

SCHOOL FACILITIES BOARD  
August 10, 2006  
Tucson, Arizona

The School Facilities Board held a board meeting at Estes Elementary School in Tucson. The meeting began at approximately 10:05 A.M.

<u>Members Present</u>	<u>Guests Present</u>
Davidson, Frank, Chair	Denny Deardon-Marana Unified
Keenan, Brooks, Vice Chair	Michael Rosset-Marana Town Manager
Chovich, Cynthia	Scott Thompson, Dysart Unified
Davidson, Frank	Pete Turner, Liberty Elementary
Gober, Patricia	
Ortega, David	
Taylor, Penny	
Torrez, Gregory	
Rushin, Tom	
<u>Members Absent</u>	
Phil Williams, Superintendent's Representative (non-voting)	
School Board Representative Position Vacant	
<u>Staff Present</u>	
John Arnold, Acting Executive Director	
Dean Gray, Deputy Director of Facilities	
Monica Petersen, Deputy Director of Finance	
Kristen Landry, Public Information Officer	
Amber Peterson, School Finance Specialist	
Debra Sterling, Attorney General's Office	

- I. Call to Order  
Frank Davidson called the meeting to order at approximately 10:05 A.M.
- II. Roll Call and Introduction of Board Members  
There were eight Board Members present at this meeting.

John Arnold announced that the Governor named Frank Davidson as Board Chair. Frank Davidson announced that Brooks Keenan had been re-nominated as Vice Chair.

III. Approval of Regular Session Minutes and Study Session Minutes of the June 1, 2006 Board Meeting and

David Ortega moved that the Board approve both the public hearing and regular session minutes of June 1, 2006. Brooks Keenan seconded. Motion passed on a 8-0 voice vote.

Approval of June 28, 2006 Minutes

David Ortega moved that the Board approve the minutes of June 28, 2006. Brooks Keenan seconded. Motion passed on a 7-0-1 voice vote with Cynthia Chovich 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 ratify the districts listed in agenda items IVa and b. Cynthia Chovich seconded. Motion passed on an 8-0 voice vote.

V. Director's Report

a. CM@Risk Process

At the April Board meeting, the Board expanded the Inflation Adjustment Policy to allow districts to use alternative delivery methods and still qualify for inflation funding. The Board requested that staff develop specific guidelines on how the CM at Risk delivery method would be administered. Staff presented the proposed process at the June meeting for comments. Since then, staff has received one comment.

The goal of the process is to verify that the total project cost is appropriate. The recommended steps are designed to ensure that the method is employed correctly and that staff receives sufficient data to determine that the presented costs are consistent with market conditions.

Gregory Torrez noted that the board previously discussed reviewing this process in one year and asked if staff would be able to handle overseeing the process. John Arnold said the process would be reviewed in one year and explained that staff is currently discussing if any additional resources will be needed to oversee this process.

Cynthia Chovich asked at what point the CM at Risk process would be discussed and reviewed with the districts. Mr. Arnold said this process is provided to the district during design development and any additional funding for change orders must be approved by the Board.

David Ortega noted that the document includes "approve project scope." He clarified that the SFB would also want to define items that may be outside the scope of the SFB funded project. Mr. Arnold agreed that staff wants to walk through the conceptual scope of the project with the district and identify what items are within the SFB or district funded scope.

David Ortega moved that the Board approve the process for administering the CM at Risk delivery method as presented in agenda item Va. Tom Rushin seconded. Motion passed on an 8-0 voice vote.

a. Study Session Results

This item was once again brought for discussion and information. At the June study session, staff presented evidence that campus layout does have a significant fiscal impact on the overall cost of the school.

The Board had asked for additional information regarding average number of buildings in schools built in the last five years, which was presented in a table in agenda item Vb, and any studies regarding campus layout and academic performance. Staff was unable to locate any such study.

John Arnold explained that staff is also developing a set of building shapes to establish the amount of exterior lineal feet the Board will fund. He explained that districts will not be forced to design to that shape, but the shapes will identify the exterior linear footage allowed for receiving SFB funds.

Brooks Keenan asked if staff has received any feedback. Mr. Arnold said staff has received a few questions about the shapes, but no feedback.

David Ortega asked if campus style layouts have any impact on the recommended acreages. Mr. Arnold said staff did compare the footprints of a campus style vs. single building design, but did not translate that to acreages. He suggested that be something to evaluate in the future.

b. Legislative Update

John Arnold provided a recap of the bills impacting the SFB from this past legislative session. Only one was passed that affects the SFB, which is HB2592 on school and developer partnerships. He also reviewed the FY07 SFB Budget.

Penny Taylor asked why the Legislature's changes to the Building Renewal formula were vetoed. Mr. Arnold explained that while he did not see the veto letter, the Governor previously indicated in her veto letters that because Building Renewal is currently under litigation it would not make sense to change the formula.

Frank Davidson asked how this year's Building Renewal allocation compares to last year's. Mr. Arnold said the FY06 Building Renewal allocation was \$70 million. He added that the formula produces about \$161 million.

c. Audit Update

John Arnold announced that Jefferson Wells issued the final Audit Report for Heery International. The report stated that there were no exceptions found. This was the last audit that Jefferson Wells had outstanding.

e. Upcoming Conference

On October 3, 2006 the SFB, in cooperation with the Arizona Association of School Business Officials (AASBO), will be hosting an all-day conference, *Overcoming Challenges of Facilities Planning*, at the Pointe Hilton Squaw Peak. Attendees will include District Superintendents and Facilities Managers.

- f. Status of the Executive Director  
John Arnold explained that at the last meeting, an update on the Executive Director position was requested. Mr. Arnold said he did not have any new information on his position, though the Governor's office has said they are trying to resolve this as soon as possible.
- g. Full Day Kindergarten Capital Grants  
Brooks Keenan moved that the Board approve the district's Full Day Kindergarten Expenditure Plans as outlined in agenda item Vg. Gregory Torrez seconded. Motion passed on an 8-0 voice vote.

VI. New School Construction

a. Consideration and possible vote of New Construction Projects Review, Bids, and Bid Packages

Patricia Gober moved that the Board approve the following:

1. Chandler Unified District's request to proceed with [CM@Risk](#) Project 070280000-9999-017N, upon staff receipt of necessary documents, and that the Board approve additional funding for inflation in the amount of \$456,347.
2. Chandler Unified District's request to proceed with [CM@Risk](#) Project 070280000-9999-018N, upon staff receipt of necessary documents, and that the Board approve additional funding for inflation in the amount of \$511,228.
3. Dysart Unified District's request to proceed with [CM@Risk](#) Project 070289000-9999-020N, upon staff receipt of necessary documents, in the amount of \$12,034,176.
4. Fowler Elementary District's request to go to bid on project 070445000-9999-009N.
5. Union Elementary District's request to proceed with [CM@Risk](#) Project 070462000-9999-005N, upon staff receipt of necessary documents, and that the Board approve additional funding for inflation in the amount of \$579,765 and additional funding in the amount of \$120,450 for site specific requirements.

Cynthia Chovich seconded. Motion passed on a 8-0 voice vote.

b. Consideration and possible vote of New Construction Expansion of Scope and Increased Project Cost

Tom Rushin moved that the Board approve the staff recommendation to approve funding in the amount of \$98,223.38 for Patagonia Union High School District's SCIP insurance premium. Patricia Gober seconded. Motion passed on an 8-0 voice vote.

Patricia Gober moved that the Board approve the staff recommendation to deny funding for temporary space K-8 space at the Saddle Mountain District. Penny Taylor seconded.

Gregory Torrez asked if the reason this recommendation was a denial was because there was sufficient space within the district to accommodate the students. Mr. Arnold said that was correct.

Motion passed on an 8-0 voice vote.

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

a. Steps I and/or II

David Ortega moved that the board approve the following:

1. Continental Elementary School District's request to accept a donation of 20 acres for an elementary site and move to Step III for necessary testing.
2. Crane Elementary School District's request to purchase 28 acres for two elementary sites and move to Step III for necessary testing.
3. Dysart Unified School District's request to accept a donation of 13.57 acres for an elementary site and move to Step III for necessary testing.
4. Dysart Unified School District's request to accept a donation of 10 acres and purchase an additional 10 acres for an elementary site and move to Step III for necessary testing.
5. Dysart Unified School District's request to accept a donation of 20 acres for an elementary site and move to Step III for necessary testing.
6. Florence 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.
7. Higley Unified School District's request to accept a donation of 10 acres and purchase an additional 10 acres for an elementary site and move to Step III for necessary testing.
8. JO Combs Elementary School District's request to lease 40 acres of State Trust Land for an elementary and middle school site and move to Step III for necessary testing.
9. JO Combs Elementary School District's request to lease 50 acres of State Trust Land for a high school site and move to Step III for necessary testing.

Cynthia Chovich seconded.

Patricia Gober asked about the Luke Air Force Base's noise and accident potential zone as referenced in Dysart Unified and Liberty Elementary (in section VIIIc.) districts' requests.

Scott Thompson, of the Dysart Unified District addressed the board. He explained that all of Dysart's schools fall within the Luke AFB zone, but the district works with the Air Force to find appropriate parcels. He added that all their new schools are prototypes and there have not been any issues with noise. Dr. Gober asked what would happen if the school's noise levels were high. Mr. Arnold said the SFB would require the district to attenuate the facility for sound at their cost. He added that the district's design team is aware of those issues and should take that into account during the design of the facility.

Pete Turner, of the Liberty Elementary District, addressed the board. He explained that the parcels that are available to his district as a donation are within the noise and accident potential zone and Luke will not approve the locations of those available parcels.

Gregory Torrez asked at what point the Board sees the purchase price for land and asked if there is a limit to what the SFB will pay. Mr. Arnold explained the land process and said Step I and II is the request for a specific site. Step III is when the environmental testing and appraisal are completed and the price is determined. It is then brought to the Board again for final approval. As for limits on purchase price, the statute requires fair market value or less which is determined by the appraisal.

Penny Taylor asked who appraises the parcels. Mr. Arnold said there is a list of appraisers on state contract which staff procures to appraise the property.

Motion passed on an 8-0 voice vote.

b. Step III

Frank Davidson recused himself from this item as he is Superintendent of the Casa Grande Elementary District. Brooks Keenan chaired this section of the agenda.

David Ortega moved that the Board approve Casa Grande Elementary School District's request to accept a donation of 12.019 acres for an elementary school site, project number 110404000-9999-011L. Tom Rushin seconded. Motion passed on a 7-0-1 voice vote with Frank Davidson recusing himself.

c. Step III

Gregory Torrez moved that the Board approve the following:

1. Liberty Elementary School District's request to purchase 15 acres for an elementary school site, project number 070425000-9999-008L at a cost of \$2,775,000.

2. Marana Unified School District's request to purchase 10 acres for an elementary school site, project number 100206000-9999-0018L at a cost of \$1,800,000.

3. Maricopa Unified School District's request to accept a donation of 12 acres for an elementary school site, project number 110220000-9999-016L.

4. Saddle Mountain Unified District's request to accept a donation of 39.651 acres for a high school site, project number 070390000-9999-013L.

David Ortega seconded. Motion passed on an 8-0 voice vote.

d. Other Land Issues

Gregory Torrez moved that the Board approve Isaac Elementary District's request for additional funding in the amount of \$3,476 to cover attorney fees associated with the sale of property at 43<sup>rd</sup> Avenue and the I-10. Tom Rushin seconded.

Patricia Gober asked what responsibility the district has in a case such as this. Mr. Arnold explained that the SFB allows districts to select their own sites and anticipate their community has gone through the process of finding a site that is in the best interest for the community. He added that staff is now requesting more detailed information about the school site in the up-front documents.

Dr. Gober asked if Isaac's situation is unique and who bears the responsibility. Mr. Arnold explained that when the Supreme Court transferred the funding responsibility to the state, they did not transfer authority for building schools. The Legislature took the court's decision and determined how much authority to give the state. Very little authority has been transferred to the state since then. The SFB is required to provide a school site and can veto sites, but cannot dictate what site to chose.

Brooks Keenan asked if the state made any money off the sale. Mr. Arnold said the state did make money, but added that the SFB is not going into the land banking business.

Motion passed on an 8-0 voice vote.

VIII. Reduction of Square Footage

Brooks Keenan moved that the Board approve the following:

1. Ajo Unified District's reduction of square footage in the amount of 10,672 SF.
2. San Carlos Unified District's reduction of K-5 square footage in the amount of 12,659 SF.
3. San Carlos Unified District's reduction of 9-12 square footage in the amount of 1,440 SF.
4. The retirement of Building 1004 at Show Low Junior High School South in Show Low Unified School District.
5. Show Low Unified District's reduction of 9-12 square footage in the amount of 4,976 SF.

6. Tucson Unified District's reduction of 6-8 square footage in the amount of 2,583 SF.
7. Whiteriver Unified District's reduction of K-6 square footage by 79,490 SF.
8. Whiteriver Unified District's reduction of 7-8 square footage by 11,456 SF.

David Ortega seconded. Motion passed on an 8-0 voice vote.

IX. Future Agenda Items

Penny Taylor requested a discussion on the unification group.

X. Public Comment

None

Adjournment

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

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

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Chair

**MINUTES FOR THE AUGUST 10, 2006 STUDY SESSION FOLLOW.**

SCHOOL FACILITIES BOARD  
Energy Efficiency  
August 10, 2006  
Tucson, Arizona

The School Facilities Board held a study session at the Estes Elementary School in Tucson. The session began at approximately 1:29 P.M.

<u>Members Present</u>	<u>Guests Present</u>
Keenan, Brooks, Acting Chair	John Schmadake, Agua Fria Union
Chovich, Cynthia	Bill Taylor, DLR Group
Davidson, Frank	Jim Westberg, Dept. of Commerce
Gober, Patricia	
Ortega, David	
Torrez, Gregory	
Rushin, Tom	
Taylor, Penny	
<u>Members Absent</u>	
Phil Williams, Superintendent's Representative (non-voting)	
School Board Representative Position Vacant	
<u>Staff Present</u>	
John Arnold, Acting Executive Director	
Dean Gray, Deputy Director of Facilities	
Kristen Landry, Public Information Officer	
Amber Peterson, School Finance Specialist	
Debra Sterling, Attorney General's Office	

- I. Call to Order  
Frank Davidson called the session to order at approximately 1:29 PM
- II. Roll Call  
There were eight Board Members present at this meeting.
- III. Study Session on Energy Efficiency
  - a. Staff Presentation  
John Arnold presented on the executive orders, statutes, and rules regarding Energy Efficiency in school buildings.

Penny Taylor asked if daylighting is considered as part of Executive Order 2005-05. Mr. Arnold said that he did not know that a "renewable source" has been defined.

Brooks Keenan asked what the most common deficiency in energy was. Mr. Arnold said there were two areas that districts tended to fail in: windows and lighting systems.

In reviewing the 8-Year Payback Rule R7-6-261, staff has told districts to bring requests for energy upgrades forward for review. To date, no requests have been made. Staff is proposing to work with districts, architects, and engineers to identify a list of items that meet the standards of this rule. These items will be brought to the board for approval allowing a menu of items that meet the minimum guidelines and may be funded by the SFB.

Staff will also go through the LEED standards and identify those that are low or no cost standards. Those will be brought before the board to make them part of the design standards. The SFB may not be able to force districts to use them, but they will be funded by the SFB if the district chooses to use them.

Patricia Gober asked what the logic was in making this an incentive program and not a forced program in that it is a state mandate. Mr. Arnold said the state law requires districts to build to the ASHRAE 2004/IECC 2003 moving to 2006. This is an upgrade from where we are now. The Executive Order asks districts to meet the LEED Silver "as practicable."

b. John Schmadeke, Agua Fria Union High School District

John Schmadeke of Agua Fria Union discussed his district's LEED and Energy Efficiency projects. Desert Edge High School is a LEED Silver school and Verrado High School is also on its way to LEED Silver.

Dean Gray asked what the difference in cost between using a central plant and package unit. Mr. Schmadeke said the central plant is about \$500,000 more, but in a large school it pays for itself in energy savings. He explained that as a facility gets smaller, the M&O costs of maintaining a central plant may make it a wash. Frank Davidson asked what the breaking point of using a central plant would be. Mr. Schmadeke said in a large middle school, about 120,000 square feet, it would be wise to use a central plant.

Dr. Davidson asked how the district aggregates this data. Agua Fria utilizes a service agreement on the central plant and the contractor associated with maintaining the plant tracks this data.

Gregory Torrez noted that there was a savings of \$58,000 and asked what the additional cost was. Mr. Schmadeke did not have that information but noted that the \$58,000 was a savings. Mr. Schmadeke explained that in addition to the SFB funding, they received money from the land donation and B-Bond money.

Penny Taylor asked how Mr. Schmadeke learned about energy efficiency. He explained that the architectural teams had LEED accredited personnel on staff that provided advise. The district has always taken efficiency into account.

Sameer Pandey asked if the money from the SFB was enough to fund the school to LEED Silver. Mr. Schmadeke said the district traded their athletic facilities for

LEED. He added that a full high school built to LEED would need more funding than the formula amount provides.

Mr. Schmadke added that LEED requires building commissioning and also requires the district to maintain records and manage the construction.

Dean Gray asked how much more efficient a central plant is compared to a package unit. Mr. Schmadeke said the day-to-day maintenance upkeep is about 25% of what it costs to do package units.

David Ortega said if you integrate LEED up front during construction you can account for it. Currently, the SFB is not building LEED schools. He suggested that the Board may have to determine if Building Renewal Funds should be used for retrofitting schools to meet energy efficiency standards.

Gregory Torrez asked if the SFB ever asks districts what energy conservation programs they do. Mr. Arnold said that staff has initiated a survey of water and energy consumption to provide a baseline of what schools are doing today. Staff has also developed a series of forms coming through the design stage that shows what the water and energy consumption will be of new schools. This is based on the fixtures selected by the architect. A conservation program is not in place, but staff believes it is worth discussing.

Cynthia Chovich asked if this would be the discussion that is taking place at the October 3 Conference. Mr. Arnold said his hope is to have the 8-year-payback items determined by then and have a more detailed discussion on LEED standards funded by the SFB. Dr. Davidson asked when the 10-Year-Payback be feasible. Mr. Arnold said it would likely be finalized in December.

Michael Medeiros of the Marana District asked why items such as day lighting and furring were taken out of his new construction design. Mr. Arnold explained that in the past year, the direction has been to meet the budget which caused those items to be removed. The Governor has since asked the SFB to meet these energy efficiency goals. He added that if a district can prove that items have an 8-year-Payback, those items will be considered for SFB funding.

Mr. Ortega noted that none of these energy efficient items discussed are beyond what the ordinary construction practice utilizes. Mr. Arnold said the law requires the SFB to provide what is necessary and appropriate, and staff is working to determine what exactly is necessary and appropriate.

c. Bill Taylor, DLR Group

Bill Taylor, a representative from AIA, presented on where schools stand as compared to the state mandates.

Frank Davidson asked if there was any data to support the 8-Year-Payback recommendations. Mr. Taylor said there is data to support that and the items he discussed, such as waterless urinals, insulation, reflective roofs, and sensors, fall well within the 8-Year-Payback. He added that he has another 20-30 items that do require additional studies.

Cynthia Chovich asked what LEED level staff expects districts to achieve. Mr. Arnold explained that the Executive Order calls for a silver level standard, but cautioned that the goal is not to spend dollars and chase points. The goal is to become as energy efficient as practicable.

Mr. Arnold added that there are grants and other funding available to districts. A staff member will be assigned to research other grants that may be available. Jim Westberg, of the State Energy Office, reviewed the APS grant that is available to districts.

Adjournment

There being no further business, Brooks Keenan, adjourned the meeting at approximately 3:00 PM.

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

\_\_\_\_\_  
Chair