



AGENDA, Board of Trustees Special Meeting

Wednesday, May 1, 2013

Camp Street Campus, 1400 Camp Street, 6:00 pm

1. Welcome
2. Discussion and votes on Camp Street modular options
3. Public comment
4. Adjournment



INTERNATIONAL SCHOOL OF LOUISIANA

APPROVED MINUTES, Board of Trustees Special Meeting

Wednesday, May 1, 2013

Call to Order: A special meeting of the Board of Trustees was called to order at 6:00 p.m. at the Camp St. campus.

Present: Andrew Yon (President)
Mike Lappa (Vice President)
Duane Drucker
Chantell Harmon Reed
David Napoleon
Brenda Richard-Montgomery
John Wettermark
Dominique Wilson

Absent: Barbara Griffin, Matt Amoss, David Bordson-Bozzo

DISCUSSION OF Camp Street Campus Modular Options

- Mr. Wilson introduced Harold Weatherly, Project Manager for SMM (Sustainable Modular Management). Mr. Weatherly would review some of the accommodations needed to install SMM modulares on the Camp Street campus.
- Mr. Yon explained the purpose of this special meeting of the board was to make decisions on two issues: (1) whether to lease new or used modulares to handle the overcrowding of the Camp Street Campus; (2) whether to cede the decision of new versus used modulares to ISL Administration or whether the Board of Trustees should make that decision.
- Two over-riding principles: (1) do what is best for the students at ISL Camp Street campus; (2) properly handle the fiduciary, due diligence responsibility of the Board of Trustees on behalf of the students of ISL and tax payers. Issues to be considered include new versus used modulares and flexible lease terms (in the event that a permanent, larger facility is located for ISL/Camp Street before the end of a five-year lease term).
- Mr. Yon also stated that the Board will discuss considerations to the neighborhood regarding both appearance and functionality of the modulares.
- First topic was a review of the responses to the list of information requests from the Board to Administration.
 - Cost comparisons: New versus Used
 - Lease options: 2-year, 3-year, 4-year and 5-year lease terms
 - Condition of the used modulares
 - Aviva did not travel to Dallas to inspect the used modulares as requested by the Board on April 24th.
 - Only a few exterior photos of a used modular were available, and no interiors.



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- Functional differences between used and new modulares.
- Exit clauses in lease agreement due to loss of ISL Camp Street site or charter—this will be included in the lease agreement as it is in the Olivier Street modular lease agreement.
- Mr. Yon confirmed that all present Board members had already read and reviewed the revised proposal for used modulares, the side-by-side cost comparison he had sent out earlier, and renderings from John Wettermark.
- Mr. Yon explained that we would deviate from the normal meeting format, which had specific public comment periods, and instead allow the public (mainly nearby residents) to ask questions during the discussion between the Board and Administration.
- Mr. Weatherly then gave a brief presentation to explain the major differences between new and used modulares. Both new and used configurations meet all regulatory and codes requirements.
 - Main difference:
 - Used: 4-double wide units with canopy covered walkways between the units and between the units and the rest rooms, which are located in a separate building. Each classroom will be 24' X 30' = 720 sf. Separate restrooms would be 10' X 24".
 - SMM does not have any available inventory of used modulares in an 8-classroom configuration. They only have 25 units of 2-classrooms each.
 - Ceilings look different—textured with small “buttons”; it is a hard surface ceiling.
 - Exterior walls are aluminum siding.
 - New: One large building that is all enclosed, with rest rooms located inside the unit. Size 126' X 64', housing 8 classrooms and separate restrooms for boys and girls, all under one roof, built to meet all current codes. Each classroom will be 28' X 28' = 784 sf. or 9% more classroom space than used configuration.
 - Two to three modulares are married together to create one classroom.
 - Fire alarm system is included as a requested extra for \$30,000 – no fire suppression system or sprinkler system is required by code or regulation.
 - Exterior walls can either be aluminum or Hardiboard siding—ISL's choice.
 - Functionality
 - Administration much prefers the configuration offered by the new modulares for several reasons.
 - Security of the students, as it avoids students having to walk down a corridor with closed classroom doors (since corridor is canopy-covered but is open to the outdoors).

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- Open doors between classrooms across the hall from each other will facilitate better teacher-to-teacher collaboration ... this would not be feasible if classroom doors opened to exterior, unconditioned air.
- Enclosing the canopied walkways of the used configuration would change the building code, and require the cost of building in a sprinkler system throughout.
- Life of used modulars
 - Some have lasted 20-40 years. Expected life is 10 years in this application.
 - Used modulars being offered to ISL for lease are now 1.5 years old, and they will have new carpeting.
- Windows
 - Windows are in both new and used units.
 - Used units: two interior windows, one next to each of two doors, and two exterior windows on opposite wall.
 - New units: all windows are exterior.
- Cost differences
 - Internet drops: both new and used proposals have the same number of drops, costing \$5,200.
 - Demo playground and 30' of fence: same for both new and used.
 - Excluding decks and canopies, both new and used will cost nearly the same (used cost about \$10,000 less expensive—excepting decks and canopies).
 - Decks & canopies cost
 - New modulars - \$31,000; Used modulars - \$145,000
 - Cost will be reduced for used configuration by about \$12,000 for decking and \$18,000 for canopies = \$30,000 less cost than quoted, due to walkways no longer needed in final design.
 - ISL can use their own contractor to build decks and canopies, but it is advisable to bid out construction projects. John Wettermark indicated that a local contractor gave a rough estimate of deck/canopy construction substantially less than SMM's bid. Mr. Weatherly said that they would be open to seeking less expensive alternatives, but the work should be sub-contracted through SMM to avoid delay of bidding process.
 - Used: additional \$18,000 for separate rest room modules.
 - Delivery, installation and skirting: used = \$84,000 versus new = \$60,000.
 - Due to extra transportation for 9 units/used versus 8 units/new – may be some lower cost in final quote.
 - Used modulars are often difficult to re-market/re-sell, as each is highly specialized application.
- Lease cost comparison



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- New configuration lease costs
 - In the initial SMM proposal cost was the same, whether leased for 2 or 5 years.
 - ISL proposing lease premium in 1st year = 40%; 2nd year = 30%, 3rd year = 20%, 4th year = 10%, then discount in 5th year.
 - If ISL cancels after 3 years, SMM receives a premium for early cancellation, and SMM receives the same money if ISL keeps the units for full 5 years.
- Given likely changes in some costs and using ISL proposed up-front lease premium schedule, the cost difference between the new and used configuration will be about \$150,000 more for the new (originally, new cost \$300,000 more than used for 2-year lease).
- Summary
 - Functionality of new configuration is superior to used.
 - Cost difference between new and used now potentially reduced to \$150,000, if SMM agrees to flexible lease plan.
- Site location
 - Screening of units
 - Mr. Wettermark suggested either the new or used units will need some green screening to somewhat hide them from the neighborhood.
 - Mr. Yon commented that screening is something ISL will need to address, independent of SMM. However, ISL is committed to taking extra steps to make these modulares more presentable to the neighborhood.
 - Mr. Wilson cautioned against the use of a privacy fence as it would block the view of police cruisers of the units as they drive past on patrol.
 - Mr. Wilson agreed to work with the neighborhood association (Coliseum Square Association) to arrive at a screening solution that is agreeable to both the neighbors and the school.
 - Utilities: Mr. Weatherly stated that he expected SMM would be able to tie into the existing utilities on site.
- Neighbor concerns
 - What would happen to these modulares if the school should closed operations?
 - Mr. Yon explained that we have a lease cancellation clause should ISL lose the site or their charter, and ISL would be responsible to remove the units.
 - Has the Fire Marshall approved this plan?
 - Mr. Wettermark commented that all such approvals must be granted before work can begin.

VOTING AGENDA

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- Motion made by Mr. Wettermark that the Board of Trustees will cede the final decision authority of new versus used configuration of modulars for Camp Street to ISL Administration, after SMM provides Administration with revised cost and information as per discussion during this meeting.
 - Seconded by David Napoleon.
 - Motion passed and was adopted unanimously.
 - There was extended discussion about whether or not ceding of decision-making authority to Administration would be contingent on obtaining final cost information, and it was agreed that ceding of authority is unconditional.
- Motion made by Ms. Richard-Montgomery that the Board grants authority to the Board President, Mr. Yon, to sign the lease agreement after ISL Administration has made their decision on new versus used modulars and concludes the lease negotiation, contingent upon normal review by legal counsel.
 - Seconded by John Wettermark.
 - Motion passed and was adopted unanimously.
- Motion made by Ms. Richard-Montgomery that the Board President form an ad hoc Facilities Committee of the Board to help guide facilities-related planning and decisions.
 - Mr. Yon agreed, and stated that the initial focus of the committee will be the Camp Street campus, but will also involve other ISL campuses, as needed.
 - Seconded by John Wettermark.
 - Ms. Wilson suggested that the Facilities Committee work must tie in to the principles outlined in the Strategic Planning Committee.
 - Motion passed and was adopted unanimously.
 - Mr. Yon named Mr. Wettermark as Chair of the Committee.
 - Mr. Yon suggested Committee membership to include:
 - Majority must be Board members: Mr. Wettermark and Ms. Richard-Montgomery plus one additional Board member to be named (possibly one member from the Governance Committee).
 - Two members from Administration (to be determined)
 - One ISL parent – to be named by PTO President
 - One ISL neighbor- Tom Gault
 - ISL parent and neighbor members of the Committee will change based on the ISL campus being considered at that time, but Board and Administration members will remain the same.
 - Others from Administration, neighbors, parents, etc. may attend Committee meetings to participate, but only Committee members can vote.



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The International School of Louisiana adjourned its regular Board of Trustee meeting at 7:30pm.

The next Board of Trustees regular meeting is scheduled for May 22, 2013 at 6:00p.m. at the Camp Street campus.

Other interested parties present:

Staff: Sean Wilson
Melanie Tennyson
Aviva Le
Emily Thomas
Laura Adelman Cannon
Adierah Berger

Guests:

Barbara Eilers (1326 Camp Street resident)
Jan Ferrell (1464 Camp Street resident)
Jim McAlister, (2029 Camp Street resident & President Coliseum Square Association)
Tom Gault (1426 Magazine Street resident)
Mary Lee Sweat (1426 Magazine Street resident)
Harold Weatherly (Project Manager, Sustainable Modular Management)

Respectfully submitted by Mike Lappa, Board Vice President

May 22, 2013

Date Approved by Vote of the Board

May 1, 2013

CAMP STREET FACILITY

OVERVIEW

Modular classrooms are being considered as the short to medium term solution while ISL Camp Street explores a longer term solution for the capacity challenges of the campus. This challenge is heightened as the Thalia Street lease fell through – the owners of the property decided to sell the property.

The administration continues to explore options to house the students expected to attend ISL starting August 2013. Recent development and a time crunch has left very few options for ISL Camp Street in meeting the space needs for the coming school year. Modular Classrooms are in use at many schools throughout New Orleans and in other communities as schools undergo renovation and reconstruction in New Orleans and the region.

We are specifically addressing several concerns in this white sheet:

- New Modular Classrooms versus Previously Lease Modular Classrooms
- Cost of installation and leasing over several periods 2, 3, 4, and 5 years
- Site logistics
- Classroom configuration

New versus Used Modular Classrooms

New modular classrooms are without saying “new “and thus need very little explanation. These modular classrooms would be similar to those currently located at the ISL Olivier Street site and would vary very little in structure and configuration. The modular building on Olivier Street has six (6) classrooms, whereas, those proposed for Camp Street would have eight (8) classrooms.

The used/previously lease buildings are those that would have been used prior to delivery to Camp Street. These buildings would include four (4) separate buildings, each with two (2) classrooms. The proposal is to build appropriate decking as walkways and erect canopies to cover the walkways. See the pictures below as a sample. The application below does not speak to a canopied walkway.





All previously leased modular classrooms will be appropriately refurbished to ensure the facility meets local, state and federal regulations. The restrooms will be external to the classrooms as opposed to being located within the classrooms. Locating the restrooms external to the classrooms would help ensure the classrooms are similar in size to those within the main facility; however, the classrooms would lack storage space.

COSTS

The front end cost of a used modular building is less than that of new. According to the information received from SMM the cost for delivery, installation and skirting is \$84,000. The return and breakdown of the building is at market rate at the expiration of the lease. These services can be contracted separately by ISL or through SMM.

The lease with flexible options are start at \$4,500 per month in year one and diminishes to \$750 per month after the 48th month of leasing. A two year lease will cost \$81,600. A three year lease will cost \$103,200, four year lease \$117,600 and a five year lease will cost \$126,600. There are other costs associated with the installation of the modular classrooms.

The additional costs include foundation items, decking, canopies, electrical and sewerage connections, connectivity to the main facility, restrooms, etc. These costs total \$282,558. Total delivery and installation costs are estimated at \$366,558.

New modular buildings have similar costs and would be comparable in several areas; noted on the proposal as Options. Delivery, installation and skirting would cost about \$57,725. The return and breakdown of the modular would be dependent on market variables at the time of return.

The most notable differences of the two proposals are:

- Decking
 - Used \$52,852
 - New \$16,059
- Canopies
 - Used \$92,141
 - New \$15,353
- Fire Alarm
 - Used \$20,329
 - New \$28,461
- 500' LF of Fiber
 - Used \$23,529
 - New \$ not quoted (assume same cost)
- Playground demolition
 - Used \$5,882
- Restrooms
 - Used \$18,353
 - New (restrooms are a part of the structure)

Overall, the costs for new and used modular classrooms are nearly the same. A major assumption at this writing is that the modular classrooms would be in place for five years. This would provide the Board of Trustees and Administration the opportunity to explore, draft and implement a long term plan. The estimated cost of “new” modular classrooms is \$534,063 over five years. The estimated cost for used modular classrooms is \$493,158 over five years.

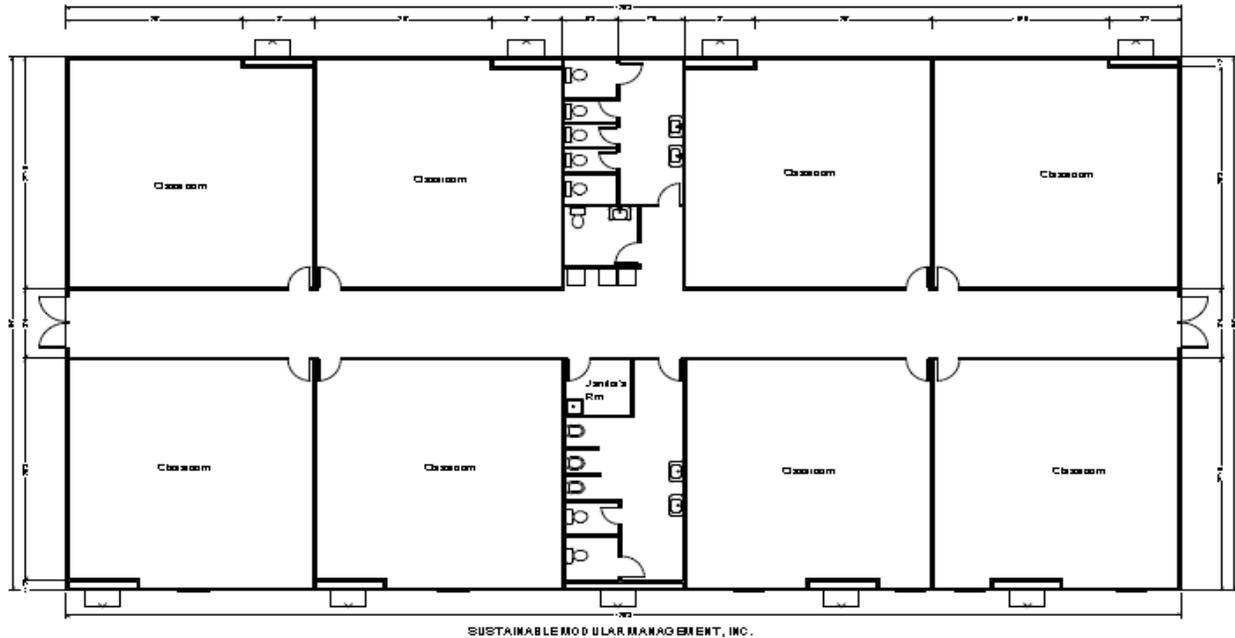
LEASE

The lease for the new and used modular classrooms is very similar in regards to the lease’s overall structure. The lease as was tendered to the ISL Board of Trustees in April 2012, and opined on by Lee Reid and Jaimme’ Collins of Adams and Reese is attached for review. The area mentioned by the Board of Trustees verifying that the lease includes language regarding “exiting the contract for various reasons including loss of facility and revocation of charter”. These items are included in the lease contract. See section 6(d)-(f) of the lease contract.

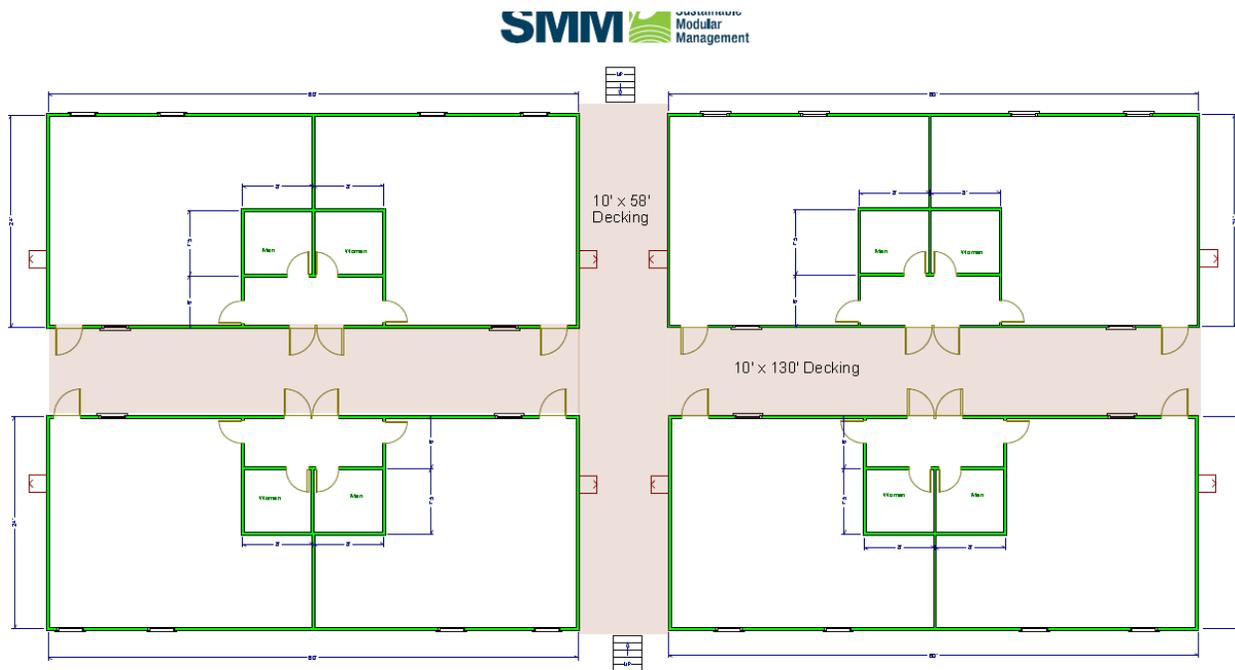
BUILDING

The modular classroom configuration varies based on whether new or used models are installed. The buildings will meet all local, state and federal codes. This is a mandate of all facility used to educated students. Other sites around New Orleans are using modular buildings as an intermediate means to achieve long-term solutions. The installation of modular classrooms is an intermediate solution that assist the organization in developing and implementing a long-term solution.

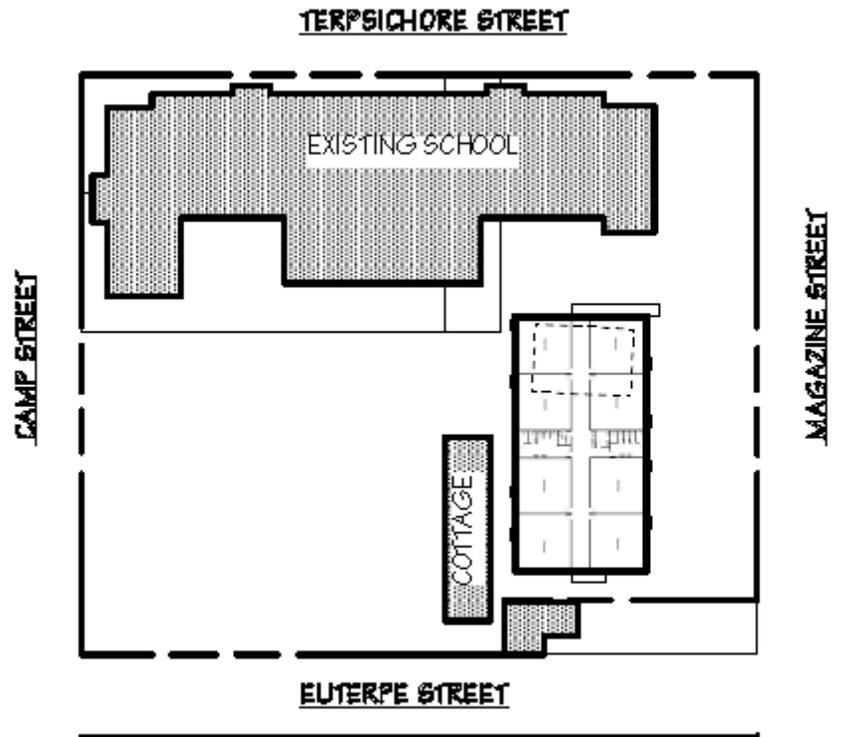
The new classroom configuration is shown below.



The used modular classroom configuration is shown below. The section measuring 10'x58' would include a restroom between each building, one each for girls and boys.



The layout, regardless of new or used, will be the same, in that the structure will be parallel to the Cottage that currently fronts Euterpe Street. See below:



RECOMMENDATION

ISL Camp Street will show modest growth over the coming years. Total enrollment is expected to peak at about 660 students through '16-2017. This growth has been anticipated over the years and a decision by the Board of Trustees would mitigate the crowding of the current structure on the campus. That is, the current facility cannot accommodate the growth in student population expected for August 2013 and beyond.

PROPOSAL:

- ISL BoT to approve administration to create and sign the Change Order of the 2012 RFP
- ISL BoT to approve modular classroom installation at Camp Street for August 2013
- ISL BoT to approve ISL Board President to sign the SMM lease as it becomes available
- ISL BoT to approve deficit budget proposal for the '13-2014 school year, assuming installation of modular classrooms on the Camp Street campus

Thank you,

Sean Wilson
CEO/ Head of School