

SCHOOL FACILITIES BOARD  
November 2, 2011  
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	Patricia Ewanski, APS Solutions for Business
Tom Rushin, Vice-Chair	Judy Richardson, Stone & Youngberg
Gary Marks	Rick Carr, Arcadis
Jennifer Stielow	
Dr. Bill Johnson	<u>Staff Present</u>
Vern Crow	Dean Gray, Executive Director
	Phil Williams, Deputy Director
<u>Members Absent</u>	Kerry Campbell, Public Information Officer
Eric Hafner	Debra Sterling, Attorney General's Office
Stacey Morley (non-voting member)	Amber Peterson, School Finance Specialist
	Angela Cade, Fiscal Services Manager
<u>Vacant Board Positions</u>	Ron Passarelli, School Facilities Liaison
Demographer Representative	
Teacher Representative	

- I. Call to Order  
Chairman 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.
  
- III. Consideration and possible vote to accept, reject or modify the Minutes of October 5, 2011  
Dr. Bill Johnson made a motion for Board approval of the Minutes of October 5, 2011. Vern Crow seconded. The motion passed with a voice vote of 6-0.
  
- IV. Director's Report
  - a. Adoption of Policy Changes  
Dean Gray notified the Board that no public comment was received.  
  
Jennifer Stielow made a motion for approval of the recommended policy changes as presented by staff. Vern Crow seconded. The motion passed with a voice vote of 6-0.
  
  - b. Policy Review  
Dean Gray explained that staff plans to bring two policies at a time to the Board for review so that we may get through all the policies shortly after the first of the year. He then gave a brief overview of the changes to policies I. Board Governance Procedures and II. Policy Development that are being recommended by staff. These change recommendations will be posted on the SFB website for public comment and will be brought back to the Board, along with the comments received from the public, at the next regularly scheduled meeting.

Tom Rushin pointed out a couple of changes that need to be made.

V. New School Construction

Consideration and possible vote to accept, reject or modify requests for Guideline Exception

Dean Gray gave a brief explanation of Yavapai Accommodation's educational format and the district's requests for Guideline Exception.

Dr. Bill Johnson asked if the elimination of certain elements from a typical project required by the guidelines, such as a kitchen, causes the funding or square footage to be adjusted as well.

Mr. Gray explained that in the case of a guideline exception, the funding or square footage is not adjusted. The SFB awards funding for new school construction on a per pupil basis.

Jennifer Stielow asked for clarification on how the excess funds for a project such as this would be used at the district level.

Mr. Gray offered that in the case of a library, for example, there is cost for online books that is an ongoing expense. None of the remaining funds are returned to the SFB.

Debra Sterling explained that A.R.S. §15-2041 (I) states that a district has up to one year after completion of the project to use surplus monies for capital purposes for the project. Any unspent monies after one year from completion of the project must be returned to the SFB.

Ms. Stielow asked if staff knew how much savings would be recognized by the requested guideline exceptions. Mr. Gray responded that the savings is unknown.

Dr. Davidson asked about the size of this project when it was initially approved. Mr. Gray responded that the award was for 15,990 square feet, which is relatively small. The budget is approximately \$2.5 million and for a school of this size there is no economy of scale. It will be difficult to build this school within budget.

Dr. Davidson commented that he does not recall any previous awards to accommodation districts and that this project may be unique. Mr. Gray added that the Yavapai Accommodation new school construction request is not unlike any other district's; it is a very active district in the community. There have been other accommodation/county districts that have expressed desire for expansion and new school facilities. We have also awarded new schools in Yuma, Coconino and Santa Cruz Counties.

Dr. Johnson asked about the status of the project and the open date in FY 2012. Mr. Gray answered that the project was initially awarded to open in FY 2012 and due to delayed funding is currently scheduled to open in July of FY 2013.

Gary Marks made a motion for Board approval of Yavapai Accommodation's requests for Guideline Exceptions for the following guidelines: R7-6-220 (E), R7-6-221 (items 1, 4, 5, and 6), R7-6-226, R7-6-227, R7-6-246 (A. 1, 2, 3, 4, and 5), R7-6-247, R7-6-249, R7-6-250, for their new high school, project 130199000-9999-003NCB. Vern Crow seconded. The motion passed with a voice vote of 6-0.

VI. Building Renewal Grant Requests

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

Dean Gray reviewed the balance of the Building Renewal Grant fund. If today's recommendations are approved by the Board, the available balance is \$40,888. Staff continues working to close projects and make recognized savings and unspent monies available for new projects. Mr. Gray provided a brief explanation of each request as presented in the Board packet.

Ms. Stielow clarified that the \$1.1 million that Casa Grande Union noted for planned building renewal expenditures was for their planned projects, but that funding was never appropriated for those projects. Mr. Gray affirmed Ms. Stielow's comment.

Ms. Stielow added that her research found that the district has a balance carry forward of over \$1 million, clarifying that this raises her concern for the limited amount of Building Renewal Grant funds. Dr. Davidson clarified that the balance carry forward was on the district's M & O fund. Ms. Stielow added that there was also \$1.4 million in the district's unrestricted capital fund.

Mr. Gray commented that this issue should be discussed in Executive Session. Ms. Sterling added that the Board may choose to discuss this issue in Executive Session or in public session, but statute gives the SFB different authority when awarding Building Renewal Grant funds versus Emergency Deficiencies Correction funding.

Vern Crow made a motion to go into Executive Session to seek advice from counsel. Jennifer Stielow seconded. The motion passed with a voice vote of 6-0.

*The Board convened in Executive Session at 10:29 A.M..*

*The Board reconvened the Board Meeting at 10:35 A.M..*

Vern Crow made a motion for Board approval of the following staff recommendations:

1. Board approval that **Casa Grande Union** be awarded \$39,510 in Building Renewal Grant funding for the recoating of roofs 1, 2 & 3 on Building A at Casa Grande Union High School. This includes \$5,000 in contingency that will only be used with SFB staff approval.
2. Board approval that **Elfrida Elementary** be awarded \$49,285 in Building Renewal Grant funding for the replacement of the existing intercom

system. This includes a \$5,000 contingency that will only be used with SFB staff approval.

3. Board approval that **Willcox Unified** be awarded \$14,790 in Building Renewal Grant funding for the sump pump enlargement and door replacements at Willcox High School. This includes \$1,500 in contingency that will only be used with SFB staff approval.

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

VII. ARRA Energy Grant Awards

- a. Consideration and possible vote to accept, reject or modify cancellation of Energy Efficiency Grants

Dean Gray provided a brief explanation of Apache Junction Unified's request to cancel their Energy Efficiency Grant project.

Gary Marks made a motion for Board approval of Apache Junction Unified's request to cancel their Energy Efficiency Grant project. Jennifer Stielow seconded. The motion passed with a voice vote of 6-0.

- b. Consideration and possible vote to accept, reject or modify final award of Energy Efficiency Grants

Dean Gray provided a brief review of the project as presented in the Board packet.

Tom Rushin made a motion for Board approval of final award of funding for the Toltec Elementary Energy Efficiency Grant. Gary Marks seconded. The motion passed with a voice vote of 6-0.

- c. Consideration and possible vote to accept, reject or modify Amendment No. 4 to the Terms and Conditions for Solar Energy Grants

Dean Gray provided a brief review of the recommendation provided in the Board packet.

Gary Marks asked if all the projects have progressed to the point that they can be completed by March 1<sup>st</sup>. Mr. Gray responded that staff has worked hard to get the word out to all the districts about this deadline.

Dr. Bill Johnson made a motion for Board approval of Amendment No. 4 to the Terms and Conditions for Solar Energy Grants. Vern Crow seconded. The motion passed with a voice vote of 6-0.

- d. Consideration and possible vote to accept, reject or modify potential additional Solar Energy Grant Awards

Dean Gray provided a brief review of the recommendation provided in the Board packet.

Dr. Bill Johnson expressed his appreciation for staff's proactive efforts to use all of the ARRA funding for its best use.

Dr. Bill Johnson made a motion for Board approval of potential additional Solar Energy Grant Awards. Gary Marks seconded. The motion passed with a voice vote of 6-0.

VIII. Future Agenda Items

Gary Marks asked for an update on the recognized savings from the Solar Energy Grants.

IX. Public Comment

No requests for public comment were received.

X. Adjournment

There being no further business, Dr. Davidson adjourned the meeting at 10:45 A.M.

Approved by the School Facilities Board on March 7, 20112

Frank Dander

Chair