

SCHOOL FACILITIES BOARD
September 4, 2003
Phoenix, Arizona

The School Facilities Board held a board meeting at the Sheely Farms Elementary School District Office, 9450 West Encanto Blvd., Phoenix, Arizona. The meeting began at approximately 10:05 A.M.

<u>Members Present</u>	<u>Guests Present</u>
Conley, Patrice	Randy Knight, Knight Transportation
Keenan, Brooks	Mary Radcliffe, Isaac ESD
McGee, Kate	Ed Hall, Tolleson ESD
Van Sittert, Logan, Chair	
Vaughan, G. Keith	
Wicks, Michael	
Wright, John, Vice-Chair	
Vicki Salazar, Superintendent's Representative (non-voting)	
<u>Members Absent</u>	
Peter Granillo	
<u>Staff Present</u>	
William Bell, Executive Director	
Tim Brand, Facilities Deputy Director	
Candy Cooley, Deputy Director of MIS	
John Arnold, Deputy Director of Finance	
Judith Darknall, Assistant Attorney General	
Deborah Dominguez, Executive Assistant	
Dave Young, Land Specialist	
Kristen Landry, Public Information Officer	

Welcome

Ed Hall of the Tolleson Elementary School District welcomed the School Facilities Board.

- I. Call to Order
The Board Chair, Logan Van Sittert, called the meeting to order at approximately 10:05 A.M.
- II. Roll Call
There were 8 Board Members present at this meeting, including Vicki Salazar of ADE, a non-voting member.
- III. Approval of Minutes of August 7, 2003 Meeting
John Wright moved that the Board approve the Minutes for the General and Executive Session for August 7, 2003. Keith Vaughan seconded. Motion passed on a 7-0 voice vote.

Approval of Minutes of August 19, 2003 Meeting

John Wright moved that the Board approve the Minutes for the General and Executive Session for August 19, 2003. Keith Vaughan seconded. Motion passed on a 7-0 voice vote.

The following items are listed in the order in which they appear on the agenda, not necessarily in the order in which they were discussed. Several items were reviewed out of order as they related to other items on the agenda.

IV. Director's Report

a. Introduction of New Board Member

This was an informational item only.

b. Deficiency Corrections Update

This was an informational item only. The following issues were discussed.

- August 15, 2003 Status of Work and Performance
- PM Performance

Tim Brand updated the Board on the status of the Deficiency Corrections projects. Currently, 64% of the projects are complete and 36% are under construction. He added that staff is in the process of reconciling the entire program to show only the SFB projects.

Keith Vaughan asked if the updates in the Tucson area reflected the deferred projects. Tim Brand stated that this only includes projects we have under contract.

Pat Conley asked what the timeline of the extension for the Project Management firms was. Tim Brand stated that the extension runs until they have completed the work or June 2004.

c. Proposed Policy on Project Balance Funds for New Construction

John Arnold discussed this issue. He explained that HB 2091, containing a provision regarding the use of surplus new construction funds, passed in the last legislative session. This bill carried a retroactive effective date of August 22, 2002. This retroactive date means that all the projects approved during the last new construction cycle are subject to the change. Staff recommended a policy consisting of several points outlined in agenda item IVc for review.

Keith Vaughan asked for clarification regarding the August 22, 2002 effective date. John Arnold stated that the law applies to projects critically approved by the board after August 22, 2002.

V. Assessment Deficiencies

a. Consideration of Funding Supplemental Assessment Deficiency Projects from the Deficiencies Correction Fund

There were no districts listed under this agenda item.

- b. Consideration of Assessment Deficiency Projects review, bids, bid packages, and expansion of change orders
Expansion of Scope

There were no districts listed under this agenda item.

- c. Consideration of Ratification of CM @ Risk Contracts, GMP applied and Purchase Orders Issued

There were no districts listed under this agenda item.

- d. Consideration of Ratification of Contracts for Deficiency Corrections Projects
Keith Vaughan moved that the Board ratify the contract awards for the School Facilities Board and the districts and vendors listed under agenda item Vd. Mike Wicks seconded. Motion passed on a 7-0 voice vote.

- e. Consideration of Ratification of Change Orders for Deficiency Corrections Projects

John Wright moved that the Board ratify the change orders for the districts and vendors listed under agenda item Ve. Pat Conley seconded. Motion passed on a 7-0 voice vote.

Kate McGee asked about the cafeteria project in Show Low. Tim Brand stated that the district added a cafeteria upgrade, but the SFB participation is capped.

- f. Consideration of Other Deficiency Correction Issues

There were no districts listed under this agenda item.

VI. Preventive Maintenance Plans

- a. Consideration of Preventive Maintenance Plans

Mike Wicks moved that the Board approve the preventive maintenance plans as submitted by districts listed under agenda item VIa. Kate McGee seconded. Motion passed on a 7-0 voice vote.

Keith Vaughan stated that he is uncomfortable that what is submitted only tells us what items districts have; it is not their plans. Tim Brand stated that these plans represent the district recognizing their tasks. Staff is trying to ease them into preventive maintenance. Pat Conley asked if the district submits their plan and finds they cannot complete it, could they resubmit? Tim Brand stated they submit a report explaining what they were able to complete. Pat Conley asked about building renewal funds. Bill Bell said building renewal monies from past years cannot be used for Preventive Maintenance. Tim Brand said districts are aware there is no Building Renewal for FY 04.

VII. New School Construction

- a. Consideration of 2003 Capital Plan New Construction Requests

There were no districts listed under this agenda item

- b. Consideration of New Construction Projects Review, Bids, Bid Packages and Change Orders, and Expansion/Change of Scope and Increased Project Cost

Litchfield Elementary

Brooks Kennan moved that the Board approve Litchfield Elementary District's request to go to bid on a School Facilities Board project in the amount of \$7,056,720 for a K-5 elementary school, project number 070479000-9999-002N John Wright seconded. Motion passed on a 7-0 voice vote.

Keith Vaughan asked how CM@Risk is working in this case. Tim Brand stated that CM@Risk works better in New Construction than in Deficiencies Corrections.

c. Expansion/Change of Scope and Increased Project Cost
Vernon Elementary

John Wright moved that the Board approve additional funding in the amount of \$91,004 for K-8 Elementary school for Vernon Elementary District, project number 010309000-9999-201N. Pat Conley seconded. Motion passed on a 7-0 voice vote.

Kate McGee asked if the funds were already spent. Candy Cooley stated that we have guaranteed payment to the contractor so we could open the school on time, but the SFB has not yet expended the funds.

d. Consideration of Other New Construction Issues
Capacity of a Core Facility

Keith Vaughan moved that the Board approve the staff recommendation to modify the School Facilities Board policy "Working Definition of Student Capacity" to allow core facilities to have a student capacity of 50% of the size of the full facility. Brooks Keenan seconded. Motion passed on a 7-0 voice vote.

Pat Conley asked what the time limit to building out a school is. Candy Cooley stated that prior to a district receiving another facility, they would have to build out their core. Mike Wicks asked if that includes any facility. Candy Cooley stated that if you have a core this would not exclude you from receiving school of a different grade configuration.

Brooks Keenan asked if Tanque Verde was affected, as they were not listed. Candy Cooley stated that yes, Tanque Verde is included.

Keith Vaughan asked if a district does not want a core school, can they discuss that with staff. Candy Cooley said the list includes those districts that would be affected by the change and staff will reevaluate them prior to submitting a recommendation to the board during this year's new construction cycle.

John Wright moved that the Board go into executive session for the purpose of discussing land issues and to seek legal advice if necessary. Logan Van Sittert seconded. Motion passed on a 7-0 voice vote. This session was not open to the public.

Executive Session was held from approximately 11:05 A.M. to 11:20 A.M.

VIII. Consideration of Request for Land or Real Property Purchase, Lease, or Donation, including requests from:

a. Steps I and/or II
Florence Unified

Logan Van Sittert moved that the Board approve Florence Unified School District's request for a K-8 elementary school site (project number 110201000-9999-010L) and move to Step III. Brooks Keenan seconded. Motion passed on a 7-0 voice vote.

Maricopa County Regional

Brooks Keenan moved that the Board postpone this item until the October meeting. Logan Van Sittert seconded. Motion passed on a 7-0 voice vote.

Saddle Mountain Unified

Logan Van Sittert moved that the Board approve Saddle Mountain Unified School District's request for a K-8 elementary school site (project number 070290000-9999-004L) and move to Step III. John Wright seconded. Motion passed on a 7-0 voice vote.

b. Step III
Cedar Unified

Logan Van Sittert moved that the Board approve Staff recommendation to approve Cedar Unified School District's request to lease tribal land for a 9-12 high school site (project number 090225000-9999-002L). John Wright seconded. Motion passed on a 7-0 voice vote.

Coconino Accomodation

Logan Van Sittert moved that the Board approve Staff recommendation to approve Coconino County Accommodation School District's request to purchase land for a 9-12 high school site in Page, Arizona (project number 030199000-9999-002L). John Wright seconded. Motion passed on a 7-0 voice vote.

Crane Elementary

Logan Van Sittert moved that the Board approve Staff recommendation to approve Crane Elementary School District's request to purchase land for a PK-6 elementary school site (project number 140413000-9999-002L). John Wright seconded. Motion passed on a 6-0-1 voice vote with Mike Wicks abstaining.

Riverside Elementary

Logan Van Sittert moved that the Board approve Staff recommendation to approve Riverside Elementary School District's request to purchase land for a 5-8 middle school site (project number 070402000-9999-002L). John Wright seconded. Motion passed on a 6-0-1 voice vote with Keith Vaughan abstaining.

Tolleson Elementary

Logan Van Sittert moved that the Board approve Staff recommendation to approve Tolleson Elementary School District's request to purchase land for a K-8 elementary school site (project number 070417000-9999-003L) John

Wright seconded. Motion passed on a 6-1 voice vote with Kate McGee against.

c. Consideration of Other Land Related Issues

Isaac Elementary School District-postponed to Oct.

Pat Conley moved that the Board postpone this agenda item until the October Board meeting. Kate McGee seconded. Motion passed on a 7-0 voice vote.

IX. Replenishment of Contingency Funds for Packages including:

There were no districts listed under this agenda item.

X. Request for Reduction of Square Footage

There were no districts listed under this agenda item.

XI. Request for Waiver from Guidelines

There were no districts listed under this agenda item.

XII. Finance Report

This was an informational item only. John Arnold updated the Board on the status of the three funds (Building Renewal, New School Facilities, and Deficiencies Correction) and the Lease-to-Own. He stated that the numbers provided at the meeting are no longer accurate with the changes made at today's meeting.

Kate McGee asked about the negative balance for FY03. John Arnold stated that the FY03 numbers have not yet been finalized. He stated that the negative balance was for Deficiencies correction on the amount of dollars authorized for expenditure. However, the amount of dollars actually spent is not negative. The negative balance in authorizations will be pushed into FY04.

XII. Future Agenda Items

Logan Van Sittert would like to add discussion regarding a staff retreat to the October agenda.

Logan Van Sittert would like to add recognition of Ed Boot to the October agenda.

Kate McGee would like to review the need for a Building Renewal committee.

XIII. Public Comment

Randy Knight (Knight Transportation) is having problems with the Isaac School District regarding land and legal expenses in the Papago West Industrial Park Site Acquisition.

Mary Radcliffe (Isaac School District) Assured the Board that Isaac's only intention is to sell the property.

Keith Vaughan suggested that the Board send this issue to the staff for review. Mr. Bell stated that these issues were beyond the sale of the property, however, staff will research this issue.

Pat Conley asked if would be possible for the SFB to sell the land? Bill Bell said that would not be possible because the district has title to the property and staff's only option would be to work with the district.

John Wright asked Mary Radcliffe why Mr. Knight would be under the impression that there is a problem with the sale of the property. Mary Radcliffe said that she did not know. Mr. Wright stated that before the board approves any more funds for the district's land issue, the SFB needs to be assured that money is not being spent unnecessarily by the district.

Kate McGee asked Ms. Radcliffe if she could make a commitment on behalf of her district. Ms. Radcliffe stated that she is not in the position to commit to anything without speaking to her Superintendent.

Adjournment

There being no further business Board Chair, Logan Van Sittert, adjourned the meeting at approximately 12:12 P.M.

Approved by the School Facilities Board on _____, 2003

Logan Van Sittert, Chair