

SCHOOL FACILITIES BOARD
January 8, 2004
Gilbert, Arizona

The School Facilities Board held a board meeting at the Spectrum Elementary School, 2846 South Spectrum Way Gilbert, Arizona. The meeting began at approximately 10:25 A.M.

<u>Members Present</u>	<u>Guests Present</u>
Conley, Patrice	Daniel O'Brien, Union ESD
Keenan, Brooks (by phone)	Dr. Jay St. John, Sahuarita USD
McGee, Kate	
Van Sittert, Logan, Chair	
Wicks, Michael	
Vicki Salazar, Superintendent's Representative (non-voting)	
<u>Members Absent</u>	
Granillo, Pete	
Wright, John, Vice-Chair	
Vaughan, G. Keith	
<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	
Kristen Landry, Public Information Officer	

Welcome

Logan Van Sittert welcomed the School Facilities Board.

- I. Call to Order
The Board Chair, Logan Van Sittert, called the meeting to order at approximately 10:25 A.M.

- II. Roll Call
There were six Board Members present at this meeting, including Vicki Salazar of ADE, a non-voting member.

- III. Approval of Minutes of December 4, 2003 Meeting
Logan Van Sittert requested the minutes to state that vice-chair John Wright called the December 4, 2003 meeting to order and corrected a typo in section VIIa. Pat Conley requested comments she made in section IVb. be inserted into the minutes.

Pat Conley moved that the Board approve the Minutes as amended for December 4, 2003. Mike Wicks seconded. Motion passed on a 3-0-2 voice vote, with Logan Van Sittert and Kate McGee abstaining.

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. Deficiency Correction Update

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

- December 17, 2003 Status of Work and Performance
- PM Performance
- Close-out Procedures

Kate McGee asked what was the status of change orders. Bill Bell stated that staff is making progress in processing the change orders. He added that the PM firms are being paid on the basis of close-outs.

Mike Wicks moved that items IVb and IVe. Be discussed in executive session to discuss contractual matters. Kate McGee seconded. Motion passed on a 5-0 voice vote.

Executive Session was held from 10:35 am to 11:30am.

b. PM Review and Audit Discussions

This item was discussed in executive session.

Kate McGee moved that the board ratify instructions given to counsel. Mike Wicks seconded. Motion passed on a 5-0 voice vote.

Kate McGee moved that the board ratify instructions given to counsel and staff regarding audits. Pat Conley seconded. Motion passed on a 5-0 voice vote.

c. Legislative Agenda

This was an informational item only. Mr. Bell discussed the current budget and the importance of receiving early authority to go to the bond market in order to complete the projects in FY04-05. Pat Conley asked if the money for the deferred projects had already been approved. John Arnold stated that the last board approval did not include the money to finish the three deferred projects.

Mike Wicks asked if the Board would be seeing a short list of bills and laws that may need revisions. He stated that he would like to see the pesticide restrictions discussed.

Mr. Bell stated that right now there is not a legislative agenda, but if members of the Board have any concerns the Board should discuss those topics.

Kate McGee stated that she supports the staff in not pursuing a legislative agenda, but requested that as bills are introduced to have a legislative agenda review. She added that she would like to receive information on any Building Renewal Formula changes. Mr. Bell assured the Board that it is staff's intent to make the board aware of any changes brought up in a legislative agenda.

- d. Project Management Services and New Construction
This item was not discussed at the meeting.

- e. Status of Cox Contract
This item was discussed in executive session.

Kate McGee moved that the board ratify instructions given to counsel and staff regarding the Cox Contract. Pat Conley seconded. Motion passed on a 5-0 voice vote.

V. Assessment Deficiencies

- a. Consideration of Ratification of Contracts for Deficiency Corrections Projects
Mike Wicks moved that the Board ratify the contract awards for the School Facilities Board and the districts and vendors listed under agenda item V.a. Pat Conley seconded. Motion passed on a 5-0 voice vote.

- b. Consideration of Ratification of Change Orders for Deficiency Corrections Projects
Mike Wicks moved that the Board ratify the change orders for the districts and vendors listed under agenda item V.b. Pat Conley seconded. Motion passed on a 5-0 voice vote.

- c. Consideration of Other Deficiency Correction Issues
Osborn Elementary District was not discussed at the meeting per the district's request.

Wellton Elementary District: Pat Conley asked if only one firm provided an estimate. Tim Brand stated that a competitive bid process was done for this project. Kate McGee asked if this project was originally assessed and at that time found not to be a deficiency. Mr. Brand stated that during the assessment, the 16-year-old fire alarm system was found to have a life expectancy of another three years. However, after just over three years it has failed.

Pat Conley moved that the Board approve the staff recommendation to provide funding in the amount of \$129,202.95 to provide a new fire alarm system that meets SFB minimum guidelines for the Wellton Elementary school district. Mike Wicks seconded. Motion passed on a 5-0 voice vote.

VI. New School Construction

a. Consideration of 2004 Capital Plan New Construction Requests

Mike Wicks moved that the Board approve the staff recommendation as follows:

1. That the Board approve the staff recommendation to fund a 9-12 high school for 1,600 students for Agua Fria Union High School District to open in FY 07, with a total project cost of \$24,968,000.
2. That the Board approve the staff recommendation to replace four K-6 buildings at Cartwright Elementary District, with a total project cost of \$2,654,563.

Director Bell informed the Board that this is the first time a replacement school has been funded by new construction dollars. The school buildings at Spitalny in the Cartwright Elementary District are not 60-years-old, but because of the excessive mold and asbestos it would cost almost as much to fix as to replace. If these buildings are not replaced it would leave the district with inadequate space. Pat Conley stated that the Board needs an objective way to determine repair vs. replacement. She stated that these buildings are not being replaced because they have outlived their useful life and therefore the Board needs a defined set of criteria. Candy Cooley stated that staff does use assessment criteria to evaluate these cases. Director Bell offered to bring the criteria before the board to review. Pat Conley stated that according to the law, schools are not replaced; instead, square footage is removed and recalculated.

3. That the Board approve the staff recommendation to deny the Cartwright Elementary District's request for additional 7-8 middle school space for 174 students to open in FY 07.
4. That the Board approve the staff recommendation to deny the Deer Valley Unified District's request for a K-8 elementary school for 900 students to open in FY 07.
5. That the Board approve the staff recommendation to fund a 9-12 high school for 2,000 students for Deer Valley Unified District to open in FY 07, with a total project cost of \$31,210,000.
6. That the Board approve the staff recommendation to fund two K-8 elementary schools for 1,000 students each for Dysart Unified District to open one each in FY 06 and FY 07, with a total project cost of \$19,121,256.
7. That the Board approve the staff recommendation to deny the Dysart Unified District's request for a 9-12 high school for 1,800 students to open in FY 07.
8. That the Board approve the staff recommendation to fund a K-5 elementary school for 800 students for Litchfield Elementary District to open in FY 06, with a total project cost of \$7,353,360.

9. That the Board approve the staff recommendation to fund the build out of the core 6-8 middle school to accommodate the remaining 450 students for Litchfield Elementary District to open in FY 06, with a total project cost of \$3,225,370.
10. That the Board approve the staff recommendation to fund a K-8 elementary school for 972 students for Littleton Elementary District to open in FY 07, with a total project cost of \$9,292,951.
11. That the Board approve the staff recommendation to deny the Pearce Elementary District's request for additional K-8 elementary school space for 121 students to open in FY 05.
12. That the Board approve the staff recommendation to fund a K-8 elementary school for 950 students for Pendergast Elementary District to open in FY 07, with a total project cost of \$9,082,597.
13. That the Board approve the staff recommendation to fund the build out of the core 9-12 high school to accommodate the remaining 900 students for Peoria Unified District to open in FY 07, with a total project cost of \$9,831,150.
14. That the Board approve the staff recommendation to fund a 6-8 middle school for 600 students for Sahuarita Unified District to open in FY 07, with a total project cost of \$6,143,572.
15. That the Board approve the staff recommendation to fund additional 9-12 high school space for 172 students for Sahuarita Unified District to open in FY 07, with a total project cost of \$2,877,312.
16. That the Board approve the staff recommendation to fund a K-8 elementary school for 700 students for Tolleson Elementary District to open in FY 07, with a total project cost of \$6,692,440.
17. That the Board approve the staff recommendation to deny the Tolleson Union High School District's request for a 9-12 high school for 1,800 students to open in FY 07.
18. That the Board approve the staff recommendation to fund the build out of the core K-8 elementary school to accommodate the remaining 400 students for Union Elementary District to open in FY 07, with a total project cost of \$2,676,976.

Daniel O'Brien from Union Elementary School District thanked the staff for working with his district on their capital plan.

Pat Conley said she was concerned with the opening dates of some of these schools and the low capacity percentages. She stated that without a student capacity to support a new school, it puts a burden on the district. Candy Cooley stated that the SFB does not control when a new school opens. If a

district could not afford to open, they would request a delay. She added that these dates are only an estimate of when they expect to open and that a district's ADM is reviewed every year.

Kate McGee asked why there were denials. Ms. Cooley explained that staff recommends denying current funding not denying a school. She stated that when a district requests to open in a certain fiscal year, staff looks at that window and if there is not a deficit within that window, staff will recommend denial. If denied, that school could appear in the next conceptual plan for the district.

Brooks Keenan seconded. Motion passed on 5-0 voice vote.

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

Mike Wicks moved that the Board approve the staff recommendation as follows:

1. Approve Chandler Unified School District's request to go to bid on a School Facilities Board project in the amount of \$3,318,204 for a K-6 elementary school, project number 070280000-9999-004N.
2. Approve Chandler Unified School District's request to go to bid on a School Facilities Board project in the amount of \$3,318,204 for a K-6 elementary school, project number 070280000-9999-012N.
3. Approve Riverside Elementary School District's request to go to bid on a School Facilities Board project in the amount of \$4,280,985 for a 5-8 elementary school, project number 070402000-9999-001N.

Pat Conley seconded, Motion passed on a 5-0 voice vote.

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

a. Steps III

Isaac Elementary

This item was removed from the agenda.

Yavapai County Accommodation

Logan Van Sittert moved that the Board Accept Staff recommendation to purchase a parcel of land for a 9-12 high school site for the Yavapai County Accommodation School District (project number 130199000-9999-002L).

Brooks Keenan seconded. Motion passed on a 4-0-1 voice vote with Pat Conley abstaining.

b. Other Land Related Issues

Washington Elementary

Brooks Keenan moved that the Board approve the staff recommendation to approve the request of Washington Elementary to sell the approximately 3 acre parcel of non-usable land contingent upon the approval of the district's

Governing Board. The Executive Director will notify the district of the School Facilities Board approval after receiving notification of the district Governing Board's action to initiate the sale of this parcel.

Pat Conley asked to verify that when districts sell land, should they need future land, this amount would be deducted from any future purchases. Brooks Keenan stated that he did not recall that policy if the parcel was not purchased with SFB funds. Kate McGee stated that this parcel was purchased with bond funds and the proceeds from the sale would reduce the district's bond debt.

Mike Wicks seconded. Motion passed on a 3-1-1 voice vote with Pat Conley against and Kate McGee abstaining.

VIII. Replenishment of Contingency Funds for Packages including:
There were no districts listed under this agenda item.

IX. Request for Reduction of Square Footage

Brooks Keenan moved that the Board approve the staff recommendation to approve Sahuarita Unified District's request to exclude the Auditorium from Sahuarita Intermediate School.

Logan Van Sittert asked if approval of this would put the district in need of a new school. Candy Cooley stated that the district would qualify for a new school in another year with or without this auditorium.

Pat Conley asked if auditoriums were included in high school space. Candy Cooley stated that there are several high schools with performing art centers that were paid for by the community. Ms. Conley asked if the district knows they will not receive Building Renewal funds for this space. Ms. Cooley stated that the district is aware. Ms. Conley asked what would happen if many schools start requesting to make auditoriums district space in order to qualify for more space. Ms. Cooley state that the district would have to bring that request to the Board for approval. If the removal of the auditorium makes them fall below the square feet per student it will not be allowed.

Sahuarita Superintendent Dr. St. John stated that regular classes are not held in this center. The district rents it to the town and provides utilities out of M&O monies.

Mike Wicks seconded. Motion passed on a 5-0 voice vote.

X. Finance Report

This was an informational item only. John Arnold updated the Board on the status of the following: Lease-to-Own, New School Facilities, and Deficiencies Correction.

Kate McGee asked if staff has heard from the IRS. Mr. Arnold stated that a case worker has been assigned to the SFB.

- XI. Future Agenda Items
Kate McGee: Building Renewal Subcommittee
Pat Conley: Update on Tax Study Committee

- XIII. Public Comment
None

Adjournment

There being no further business Board Chair, Logan Van Sittert, adjourned the meeting at approximately 12:30 P.M.

Approved by the School Facilities Board on _____, 2003

Logan Van Sittert, Chair