



# Board of Education Resolution

## Long Term Facilities Maintenance and Improvement Investments

1. WHEREAS, Independent School District No. 625 has approximately 7.3 million square feet of space spread among 72 buildings with the majority of those assets being more than 60 years old; and
2. WHEREAS, the District's facilities represent a Current Replacement Value (CRV) of approximately \$2.1 billion in assets; and
3. WHEREAS, the District's Facilities Department undertook in 2008 a Facility Condition Assessment and Educational Adequacy Assessment that identified building system and programmatic deficiencies across all of the District's buildings; and
4. WHEREAS, the District's Facilities Department undertook in 2015 a Facility Master Plan process intended to identify how best to align the physical environment with district strategic and academic direction; and
5. WHEREAS, numerous independent studies have shown a direct connection between student achievement and the quality of the learning environment, particularly in areas of indoor air quality, lighting, and acoustics; and
6. WHEREAS, numerous independent studies have shown a connection between the condition of a school building and teacher satisfaction, morale, and retention; and
7. WHEREAS, Independent School District No. 625 has access to facilities funding via Long Term Facilities Maintenance Revenue, Capital Bonds, and Installment Contract Authority through the State of Minnesota legislature;

NOW, THEREFORE, BE IT RESOLVED that the Board of Independent School District No. 625 herewith:

1. Declares that the District's buildings and grounds should be positive contributors to the educational experience of all students and the communities we serve, and that both the condition of our existing assets, as well as the continuous improvements needed to meet evolving academic needs, are critical components for the long-term stewardship of our facilities.
2. Direct administration to annually provide the Board of Education with a report on the Facility Condition Index (FCI) and the Current Replacement Value (CRV), industry-recognized measures for comparing the relative condition of buildings in a portfolio and the cost in current dollars to construct built assets as they exist today with no improvements, respectively, of the District's portfolio of buildings.
3. Direct administration to develop an annually updated facilities Major Repair / Replacement (MRR) plan that forecasts major building system replacement costs in order to keep our facilities in sound order and on pace with building components that have reached the end of their serviceable life; and

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4. Authorize administration to levy, or otherwise fund, the Major Repair / Replacement program to an amount not less than 3% of CRV annually when averaged over a 5-year period of time beginning in Fiscal Year 2018.
5. Authorize administration to levy, or otherwise fund, capital improvements identified in a Board of Education adopted multi-year capital improvement plan to better meet the strategic needs of the District beginning in Fiscal Year 2017.
6. Authorize administration to establish an internal Energy Efficiency Revolving Fund (REEF) in which the annual utility cost savings from energy efficiency improvements replenish the principle amount of the program. The program shall be established with \$400,000 from Fiscal Year 2016 Capital Bonds and the principle shall be allowed to grow 5% annually.
7. Authorize administration to create a restricted fund for capital improvements as part of negotiations for matching grants or partnerships to improve the quantity or quality of facilities in alignment with a Board of Education adopted Facilities Master Plan to better meet the strategic needs of the District up to \$1 million annually, not to exceed \$3 million over a 5-year period.