

KENTUCKY DEPARTMENT OF EDUCATION STAFF NOTE

Topic: Franklin County School District Request for Approval of a Site Acquisition Exceeding Ten Percent of the Maximum Project Budget per 702 KAR 4:050

Date: February 2024

Action Requested: Review Action/Consent Action/Discussion

Held In: Full Board State Schools United We Learn

SUMMARY OF ISSUE BEFORE THE BOARD:

To approve, pursuant to 702 KAR 4:050 Building Sites; inspection, approval, the Franklin County Board Education requests approval per Section 4(5) from the Kentucky Board of Education to acquire a school site for which the site cost analysis survey and acquisition cost exceeds ten percent (10%) of the maximum budget for the project and per Section 5(1) authorization for the acquisition and site preparations costs of the local school to exceed ten percent (10%) of the maximum project budget.

COMMISSIONER’S RECOMMENDATION:

The Commissioner recommends that the Kentucky Board of Education (KBE) approve the proposed acquisition of the site for the new Elkhorn Elementary School for the Franklin County School District for which the acquisition cost and the estimated cost of the related site improvements exceed the threshold established by regulation.

APPLICABLE STATUTE OR REGULATION:

KRS 162.010 Title to School Property
702 KAR 4:050 Building Sites, Inspection, Approvals.

BACKGROUND:

Existing Policy:

702 KAR 4:050 Section 4(4)(f) requires that a district provide the estimated costs required to develop a proposed site for its intended purpose. The regulation requires “Site survey of site development costs by architects or engineers and projected acquisition cost for the proposed site shall be provided. A cost analysis site survey, as requested by the Division of Facilities Management (now District Facilities Branch), shall include but not be limited to: mass site excavation, cost of bringing utilities to site and infrastructures, on-site roadway access (less paving), geotechnical survey (drilling a minimum of four (4) holes for subsurface conditions) with associated above normal footing requirements, any costs for hazardous condition cleanup, and acquisition cost. The site survey shall provide alternative locations or elevations of building as requested by the Kentucky Department of Education on the proposed site.”

702 KAR 4:050 Section 4(5) After evaluation of the submitted documentation, the chief state school officer shall issue an approval to acquire the property or disapprove the acquisition, except when approval is required by the State Board for Elementary and Secondary Education

for site cost analysis survey and acquisition cost exceeding ten (10) percent of the maximum budget for the project.

702 KAR 4:050 Section 5(1) requires that a district receive KBE approval when acquisition and site preparation costs exceed ten (10) percent of the total project budget. The regulation states “Acquisition and site preparation costs of the local school board shall be ten (10) percent or less of the maximum budget for the project, unless authorized by the State Board for Elementary and Secondary Education.”

Summary of Issue:

The Franklin County School District desires to acquire property to build a new 600 student facility to replace the existing 408 student elementary school (grades PS-5). Additionally, the district will be moving 85 students from the existing Early Learning Village. The minimum area required for a 600-student elementary school is 11 acres.

The district reviewed multiple sites within the desired area for the new elementary school and determined the Steadmantown Lane (KY 2822) / Lions Way site presented the best overall option. The subject site is approximately 17.5 acres of a 39.325-acre farm and is mostly covered with low grass with some mature trees. The analysis provided by the district’s consultants indicates that the site will be more difficult and more expensive to develop due to existing site conditions and grade selection due to geologic formations in the area.

The site acquisition cost plus the estimated site development costs of this facility exceeds the ten percent (10%) threshold established by the regulation.

Site Acquisition Cost (17.5 acres± @ \$70,000/acre):	\$1,225,000.00
<u>Estimated Site Development Costs:</u>	<u>\$2,200,000.00</u>
Total Site Acquisition & Site Development Costs:	\$3,425,000.00

New Elkhorn Elementary School Project Costs (Priority 1b.1): \$17,268,847.00

Site Acquisition & Site Development Costs / Total Projects Cost = 19.8%

Budget Impact:

Approval has no budget impact on state funds.

GROUPS CONSULTED AND BRIEF SUMMARY OF RESPONSES:

702 KAR 4:050 requires that the district consult with various entities to address the requirements regarding the proposed site acquisition and its proposed use. The district consulted with the following entities:

1. JRA Architects provided District Facility Planning efforts and estimated building costs and estimated site development costs.
2. Stephen D. Carroll provided the Minor Subdivision Plat.
3. JRA Architects, Frankfort Board Plant, Kentucky Utilities, Frankfort Sewer Department and Columbia gas of Kentucky provided estimated site utility requirements.

4. Consulting Services Incorporated (CSI), Inc. provided geotechnical studies and recommendations.
5. Robert Hewitt, Director of Franklin County Planning & Building Codes Department, confirmed road adequacy for the proposed school project and funding responsibility for the required improvements on County right of way impacting Lions Way.
6. The Kentucky Transportation Cabinet regarding roadway adequacy and funding for improvements in the public right-of-way needed to provide access to the site. Approval letter was dated June 29, 2023.

After evaluating the information provided by these entities, the district determined that this site meets its need for a new elementary school and has requested that the Kentucky Board of Education approve its purchase pursuant to 702 KAR 4:050.

CONTACT PERSON(S):

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Category: <input type="checkbox"/> Educator Workforce Diversity <input type="checkbox"/> Portrait of a Graduate Partnerships <input type="checkbox"/> Racial Equity Commitment <input type="checkbox"/> Student-Centered Accountability System <input type="checkbox"/> Early Childhood <input checked="" type="checkbox"/> District Support
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