

SCHOOL FACILITIES BOARD  
April 20, 2011  
Phoenix, Arizona

The School Facilities Board held a Board Meeting at the Arizona State Capitol Building in Phoenix, Arizona. The meeting began at approximately 9:32 A.M.

<u>Members Present</u>	<u>Guests Present</u>
Dr. Frank Davidson, Chair	Dr. Ken Smith, Coolidge USD
Tom Rushin, Vice-Chair	Diane Meuleman, Tempe Union
Gary Marks – via telephone	Bob Anderson, Tempe Union
Penny Allee Taylor (joined during Executive Session)	Cathy Rex, So. AZ School Facilities Group
Dr. Bill Johnson	Rob LaGrone, Sun West Properties
Vern Crow	Bill Vandenberg, BFL Construction
Eric Hafner	Eric Peterson, Laveen ESD
Shelly Wright	Marcus Jones, Tucson USD
	Judy Richardson, Stone & Youngberg
<u>Members Absent</u>	
Stacey Morley (non-voting member)	<u>Staff Present</u>
	Dean Gray, Executive Director
<u>Vacant Board Positions</u>	Kerry Campbell, Public Information Officer
<u>Demographer Representative</u>	Debra Sterling, Attorney General's Office
	Phil Williams, Deputy Director-Finance
	Amber Peterson, School Finance Specialist
	Gerry Breuer, School Facilities Liaison
	Ron Passarelli, School Facilities Liaison
	David Kennon, Assessment Specialist
	Dan Demland, Architect
	Pat Cruse, School Facilities Liaison

- I. Call to Order  
Chairman Dr. Frank Davidson called the meeting to order at approximately 9:32 A.M.
  
- II. Roll Call  
There were seven (7) voting Board Members present at the start of the meeting and one (1) non-voting Board Member present. Penny Allee Taylor joined the meeting during the Executive Session.  
  
Dr. Davidson welcomed Shelly Wright to the Board and asked her to speak a little about herself. Ms. Wright gave the Board a brief description of her work for Sierra Vista Unified as a middle school teacher for gifted students, special education and theater arts.  
  
Dr. Bill Johnson recused himself from the Board at this time.
  
- III. Consent Agenda
  - a. Consideration of FY11 3-Year Building Renewal Plan – Laveen Elementary  
Vern Crow made a motion for Board approval of the Building Renewal Plan as presented. Tom Rushin seconded. The motion passed with a voice vote of 6-0.

Dr. Johnson returned to the Board at this time.  
Dr. Davison recused himself and Tom Rushin facilitated the meeting through the next agenda item.

IV. New Construction Requests

a. Consideration and possible vote to accept, reject or modify the FY 2011 Capital Plan New Construction Requests, including projects for Casa Grande Elementary

Board approval of staff recommendation as listed below:

1. **Casa Grande Elementary (K-5): Conceptually approve** 007N (K-5 for 750 students) to open in FY 18.

Dr. Bill Johnson made a motion to approve the staff recommendation listed above. Vern Crow seconded. The motion passed with a voice vote of 6-0.

Dr. Davidson returned to the Board at this time.

b. Consideration and possible vote to accept, reject or modify the FY 2011 Capital Plan New Construction Requests, including projects for Queen Creek Unified

Board approval of staff recommendations as listed below:

1. **Queen Creek Unified (K-5): Conceptually approve** 005N and 008N (K-5 for 700 students each) to open in FY 15 and FY 18, respectively.
2. **Queen Creek Unified (9-12): Conceptually approve** 009N (9-12 for 867 students) to open in FY 16.

Eric Hafner made a motion to approve the staff recommendations listed above. Shelly Wright and Dr. Bill Johnson seconded. The motion passed with a voice vote of 7-0.

Dr. Bill Johnson recused himself for the next agenda item.

V. Land Request

Consideration and possible vote to accept, reject or modify a request to utilize a school site purchased by the SFB for a purpose other than a school facility pursuant to A.R.S. § 15-2041 (F)

Dr. Davidson suggested the Board go into Executive Session to consult with the Board's attorney. Tom Rushin made a motion for Board approval to go into Executive Session. Vern Crow seconded. The motion passed with a voice vote of 6-0.

*The Board convened in Executive Session starting at 9:45 A.M.*

Penny Allee Taylor joined the meeting during the Executive Session.

*The Board reconvened the Board Meeting at approximately 10:13 A.M.*

Eric Hafner made a motion for the Board to ratify that it does not have jurisdiction to approve or deny Laveen Elementary's request. Shelly Wright seconded. The motion passed with a voice vote of 7-0.

Dr. Johnson rejoined the Board at this time.

VI. Discussion

Discussion on Emergency Deficiencies Correction Fund, A.R.S. §15-2022 ; Building Renewal Grant Fund, A.R.S. § 15-2032; Incurring Liabilities in Excess of School District Budget, A.R.S. § 15-907

Dean Gray explained that with the funding levels expected in the coming months and years for the Emergency Deficiencies Correction and Building Renewal Grant funds and the effect of the Board's decisions pursuant to A.R.S. § 15-2022 on A.R.S. § 15-907, that the Board may benefit from discussion on these issues, from asking questions of the Board's attorney, and from comment from the public.

Tom Rushin made a motion for the Board to convene in Executive Session. Vern Crow seconded. The motion passed with an 8-0 voice vote.

*The Board convened in Executive Session starting at 10:18 A.M.*

*The Board reconvened the Board Meeting at approximately 10:30 A.M.*

To begin the public discussion, Dr. Bill Johnson asked Mr. Gray to give a brief history of the Emergency Deficiencies Correction fund including what actions the Board has taken and the requests received. Mr. Gray responded that he could not speak to specifics, but that the Board has approved a variety of requests for Emergency funding. He proposed using this opportunity to have a broader discussion to develop direction. Mr. Gray added that every request for funding is brought to the Board. Staff does not have discretion in this matter, but there have been requests for Emergency funding that were presented to the Board for Building Renewal Grant funding or vice versa. Staff directs districts to request the funding for which the project best qualifies.

Eric Hafner asked if staff had adequate resources, a plan, or set of standards to evaluate project requests. Mr. Gray answered that staff uses the adequacy guidelines, as well as the definitions in statute. While the SFB has a licensed architect and construction professionals on staff, we do not have an engineer. This means we must rely on and pay for outside resources for investigative and engineering studies, in some cases to determine if the project qualifies as an Emergency or Building Renewal Grant. The question then becomes, how do we pay for the investigation or study. Emergency funding may not be used for investigation or study. This issue has been discussed by the Board in the past.

Dr. Davidson commented that as the Board is evaluating requests, some will be fairly clear cut, while others will be more challenging. We may be asking ourselves these questions about A.R.S. § 15-2022 (E) and the definition of "emergency" and in some cases may need to act quickly. We may want to clarify and provide guidance to staff that there are certain types of situations that staff may act on immediately and then have the Board ratify at a subsequent meeting,

while other types of situations need to be considered directly by the Board. Dr. Davidson asked if this is a discussion that should be held in Executive Session.

Debra Sterling advised that this should be discussed in Executive Session. Dr. Davidson asked if there was an interest by the Board to hold an Executive Session at this time.

Vern Crow commented that some time may be needed for the Board members to fully absorb these statutes, to be able to formulate and ask constructive and more in depth questions.

Dr. Johnson agreed with Dr. Davidson's suggestion of establishing a set of standards and giving staff the authority to award funding in the interest of expediting district requests. One concern with Emergency funding requests is the timeline and the seriousness of the need. Anything the Board can do to expedite the process could relieve this concern.

Ms. Sterling commented that an urgent Board meeting may be called anytime and conducted telephonically if necessary with only 24 hours notice to address any district request that requires immediate action by the Board.

Penny Allee Taylor asked about the Fiscal Year 2012 budget for these funds. Ms. Sterling responded that issues such as funding levels were not meant to be part of this discussion, but could be put on a future agenda. Ms. Allee Taylor asked that this topic be considered for a future agenda.

Dean Gray expressed his desire to get the public involved in the discussion, suggesting presenting some scenarios. For example, HVAC equipment that has not yet failed, but upon evaluation by professional staff, we know it will fail or is failing. The adequacy guidelines require a classroom temperature of 68 to 82 degrees. If HVAC equipment fails and the temperature in the classroom is over 82 degrees, does the equipment replacement qualify as an Emergency? He added that in discussions with professional staff of the Arizona Department of Health, they could not positively confirm that being warm was a health issue. Certainly CO2 levels may become a concern when a system fails, or the room may simply be uncomfortable. In response to this, fans can be turned on or windows opened, and kids can be moved to other classrooms or buildings.

Vern Crow commented that there are some students like special needs students that cannot endure warm temperatures that some regular students could. This may constitute an evaluation on a case-by-case basis.

Mr. Gray agreed with Mr. Crow's point adding that staff will bring every request to the Board regardless of nature. The adequacy guidelines do not specify special needs environments, only indoor temperature throughout the academic space, rather than a particular classroom. This then becomes a decision of the Board, whether this is a special issue that needs to be addressed.

Shelly Wright asked about facilities that do not have any ventilation. Is it an average temperature or to a particular site?

Mr. Gray responded that the guidelines require an indoor temperature of 68 to 82 degrees and current code requires air exchangers. During the Deficiencies Correction Program, the SFB replaced the necessary equipment so facilities met the air exchange requirements to keep the CO2 level down. But bringing in fresh air may or may not bring the temperature to within 68 and 82 degrees, and is it enough fresh air?

Ms. Wright commented to Mr. Crow's point that some assistive technology devices would malfunction at high temperatures and she would want to research and consider this as well.

Dr. Davidson added that the Board may be expected to consider health related issues. Those at the extremes will be clear cut, but those borderline issues may be more difficult. Another issue the Board may be expected to consider is the definition of "emergency" as it relates to "seriously threatens the functioning of the school district" as stated in the statute.

Mr. Gray suggested discussion of another scenario, such as parking lots. The adequacy guidelines require an all-weather surface. Asphalt parking lots require continual maintenance such as sealing, filling cracks, and resurfacing. If not properly maintained, water will seep into the base and the asphalt will crumble, but you still maintain an all-weather surface. This may or may not be an Emergency, but if not repaired as needed for around \$2 per square foot, the cost of a full replacement is \$10 to \$12 per square foot. The same is true for roofs with patching versus replacement. Another issue we often see is weather-proofing the exterior of buildings, sealing block or stucco. At what point are any of these issues an Emergency?

Dr. Johnson asked if the Board has only A.R.S. § 15-2022 (E) to go by when defining an Emergency rather than the adequacy guidelines.

Mr. Gray responded that Dr. Johnson's question may be for the Board's legal counsel, but added that staff uses A.R.S. § 15-2022 (E). However, if staff receives an Emergency request that falls outside of the statutory definition, it would still be brought to the Board with staff recommendation.

Marcus Jones with Tucson Unified gave a brief history of his involvement with the SFB and encouraged the Board to consider the position the school districts have been put in by the Legislature through lack of funding for Building Renewal.

Dr. Ken Smith with Coolidge Unified shared his experiences with the SFB and the Emergency Deficiencies Correction Program.

Vern Crow left the Board at this time.

VII. Building Renewal Grant Requests  
Consideration and possible vote to accept, reject or modify the requests for Building Renewal Grant funds

Dean Gray reviewed the balance of the Building Renewal Grant fund. If today's recommendations are approved by the Board, the available balance of Building Renewal Grant funds is \$4,591, while the available balance in the Emergency Deficiencies Correction fund is \$400,189. Staff continues working to close

projects and make recognized savings and unspent monies available for new projects. Mr. Gray provided a brief explanation of each request as presented in the Board packet.

Dr. Davidson clarified that the temporary chiller for Tempe Union is not being considered by the Board at this time.

Eric Hafner asked if the Agua Fria Union fire alarm replacement project was designed by a professional. Mr. Gray confirmed that it was designed by a professional with Climatec. Mr. Hafner added that the change order included charges for engineering time to complete the documents and asked if staff felt these charges were warranted. Mr. Gray responded that the Fire Marshal review is the most stringent of any inspection and to have accurate and detailed drawings or documentation prepared as part of the engineering is extremely important and worth the cost. Mr. Hafner agreed with Mr. Gray's answer, adding that perhaps we should be expecting more from design professionals and questioning additional fees for work that possibly has already been paid for. Mr. Gray agreed adding that some additional fees may be expected due to the nature and magnitude of the project and the cost per hour for the design professional.

Penny Allee Taylor made a motion for Board approval of the following staff recommendations:

1. Board approval that **Agua Fria Union** be awarded \$54,565 in supplemental Building Renewal Grant funding for the replacement of fire alarm systems project at Agua Fria and Millennium High Schools, 070516000-9999-001BRG.
2. Board approval that **Mohave Valley Elementary** be awarded \$12,100 in Building Renewal Grant funding for the replacement of the HVAC unit on the cafeteria at Mohave Valley Elementary School. This includes a \$1,202 contingency that will only be used with SFB staff approval.
3. Board approval that **Tempe Union's** request for Building Renewal Grant funding be given number one priority based on the availability of matching funds pursuant to A.R.S. § 15-2032 (B).
4. Board approval that **Tempe Union** be awarded \$118,919 (one-half of the total \$237,838 request) in Building Renewal Grant funding for the replacement of the chiller at Desert Vista High School. Tempe Union will match these funds for the repair.
- ~~5. Board denial of **Tempe Union's** request for an additional \$65,000 for a temporary chiller rental.~~

Tom Rushin seconded. The motion passed with a voice vote of 7-0.

#### VIII. Future Agenda Items

Penny Allee Taylor asked for an update on the Building Renewal Grant and Emergency Deficiencies Correction fund appropriations for Fiscal Year 2012.

Dean Gray suggested asking Ron Passarelli and Judy Richardson to provide the Board with a wrap-up of the Legislative Session at the next Board meeting.

IX. Public Comment

No requests for public comment were received.

X. Adjournment

There being no further business, Dr. Davidson adjourned the meeting at 11:09 A.M.

Approved by the School Facilities Board on June 29, 2011, 2011

Frank Davidson  
Chair