



Meeting Minutes Duval County Public Schools

March 12, 2024, Special Board Meeting

Mr. Darryl Willie, Chairman
Ms. Charlotte D. Joyce, Vice-Chairman
Ms. April A. Carney
Dr. Kelly Coker
Ms. Lori Hershey
Mr. Warren A. Jones
Ms. Cindy Pearson
Dr. Dana Kriznar, Superintendent

ATTENDANCE AT THIS MEETING OF THE DUVAL COUNTY SCHOOL BOARD: All Board Members were present. Dr. Dana Kriznar, Superintendent, and Mr. Ray Poole, Office of General Counsel, were also present.

Call Meeting to Order

The meeting was called to order at 1:01 p.m.

Approval of Agenda

APPROVAL OF THE MARCH 12, 2024, AGENDA

Motion:

That the Duval County School Board approve the March 12, 2024, agenda as submitted on March 5, 2024, with the following changes:

APPROVAL OF MARCH 12, 2024, AGENDA

- ACQUISITION OF NEW ADMINISTRATIVE BUILDING AND DISPOSITION OF SURPLUS PROPERTY - INVITATION TO NEGOTIATE (ITN) NO. 9-22/TW - Item Amended

Vote Results:

Motion: Kelly Coker

Second: Warren A. Jones

No discussion.

PASSED 7-0

Aye:

Lori Hershey
Warren A. Jones
Charlotte D. Joyce
Darryl Willie
Kelly Coker
Cynthia Pearson
April A. Carney

Nay:

None

Public Comment

The following spoke during public comment:

- Oliver Barakat

Topics to be Discussed

1. ACQUISITION OF NEW ADMINISTRATIVE BUILDING AND DISPOSITION OF SURPLUS PROPERTY
– INVITATION TO NEGOTIATE (ITN) NO. 09-22/TW

Motion:

That the Duval County School Board take one of the following actions with respect to the two following proposals:

1. Approve one of the two following recommendations and reject the other recommendation;
or,
2. Reject both of the two following recommendations and cancel ITN No. 09-22/TW.
 - Recommendation 1: That the Duval County School Board approve Blue Cross Blue Shield (BCBS) as a potential awardee of the Acquisition of New Administrative Building and Disposition of Surplus Property - ITN NO 09-22/TW at a cost of lease not to exceed \$68,000,000 over a twenty (20) year lease.
 - Recommendation 2: That the Duval County School Board approve the Jacksonville Transportation Authority (JTA) as a potential awardee of the Acquisition of New Administrative Building and Disposition of Surplus Property - ITN NO 09-22/TW at a cost of lease not to exceed \$128,000,000 over a twenty (20) year lease.

Vote Results:

Motion: April A. Carney

Second: Kelly Coker

Discussion:

- Review of the revised cost of scenario #2 for BCBS from the Board Workshop, based on the information provided by Mr. Barakat.

- Ray Poole, OGC Attorney suggested that the Board take each proposal one-at-a-time and that there needs to be a clarification regarding the motion since there are two proposals.

**Motion amended:
Approve Blue Cross Blue Shield**

Motion: April A. Carney

Second: Kelly Coker

Discussion:

- Dr. Kriznar shared that the District did not have the scenarios until the night before the meeting.
- Ron Fagan, Chief Financial Officer, clarified that the \$10 million dollars from the sale of the building cannot be used to pay lease payments. The funds will go into a capital bucket.
- \$10.2 million can be used to improve schools.
- Clarification was requested about the motion being for the FL Blue scenario. Mr. Poole explained how the Board Members could handle the scenarios.
- Mr. Barakat provided further explanation regarding both scenarios.
- It was mentioned that legally the Board was in a good space regarding the two scenarios.
- Explanation regarding the pricing and square footage was explained.
- The language regarding cost to not exceed was mentioned.
- An inquiry was made to see if the square footage for both buildings were the same. Mr. Barakat provided an explanation regarding the square footage for each scenario.
- The amount of square footage that the district is over vs the state recommendation.
- Request for Dr. Kriznar's recommendation so that the district would be in compliance with the state requirement. She shared her thoughts about the property on Phillips Highway and the Schultz Center. Dr. Kriznar also added about previous conversations regarding the re-imagining of the space at the Schultz Center.
- An inquiry was made about another ITN for the Phillips Highway building and the Schultz Center, and being able to use the funds from those sales be able to offset the sales tax money for the MFP. A confirmation was provided.
- If the Board voted to use the FL Blue, it would moot out JTA. If the Board rejects FL Blue, they move onto discuss JTA. If the Board rejects both, then the Board would need to vote to cancel the ITN, and the district would stay in the existing building.
- Board Member Dr. Coker went on record regarding the mentioning of the Schultz Center. She shared about being treated as professionals there, struggles at the thought of it being put up on the chopping block right now, and that it was not a part of the original discussion. She added that this is something that needs to be discussed with the educational community at-large. We are not where we need to be with regards to the Schultz Center. She can't sit back on this and not say anything.
- Board Member Carney shared about asking Dr. Kriznar for her recommendations with regards to reducing space. She added that it was not on the docket and that would be a whole other conversation.
- Dr. Kriznar apologized if there was belief about selling the Schultz Center. She provided a brief explanation about how the district had gotten so far over in administrative space, the re-imagining of the Schultz Center, and conversations with people at the Schultz Center as to possibilities.
- It was suggested that the Board stay focus on what was before them and that the Schultz Center is a complicated discussion for another time.
- The cost of the consultant keeps going up because the Board keeps asking questions.
- Board Member Jones thanked the Board for leading in this direction. He stated that the district needs to move off the river, but this may not be the right time. The district will not benefit financially

from moving, but the City will. Concerns focused about protecting the district's financial interest now and 20 years from now. It will cost more to move than to remain in the current building. Board Member Jones supports remaining in the current building.

- Board Member Dr. Coker agreed about the need to get off the river, but that it needed to be done in a way that is financially prudent and sound for the district. She could not vote to move forward because it would leave the Board with nothing in 20 years. Concerned that legally, in the state of Florida, the lease money must come out of general funds and not operating funds which can be used to save positions and schools. She added that she could not make the decision right now to move while divisions were cutting positions and setting the Board up for 20 years from now to not have any asset.
- Vice-Chairman Joyce expressed her concern that the district is not going to move off the river. She liked the idea of moving into a school, but it would need a whole restack, and the possible costs for that. She also expressed concern about the working environment and being able to find people who want to come to work. If the Board rejects the ITN, she doesn't feel the move will happen.
- Board Member Dr. Hershey echoed Vice-Chairman Joyce's thoughts. She added that there was a conversation about moving when John Fryer was the Superintendent, and nothing happened. There seems to be conversations, but nothing ever happens. The Board should allow the property to become available.
- Board Member Pearson expressed appreciation to DCPS staff, Mr. Barakat, and CBRE for their work. She shared her thoughts about FL Blue. She mentioned about the change in the financial situation of the district and her concern about committing to a 20-year lease at additional cost. She mentioned there being people who want the district to move off the river, those who don't want the district to spend any more money on administration, and those who want the district to move and not spend any extra money doing it. She shared about there being a lot of energy in her community against a storage facility being built up the street from the district administration building. There is inconsistency in conversations about what should and what should not be done on the Southbank. She also expressed that this is not the time for DCPS to move unless it can be done in a cost-neutral situation.
- Board Member Carney spoke about problems that could exist when renovating the existing building, and not wanting to leave the next Board with a massive renovation on the building. She believes that the district owes its employees to bring them into the 21st century along with all the perks that come with it. Moving into a new building would affect the morale of the employees in a positive way. She added that she was encouraged about being able to use the proceeds from the administration building to put back into the Master Facility Plan (MFP) for the schools. Also, to be able to sell some of the other properties to add to the pot would be good. Agrees that if the district does not move now, it will not happen.
- Vice-Chairman Joyce mentioned that the school closures have nothing to do with the moving of the administration building. The closures are going to have to happen because the district does not have the students to fill the schools. The two situations are not related.
- Board Member Dr. Coker stated that if the district doesn't have the students for the seats, then you won't have the district staff. The cuts in schools affect district staff also. With dropping enrollment, the first thing cut is district staff. You can't fund the district office if enrollment drops.
- Board Member Jones stated that he disagrees about the building not moving off the river. He shared a brief history regarding the moving of City Hall. He stated that the district will move, the time will be right, and the real estate market will be right. He added that he does not want to commit \$20 million dollars to a lease because it could be used for operations. Board Member Jones expressed CBRE and staff have done a wonderful job with providing the facts. He mentioned about the 2 prime riverfront real estates in Jacksonville where nothing has been done with them.
- Chairman Willie mentioned about why the Board continued to ask questions, that the Board thought they would make money off the sale and use some of the funds to lease out the building. That would

allow tax-payers to see that the district is not using tax-payer money for the lease. He advised that the Board needed to think about all this together. He added that looking at closing schools and moving into a new building, will not look good to the community. There is an appetite to move, but now is not the time.

Motion:

- **Recommendation 1: That the Duval County School Board approve Blue Cross Blue Shield (BCBS) as a potential awardee of the Acquisition of New Administrative Building and Disposition of Surplus Property - ITN NO 09-22/TW at a cost of lease not to exceed \$68,000,000 over a twenty (20) year lease.**

FAILED 3-4

Aye:

Lori Hershey
Charlotte D. Joyce
April A. Carney

Nay:

Warren A. Jones
Darryl Willie
Kelly Coker
Cynthia Pearson

Motion:

- **Recommendation 2: That the Duval County School Board approve the Jacksonville Transportation Authority (JTA) as a potential awardee of the Acquisition of New Administrative Building and Disposition of Surplus Property - ITN NO 09-22/TW at a cost of lease not to exceed \$128,000,000 over a twenty (20) year lease.**

Approval for discussion:

Motion: Warren A. Jones

Second: Kelly Coker

Discussion:

- Board Member Jones mentioned about wanting to move, but it is cost prohibitive. Thought there would be money from the sale of the building to move, but it cannot happen. Need to remain cost neutral.
- Board Member Dr. Coker thanked JTA for being a part of the process and what they are trying to do. Unfortunately, the price tag is a bit high for the Board. It would have worked out if it were cost neutral.

FAILED 0-7

Aye:

None

Nay:

Warren A. Jones
Darryl Willie
Kelly Coker
Cynthia Pearson
Lori Hershey
Charlotte D. Joyce
April A. Carney

Chairman Willie inquired of Mr. Poole about another action that the Board needs to take. Mr. Poole advised the Board that since they rejected both proposals, which renders the ITN mute, they should close the loop and entertain terminating the ITN so that both recommendations are rejected.

Motion:

Reject and Terminate ITN 09-22/TW

Motion: Warren A. Jones

Second: Kelly Coker

Aye:

None

Nay:

Warren A. Jones
Darryl Willie
Kelly Coker
Cynthia Pearson
Lori Hershey
Charlotte D. Joyce
April A. Carney

Adjournment

1. ADJOURNMENT

Motion:

That the Duval County School Board move to adjourn the meeting.

Vote Results:

Motion: April Carney

Second: Kelly Coker

No discussion.

PASSED 7-0

Aye:

Lori Hershey
Warren A. Jones

Charlotte D. Joyce
Darryl Willie
Kelly Coker
Cynthia Pearson
April A. Carney

Nay:
None

GC

Superintendent

Chairman