CHICAGO PUBLIC SCHOOLS

FY18 CAPITAL PLAN

PUBLIC MEETING

August 21, 2017

Held at

MILDRED LAVIZZO ELEMENTARY SCHOOL

STENOGRAPHIC REPORT OF PROCEEDINGS

had in the above-entitled matter, held at Lavizzo Elementary School, 138 West 109th Street, Chicago, Illinois, commencing at 6:00 o'clock p.m.,

MS. CHERYL WATKINS, Moderator.

PRESENT:

DR. CHERYL WATKINS, CPS Network Chief
MR. BRIAN HAMER, Office of Management & Budget
MS. MARY DeRUNTZ, Facilities
MS. KOURTNEY FREEMAN
MEMBERS OF THE PUBLIC

Reported By: April T. Hansen, CSR, RPR
DR. WATKINS: Hello, hello, hello. Welcome, welcome, welcome. It is 6:00 o'clock, and we're going to begin.

Let me take a moment to introduce myself to you all. This is the first time that I've been at Lavizzo. I am the new Chief of Schools for Network 13. My name is Dr. Cheryl Watkins, and it is my absolute, absolute pleasure to be here at Lavizzo. It's for something I've never participated in before. It's the Capital -- the Capital Plan hearing.

So I need to go through some of the logistics so that we know how the evening is going to flow, and then we'll start just as soon as I complete this. Is that okay?

So the Capital Plan hearing will be begin at 6:00 p.m. and end promptly at 8:00 p.m., or when the last speaker has concluded, whichever is earlier. All who sign up to speak will be given an opportunity to make a statement of up to two minutes until the meeting is adjourned.

So let me pause right here. When you have 20 seconds left, I'll give you the "20 seconds" sign. When your time is up, then I'll
give you the "time is up" sign.

All those wishing to speak are asked to please sign in from 5:00 to 6:00 o'clock on the speaker sign-in sheet at the entrance registration table, and each speaker will be given a number. Please note that no one will be able to sign up to speak after 6:30 p.m.

Speakers will be limited to addressing topics related to the capital plan. Speakers are asked to limit their comments to two minutes, so that everyone who would like to speak would have the opportunity to do so.

When multiple speakers from the same organization or school are listed, only one member per organization or school will be allowed to speak regarding the same issue. If the speaker has a follow-up question, we ask that you please speak to CPS staff members who will be on site to help you fill out a follow-up card.

The full capital plan is on the Chicago Public School's website. You can provide feedback or leave questions on the website as well. We will respond to all questions on the website, including any that we were unable to respond to at this
meeting. You can visit cps.edu/capitalplan -- all together -- for additional details.

Now, let me stop for a minute and tell you, this microphone is something else. I love the acoustics in here. I feel like I need to sing. I feel like it's Sunday morning. I feel like I need to do some spoken word. I feel like I need to do something, because I have this microphone and the sound is just so awesome. So thank you, Principal -- where is Principal -- oh. Thank you so much for hosting and for this great sound system.

So the hearing, as I said, will begin at 6:00 p.m., and it is now 6:03. After having read the rules, the guidelines, we will go ahead and begin.

So there is a Power Point presentation that Kourtney will be operating, and we're going to go ahead and begin. Thank you.

MR. HAMER: Good afternoon, everyone. I'm going to come down. I probably should not have done that.

So I'm Brian Hamer, I'm the CPS Budget Director. I'm pretty new at this job. This is my
first public hearing, so please be kind. You have
a beautiful school here, it's very nice to see.

And I very much want to thank the
Principal for welcoming us and hosting us today.

(Applause.)

MR. HAMER: He has your act together. Oh,
there you are.

So this is quite a day. First, the
solar eclipse, and now the capital budget hearing.
We'll be talking about this day for years to come.

So as Cheryl indicated, we want to begin
with a presentation to give you some background
about this year's capital plan proposal which will
be before the Board of Education next week. Then
we also want to talk a little bit about projects
that are underway throughout the District, many of
which were authorized last year, and we'll talk
about them as well.

So let's talk first a little bit about
capital at CPS. We believe that all of our
students in every part of the city deserve to learn
in modern facilities that are welcoming, conducive
to learning, and safe.

Over the past six years, CPS invested
more than $3.7 billion to build new schools and annexes, improve facilities to expand academic programs, improve access to technology, to provide air conditioning -- like in this gym, it's very cool here -- and playgrounds. Repair and maintain facilities such as renovating roofs, fixing chimneys, and replacing boilers and other mechanical systems.

The CPS capital budget funds long term investments in the District, such as construction of new schools, renovations to existing schools, critical investments in IT infrastructure, and school security.

The capital budget is funded through bonds issued by the District, proceeds from the sale of real estate, and funding from outside sources. Last year, CPS initiated almost $938 million of capital investments pursuant to an original, and then a supplemental, capital plan.

Capital projects are currently underway, or we project are completed, in more than 140 schools across the city. These projects were funded by new capital improvement property tax, debt service on bonds funding these projects.
It does not impact the operating budget.
The operating budget, of course, brings to bear the funds that pay for teachers and provide for the day-to-day operations of schools across the District.

The proposed FY18 capital budget totals $136 million for urgent facility renovation and maintenance projects, IT investments, and school security equipment, all building upon last year's substantial capital investments. These projects will be funded by CPS bonds, the sale of real estate proceeds, and potential outside sources.

This just breaks down, as you can see, the major categories of proposed spend.

FY18 capital budget includes $109 million to address the District's most critical facilities needs. 73 million will be used for priority renovation projects at schools with major roof, envelope, and mechanical repair and replacements needs. And $36 million dollars will be used for unplanned major renovation and maintenance projects. Again, as shown in the little chart below.

With respect to IT and security, $7
million will be used to upgrade the District's
critical IT and security systems. $5.3 million of
this funding will go towards a new student
information system that replaces an old antiquated
system, and will really bring the District up to
the 21st century and be the repository of student
information and other key information about the
District. A critical upgrade to the accounts
payable system. Fire wall replacements with
respect to the District's computer system, server
upgrades, and disaster recovery. Disaster recovery
goes to our IT system. If there ever should be a
problem, the idea is you want to get it up and
running again as quickly as possible because we've
all become so dependent on IT systems in the modern
age.

And then $2 million of the funding will
go towards new and replacement security equipment
at schools, including cameras, intercom phones,
alarms, and screening equipment to ensure student
safety.

We thought that, given the magnitude of
the FY17 capital planning, and the fact that there
are still many projects underway, we would talk
about those. And to do so, I'm turning the microphone over to Mary DeRuntz, who heads up the capital infrastructure programs throughout the District.

Mary.

MS. DeRUNTZ: Okay.

MR. HAMER: It's all yours.

MS. DeRUNTZ: Okay. Hi. My name is Mary DeRuntz. I'm the lead on the capital team, so this is the work I get to do.

This is a map of the District you see of work that we have done in the previous year with the 938 million. This work is ongoing over the next couple of years. Most of it will be done by 2020.

Did you review this? Did we do this one?

MR. HAMER: No, I didn't.

MS. DeRUNTZ: Okay. So in FY17, we had both the capital budget and the supplemental capital plans, which equaled $938 million in benefits. 317 million went to facility needs. Again, that's the major renovation projects, the fixing of roofs, the leaking of roofs, new roofs, masonry work.
266 million went to overcrowding relief. That's for new schools and additions and modulares. We have new construction. We have two high schools coming on-board: Read Dunning, and South Side High School.

Programmatic investments for 60 million. This would be where we have to do some sort of classroom upgrades to go into an IB program or a STEM program. And then IT and other projects, I'm not going to get into the technical part of that, because that's the part I don't really understand too much.

Site improvements. I believe we completed 13 playgrounds this year, which is the end of the playground for schools that had no playgrounds, without -- but there were certain schools that still don't have playgrounds, if you're technical enough, because they don't have space.

This is the end of the air conditioning project. The Mayor promised that all schools would have the capability of air conditioning within five years. There were 272 schools that didn't have AC, and we are completing the last 63 of those. Those
are the window units.

And the program management and design.

Of course, with any new school renovation project we have to hire architects to do the design to take it through City Hall so we meet Code.

On the overcrowding relief, you can see to the left we have four new schools in various stages, from predesign to construction. You're actually looking at a rendering of the new Dore school.

On the upper right there are eight new annexes that will relieve overcrowding at existing schools. This is a rendering of the Byrne school. This has just broke ground. And in the bottom we have new modulars will house classrooms to relieve overcrowding at three schools. So Bridge, Dawes, and Columbia Explorers are getting new modulars. This is the new design of the new modulars. It's a little bit different than the old ones.

On the upper left is the Gary school; this is a very complex masonry repair. And on the lower left is a new roof at the Clark High School. And then on the right is the window air conditioning, which we are completing at 61
schools -- I said 63, sorry -- which will be provided for cooling.

So that's the air conditioning project where we just put the windows units in. This school also happens to be getting a new roof.

On these programmatic, we talked about that $60 million worth of changes. This is a school whose theater rigging is being repaired on the left-hand side, and then on the right is a programmatic change to become an IB school.

Site improvements. We are scheduled to do five space-to-grow. This is a space-to-grow project as one of the schools that's completed in a previous budget year, so this is what it looks like. We will work with open land to come up with a design that helps create an outdoor classroom, some play space.

These are funded -- it's a tripartite kind of funding. CPS contributes a third, Department of Water Management provides a third, and Metropolitan Water District provides a third of the money for each project. Then on the right are just the end of the playlots, typical design of a playlot.
As Brian said, we have $138 million in our capital budget this year. If funding became available, we would like to go for a supplemental plan later in the year to do more renovation work.

For further details on the budget, you can go to our website at www.cps.edu/capitalplan. The facilities also have a website. You can go and give any of your concerns, too, for any of your particular buildings that you're in. And we always like to hear that, because it's kind of like the boots on the ground, a better understanding of what the needs are.

Any questions or comments?

MS. WATKINS: Do we have the signup?

So here's where I have a chance to be on the microphone again. I'm not sure how many people have signed up to speak, but if you have signed up to speak, you would receive the microphone here. When you begin to speak, then I will start the timer and you will have two minutes. Each speaker will have the option to ask one question or to make comments.

Okay. Hello. So if you have signed up to speak, please come over to the microphone. And
it is in the order of your number, so I think each person has a number.

Are you number one? You're number one? Come on down.

MR. SHEA: Hi, everybody. Can you guys hear me? All right. I'm also a teacher. Microphone better? Okay.

So I'm glad to see that there's so much emphasis on repair and maintenance. I'm a teacher at Kenwood Academy in Hyde Park, and we've got an HVAC issue in our school. And I think it's important to first start off by saying that, you know, HVAC is not just air conditioning. That's one of the factors.

What is HVAC? It's heating, ventilating, and air conditioning system. It's ultimately the basis for respiratory health in any school, in any environment that you have an HVAC system.

And our HVAC is, frankly, a mess. It's going on 50 years old. When it was constructed, when our building was constructed, an HVAC system was installed, it was already on the sort of -- let's just say it's not cutting edge technology.

The last five or six years I've had
colleagues who have had sinus surgery. One
colleague came to Kenwood a few years, she sounds
like she's been smoking for 30 years, it's never
happened before. And it's largely due to the
allergy and respiratory issues that are in the
building.

On top of that, we've got students who
are absent. One student told me she's absent one
day every two weeks specifically for asthma-related
issues and allergy-related issues that she says she
doesn't experience over the summer. That they're
tied to the building. Another student would come
in with an armful of paper towels and tissue in the
morning and use it by the end of a single class
period, and he says he's fine at home.

And the bottom line is the Kenwood HVAC
system, it's past its structural obsolescence. It
is now obsolete, and it is fall apart.

And we are also at a moment where we
don't have the full engineering staff that we need
to, at the exact same moment that pieces are
breaking, falling apart, leaking through the
building. We have leaking pipes in the math
department office. There are three pregnant
teachers there, and they were concerned about the
ceiling tiles collapsing in the summer. So it's
causing all kinds of other complicated issues.

But also, the cost of repairs and
replacing materials for this particular system
requires fabrication, which is an additional cost
that is unreasonable long term. We want it
replaced.

DR. WATKINS: Thank you, Mr. Shea.

Speak 2, Mr. Gordon Myre? Thank you so
much.

MR. MYRE: Thank you. Thank you. Good
evening, Dr. Watkins, Mr. Haber -- is it H-a-b-e-r?

MR. HAMER: H-a-m-e-r.

MR. MYRE: Thank you. And Ms. DeRuntz.

My name is Gordon Myre, I'm a parent, and
also at Kenwood school. I'm a past LSC chair at
Ray (phonetic) school, and came to talk.

Mr. Shea kind of talked about the HVAC.
I thought I would just ask you really a question to
understand, if you know already what's in the plan
school by school, and can you talk about how you
come to those decisions.

Of course, I'm most interested where my
daughter is, Georgia here, she's a rising 8th grader. I have a rising senior at Kenwood. So of course we would love to know if that's in the plan already, or how that works. We have been down to the Board to speak with Mr. Clark about that.

MS. DeRUNTZ: I don't want to take up any of your time. If you want to use your full two minutes, I can answer at the end.

Currently with the budget, we don't have specific schools listed in that facility needs portion. What we do is that we kind of go back out and take a look at the school in terms of building engineer surveys, principal surveys, and then the assessment. And we have to rank schools as to their needs.

So we will -- I believe we've had people out to look at your mechanical system -- I'd to double check that -- this summer, but let me get back to you on that one. And as I said, it's a process. We have over $3 billion for maintenance needs out there, so there is a lot of people in that. But we want to have a healthy environment for your students.

MR. MYRE: You know, when we spoke with Alfonso
at the last Board meeting, he was planning to come out and I think he promised that you would come with him to take a look at the school.

MS. DeRUNTZ: Okay.

MR. MYRE: Is there anything in general we can learn about what's going to happen in the 2018 capital improvement plan?

MEMBER OF THE PUBLIC: Can you hold the mic up a little?

MR. MYRE: I was just wondering if there was anything in general we can learn about this coming year's plan.

MS. DeRUNTZ: As I said, that's that I think it's 109 million or 73, I can't remember which number it was, but there is nothing designated in that plan yet. It's a bucket. Because we have to go out and do our -- this is our busy season because our schools are opening right now. So come September, we're going to start looking at our list of schools to figure out what really needs to be done out there. And there is sort of emergency repairs right now that we will be looking at.

So we have to get through after September 5, and then we send that team to go look at schools
and see what their needs are.

    DR. WATKINS: Thank you, Mr. Myre.

    MR. TAYLOR: Hello, everyone. I'm Jerry Taylor.

    DR. WATKINS: Thank you.

    MR. TAYLOR: Retired teacher. Also, I still work at the schools, coaching after school as an extra job just to help out with the kids that are there after school.

    I want to say it's a nice to hear that 938 -- is that billion -- is being put up for the buildings to make them safer, et cetera.

    I haven't seen every school, but the schools that I have seen visiting, coaching, that I have seen coaching, I've seen quite a few of them, 50, 60 of them. And the schools right now that I've seen seem to be the safest place for the students. They like to stay there. We have to put them out the building because they can come there and improve.

    So my point is this. 938 billion, I was hoping some of it could be used for things such as our kids need to learn a course, that's why they're there, but they also need time for -- time to have
activities after school as well as sports. And it
seems like we're running out of money for those
things, again, for learning, sports, and activities
to make them to be holistic kids where they're not
just studying and go home, hurry up out the
building.

So they need to grow holistcally the way
we did, where we had time to play. It was a
wonderful sight today to see some kids outside two
blocks down jumping rope and playing. We've got a
big nice play ground out here. Real pretty.
Nobody in it. It's not safe, especially this time
of day.

So all I'm trying to say is 938 billion,
some of it needs to go back for the heart of the
school, and that is activities, learning, and
social activities. Thank you.

DR. WATKINS: You're welcome. Thank you, sir.

MS. DeRUNTZ: We appreciate your comments, and
we fully agree with what you said.

I just want to make sure that everybody
understands the difference. There are two
different funds we talk about. We talk about
capital and we talk about operational funds.
Capital is for building. That's by tax law and everything else, that's what it goes to. So that 938 is for fixing buildings. It can't be directed to do programmatic activities with teachers.

So that comes out of the operating budget, and that discussion is on Wednesday.

DR. WATKINS: Hello, and welcome, Principal Stelly.

MS. STELLY: I'd like to say thank you to our new Chief, Dr. Watkins, for coming and moderating the meeting. And thank you to the CPS budget and management department.

I'd like to kind of piggyback and start with what the gentleman was saying as regards to safety in our building. While my building may look beautiful, we have great air conditioning, we had some work done on our air conditioning system and you see that it works, so thank you all for capital funds for that. We were one of the 13 schools with the playlot. Thank you all as well for funding our new playlot this year. The kids in the neighborhood enjoy that.

However, when it comes to safety in our
community, while you may see some of the cameras inside and out, none of them work. We need cameras at Lavizzo for safety issues. So that is one thing that we have a lot of support here.

Can Lavizzo families stands, please? All the Lavizzo families, including CPD, that knows how important it is for our schools to have cameras that work.

We definitely need to make sure that the schools that are here, Kenwood and Lavizzo, that took out the time to come and share our concerns, that we become some priority when it comes to south side schools and the needs for our children.

Thank you, Dr. Watkins, our wonderful, beautiful new Chief. And this is the second school in her new network that she's visited, so we thank you, and we welcome you.

DR. WATKINS: Thank you. Thank you.

There is a fifth speaker signed up, Mr. Aaron Mallory.

MR. MALLORY: Hello.

DR. WATKINS: Thank you. Hello.

MR. MALLORY: How's everybody doing? My name is Aaron Mallory. I had a question and a concern
tied together.

So my question regards to the two new schools that are opening up, and I believe I think one is going to be in the Englewood community, which I think is an excellent thing.

I just think my concern is that it seems like there's a saturation of schools within our community where there's a lot of particularly CPS schools where enrollment is going down. And I want to know what was the idea behind it. What's going to be done to make sure at this new school, that enrollment will begin.

DR. WATKINS: Here's where you all hit pay dirt. I am the outgoing Deputy Chief of Network 11, where one of the new schools will be built, and that is to address some of the infrastructure issues in the Englewood schools. So on that side, right, I know a little bit about that.

But on the other side, I can't answer your question because I don't know the answer to that.

But I do know that there will be students who are coming from the community, and from outlying communities, too. If they want to
come to the school, they will be welcomed there. There will be a STEM focus, an IB focus, some CTE. I mean, it's just going to be an opportunity, an educational opportunity for kids.

MR. MALLORY: My thing is just why. You know, like, why? Was there something that just had to be done? Because, like, I work in a lot of different schools, and like I said, I see that enrollment in some of these schools, particularly CPS schools, are going down. And to me, it just seems like it's just saturated with a lot of schools in our community.

And I just was wondering, like, hey, CPS has had to do it, or if it's being done, making sure that this school will be enrolled, but also think about the other schools.

And I don't know if this particularly is for capital improvement, but with it being a new building being built, and like I said, a lot of CPS schools that I'm seeing enrollment going down, just kind of how does that all tie together.

DR. WATKINS: So, Mr. Mallory, you've raised a great point, but I'm just not the person to answer it.
But before we leave, because Principal Stelly had already talked to me about you and just the wonderful things that you're doing, I want to connect you with the Network Chief for Network 11 who can answer some of these questions for you. Okay? Thank you.

There are no more individuals signed up on this sign-in sheet.

MS. STELLY: (Inaudible). In regards to building of new schools in this community, my enrollment is already low because of those charters, and I don't know if you guys in this capital improvement is going to go towards building up a school that was closed; mainly, Kohn Elementary. I don't know if you all are familiar with that. Is there a plan to build up Kohn Elementary for charter?

THE COURT: Again, I can only give you a half answer because I know half the story on Kohn. I know it went out for bid, and I think Chicago Collegiate bid on it. But it's been sitting in a holding pattern forever, so I don't know if anything is going to happen to it.

MEMBER OF THE PUBLIC: Will any of our taxpayer
money go towards building up that school for charter?

DR. WATKINS: Absolutely not. Absolutely not.
Not for that anyway.

Well, thank you, everyone, for the great questions, for the comments that certainly were heard by the two people at Chicago Public Schools who can address some capital plan issues.

The other one, Mr. Mallory, don't forget, don't leave here, I'm going to tackle you.
And, Mr. Gordon Myre, I want to say something to you because I know you. So I want to say something to you.

But thank you all. This has been so much fun. Would you all like for me to sing? I can rap, I can do spoken word, I can do a bunch of different things. Not the time, not the time or the place. Another time.

But thank you all very much for coming. This does conclude the capital plan meeting. So thank you. Have a great rest of the evening.

(Meeting concluded at 6:33 o'clock p.m.)
STATE OF ILLINOIS

COUNTY OF COOK

April T. Hansen, being first duly sworn on oath, says that she is a court reporter doing business in the City of Chicago, and that she reported in shorthand the proceedings of said meeting, and that the foregoing is a true and correct transcript of her shorthand notes so taken as aforesaid, and contains the excerpts of proceedings given at said meeting.

IN TESTIMONY WHEREOF: I hereunto set my verified digital signature this 24th day of August, 2017.

April T. Hansen
Illinois Certified Shorthand Reporter