

SCHOOL FACILITIES BOARD
October 7, 2004
Goodyear, Arizona

The School Facilities Board held a board meeting at the Westar Elementary School. The meeting began at approximately 10:00 A.M.

<u>Members Present</u>	<u>Guests Present</u>
Conley, Patrice	Peter Turner, Liberty Elementary
Davidson, Frank	Brad Barrett, Gilbert Unified
Granillo, Peter (by phone)	Jan Langer, JO Combs Elementary
Keenan, Brooks	Patrick Jeske, Stanfield Elementary
McGee, Kate	
Triphahn, Carl	
Van Sittert, Logan, Chair	
Vaughan, G. Keith	
Wright, John, Vice-Chair	
Vicki Salazar, Superintendent's Representative (non-voting)	
<u>Members Absent</u>	
None	
<u>Staff Present</u>	
William Bell, Executive Director	
Tim Brand, Facilities Deputy Director	
John Arnold, Deputy Director of Finance	
Charlotte Hosseini, Special Projects	
Terrie Zenoff, Assistant Attorney General	
Deborah Dominguez, Executive Assistant	
Kristen Landry, Public Information Officer	
Amber Peterson, New Construction	

Welcome

Peter Turner, Liberty Superintendent, welcomed the School Facilities Board.

- I. Call to Order
 The Board Chair, Logan Van Sittert, called the meeting to order at approximately 10:00 A.M.

- II. Roll Call
 There were ten Board Members present at this meeting, including Vicki Salazar of ADE, a non-voting member (John Wright arrived late, at approximately 9:15 A.M.)

- III. Approval of Minutes of September 2, 2004 Meeting
Keith Vaughan moved that the Board approve the Minutes for September 2, 2004. Frank Davidson seconded. Pat Conley requested that the minutes include that the Board members discussed the SFB's role in enforcement as it pertains to Preventive Maintenance and asked staff to review ARS 15-2002K. Motion passed on a 7-0-1 voice vote, with 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 and Audit Update

Director Bell updated the Board on the audit that is taking place. He stated that 41 firms are being audited, nine of those are finalized, and three are in final settlement discussions. He added that the \$108,926 in exceptions from FCI has been settled and staff has agreed to accept \$78,921. Director Bell also expects another \$182,000 to be returned to the SFB from another construction firm. He added that Chuska/Sahara has agreed not to expend \$1,007,000. Audits of four of the Project Management firms, have been completed. After receiving our audit findings, these firms have filed claims against the SFB indicating their scope of work was changed significantly. The claims break down as follows: Kitchell has filed for \$1,627,039; Vanir for \$996,273; PinnacleOne has filed for \$1,623,000; and GVE for \$491,066.

The auditors have begun the field audits and it appears the SFB has purchased equipment that never made it to the schools. One of these findings was given to the Attorney General's Office and criminal charges may be pursued.

Keith Vaughan asked if the audit has generally been positive. Director Bell stated that yes, there have been some issues, but a majority of the work has been good.

John Wright arrived at 9:15.

Tim Brand discussed the deficiencies corrections projects including September 23 status of work and deferred project status.

b. October 15 Report to JCCR

Director Bell explained that each year the SFB submits a report to JCCR which contains demographics, construction schedules and cost estimates for the next year. Staff is in the process of completing this report.

Pat Conley stated that a Blue Ribbon Committee reported several years ago that bigger schools performed better which is contrary to national studies. Her concern was that this report is always included in the Annual Report. She requested that this report either be removed or re-evaluated.

Kate McGee asked if the board would have an opportunity to discuss and approve the report. Director Bell said yes, the Board would have that opportunity.

c. Conflict of Interest Memo

Board Members were presented with guidelines for conflict of interests. Logan Van Sittert requested that this issue be discussed at the Board's November Planning Session. Attorney Terrie Zenoff asked the board to submit questions and comments to Director Bell.

V. New School Construction

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

Gilbert Unified: Keith Vaughan recused himself from the Gilbert portion of this agenda item as he is employed by Gilbert Unified School District.

Director Bell explained that this item had been postponed because of the district's ADM count; this issue has been resolved. This recommendation would allow the district to proceed with the bidding process. Staff will evaluate the district's 40th Day ADM when those numbers come in and bring this back to the board in November.

District Superintendent Brad Barrett addressed the Board and discussed ADM versus enrollment. He explained that enrollment numbers are actual, while ADM numbers are the average number of students over a period of time. He stated that an actual child may not count towards the ADM unless that student is in attendance every day for the first 40 days. The SFB bases new construction approvals on ADM numbers. He added that in Gilbert, families are moving in on a daily basis and there is a large discrepancy between ADM and enrollment numbers. He believes that the Board was given discretionary powers to cover this issue in rapidly growing districts.

Pat Conley asked Superintendent Barrett where the law states the SFB has discretionary powers when it comes to ADM and enrollment numbers. Superintendent Barrett clarified that he spoke in reference to the board having discretionary powers when it comes to ADM numbers occurring within a two-year window; the board then has the discretion whether or not to authorize as opposed to being required to authorize within a one-year window.

Brooks Keenan moved that the Board approve Gilbert Unified District's request to go to bid on a School Facilities Board project in the amount of \$8,302,623 for a K-6 elementary school, project number 070241000-9999-006N. Actual award of the contract will be contingent on Board review of the district's 40th Day ADM in November. Kate McGee seconded.

Pat Conley stated that per ARS 15-2041 3a, (The amount for elementary schools shall not be less than the number of new pupils for whom space will be needed in the next year and shall not exceed the number of new pupils for

whom space will be needed in the next five years), the SFB can only grant approval based on the five year ADM. She requested that staff determine if we are building beyond the five-year time frame.

John Wright stated that there is contention between ADM and enrollment and that this is a legislative issue. He suggested that districts contact their various organizations to have this taken to the legislature.

Motion passed on a 8-0-1 voice vote with Keith Vaughan recusing himself from the vote.

JO Combs Elementary: Director Bell stated that staff is recommending approval. There had been some issues with the district's reconfiguration which did not go to the board for approval at no fault of the district.

Jan Langer, Superintendent of JO Combs, was available to answer questions.

Keith Vaughan stated that when the reconfiguration took place in 2002, it was not necessary to bring to the board.

Pat Conley asked if this is approved, would the district have enough students to fill the school per ARS 15-2041 3a. Staff determined that, yes based on the projections, they would have enough students.

Keith Vaughan moved that the Board approve JO Combs Elementary School District's request to go to bid on a School Facilities Board project in the amount of \$6,893,775 for a K-5 elementary school, project number 110344000-9999-003N. John Wright seconded. Motion passed on a 9-0 voice vote.

Keith Vaughan moved that the Board approve the staff recommendation as follows:

1. Approve Dysart Unified District's request to go to bid on a School Facilities Board project in the amount of \$9,560,628 for a K-8 elementary school, project number 070289000-9999-010N.
2. Approve Glendale Elementary District's request to go to bid on a School Facilities Board project in the amount of \$5,963,958 for a K-8 elementary school, project number 070440000-9999-005N.
4. Approve Maricopa Unified School District's request to go to bid on a School Facilities Board project in the amount of \$4,136,265 for a K-6 elementary school, project number 110220000-9999-008N.
5. Approve Roosevelt Elementary School District's request to go to bid on a School Facilities Board project in the amount of \$7,340,256 for a K-8 elementary school, project number 070466000-9999-003N.

6. Approve Vail Unified District's request to go to bid on a School Facilities Board project in the amount of \$6,650,293 for a 6-8 middle school, project number 100220000-9999-007N.

Frank Davidson seconded. Motion passed on a 9-0 voice vote.

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

a. Steps I and/or II

Keith Vaughan recused himself from the Coolidge portion of this item as he is a consultant for the district.

Brooks Keenan moved that the Board approve the staff recommendation as follows:

1. Approve the Coolidge Unified District's request to accept a donation of 5 acres for a K-5 elementary school and move to Step III project number 110221000-9999-011L.
2. Approve the Coolidge Unified District's request to accept a donation of 10 acres for a 6-8 elementary school and move to Step III project number 110221000-9999-009L.

Peter Granillo seconded. Motion passed on an 8-0-1 voice vote with Keith Vaughan recusing from the vote

John Wright moved that the Board approve the staff recommendations as follows:

1. Approve the staff recommendation to move forward with the appraisal and further negotiation of this property for Chandler Unified School District, project number 070280000-9999-014L. Not to accept the partial donation until we have the appraisal.
2. Approve the Chandler Unified District's request to accept a donation of 14 acres for a K-6 elementary school and move to Step III, project number 070280000-9999-015L.
3. Approve the Saddle Mountain Unified District's request to lease a 13.5 acre parcel from the State Land Department and move to Step III, project number 070390000-9999-004L.
4. Approve the staff recommendation to move forward with the appraisal and further negotiation of this property for Stanfield Elementary School District, project number 110424000-9999-002L. Not to accept the partial donation until we have the appraisal.

Pat Conley seconded. Motion passed on 9-0 voice vote.

b. Step III

John Wright moved that the board approve the staff recommendations as follows:

1. Approve the Florence Unified School District's request to accept a donation of 16 acres for an elementary school site, (project number 110201000-9999-011L).
2. Approve the Maricopa County Regional School District's request purchase 16 acres for 7-12 school site (project number 110201000-9999-006L)

Keith Vaughan seconded. Motion passed on a 9-0 voice vote.

c. Consideration of Other Land Related Issues
Isaac Elementary

Peter Granillo moved that the Board Board approve funding in the amount of \$59,000 for due diligence studies for the Isaac Elementary School District.

Frank Davidson seconded. Motion passed on a 9-0 voice vote.

VII. Request for Reduction of Square Footage

John Wright moved that the that the Board approve the staff recommendation to approve Glendale Elementary District's request to remove Buildings 1014 and 1015 at Harold W. Smith School and Buildings 1010 and 1011 at Glenn F. Burton School. Keith Vaughan seconded. Motion passed on a 9-0 voice vote.

Kate McGee requested that the retirement of buildings be discussed at the November planning session.

VIII. Request for Waiver from Guidelines

Pat Conley moved that the Board Humboldt Unified School District's request to convert basketball courts into tennis courts. Peter Granillo seconded. Motion passed on a 9-0 voice vote.

IX. Assessment Deficiencies

a. Consideration of Ratification of Contracts for Deficiency Corrections Projects
Peter Granillo moved that the Board ratify the contract awards for the School Facilities Board and the districts and vendors listed under agenda item IX.a. Frank Davidson seconded. Motion passed on a 9-0 voice vote.

b. Consideration of Ratification of Change Orders for Deficiency Corrections Projects

Brooks Keenan moved that the Board ratify the change orders for the districts and vendors listed under agenda item IX.b. Peter Granillo seconded.

The Board discussed Phoenix ESD's [CM@Risk](#) change order. Tim Brand explained that the drawings were inadequate and the city did not catch the electrical issues. Kate McGee asked if the SFB had any recourse with the

architect. Tim Brand explained that staff is working on this and discussions are still ongoing. Peter Granillo stated that the CM is at risk and the SFB should not be responsible for these costs. Carl Triphahn agreed that the professionals should be aware of the necessary codes.

Kate McGee stated that while Washington ESD is included in this item, she was not involved in this item and did not feel the need to recuse herself from the vote.

Motion passed on a 9-0 voice vote.

c. Consideration of Other Deficiencies Correction Issues:

Patrick Jeske, Superintendent of Stanfield Elementary addressed the board and requested that the district's 42 air conditioning units need to be replaced. He stated that when this originally went to the Board in June, it was for reimbursement. Since that meeting, the district has replaced four units. The age of the units is 14 years and the parts are no longer available.

He added that while the district has received \$70,000 in Building Renewal monies, those dollars have already been earmarked for other purposes such as their well, handicapped accessibility, and a septic tank.

Pat Conley stated that she felt the well, septic tank, and handicapped accessibility issues were all items that may qualify for emergency funding, but not air conditioning units. Peter Granillo agreed. Ms. Conley then asked why these were not replaced during the assessment. Keith Vaughan stated that when the assessment took place, the SFB asked if the units would last for three years, which they have.

Kate McGee asked if a lack of maintenance was to blame for the condition of the units. Mr. Jeske stated that they have been maintained and he could provide maintenance records.

John Wright stated that this is not an emergency, but he does not want M&O funds to be used for items like this.

Director Bell stated that if the units were to break, staff would consider it to be an emergency then.

Logan Van Sittert clarified that an emergency would involve health and safety and this does not

John Wright moved that the Board deny the Stanfield Elementary School District request for emergency funding to replace 42 HVAC units.

Pat Conley seconded. Motion passed on a 9-0 voice vote.

X. Preventive Maintenance

Brooks Keenan moved that the Board approve the School Districts Preventive Maintenance Plans as presented in Item X. Peter Granillo seconded. Motion passed on a 9-0 voice vote.

XI. 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 Cash Balance and Lease-to-Own History.

XII. Future Agenda Items

None

XIII. Public Comment

Ed Mangan, an energy consultant, addressed the board regarding energy efficiency in schools.

Adjournment

There being no further business Board Chair, Logan Van Sittert, adjourned the meeting at approximately 12:05 P.M.

Approved by the School Facilities Board on _____, 2004

Logan Van Sittert, Chair