

KENTUCKY DEPARTMENT OF EDUCATION STAFF NOTE

Topic: Surplus of Walker Hall at the Kentucky School for the Deaf

Date: December 2019

Action Requested: Review Action/Consent Action/Discussion

Held In: Full Board Curriculum, Instruction and Assessment

Finance Operations Management

SUMMARY OF ISSUE BEFORE THE BOARD:

To take action on the on the proposed surplus of the Walker Hall building on the Kentucky School for the Deaf (KSD) campus. Pursuant to KRS 167.015, the Kentucky Board of Education (KBE) is responsible for the KSD, including all buildings and grounds; this includes the authority to sell school property subject to KRS 45A.045(4). HB 366 (2018), Section 134, requires funds received from the disposal of surplus property at the KSD be held for the benefit of the facility.

COMMISSIONER'S RECOMMENDATION:

The Commissioner recommends that the KBE determine Walker Hall is surplus to the needs of the agency, permitting staff to pursue appropriate disposal of the property.

APPLICABLE STATUTE OR REGULATION:

KRS 167.015; HB 366, Section 134

BACKGROUND:

Existing Policy:

The KBE is responsible for the preservation, repair and control of the buildings and grounds belonging to the KSD, Kentucky School for the Blind (KSB) and Future Farmers of America (FFA) Leadership Training Center (FFA Center). The board may sell any property, in accordance with KRS 45A.045, held for the use and benefit of the facilities, as well as purchase other property deemed by the board to be suitably and conveniently located, and erect buildings necessary for carrying out the purposes of the schools (KRS 160.015). HB 366 (2018), Section 134, establishes that any money collected from the disposal of surplus property at the KSB, KSD or FFA Center shall be retained for the benefit of each facility. The provision requiring proceeds be placed in a restricted account for the benefit of the facilities is contained in a non-codified section of HB 366 (2018), the current revenue bill, which expires on July 1, 2020.

Pursuant to KRS 45A.045(4), the KBE's determination shall be submitted to the Secretary of the Finance and Administration Cabinet. The secretary will review and determine whether to issue an order surplusing the property. Unless the secretary finds otherwise, the property shall be sold either by invitation of sealed bids or public auction. The sale price shall not be less than the appraised value as determined by the Finance and Administration Cabinet.

Summary of Issue:

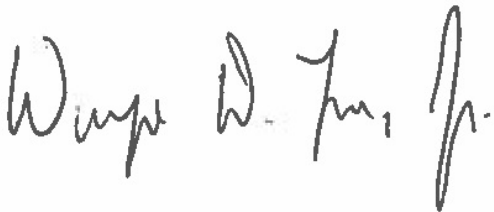
Walker Hall is a building on the Kentucky School for the Deaf campus located in Danville, Kentucky. The building has been disused since May 2015. It was constructed in 1971 and consists of 41,179 sq. ft. that previously was used as classroom, dorm and kitchen space. Walker Hall primarily was determined unusable taken offline due to the poor condition of the HVAC system. The building's boiler and air conditioning units were unable to adequately heat or cool the building. In addition to replacement of the heating and cooling systems, the building needs plumbing repairs, interior and exterior painting, ceiling replacement, replacement of exterior security lighting, and interior security upgrades. Prior to the building being determined to be unusable, the maintenance costs of the building negatively impacted KSD's budget. In anticipation of being surplus, the building's utilities have been separated from the rest of the KSD. As the empty building continues to accumulate unnecessary expenses, the KBE should determine Walker Hall as surplus to the needs of the agency, and permit staff to pursue appropriate disposal of the property.

Budget Impact:

Proceeds from the sale of Walker Hall shall be deposited into a restricted account for the benefit of the KSD.

CONTACT PERSON(S):

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Commissioner of Education

Category: <input type="checkbox"/> District Innovation	<input type="checkbox"/> Strengthening Educators	<input checked="" type="checkbox"/> Family/Community Involvement	
<input type="checkbox"/> Student/Family Supports	<input type="checkbox"/> Student Interventions	<input type="checkbox"/> Coursework Completion	<input type="checkbox"/> Accountability Reporting