

SCHOOL FACILITIES BOARD
September 1, 2010
Phoenix, Arizona

The School Facilities Board held a Board Meeting at the Arizona State Capitol Building in Phoenix, Arizona. The meeting began at approximately 10:04 A.M.

<u>Members Present</u>	<u>Guests Present</u>
Dr. Frank Davidson, Chair	Andrea Chalmers, APS
Tom Rushin, Vice-Chair	Judy Richardson, Stone & Youngberg
Gary Marks	Grant Hamill, Stone & Youngberg
Dr. Patricia Gober	Cathy Rex, So. Az School Facilities Grp.
Dr. Bill Johnson	
Eric Hafner	
<u>Members Absent</u>	
Vern Crow	
Penny Allee Taylor	
Vicki Salazar (non-voting member)	
<u>Vacant Board Position</u>	
Teacher Representative	
<u>Staff Present</u>	
Dean Gray, Executive Director	
Kerry Campbell, Public Information Officer	
Debra Sterling, Attorney General's Office	
Amber Peterson, School Finance Specialist	
Sameer Pandey, School Facilities Liaison	

- I. Call to Order
Dr. Frank Davidson called the meeting to order at approximately 10:04 A.M.

- II. Roll Call
There were six (6) voting Board Members present at this meeting.

- III. Consideration and possible vote to accept, reject or modify the Minutes of August 11, 2010
Tom Rushin made a motion for Board approval of the Minutes of August 11, 2010. Dr. Bill Johnson seconded. The motion passed with a 6-0 voice vote.

- IV. Director's Report
 - a. ARRA Update
Dean Gray reviewed the current status of the ARRA Energy Efficiency and Solar Energy Grants. No Board action is required.

Dr. Patricia Gober asked if the funding was federal stimulus dollars. Mr. Gray responded that the SFB received approximately \$20 million of federal stimulus money from the Department of Commerce Energy Office through the State Energy Program to fund energy efficiency and solar energy grants for school districts.

Dr. Gober asked how much additional ARRA funding the SFB could expect to receive. Mr. Gray answered that the exact amount has not been finalized, adding that the SFB is being considered for this additional funding because our projects are moving forward and jobs are being created. The SFB is also fortunate that district procurement rules have allowed projects to proceed without the hang-ups that other ARRA funding recipients are experiencing.

Dr. Frank Davidson added that while a year has passed since the SFB was awarded ARRA funding, it is understandable when consideration is given to the small size of the districts and low district staffing levels.

b. Study on Building Renewal Grants Update

Dean Gray explained that staff is currently working with the Governor's Office and OSPB on the evaluation of potential Building Renewal Grant requests.

V. Consideration and possible vote to accept, reject or modify Building Renewal Grant Requests

Dean Gray reviewed the balance of the Building Renewal Grant fund, explaining that if today's recommendations are approved by the Board the available balance is \$316,001. Staff continues working to close projects and make recognized savings and unspent monies available for new projects.

Mr. Gray provided a brief review of the Building Renewal Grant requests as presented in the Board packet.

Dr. Patricia Gober made a motion for Board approval of the following staff recommendations:

1. Board approval that **Apache Elementary** be awarded \$10,000 in Building Renewal Grant funding for the replacement and repair of the kitchen and restroom fixtures and equipment. This includes \$4,314 in contingency funds that will only be used with SFB staff approval.
2. Board approval that **Sierra Vista Unified** be awarded "Not to Exceed" \$65,000 in Building Renewal Grant funding for the replacement of the fire alarm system at Town and Country Elementary. This includes \$6,221 in contingency that will only be used with SFB staff approval.
3. Board approval that **Sunnyside Unified** be awarded "Not to Exceed" \$150,000 in Building Renewal Grant funding for the replacement of the central plant cooling towers at Desert View High School.

Eric Hafner seconded. The motion passed with a 6-0 voice vote.

VI. ARRA Energy Grant Awards

Consideration and possible vote to accept, reject or modify final award of Energy Efficiency Grant

Dean Gray explained that there are a few districts that have yet to receive final award approval by the Board because of problems with their IGA's and delays with the required commissioning. These districts have exceeded the eight months allotted by the Terms and Conditions to enter into a contract to complete the project. Staff has been working with the districts, ESCO's and

commissioners to resolve the outstanding issues and will bring these projects to the Board on a case-by-case basis for review.

Dr. Gober asked what problems staff is encountering with the IGA's. Mr. Gray explained that some project applications were submitted with very short payback periods and now the IGA shows a much longer payback. Staff is also seeing IGA's that increase the project cost, which in turn increases the payback period. Statute does not allow the payback period for efficiency upgrades to exceed the useful life of the equipment or 25 years, whichever is shorter.

Eric Hafner made a motion for Board approval of the following staff recommendation:

Winslow Unified – 090201000-9999-001EFF
5 schools
Project Scope: Lighting upgrade, HVAC upgrade HVAC control, Boiler Replacement, Solar Hot Water, Energy Recovery, Roof Insulation

Total Project Costs:	\$1,968,395	IGA Total Project Costs	\$1,980,883
Recommended Award:	\$590,518	ARRA Requested:	\$594,265
District Funds:	\$1,377,877	District Funds:	\$1,386,618
Estimated Savings per year:	\$166,286	Guaranteed Savings per year:	\$175,495
		Payback:	11.2 years
		Contingency:	\$17,828
		Commissioning:	\$12,488

Tom Rushin seconded. The motion passed with a voice vote of 6-0.

- VII. Preventative Maintenance Inspection Reports
 - a. Consideration and possible vote to accept, reject or modify Preventative Maintenance Inspection Reports
This agenda item was removed during the Board meeting.
 - b. Consideration and possible vote to accept, reject or modify the random selection for a Preventative Maintenance Inspection
This agenda item was removed during the Board meeting.
- VIII. Future Agenda Items
No request for Future Agenda Items was received.
- IX. Public Comment
No request for Public Comment was received.
- X. Adjournment
There being no further business, Dr. Davidson adjourned the meeting at 10:25 A.M.

Approved by the School Facilities Board on October 6, 2010

Frank Davidson
Chair