

SCHOOL FACILITIES BOARD
May 3, 2007
Chandler, Arizona

The School Facilities Board held a board meeting at the Chandler Unified School District Office in Chandler. The meeting began at approximately 10:06 A.M.

<u>Members Present</u>	<u>Guests Present</u>
Davidson, Frank, Chair	Johnny Ketchum, Tonto Basin
Keenan, Brooks, Vice Chair	Robin Berry, ARSA
Chovich, Cynthia	Bill Taylor, AIA
Gober, Patricia	
Ortega, David	
Rushin, Tom	
Taylor, Penny	
Lyle Friesen, Superintendent's Representative (non-voting)	
<u>Members Absent</u>	
Marks, Gary	
Private Business Owner Representative, position vacant	
<u>Staff Present</u>	
John Arnold, Executive Director	
Dean Gray, Deputy Director of Facilities	
Monica Petersen, Deputy Director of Finance	
Jim Chang, Demographer	
Kristen Landry, Public Information Officer	
Debra Sterling, Attorney General's Office	

- I. Call to Order
Frank Davidson called the meeting to order at approximately 10:11 A.M.
- II. Roll Call
There were eight Board Members present at this meeting including Lyle Friesen, a non-voting member.
- III. Approval of April 5, 2007 Minutes
Cynthia Chovich moved that the Board approve the Public Hearing and Regular Session minutes of April 5, 2007. David Ortega seconded. Motion passed on a 7-0 voice vote.

IV. Consent Agenda

- a. Consideration and possible vote of FY07 3 Year Building Renewal Plans
- b. Consideration and possible vote of Preventive Maintenance Plans

Tom Rushin moved that the Board ratify the districts listed in agenda items IVa and b. Brooks Keenan seconded. Motion passed on a 7-0 voice vote.

V. Director's Report

- a. Alternative Project Delivery Methods Policy-Report

John Arnold explained that in April 2006, the Board authorized the use of the Alternative Project Delivery procurement method for projects over the formula amount. At that time, the Board requested a report in one year to review the effectiveness and impacts of the change. Staff compared several K-8 projects from a year before the new policy was approved to those a year following approval. While the CM@Risk projects that were approved following the policy change were more expensive, staff found several other factors that contributed to the increased cost. These include a 10% increase in inflation and fewer districts providing local funds to construction projects. Mr. Arnold noted that at the time only Design-Bid-Build Projects were allowed, more districts were willing to cover the difference between the formula amount and the GMP just so they could use a CM. He added that staff believes GMP pricing is competitive and provides fair market costs.

Brooks Keenan noted that the findings on whether or not the CM@Risk process is more expensive is inconclusive because of the other factors that may have contributed to the increased cost. He does not believe a change to the policy is necessary and requested an update in another year.

David Ortega asked if any of the CMs were small or minority owned businesses. Mr. Arnold said there is one CM firm that is women owned as well as subcontractors that are women owned. Mr. Ortega asked if the terms of the CM contract are negotiable. Mr. Arnold said all elements of the contract are subject to negotiation and, to date, no one has walked away from a project. Dean Gray agreed with Mr. Arnold and noted that there has not been one lawsuit with a CM firm due to work being done incorrectly.

Mr. Ortega asked how the CMs performed as far as timing of projects. Mr. Arnold said that he has not seen an improvement in timing, but a comfortable period of time exists to build a school. Mr. Gray noted that the use of preferred subcontractors can speed the process along.

Frank Davidson asked what the general perception of the process has been. Mr. Gray said that most districts are using the CM@Risk process and all parties are becoming very comfortable with it. He added that many disputes can occur in the Design-Bid-Build Process.

- b. Preventive Maintenance Policy

John Arnold explained that the Superintendent's School Finance Advisory Board contacted SFB staff and requested that all of our information reports be delayed until after October 25. The only report that does not have a statutory date is the Preventive Maintenance report. This report is outlined in the Board Policy Book Item VII D and is currently due on October 1. Staff

has no objection to moving the report deadline post October 25 and recommends the Board move the date to November 1.

Cynthia Chovich asked if districts would be informed of the change. Mr. Arnold said that districts are sent a reminder letter each year and that letter would reflect the new date.

Brooks Keenan moved that the Board change the due date of the Preventive Maintenance Report to November 1. Cynthia Chovich seconded. Motion passed on a 7-0 voice vote.

c. May 30 Symposium

John Arnold explained that the Governor issued an Executive Order instructing the SFB to develop a report regarding 21st century schools. Staff has conducted a national literature review and met with several focus groups of local education expertise.

The next step in the development of the report will be a symposium on May 30. The symposium is open to the public and will feature two nationally recognized experts on school facilities, Drs. Susan Wolff and Kenneth Tanner.

After the keynote speakers, participants will divide into four focus groups to discuss the following questions:

- How to best integrate technology into teaching and learning
- Create personalized learning environments
- What is the ideal classroom size and school size
- Steps to improve the energy and water efficiency of schools

Frank Davidson said he was impressed with the credentials of the keynote speakers and suggested staff post links to their work on the SFB website.

David Ortega requested copies of any materials provided at the event.

d. Legislative Update

Monica Petersen updated the Board on the status of the bills that may impact the SFB.

Frank Davidson asked what the focus of HB 2496 is. Ms. Petersen explained that it allows private utilities to front the cost of energy saving measures for districts. Districts would then set up a repayment schedule from their M&O budget.

David Ortega asked if SB 1159 is dependent on the number of contractors and number of projects currently under construction. Ms. Petersen explained that this bill has not had any activity in the legislature.

Referring to the study committee, Mr. Davidson asked if SFB staff will be invited to share comments. Ms. Petersen said the Director will be on this

committee and will have the ability to assign staff to any projects developed by the committee.

VI. New School Construction

a. Consideration and possible vote of FY 2007 Capital Plan New Construction Requests

Johnny Ketchum of the Tonto Basin Elementary School District addressed the Board. His district is requesting space for their pre-school children with disabilities and also that his district's capacity be calculated differently because they are such a small school.

Cynthia Chovich said that she toured the school and believes the district has utilized the space as best as they can. She noted that they have a huge gymnasium and an IGA with the town for the use of the library.

Robin Berry, President of the Arizona Rural Schools Associated spoke on behalf of the Tonto Basin District. She also believes that very small school districts should be analyzed differently because of their need for a large gym, more classrooms, and attention to weather and location issues.

Brooks Keenan asked staff for a general assessment of capacity in rural schools. John Arnold explained that Students FIRST recognized that there were many schools built under varying abilities to provide for students. The SFB was to establish a capacity for each of those schools. This would impact every type of school, small or large. Staff did not assess every school, but developed a formula. This formula deducted 10% of the square footage of existing schools and then divided by the midpoint of the minimum and design guideline. Staff offered to meet with districts that had difficulty with the formula.

Mr. Arnold noted that the capacity of Tonto Basin is 160 students, but does not believe the school can accommodate that many.

Tom Rushin moved that the Board go into Executive Session to seek legal advice. Pat Gober seconded. Motion passed on a 7-0 voice vote. Executive Session ran from 11:20am to 11:35am.

David Ortega said that because of the way the gym is designed, he believes it becomes an exit from the classrooms and should be excluded from the total square footage. Mr. Arnold said that in schools with interior corridors, the square footage was reduced by 10%.

David Ortega moved that the Board approve the following:

1. Blue Ridge Unified (7-8): Deny the district's request for a 7-8 school with capacity for 512 students to open in FY 09. No Conceptual approval.
2. Coolidge Unified (K-8): Deny the district's request for two K-8 schools to open one each in FY 09 and FY 10. Conceptually approve six K-8 schools, including 013N, 017N, 018N, 019N, and 020N.

3. Coolidge Unified (9-12): District did not request current funding approval, only conceptual approval. Conceptually approve a 9-12 with capacity for 1,596 students to open FY 14.
4. Crane Elementary (K-6): District did not request current funding approval, only conceptual approval. Conceptually approve 005N (K-6 with capacity for 731 students) to open FY 14.
5. Gilbert Unified (K-6): District did not request current funding approval, only conceptual approval. No Conceptual approval for three additional K-6 schools.
6. Gilbert Unified (9-12): District did not request current funding approval, only conceptual approval. No Conceptual approval for 012N (9-12 with capacity for 2,128 students) to open FY 11.
7. Nadaburg Elementary (K-8): Deny the district's request for three K-8 schools to open by FY 10. Conceptually approve four K-8 schools, including 004N, 006N, and 007N.
8. Oracle Elementary (K-8): District did not request current funding approval, only conceptual approval. No Conceptual approval for 001N (K-8 for 500).
9. Riverside Elementary (K-8): District did not request current funding approval, only conceptual approval. No Conceptual approval for a K-8 with capacity for 685 students to open FY 15.
10. Tolleson Union (9-12): Deny the district's request for 004N (9-12 school with capacity for 2,394 students) to open in FY 10. Conceptually approve 004N to open FY 12.
11. Yuma Union (9-12): District did not request current funding approval, only conceptual approval. Conceptually approve 003N (9-12 with capacity for 2,394 students) to open FY 12.

Penny Taylor seconded. Motion passed on a 7-0 voice vote.

Pat Gober moved that the Board table Tonto Basin Elementary's request for additional space pending review of the SFB's obligation to provide space. Tom Rushin seconded. Motion passed on a 7-0 voice vote.

b. Consideration and possible vote of FY 2007 Capital Plan New Construction Requests

Tom Rushin recused himself from the item because he is the Superintendent of the Yuma Elementary School District.

Brooks Keenan moved that the Board approve the following:

1. Yuma Elementary (K-5): District did not request current funding approval, only conceptual approval. Conceptually approve 002N (K-5 with capacity for 675 students) to open FY 14.
2. Yuma Elementary (6-8): Deny the district's request for 005N (6-8 school with capacity for 846 students) to open in FY 10. Conceptually approve 005N to open FY 15.

Penny Taylor seconded. Motion passed on a 6-0-1 voice vote with Tom Rushin recusing.

- c. Consideration and possible vote of New Construction Projects Review, Bids, Bid Packages and Change Orders including projects from:
David Ortega moved that the Board approve Dysart Unified District's request to proceed with CM@Risk Project 070289000-9999-022N, upon staff receipt of necessary documents, and that the Board approve additional funding for design elements in the amount of \$809,821. Tom Rushin seconded. Motion passed on a 7-0 voice vote.

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

a. Steps I and/or II

Brooks Keenan moved that the Board approve environmental testing for the Buckeye Union High School District-owned land. Cynthia Chovich seconded. Motion passed on a 7-0 voice vote.

VIII. Future Agenda Items

Cynthia Chovich requested a more detailed presentation on small and rural schools.

XI. Public Comment

Bill Taylor, of AIA addressed the Board regarding the request to JLBC to increase funding. He said the School Facilities Coalition is working on a new position paper and asked for a 20 minute Board study session to discuss inflation funding and timing of construction funding.

Adjournment

There being no further business, Frank Davidson, adjourned the meeting at approximately 11:58 A.M.

Approved by the School Facilities Board on June 6, 2007

Frank Davidson
Chair