

SCHOOL FACILITIES BOARD  
PUBLIC HEARING  
May 4, 2006  
Peoria, Arizona

Pursuant to Arizona Revised Statutes (A.R.S.) § 15-2002(C)(9), a call to the public was issued at 10:10 A.M. for the purpose of hearing the Dysart Unified School District's application for funding for the construction of new school facilities proposed to be located in territory in the vicinity of a military airport.

The following Board Members were present: Kate McGee, Cynthia Chovich, Frank Davidson, Patricia Gober, David Ortega, Gregory Torrez, Tom Rushin, and Penny Taylor. Staff members present include: John Arnold, Dean Gray, Carol Civiello, Kristen Landry, Amber Peterson, and Debra Sterling.

There being no public comment, Kate McGee, adjourned the meeting at approximately 10:12 A.M.

Approved by the School Facilities Board on \_\_\_\_\_, 2006

\_\_\_\_\_  
Chair

SCHOOL FACILITIES BOARD  
 May 4, 2006  
 Peoria, Arizona

The School Facilities Board held a board meeting at West Wing Elementary School in Peoria. The meeting began at approximately 10:15 A.M.

<u>Members Present</u>	<u>Guests Present</u>
McGee, Kate, Chair	Joyce Lutrey, Higley USD
Keenan, Brooks, Vice Chair	Fred Stone, Higley USD
Chovich, Cynthia	
Davidson, Frank	
Gober, Patricia	
Ortega, David	
Torrez, Gregory	
Rushin, Tom	
Taylor, Penny	
<u>Members Absent</u>	
Phil Williams, Superintendent's Representative (non-voting)	
<u>Staff Present</u>	
John Arnold, Acting Executive Director	
Dean Gray, Deputy Director of Facilities	
Carol Civiello, Interim Deputy Director of Facilities	
Kristen Landry, Public Information Officer	
Amber Peterson, School Finance Specialist	
Debra Sterling, Attorney General's Office	

I. Call to Order

Kate McGee called the meeting to order at approximately 10:20 A.M.

II. Roll Call and Introduction of Board Members

There were nine Board Members present at this meeting. Brooks Keenan arrived at 10:35 A.M.

Kate McGee introduced the two newest Board Members, Tom Rushin and Gregory Torrez.

John Arnold introduced Dean Gray, who will be replacing Carol Civiello as Deputy Director of Facilities.

Recognition of Former Board Member

The Board recognized former member Pat Conley for her years of service to the Board. Ms. Conley was presented with a plaque.

III. Approval of Regular Session Minutes and Public Meeting Minutes of the April 6, 2006 Board Meeting

Frank Davidson moved that the Board approve both the public meeting and regular session minutes of March 9, 2006. David Ortega seconded. Motion passed on a 4-0-4 voice vote with Kate McGee, Cynthia Chovich, Gregory Torrez, and Penny Taylor abstaining.

IV. Consent Agenda

a. Consideration and possible vote of 3 Year Building Renewal Plans

b. Consideration and possible vote of Preventive Maintenance Plans

Patricia Gober moved that the Board approve the Consent Agenda as presented in item IVa and b. Tom Rushin seconded. Motion passed on a 8-0 voice vote.

V. Director's Report

a. Audit Update

John Arnold announced that staff has resolved two claims resulting from the audits with GVE and Vanir.

b. Legislative Update

John Arnold provided a summary of the current bills that could impact the SFB.

David Ortega asked what oversight the SFB would have if HB2592, regarding developer partnership, was passed. Mr. Arnold explained that the agreement would be between the district and the developer. Consistent with the law, the SFB would review the designs and the district would be subject to the Capital Plan rules. If a district were to qualify for new construction, the project would be awarded as though it had not yet been built.

Regarding land, Patricia Gober asked if the district would be reimbursed. Mr. Arnold explained that the bill assumes the land is donated, though the district would not be eligible for the 20% donation factor. He added that the bill does not require land to be donated, in which case the SFB would likely treat the district as though the agreement was not in place. The bill does not suggest any reimbursement for land and discussed reimbursement on the square footage only.

Mr. Ortega asked if the agreement between the district and the developer would divide the adjacent ways. Mr. Arnold said that he did not believe the SFB would be interested in how they separate the cost. He added the bill is very clear that the reimbursement will take place for schools built with developer money and excludes district money.

Kate McGee asked if staff was called to testify on any of the bills. Mr. Arnold explained that the only bill staff was specifically asked to discuss was

SB1245, SFB Emergency Deficiencies. House staff sent language to SFB staff for HB2592 which staff offered technical comments.

Ms. McGee asked if HB2592 were to be passed, would districts receive the formula amount. Mr. Arnold said they would, but there is a question as to what size school would be awarded.

Penny Taylor suggested that staff look at HB2430, which is an energy efficiency bill.

Brooks Keenan arrived at 10:35 A.M.

c. Upcoming Board Meetings

John Arnold announced a study session would be held after the June 1 meeting to discuss campus vs. single roof style school. Kate McGee asked Board members to indicate if they would prefer to begin the board meeting at noon and go directly into the study session afterwards or hold the regular meeting, break for lunch, then return for the study session.

Mr. Arnold also explained that a July meeting would not be held, though a telephonic meeting may occur the last week in June. He requested that the August meeting be pushed back a week to the 10<sup>th</sup> due to vacation schedules.

d. Full Day Kindergarten Capital Grants

Frank Davidson moved that the Board approve the district's Full Day Kindergarten Expenditure Plans as outlined in agenda item Vd. Cynthia Chovich seconded. Motion passed on a 9-0 voice vote.

VI. New School Construction

a. Consideration and possible vote of FY 2006 Capital Plan New Construction Requests

John Arnold announced that this was the final round of FY06 New Construction Awards.

Penny Taylor asked if the districts that were denied new construction, received instructions on what they need to do in the future to qualify. Amber Peterson explained that districts generally know they need to apply in September and if the ADM projections at that time indicate a need for space, we would award them a school. John Arnold added that staff accepted most of the districts' ADM projections. He said many districts ask for schools that they do not qualify for. He explained that staff is working on the new construction calculator. Mr. Arnold added that if the capacity number assigned to a district is too high, they may debate that number.

Patricia Gober asked staff to elaborate on Alpine Elementary. John Arnold explained that Alpine's situation was very similar to that of Bouse Elementary's. He explained that Bouse requested one classroom per grade level. Staff asked if they could sustain one teacher per grade level and the district indicated that they could not for several years. Looking at their current

square footage, they have sufficient space to meet the minimum guideline requirements.

Kate McGee asked how much land was awarded in FY06. Mr. Arnold said he did not have that number on hand, but it could be provided to the board. Ms. McGee asked how much in new construction was projected. Mr. Arnold said staff had projected \$256 million which was based on last year's conceptual approvals. He added that the \$256 million did include inflation.

Cynthia Chovich moved that the Board approve the following:

1. Alpine Elementary (K-8): That the Board approve the staff recommendation to deny the district's request for additional K-8 space for 15 students to open in FY 07.
2. Apache Junction Unified (K-5): District did not request current funding approval, only conceptual approval. Staff recommends conceptual approval for 2 K-5 schools for 650 students each to open one each in FY 10 and FY 12.
3. Apache Junction Unified (6-8): District did not request current funding approval, only conceptual approval. Staff recommends conceptual approval for a 6-8 school for 900 students to open in FY 11.
4. Avondale Elementary (K-8): That the Board approve the staff recommendation to deny the district's request for a K-8 for 850 students to open in FY 08. Staff recommends conceptual approval for 2 K-8 schools for 850 students each to open on each in FY 10, and FY 14.
5. Blue Ridge Unified (P-6): That the Board approve the staff recommendation to approve a P-6 school for 185 students to open in FY 08.
6. Blue Ridge Unified (7-8): That the Board approve the staff recommendation to deny the district's request for a 7-8 middle school for 430 students to open in FY 08.
7. Bouse Elementary (K-8): That the Board approve the staff recommendation to deny the district's request for three additional K-8 classrooms to open in FY 07.
8. Cartwright Elementary (K-6): District did not request current funding approval, only conceptual approval. Staff recommends conceptual approval for a K-6 school for 513 students to open in FY 09.
9. Cartwright Elementary (7-8): District did not request current funding approval, only conceptual approval. Staff recommends conceptual approval for the buildout of a previously-approved core 7-8 school to accommodate an additional 600 students to open in FY 10.

10. Chino Valley Unified (K-8): That the Board approve the staff recommendation to deny the district's request for a K-8 school for 650 students to open in FY 09. Staff recommends conceptual approval for a K-8 school for 650 students to open in FY 10.
11. Colorado River Union (9-12): That the Board approve the staff recommendation to deny the district's request for a 9-12 school for 800 students to open in FY 09. Staff recommends conceptual approval for a 9-12 school for 800 students to open in FY 10.
12. Continental Elementary (K-8): District did not request current funding approval, only conceptual approval. Staff's recommendation is to deny the district's request for conceptual approval for a K-8 school for 725 students to open in FY 10.
13. Deer Valley Unified (K-8): District did not request current funding approval, only conceptual approval. Staff recommends conceptual approval for four K-8 schools for 850 students each to open in FY 11 through FY 14.
14. Deer Valley Unified (9-12): That the Board approve the staff recommendation to approve the district's request to cancel project 021N (9-12 school for 2,000 students) to open in FY 07. Staff recommends conceptual approval for 021N to open in FY 12.
15. Gilbert Unified (K-6): District did not request current funding approval, only conceptual approval. Staff's recommendation is to deny the district's request for conceptual approval for three K-6 schools for 952 students each to open in FY 10 through FY 12.
16. Gilbert Unified (9-12): District did not request current funding approval, only conceptual approval. Staff recommends conceptual approval for a 9-12 school for 2,600 students to open in FY 11.
17. Glendale Elementary (K-8): District did not request current funding approval, only conceptual approval. Staff recommends conceptual approval for a K-8 school for 1,000 students to open in FY 11.
18. Grand Canyon Unified (9-12): That the Board approve the staff recommendation to deny the district's request to remodel existing space in order to increase classroom square footage to open in FY 07. Staff also recommends denial of the district's request for conceptual approval for a 9-12 school for 140 students to open in FY 11.
19. Kingman Unified (7-8): District did not request current funding approval, only conceptual approval. Staff recommends conceptual approval for a 7-8 school for 750 students to open in FY 10.
20. Kirkland Elementary (K-8): District did not request current funding approval, only conceptual approval. Staff recommends conceptual approval for a K-8 school for 170 students to open in FY 11.

21. Lake Havasu Unified (K-5): District did not request current funding approval, only conceptual approval. Staff recommends conceptual approval for a K-5 school for 500 students to open in FY 13.
22. Lake Havasu Unified (9-12): District did not request current funding approval, only conceptual approval. Staff recommends conceptual approval for a 9-12 school for 500 students to open in FY 12.
23. Mohave Valley Elementary (7-8): District did not request current funding approval, only conceptual approval. Staff recommends conceptual approval for a 7-8 school for 50 students to open in FY 11.
24. Oracle Elementary (K-8): District did not request current funding approval, only conceptual approval. Staff recommends conceptual approval for a K-8 school for 500 students to open in FY 11.
25. Pendergast Elementary (K-8): District did not request current funding approval, only conceptual approval. Staff's recommendation is to deny the district's request for conceptual approval for a K-8 school for 950 students to open in FY 10.
26. Riverside Elementary (K-8): District did not request current funding approval, only conceptual approval. Staff's recommendation is to deny the district's request for conceptual approval for a K-8 school for 750 students to open in FY 11.
27. Yavapai County Accommodation (9-12): District did not request current funding approval, only conceptual approval. Staff recommends conceptual approval for a 9-12 school for 25 students to open in FY 10.

Penny Taylor seconded. Motion passed on a 9-0 voice vote.

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

a. Steps I and/or II

Kate McGee asked if Maricopa County had sold the previous site. John Arnold said that the site has not yet been sold, but the process is underway and the proceeds from the sale will come back to the SFB.

Frank Davidson moved that the Board approve the following:

1. That the Board approve Agua Fria Union High School District's request to purchase an 50 acres for a high school site and move to Step III for necessary testing.
2. That the Board approve Gilbert Unified School District's request to accept a donation of 12 acres for an elementary school site and move to Step III for necessary testing.

3. That the Board approve Maricopa County Regional School District's request to purchase 11 acres for an middle and high school site and move to Step III for necessary testing.

David Ortega seconded. Motion passed on a 9-0 voice vote.

b. Step III

Kate McGee asked how many appraisals were done on the Dysart property. John Arnold explained that two appraisals were ordered. Because there was a significant difference between the two, both appraisals were sent out for review and the reviewer was in agreement with the \$5,990,000 value. Ms. McGee asked why there was a significant discrepancy between the two. Mr. Arnold said there were reasons for the discrepancy, however staff did not have that information on hand.

Kate McGee explained she was voting against Dysart's request because of lack of information.

David Ortega moved that the Board approve Dysart Unified School District's request to purchase 55 acres for a high school site, project number 070289000-9999-027L at a cost of \$5,990,000. Tom Rushin seconded. Motion passed on an 8-1 voice vote with Kate McGee against.

Penny Taylor moved that the Board approve Queen Creek Unified District's request to accept a donation of 9.989 acres for an elementary school site, project number 070295000-9999-012L. Brooks Keenan seconded. Motion passed on a 9-0 voice vote.

c. Other Land Issues

John Arnold explained that Higley was previously approved to purchase 22.347 acres at \$7,040,000 minus a \$1 million donation from the seller. The seller has now indicated that they will only sell the property to the district at the higher appraised value. They have also pulled the \$1 million donation making this request a full purchase.

Patricia Gober asked what proportion of students cross the freeway to attend school. John Arnold explained that this is an elementary site and most districts would prefer their students not cross the freeway.

Gregory Torrez asked what year this school would be necessary. Mr. Arnold said this school is projected to open in August 2013, which means it would be approved in FY11. The board policy is to allow the purchase of the land two years in advance of the school award, which would be FY09. This request would be two years ahead from the usual timeline.

Mr. Torrez asked if there were any alternatives. Mr. Arnold explained that staff met with the district and the north side of the freeway is plotted out for commercial and residential. The developer of the surrounding area was asked what his plans for the site would be if he purchased the site and he indicated he would put homes there. Staff believes that the district does need a site in this area.

Dr. Gober asked what precedent the agreement between the seller and the district would set. Mr. Arnold explained that seller agreements are very common and have little bearing on what the board does.

David Ortega noted that if the district did not buy the land it would be sold to a developer for more homes. He said this would likely make the situation worse, adding more children to an area without a school site. He added that he supports the district's request and believes it is still a fair price.

Penny Taylor asked if staff has taken air quality for schools near freeways into account. Mr. Arnold said staff has not discussed that particular issue.

Kate McGee said this should be treated as a new request. She added that the request goes outside the board's land acquisition window policy. She believes the board would be setting a precedent outside of the board's function in approving this ahead of the curve. Mr. Arnold explained that while it is ahead of the board's policy it is within statute. In terms of precedent setting, Mr. Arnold said the board has held the position that if a developer is building a community and wants a school within that community they need to provide the land for that school. The seller of this property is not a developer. He added that the SFB's job is to provide schools at the best cost to the state. Staff believes this is the best way to provide that school.

Ms. McGee asked if the district's FY11 school could be placed on this parcel. Mr. Arnold said that the order and location of where schools are built are up to the district unless the district is too far ahead in identifying sites. He explained that the district does not believe they will need this site until FY14.

Ms. McGee, using her district as an example, asked if Washington ESD could request a parcel of land in a particular area. She explained that the district is currently land-locked and if they continue to grow they would need a site in a certain area. Mr. Arnold said that the SFB reviews space on a district wide level so if there was enough space at one end of the district, they would not qualify for a new school. He explained that Higley will qualify for this school. Because they are working off a clean slate, staff believes we should provide the qualifying school where it is needed.

Penny Taylor asked if the district has surveyed other properties to see what else may be available. Mr. Arnold said he has met with the district and their consultants to review maps of the district. He added that the district is targeting this area. Finding multiple sites in the area beyond this particular one was not discussed.

Cynthia Chovich said she was surprised by the lack of space in the area when she visited the district last month.

Joyce Lutrey and Fred Stone, of the Higley District, addressed the board. They provided a map of the district that showed the status of land.

Ms. McGee asked if the district had bond money they could put towards the project. Mr. Stone said the last bond election was in 2003, of that less than \$2

million remains, which the district plans to put towards an upcoming high school and elementary school.

Gregory Torrez asked if the full 22 acres was needed. Mr. Stone explained that that because this is a K-8 the school needs athletic fields for the middle school students.

Mr. Torrez asked why the donation was cancelled. Mr. Stone explained it was canceled due to the financial interest of the family; they could sell the land to a developer at a higher price.

Dr. Gober asked if the district did have this site, would they still need to bus students across the freeway. Ms. Lutrey said they would not.

Cynthia Chovich moved that the Board approve Higley Unified School District's request for additional funding in the amount of \$1,110,000 to complete the purchase of 22.347 acres (project number 070260000-9999-013L. David Ortega seconded. Motion passed on a 6-3 roll call vote with Kate McGee, Patricia Gober, and Penny Taylor voting against.

VIII. Consideration of Reconfiguration of Space

Frank Davidson moved that the Board authorize the square footage changes indicated in the above table, thereby reducing the district's K-6 square footage by 7,200 square feet. Tom Rushin seconded. Motion passed on a 9-0 voice vote.

IX. Future Agenda Items

Kate McGee requested that the financial report appear on each month's agenda.

X. Public Comment

None

Adjournment

There being no further business, Kate McGee, adjourned the meeting at approximately 11:40 A.M.

Approved by the School Facilities Board on \_\_\_\_\_, 2006

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Chair