



March 2, 2010

Dr. Michael Wilmot  
President/Chief Executive Officer  
Michigan Leadership Institute  
P.O. Box 62  
Ossineke, MI 49766

RE: Waterford School District (WSD) Facility Utilization Study

Dear Dr. Wilmot:

This letter transmits an update from Plante Moran CRESA (PMC) as it relates to the assignment to review and provide considerations to the process and preliminary findings of the Facility Utilization Study (FUS) undertaken by WSD. It is our understanding that Michigan Leadership Institute (MLI) provided assistance to WSD throughout the FUS process with the goal of presenting recommendations to the WSD Board of Education in the development of a facility reconfiguration plan. It is anticipated that the FUS Plan Recommendation is being presented by the WSD Administration and MLI to the WSD Board of Education at the March 4, 2010 board meeting. This review letter is based on Plante Moran CRESA's experience with Districts located in the Southeast Michigan and with industry standards that are applied to similar Facility Utilization Study processes.

#### **Informational Meeting with WSD, MLI, and PMC**

On February 19, 2010, WSD Administration and staff, in conjunction with MLI, presented an introduction and overview of the FUS Plan process, supporting documents, and recommendations to PMC representatives. This presentation allowed PMC an opportunity to review the FUS report including the defined scope of work required to construct the FUS, the resources used to obtain information, the process conducted by the WSD and MLI to create the structure of the FUS, the process used to define the desired outcomes of report, and possible options available to the WSD Board of Education.

The meeting also provided an overview for the timeline as it relates to when the FUS process commenced, the updates and presentations from the FUS Team to the Board of Education and the residents of the WSD, and next steps going forward.

#### **Introduction Section**

The opening sentence in the introduction of the narrative section should highlight the objectives of the FUS. This would reinforce the goals and objectives of WSD in relation to the recommendations provided by the FUS Team later in the report. It was mentioned in the "Desired Outcome" section of the FUS report and during that the February 19, 2010 that the priorities of the District are;

- 1) Protect the instructional programming for students
- 2) Find efficiencies in the District's resources (facilities and people).

### **Introduction Section (continued)**

The existing second paragraph should be inserted after the priorities listed above. This paragraph would emphasize that the FUS Plan is just one part of the deficit reduction plan being considered by WSD.

### **Engagement of a Consultant**

The FUS report provides the history of WSD's efforts leading up the FUS. In the spring of 2009, the WSD Board of Education directed the WSD Administration to conduct a Facility Utilization Study that would include current and projected student enrollment, residence trends, demographics, and District building utilization. The Board of Education also approved the use of an outside consultant to facilitate community dialogue.

The FUS provides in great detail the process used to engage a consultant to assist in the FUS process. The WSD conferred with peer Districts who have undergone a similar process. WSD issued a Request for Proposals to consultants with relevant experiences in this type of process. Proposals were received from five (5) firms and these firms were then interviewed by WSD Administration. A recommendation to engage Michigan Leadership Institute as the consultant for the FUS process was presented by WSD Administration and approved by the Board of Education at the September 3, 2009 meeting.

The process undertaken by WSD is in line with industry standards as it relates to engagement of a professional firm for consulting services.

### **Defining the Scope of Work for the FUS**

The FUS report provides a review of the efforts of WSD and MLI to define the scope of work required for the FUS. The scope of work required to construct the FUS was identified and mutually agreed upon by WSD and MLI. In order for the FUS to provide comprehensive recommendations, this included obtaining information relating to the current and projected student enrollment projections, residence trends, demographics, and District building utilization.

MLI facilitated in the development of the parameters used in the FUS. The facilitation included input from WSD Administration and various use groups of each school to establish objectives of the FUS, establishing community forums for input, the board approval process, and a time line for these activities to take place. The finalized FUS scope of work and parameters were presented and approved by the Board of Education at the December 3, 2009 meeting. Section 3 and Section 4 provide further detail as to the timeline and parameters utilized to define the scope of work.

The process of defining the scope of work by WSD and MLI is in line with industry standards as it relates to obtaining input from various representative groups and obtaining approval from the Board of Education prior to commencing with further work of the FUS study.

### **Obtaining Information and Communication Process**

The FUS report provides in detail the process used by WSD and MLI to obtain information and provide constant and consistent communications with the Board of Education, key stakeholders, and the greater Waterford education community throughout the FUS process.

### **Obtaining Information and Communication Process (continued)**

WSD Administration and MLI conducted weekly meetings with Central Staff subcommittees to refine the parameters and obtain detailed summaries of the data required for the FUS report. Additional meetings were conducted with the Ad Council and District Administrators on several occasions to obtain input regarding the FUS parameters. Additionally, two (2) separate community surveys were used in obtaining information. Community forums were then conducted to present preliminary parameters, allow the community to ask questions, and answer any concerns of the public.

WSD and MLI presented updates to the information obtained at regular Board of Education meetings in addition to providing weekly written update. WSD and MLI also used various other mediums such as Edline, the community communicator, the District's quarterly newsletter, and updates on the District's website.

The process of obtaining information and providing updates occurred between August 2009 and early February 2010. Section 5 through Section 10 provides detail to process of obtaining information and the communication process used by WSD and MLI.

The process of obtaining information and providing updates to the Board of Education and the general population used by WSD and MLI appears to be open and transparent and is in line with industry standards for this type of process.

### **FUS Plan Development and Findings**

The goals and objectives highlighted in the FUS include minimal impact to instructional programming and finding efficiencies in the use of the District's resources, including both facilities and people. From the information obtained through regular meetings and the parameters approved by the WSD Board of Education, several reconfiguration plans were developed by WSD Administration and MLI as possibilities. Options include either a 2-phase or 3-phase plan. These options were reviewed to maintain current educational programs being provided to students, prevent "double moves" of students, and create the most efficient use of the District's facilities. Each option was then reviewed in relation to the available funding to incorporate the reconfiguration plan.

WSD Administration reviewed each option based on the following; current and projected student enrollment projections, residence trends, demographics, and District building utilization. Each facility and site was reviewed by WSD Administration to ensure that the reconfigured plan would maintain existing classroom size, bussing considerations, considerations for parking for staff and students, and existing school boundaries. Additionally, WSD Administration reviewed the potential financial benefits and implications of each option.

Based on the projected student enrollment information, and the building utilization review, the FUS report provides the outcome of the researched options that best protect the instructional programming for students and finds efficiencies in the District's resources.

The preliminary recommendation from WSD Administration and MLI is as follows:

- Elementary: Close one (1) elementary building. WSD would operate 12 elementary schools in lieu of 13 elementary schools. Grayson Elementary was identified due to the decreased enrollment and the availability to house an entire 6<sup>th</sup> grade center if a middle school closed.
- Middle School: Close one (1) middle school. WSD would operate 2 middle schools in lieu of 3 middle schools. Crary Middle School was identified because it has the smallest footprint which would prevent future accommodations for additional students in the future. The existing site also prohibits expanding the facility for future considerations.
- High School: Move the Alternative High School to the Crary facility. This would allow more flexibility in instruction for students.

District Boundaries were reviewed to see where realignment would be needed. WSD Administration reviewed the existing configurations for the elementary, middle, and high schools. The draft FUS report indicates five (5) elementary schools and the (2) middle schools would need to be redefined. The preliminary plan prevents “double moves” and maintains the current educational programs.

WSD Administration and MLI presented the draft FUS plan to the Board of Education at the January 19, 2010 meeting. Through the week of January 25, 2010, WSD Administration and MLI met with staff and Union representatives of the facilities impacted by the FUS plan. In addition, communications were sent via Edline and sent home with students to inform the parents. The FUS was revised based on the input received and a final recommendation was constructed.

The process of developing options and recommendations relating to building utilization is in line with industry standards. Presenting these options to the Board of Education and the general population appears to be open and transparent and is in line with industry standards for this type of process.

#### **Final Recommendations from WSD and MLI**

The FUS report indicates that the final recommendation from WSD Administration and MLI include Phase I to be completed for the start of the 2010-2011 and includes the following recommendations:

1. Repurpose Crary Middle School
2. Repurpose Grayson Elementary
3. Close Manley Building (Relocate Alternative High School)
4. Covert Facility converted into an on-line learning center
5. Close Lutes
6. Repurpose Covert
7. Realign School Boundaries

The FUS report indicates that future considerations include possibly closing Sandburg Elementary and to redistrict the southern boundaries as well as accessing potential Bond Dollars and aligning elementary schools sizes in line with surrounding districts. The considerations will be reviewed by the Board of Education should enrollment or funding deviate from the projections included in the FUS report.

The FUS report indicates that the final recommendation will include a proposed reoccurring savings of approximately \$1,715,000. Actual projected savings for the 2010 – 2011 school year are \$1,600,000 and reflect the expenditure of \$105,000 to implement Phase 1 of the Plan for the 2010 – 2011 school year. Section 17 provides further detail to the financial considerations of the FUS report.

The process of identifying a final recommendation for Board consideration included the review of current and projected student enrollment projections and District building utilization. Each facility and site was reviewed by WSD Administration to verify that the parameters approved by the Board of Education would maintain existing classroom size, bussing considerations, considerations for parking for staff and students, and existing school boundaries. Additionally, WSD Administration reviewed the potential financial benefits and implications of each option. The final recommendation was conducted in an open and transparent process and is in line with industry standards.

### **PMC Review and Considerations**

The following is a review of the PMC observations and considerations submitted for WSD's and MLI's review and possible inclusion for the March 3, 2010 presentation.

- The breakdown of services should start with the projected facility savings of \$423,000 and provide further breakdown of the utility savings, custodial and maintenance savings, and food service savings.
- Document the existing technology currently at Crary facility to demonstrate it is adequate to support the relocated Central Administration, Human Resources, and Business Office functions.
- Provide a breakdown of the projected student enrollment by school to support the repurposing of Grayson and Crary schools.
- Document the accuracy of the enrollment projects over the past 5 years
- Section 19 – Floor Plans; Plans should include labeled information for the existing programs in each school with class sizes and a “future” layout illustrating that that programs have not been impacted by the reconfiguration.
- Provide possible future considerations if enrollment or funding increases or decreases greater than anticipated. WSD should use a similar process to the Phase I as identified in the FUS report.

The challenge with any facility utilization process is the subjectivity and often times no clear definitive solutions. The conclusions and final recommendation of the FUS report appear to be reasonable and appropriate based on the parameters established by WSD. PMC is available to answer any questions about this review letter and the methodology used to prepare it.

Sincerely,

PLANTE MORAN CRESA



Greg VanKirk, CPA



Paul R. Wills, AIA, LEED AP