated the special education services are not only offered to students enrolled in Pre-Kindergarten through 12th grade but our school system also offers services through the Infants and Toddler's Program.

The Dennett Road Education Complex (DR) used to be Dennett Road Elementary School but was closed in 2012. It was the second largest elementary school at the time, therefore there was a large transfer of students to the other elementary schools in the southern district. With this closure, and the increase in enrollments at Broad Ford, Yough Glades, and Crellin Elementary schools, the Head Start program at Crellin had to move to DR. In addition, DR also houses the school system's Information Technology, Maintenance, and Food Services departments.

Hickory Environmental Educational Complex fulfills the environmental learning requirements for Garrett County Public School students. All students in grades PreK through 8th grade visit Hickory at least twice each school year. High school students enrolled in sciences (including Environmental Science, Earth Science, Physical Science, etc.) complete lessons at Hickory once each semester. HEEC has a nature room, planetarium, swimming pool, and boys and girls cabins.

Route 40 and Friendsville Elementary Schools offer wraparound daycare programs. The daycare programs assist parents with keeping their children in their home area and has a positive impact on the student's school readiness. The school system and Garrett County Community Action (Head Start) tried to open a daycare program at Grantsville Elementary School but it was not feasible at that time.

The STARS (Students Taking Active Responsibility for Success) Program was started at Accident Elementary School to support elementary students with behavioral issues. The program has since moved to Broad Ford Elementary School based on the needs of the students (closer to the students' home schools). It is a contained

program with routine based intervention. The goal of the school system is to set up another STARS program at Grantsville Elementary School so that students on the northern end can be supported without having to travel to the southern end.

Ms. Baker and Mr. Richard Wesolowski, Director of Transportation, presented information regarding each of the facilities:

School	Grades	New	Age	Renovated/ Portables	Sq. ft	State Rated Capacity	Enrollment	Capacity	Deferred Maintenance	Bond Debt	Site Evaluation	Notes
Accident	PK -5	1982	37	NA	34,815	327	259	79%	\$215,000	\$367,283	76.7	Dedicated gym and cafeteria, art room, closed classrooms; room for additional PK if grant funded; no safety vestibule
Friendsville	PK -5	1976	43	NA	31,815	294	147	50%	\$625,000	\$60,589	74.2	PreK and Daycare; modified open space w/some closures; dedicated gym; partial AC; ceiling issues cause poor rating; no secure vestibule
Grantsville	PK -5	1980	39	2008	49,862	294	191	65%	\$230,000	\$1,588,878	78.3	Open spaces regardless of added partial walls (no doors to lock for safety); rapid decline in aging; dedicated cafeteria and gym; community room
Rt 40	PK -5	1957	62	2003	25,530	190	129	68%	\$535,000	\$2,586,000	75.4	Partial AC; dedicated cafeteria and gym; kitchen not renovated
Broad Ford	PK -5	1976	43	2015	64,360	506	566	112%	\$14,500,000	\$69,252	68.5	Needs safety vestibule; modified open space (causing movement and acoustic issues) roof needs replaced asap; PODs added for capacity issues; renovation greatly needed
Crellin	K-5	1962	57	1998	12,514	137	143	104%	\$325,000	\$0	70.2	Over capacity; no AC; front entrance and parking needs fixed; all purpose room (cafeteria, gym and fine arts) causes class issues; no safety vestibule; ongoing water issues with walls and tiles; air quality not good; prime target for Head Start but no room
Swan Meadow	K-8	1958	61	1998	7,572	91	50	55%	\$183,000	\$0	67.5	No AC; Needs new roof and parking area; no safety vestibule; split grades; multi use room (cafeteria, gym, art, music); No area for intervention; acoustic and storage issues
Yough Glades	PK -5	1998	21	NA	36,750	334	323	97%	\$1,300,000	\$148,253	73.8	Shared space for cafeteria and gym; partial AC; art and music room converted to classrooms due to additional students; major issues with parking and bus area/ workflow

Northern MS	6-8	1978	41	2008	84,000	742	349	47%	\$20,000	\$8,104,746	82.1	Most efficient school for instruction; "crown jewel"; large cafeteria; dedicated gym, art, music rooms, computer labs, very well maintained; could accommodate 5 th grade; full AC
Southern MS	6-8	1977	42	NA	92,000	828	531	64%	\$12,600,000	\$3,911,412	73.8	School in most need of renovation; open space (movement, acoustic, safety issues); disparity in instruction from Northern students
Northern HS	9-12	1952	67	2004	121,803	903	431	48%	\$2,300,000	\$2,412,861	74.2	Needs paving, exterior work; new driveway for middle school and HEEC; Needs parking and driveway lights
Southern HS	9-12	1958	61	2002	178,715	1450	715	49%	\$4,100,000	\$1,652,100	72.9	Needs fire alarm replacements; new front façade; front parking lot renovation
Hickory Environmental Education Center (HEEC)	All	1967	52	2003	12,954						74.6	Needs separate eating area and restroom for boys cabins. Potential income for outside organization rentals
			48		752,690	6096	3834	63%	\$36,933,000	\$20,901,374	74	

Enrollment - Sept 30th Official GCPS Count
SRC - Maryland Department of Planning

Evaluation	
90+	Superior
80-90	Very Good
70-80	Good
60-70	Fair
0-60	Poor

Dr. Lever stated that upon review of all of the facilities and the wide range of work needed (repair and renovation), it would be nearly impossible to cover all of the costs. He posed the following questions for the committee for consideration:

Do we look at specific facilities to repair/renovate or just one?

Do we campaign for funding for specific needs? i.e. Anne Arundel County Public Schools ran a roof campaign for all of their buildings. Once this is completed, they plan to do a similar campaign for air conditioning systems at each of the facilities.

IV. The Cost of Ownership: Capital Expenditure Guidelines

Dr. Lever discussed the costs of ownership for school facilities. He stated that public schools with normal maintenance have a service life of 50 years. With normal maintenance and no renovation, the buildings lose 2% of their value each year. With renewal and renovation, the buildings will have optimum performance and the service life can be extended by 50 years.

For capital assets there are four categories of expenditures with industry guidelines for average annual expenditures:

- Capital Expenditures (Capex) – scheduled replacement of building systems and components (2% of current replacement value, CRV)
- Deferred Maintenance (DM)- correction of deferred maintenance deficiencies (1% of CRV)
- Program Expenditure – facility improvements for education program changes, new technology, demographic changes (1% of CRV)
- Maintenance and Operation (M&O)- preventive maintenance, custodial, minor repairs, utilities (3% of CRV)

The term current replacement cost (CRV) refers to the amount that an entity would have to pay to replace a facility at the present time, according to its current worth. Various costing methods can be used. Building Area x \$/SF = CRV. This CRV for GCPS is only for educational buildings 15 years old and older (excluding Northern Middle School).

The cost calculations for CRV include the cost on new construction, sitework, and contingency costs (unforeseen conditions). The committee established that they would look at all schools with exception of Northern Middle School as it was renovated in 2009. They would also include Hickory Environmental Education Center as this facility is used for student instruction. Based on the cost calculations for CRV, the total CRV for Garrett County Public Schools would be \$262,800,000 (\$399.59 per square foot)

The Capex recommended annual spend would be \$5,300,000 /year average and would include scheduled upgrade and replacement projects. Per DM guidelines the recommended annual expenditure would be \$2,600,000 per year and would include deferred projects. Total capex and DM would be \$7,900,000/ year average. The result of these expenditures would be to protect and enhance building performance. Programmatic expenditures of \$2,600,000/year average results in meeting current and future educational needs. The total capital expenditure per guidelines is \$10,500,000/year average and doesn't include routine maintenance and operations.

V. County Finances and Resources; Economic Development Goals, Workforce Needs

Mr. Kevin Null, Administrator for Garrett County Government presented information from the local government. He stated for FY2019 they had a budget of \$80 million. He shared the revenues and expenses for the budget. Taxes (84.8%) was the primary source for revenue. Education (Garrett County Board of Education, Garrett College and Ruth Enlow Libraries) were the primary expenditures (42.15%). Public works (19.91%) and Public Safety (15.1%) were the next largest expenditures. He shared the county roads division personnel and details regarding the county roads maintenance including miles and bridges. With the inclement weather that Garrett County experiences each year, these are necessary expenditure which benefits all citizens and businesses of the county.

Mr. Null stated that Garrett County Government has no long term debt except for water and sewer bonds that do not count against the debt limit. He stated that the county has a borrowing limit of \$21 million and would require legislation to increase this limit. He also provided an example if the county funded a school construction project for the full \$21 million, they could not borrow any additions fund until the bond was repaid in approximately 20 to 30 years.

Mr. Null reviewed the impact in increases in taxes for additional revenue. He stated a 1 cent increase would generate an additional \$500,000 in revenue. He stated for a \$21 million bond, the property tax would need to increase 3 cents. If this occurred, Garrett County taxes would be the 8th highest in the state. Mr. Null stated that 65% of the property taxes is generated from properties near the lake. He stated that there is an additional 99 cent ad valorem tax for Deep creek water and sewer services that are included on the county taxes of

residents near McHenry however these funds are not included in the county revenue (funds go back to pay for those services).

Mr. Null then provided the economic development overview for the committee. The business base consists of 910 businesses and a total workforce of 15,566 employees. There are an average of 68 new businesses each year from 2014 – 2017. The business capital investments from 2014-17 were \$9.6 million for new businesses and \$11.9 for existing businesses. He shared the major businesses in Garrett County with the top businesses of Garrett Regional Medical Center with 456 employees; Beitzel/Pillar Corporation with 331 employees and ClosetMaid with 232 employees. He provided the employment by industry with trade, transportation and utility at 22.1%, leisure and hospitality at 15.1%, and education and health at 14.96%. He also provided the average weekly pay by industry sector. Garrett County employees in all sectors were below the Maryland average pay rates with exception of the natural resources and mining industry. The median household income was also lower than the State average. Mr. Null provided the tri-state and worker inflow and outflow maps.

For planning considerations, Mr. Null provided national statistics regarding unemployment and the varying causes for these numbers. For Garrett County, he stated there is a 5.6% unemployment rate which is slightly above the state and national rate but stressed that the county does not have an employment problem. He stated there are many jobs available but businesses cannot find qualified workers. He stated businesses like ClosetMaid have had to reach out to neighboring counties for employees and have even provided transportation for their workers.

Mr. Null shared the challenges the county faces for growth including demographics, infrastructure, broadband access, educational attainment/skill base, and housing availability/cost. He shared the historical population totals which have been relatively stable since 1990 and the historical median age which has risen from 29.6 in 1980 to 44.8 in 2016. Looking at the population by age group, 14.5% of residents are between 45 and 54 years old, 11.7% are ages 35 to 44 followed by 11.6% residents that are between ages 65 and 74 years old. Garrett County's workforce rate is 60.1% which is below Maryland's rate and slightly below the U.S. rate. Mr. Null also provided the Civilian Labor Force annual averages, total households and household size and historical and projected per capita income.

Opportunities for growth for Garrett County include but not limited to more health services, light manufacturing businesses, technology/internet-based businesses and small/micro businesses. Initiatives for the county include shell/spec building at McHenry Business Park, scholarship program, infrastructure investments, pathway to home ownership program and broadband expansion. Mr. Null shared the status of various infrastructure projects including water treatment plants, water storage tanks and wastewater treatment plants throughout the county. He also shared broadband strategic partnerships and expansion plans.

Mr. Null stated that businesses in the county are continuing to grow and that is who the county needs to continue supporting. He stated it is not realistic to try to get large manufacturing firms with 300+ employees to come to Garrett County. He stated the county is not opposed to raising taxes for educational construction but they are limited to what they can do. To raise \$10 million would be a 22 cent increase in taxes and Garrett County residents cannot afford this. They are continuing to look for revenue sources but have had some challenges (i.e. revenue from wind mills is decreasing and they lost out on opportunity for a new business who backed out and decided to choose Allegany County instead for location). They are continuing to receive more funding requests and are already over \$10 million what they were last year.

Mr. Null stated that after he presented this information it can be frustrating and seem like “we should call it a day” as not certain how they can provide additional funding for the schools. He stated that the county doesn’t predict any changes in revenue in next 5 years. He stated that the county has requested the Board put a plan in place for the next 5 years so that they can work with the school system for specific projects and could possibly assist in reaching out to local and state legislators for additional funding.

The committee discussed the current challenges the school system faces with facility costs. There is carryover funds that can cover some of the maintenance costs but these costs continue to increase with the number of incidents and costs to repair and replace. i.e. the Food Service kitchens in some of the facilities are so aged that parts to equipment/appliances have to be milled as they are no longer available.

VI. County Demographics and Housing

Mrs. Deborah Carpenter, Director Garrett County Planning & Land Management, discussed the population growth and corresponding housing market. She stated the factors that go into developing a population forecast include looking at current data and emerging growth patterns. Garrett County has experienced historic boom market trends, recessionary trends and post-recession leveling. There is also an influence of the second home market and tourism in Garrett County.

By reviewing the 2018 permit activity map, you can see that residential permits are primarily around the lake. Garrett County has the least amount of Priority Funding Areas (PFA) than any other county. Most building permits occurs around the water shed. Those permits are primarily for “snow birds”, which are individuals that have a second home, also called “transients” and do not have children for the school system.

She stated that in planning for population growths, these same issues are going on globally and nationally. Other places have same issues with population decline and rise of costs. The full time resident’s income is high enough to not be eligible for government and state services but not high enough to afford local housing, college tuition, etc.

In looking at the historic boom market trends, Garrett County experienced growth in the past 15 years. During the first 6 years Garrett County and rest of nation was experiencing the end of an economic boom. This growth rate can be attributed to the success of Deep Creek Lake establishing itself as vacation and retirement destination.

Garrett County, like the rest of the nation, was affected by the collapse of the housing bubble causing new housing to decline by over 50%. During this timeframe, the county’s population started to decline as well. In looking at the post-recession from 2011 to 2016, the housing units continued to decline with exception of 2015. This spike in growth is however attributed to a state law that required sprinkler systems in all new housing the following year. In 2016, the lowest number of new housing starts were at 56 and the low number of housing starts are predicted for the next couple years. The population for the county shows a growth in early 2000’s but it remained stagnant then declines after 2013.

In reviewing the subdivision activity since 2000, there was moderate growth in 2002 and 2006 however major declines were noted overall with less than 20 major subdivisions and no minor subdivisions in 2016. With Sustainable Growth and Agricultural Preservation Act of 2012, no major residential subdivisions (subdivisions containing more than 7 lots) are permitted in Tier 4. Garrett County is primarily considered Tier 4 which is planned for preservation and conservation. Only specific areas around Deep Creek Lake are a different tier (1, 2 and 3). Because of the law, the development capacity outside of the PFA has decreased by 56%.

There are numerous factors that can be attributed to the growth trends for Garrett County. Second home owners and tourism are not included in the population but it is estimated that the population around the lake doubles during the summer months. While this population provides funding to the local economy, there are direct and indirect costs associated with this transient population.

What is the property tax base? Utilization at the schools: do they have the capacity to handle growth? Yough Glades and Broadford are already at full capacity, what to do with new students? Do you keep a school if there is no indication of growth in enrollment and infrastructure continues to age? What if you build a new school and it doesn't reach capacity?

VII. School System Finances: Operating and Capital Budgets; State and Local Funding Sources

Mrs. Alison Sweitzer, Director of Finance, presented the school system finance information to the committee. She stated that the school system has to abide by the financial reporting manual for Maryland Public Schools and the Governmental Accounting, Auditing, and Financial Reporting guidelines. They are governed by MSDE and Governmental Accounting Standards Board. She stated that there are two major sources of funds: governmental funds which are budgeted and fiduciary funds which are not budgeted.

She discussed the types of budgets in Maryland public schools including unrestricted operating budget, restricted operating budget and school construction. The largest budget is the unrestricted operating budget which the superintendent presents to the Board for their approval. The unrestricted operating budget revenues are composed of major state-aid programs, designated facility funding, federal and state funding, local Board revenue, local funds- County Maintenance of Effort, and the prior year fund balance. She explained the operating budget expenditure details by category and objects. For the economic outlook, factors that need to be considered for the budgets include enrollment, county's wealth, legislation, costs, legislation, etc. There is a possible Kirwan Commission Impact which could provide additional state aid to local school systems for \$321 million in FY2020 however the amount that Garrett County will receive is not known yet and those funds will be targeted for specific programs (i.e. Mental Health Coordinator for Special education department or High Quality Teacher grant, etc.) Mrs. Sweitzer did not anticipate a substantial amount in funds from the Kirwan Commissions impact but the funds received will benefit instruction. In December 2019, the final recommendation will be released.

VIII. Transportation

Mr. Richard Wesolowski, Director of Transportation, presented information regarding school buses and routes to the committee. He stated there are 62 bus routes and they cover 6000 miles on those routes. There are 75 buses which include spare buses. All buses are contractor owned and there are 110 drivers. 30 of the drivers have 40 years or more in service to GCPS. Most buses have students that are Pre-Kindergarten through 12th grade with exception of Route 40 Elementary School which has 3 buses with just elementary students. There are 2 buses on the southern end that have only Special Education students. One of the many challenges the Transportation Department faces is a decrease in Special Education students (which results in decrease in state funding) but an increase in needs of the students. The Transportation Department works to provide a good and safe environment for all of the students. Contractors are spending \$100,000 on new buses and the Transportation department wants to make their job a profitable one as much as possible. For the first 6 years of a new bus, the contractor does not earn much of a profit and the school system needs to be conscious of this. The Transportation department utilizes TransFinder which is school bus routing software. With this software, they can see all routes and utilize it for research for possible route changes.

A committee member asked if there was any research on what the cost would be for the school system to look into acquiring a fleet of buses. Mr. Wesolowski said no.

Dr. Lever informed the committee that there will be two new members, Mrs. Crystal Boal, who will be replacing Mr. Brian Boal, who was not able to commit due to other obligations. Mr. Jim Browning will be replacing Nancy Brady, who is also not able to serve on the committee. Dr. Lever stated that Ms. Jennifer Paugh had a family emergency so was not able to attend the workshop.

VI. Adjournment

█ made a motion to adjourn the meeting and █ seconded the motion. The committee unanimously approved the adjournment of the meeting.

The meeting adjourned at 4:00 p.m.