

## Application Score Sheet

Proposed Project: Haney Technical Center HVAC, Bay District Schools (#143)

Proposed Project/Program County: Bay

Board of County Commission Support:

Total Projected Project Cost: \$672,000

Match Provided: \$58,400.00

Triumph Funds Requested: \$614,000 (91%)

Triumph Funds Recommended by Staff: \$614,000

Score: A

Triumph Board Approval: Yes/No

Triumph Funds Approved by Board:

Date:

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### Economic Advisor Review

The Bay County School District (BCSD) describes a CTE program in heating, ventilation, and air conditioning (HVAC), and supporting equipment and facility improvements to enable those programs. The Triumph request of \$614,000 represents 91 percent of total project cost.

The HVAC program at Haney is working with outdated equipment that does not meet the current training needs of area employers. It is a 15-month full-time program that currently has capacity for 40 students. District administrators report that the program could accommodate more students (up to 60) after the proposed renovations while providing each student with more up-to-date job skills. It is thus expected that over a ten-year window, the improved facilities will have enrolled up to 480 students, with as many as 87 percent (about 417 students) subsequently completing the program.

HVAC is a full-time program, meeting 5 days per week for 5 hours a day over 15 months. This level of commitment significantly limits the number of students who could or would access the HVAC facility compared to a normal high school scheduling pattern. The program facilities improvements will allow introduction of a newer and more relevant CAPE industry certification (NATE) which can currently not be offered due to equipment certification standards. The program will be an increased source of sustaining funds generated via increased CAPE per-FTE bonus funding.

Importantly, as part of the Triumph effort, Haney will launch a new pilot (3 years) effort to support employers who secure Haney graduates in HVAC and Welding. Basically, Haney graduates in HVAC or Welding will be "refreshed" at no cost in any course-related skill in a timely manner at the request of the employer. Haney will also offer specific training in new skills

identified by an employer at no cost once the Haney instructors are trained and the needed specific skill outcomes and agreed upon timelines are agreed upon by the employer and Haney.

For these reasons, staff rate this program an “A” in terms of economic impact.

### **Project Summary (based on information provided by the applicant)**

Bay District Schools request \$614,000.00 of Triumph funds for Tom Haney P. Technical Center’s HVAC program. The request would fund a complete lab renovation and the purchase new tools, equipment, and supplies to bring the program in line with current industry standards. Haney Technical Center’s HVAC program is one of the longest-running programs in the school. Much of the currently-used area has not been renovated since the original building was constructed in 1976.

This funding request includes the cost of design, building renovations, contingency funds, start-up tools and materials for this program. It is anticipated that the HVAC modernization project could be completed within six to nine months with the program continuing to operate during the renovation. With this funding, Tom P. Haney Technical Center proposes to upgrade the HVAC program to support the business and industry needs of the local and regional community while providing high-skill employment opportunities for area students.

Tom P. Haney Technical Center works closely with local and regional industry to meet the needs of the workforce in Bay and the surrounding counties. HVAC is a regional construction field with a critical need for skilled workers at companies such as All American Air Conditioning and Foam Insulation, Peaden Air Conditioning, Plumbing & Electrical, System Service & Engineering, Bush Air Conditioning Contractors, Inc, A Superior Air Conditioning Company, Mills Heating & Air, Rousso’s Air Conditioning, and others.

The project anticipates approximately 40 students a year will be part of the program. If the need arises for additional enrollment opportunities, more students could be accommodated in the renovated space. Graduates from this program will have the necessary training to fulfill the foundational needs that are sought by both local and regional industries. Opportunity for employment for graduating students is expected across Northwest Florida due to the portability of the skills and knowledge learned.

The HVAC program at Haney has a solid job placement rate averaging 87% over the last 4 years. In 2016, the average wage for heating, air-conditioning, and refrigeration mechanics and installers was \$17.84 per hour or \$37,118 annually. Based on labor market statistics, there are currently 58 job openings in NW Florida and another 613 jobs in related occupations of Installation, Maintenance and Repair Occupations. Nationally, employment of HVAC technicians is projected to increase 238% during the 2008-18 decade--much faster than the average for all occupations.

Bay District Schools HVAC Advisory Committee members gave a starting salary range in NW Florida for a year-round, full-time entry-level employee at between \$35,000-\$50,000 annually with some seasonal considerations for higher or lower income potential.

It is well documented that the nation is facing a critical crisis in a skilled workforce. In a December 2017 Report, the USG Corporation + United States Chamber of Commerce Commercial Construction Index states that over half (57%) of contractors expect to hire more workers in the next six months. They also report that 99% of contractors feel confident in the demand for new commercial construction over the next 12 months. “Despite demand, 60% of contractors reported difficulty finding skilled workers in the third quarter of 2017 due to an ongoing skilled labor shortage.”

Haney’s 15 month HVAC program consistently remains at capacity. The current cap is 40 students with students entering the program during the three yearly enrollment periods. After renovations, the program could have the potential to offer more student spots. The tuition cost of \$5700 generates a huge return-on-investment given the potential salaries.

Haney’s HVAC program offers a 608 EPA certification and NCCER (National Center for Construction Education & Research) credentials, a nationally recognized certification affiliated with the University of Florida’s M.E. Rinker, Sr. School of Construction Management. The program’s Occupational Advisory Committee strongly suggests that Haney add North American Technician Excellence (NATE) certifications. Many equipment manufacturers require that their companies have a minimum percentage of employees who hold a NATE Industry Certification. However, Haney’s equipment, lab space, and technology are inadequate to teach to industry standards and to receive NATE certification as a training facility.

The majority of programs at Haney operate at full capacity. Participation in the program will be available to anybody in Bay County and the surrounding area who meets entry requirements. Over 85% of Haney’s students receive some type of funding or scholarship to attend. In addition, Haney has a large population of United States Armed Forces Veterans who attend the school. Approximately 70-100 veterans use VA benefits to enroll annually.

Qualified area high school students may enroll tuition-free in Haney’s career technical education programs to receive Dual Enrolled credit. HVAC is one of the CTE offerings available to eligible Bay District Schools’ students who are juniors and seniors in high school as well as students over the age of 16 who are not enrolled in another area school. As documented in the COE 2017 Annual Report, Haney’s overall average CTE program completion rate is 83%, the overall average CTE program job placement rate is 81%, and the overall average program CTE licensure examination passing rate is 97%.

The HVAC students will have the opportunity to embark on career and educational pathways that are considered high demand occupations listed on the Florida Department of Economic Opportunity for the affected counties. With salary’s well above the minimum wage.

The outcome measures for the project will be measured based on the completion and placement rate of students in the program as reported to the Council on Occupational Education annually.

Outcome measures will be clearly reported with oversight from the school’s accrediting agency, the Council on Occupational Education. An annual report requires documentation that verifies each programs’ completion and job placement rate.

The proposed project will be carried out by the leadership of Bay District Schools and Tom P. Haney Technical Center and leverages existing relationships with other educational institutions, industry partners and economic development leaders to ensure excellence in project delivery. Local Chamber of Commerce groups such as the Bay County Chamber of Commerce, the Bay Economic Development Alliance, and other partners have written letters of support endorsing this project.

The Northwest Florida Forward report laid out a clear strategy for transformational change that emphasized the need for substantial investment in career and technical education in order to cultivate the talent needed in the workforce. Bay District Schools and Tom P. Haney Technical Center have committed to do their part by enhancing an outdated facility for a program that will feed the workforce pipeline year after year. Thus, strengthening the regional approach toward economic recovery and growth in the affected counties and by providing strong incomes for skilled workers.

Haney’s HVAC students are employed on a regular basis by local companies such as: Peaden Air Conditioning, Plumbing, & Electrical, A1 Superior A/C, Bay Heating and Cooling, All American Air and Heat, Roussos Air Conditioning, and others. In addition, 12 of our 40 currently-enrolled students are also working either full or part-time with these local employers while attending school. There are approximately 50 HVAC contractors in our local area who benefit from hiring our students. Many of these local contractors serve on the HVAC Occupational Advisory Committee as industry partners. Employers report that they prefer to hire employees who have completed technical school. HVAC Advisory Committee members agree that this program is critical to meet the need for skilled employees for local industry.

**Funding and Budget (as provided by the applicant)**

5. Please provide a Project/Program Budget. Include all applicable costs and other funding sources available to support the proposal.

A. Project/Program Costs:

CATEGORY	DESCRIPTION	PROPOSED BUDGET
<b>Construction</b>	Building Renovations (includes design/professional fees, contingency and furnishings)	\$450,000
<b>Tools &amp; Materials</b>	Lab Equipment	\$170,000
<b>Training</b>	Enhanced Skills Training Pilot	\$30,000
<b>Other</b>	Other HVAC materials and supplies	\$22,400
	<b>TOTAL PROJECT COST</b>	<b>\$672,400</b>

B. Other Project Funding Sources:  
**Bay District Schools is providing \$58,400.**

**Total Other Funding: \$58,000**  
**Total Amount Requested: \$614,000**

- Construction: The total cost for renovation is \$450,000 which includes design fees, professional fees, contingency fees, construction costs, and all standard furnishings.
- Tools & Materials: The total cost for the lab equipment is \$170,000.
- Other: \$22,400 is needed for materials and supplies to establish the HVAC program.

**Letters of Support**

All American Air Conditioning and FOAM Insulation, Inc.  
Bush Air Conditioning Contractors, Inc.  
Bay County Chamber of Commerce  
Bay Economic Development Alliance (Bay EDA)  
Peaden Air Conditioning, Plumbing & Electrical  
Systems Service & Engineering