

SCHOOL FACILITIES BOARD
April 4, 2012
Phoenix, Arizona

The School Facilities Board held a Board Meeting at the Arizona State Archives Building in Phoenix, Arizona. The meeting began at approximately 10:07 A.M.

<u>Members Present</u>	<u>Guests Present</u>
Dr. Frank Davidson, Chair	Dennis Roehler, Cave Creek USD
Tom Rushin, Vice-Chair	Kent Frison, Cave Creek USD
Gary Marks – via telephone	Erwin White, Ganado USD
Jennifer Stielow	Rick Carr, Arcadis
Dr. Bill Johnson	
Stacey Morley	<u>Staff Present</u>
	Dean Gray, Executive Director
<u>Members Absent</u>	Phil Williams, Deputy Director
Eric Hafner	Kerry Campbell, Public Information Officer
Vern Crow	Debra Sterling, Attorney General’s Office
	Amber Peterson, School Finance Specialist
<u>Vacant Board Positions</u>	Angela Cade, Fiscal Services Manager
Demographer Representative	Yujun Mei, Demographer
Teacher Representative	Ron Passarelli, Legislative Liaison

- I. Call to Order
Chairman Dr. Frank Davidson called the meeting to order at approximately 10:07 A.M.

- II. Roll Call
There were four (4) voting Board Members and one (1) non-voting Board Member participating in person and one (1) voting Board Member participating via telephone.

- III. Consideration and possible vote to accept, reject or modify the Minutes of March 7, 2012
Dr. Bill Johnson made a motion for Board approval of the Minutes of March 7, 2012. Gary Marks seconded. The motion passed with a voice vote of 5-0.

- IV. Consent Agenda
 - a. Consideration of Preventative Maintenance Plans
 - b. Consideration of 3-Year Building Renewal Plans
Jennifer Stielow made a motion for Board approval of the Preventative Maintenance Plan and 3-Year Building Renewal Plans as listed in the Board packet. Dr. Bill Johnson seconded. The motion passed with a voice vote of 5-0.

- V. Director’s Report
 - a. Legislative Update
Dean Gray asked Ron Passarelli to give a brief explanation of the bills being considered at the Legislature. Mr. Passarelli reviewed several bills that may have an impact on education, school districts and/or the SFB including the following new bills HB2405, HB2561, HB2729, HB2743, HB2858, SCR1031 and HCR2005.

Jennifer Stielow asked why HB2578 has been stalled in the Senate. Mr. Passarelli responded that it appears the Appropriations Committee agendas were rather lengthy and the bill did not get scheduled.

Dr. Frank Davidson asked about HB2830 and the term of the performance contract. Mr. Passarelli explained that an amendment had reduced the maximum term of the contract from 25 years to 15 years.

Mr. Gray added that the decrease in the term of the contract had nothing to do with solar projects, but rather stemmed from concern that 25 years was often well beyond the life-cycle of the equipment in the case of lighting or mechanical upgrades.

b. Farewell to Dr. Frank Davidson

Dr. Davidson expressed his pleasure with having served two terms on the School Facilities Board and his desire to give someone else the opportunity to serve. He introduced newly appointed Board Member Jeff Smith, Superintendent of the Balsz Elementary School District and thanked his fellow Board Members and the SFB staff for their dedication to providing quality learning environments for Arizona students.

Mr. Gray personally thanked Dr. Davidson for his leadership, dedication, and service to the SFB, as did Tom Rushin, Gary Marks, Dr. Bill Johnson and Jennifer Stielow.

VI. New Construction Requests

Consideration and possible vote to accept, reject or modify the FY 2012 Capital Plan New Construction Requests

Dean Gray provided a brief explanation of the staff recommendations.

Jennifer Stielow asked if the approval for Benson Unified was for 48 students. Mr. Gray affirmed Ms. Stielow's inquiry.

Ms. Stielow asked if the approval would be for a new school or additional space at an existing school. Mr. Gray responded that the space would likely be built onto an existing school; however, this would be a district decision.

Ms. Stielow asked if there were a minimum number of students required to build a new school. Mr. Gray explained that there is no minimum and that the goal of the statute is to have the new school built and doors open when the need arises, (i.e. when the district is over capacity).

Ms. Stielow asked for further description of the other recommendations listed in the Board packet. Dr. Davidson explained that staff would answer any questions the Board may have.

Ms. Stielow asked about the request for new space made by Ft. Thomas Unified even though their ADM is half of their existing capacity. Mr. Gray asked Amber Peterson to respond to Ms. Stielow's question. Ms. Peterson explained that some districts include new construction requests in their annual capital plans out of habit, while some districts request new space knowing they do not qualify and

that their request will be denied. They sometimes use this denial as reasoning to go to the voters for a bond. Ms. Peterson added that Ft. Thomas has not previously requested new construction and simply did not know whether or not they would qualify.

Mr. Gray added that sometimes there is pressure placed on the district by the governing board, the community or parents. For example, if students are being bused long distances, the parents may want a school built closer to their homes. He further explained that most districts cannot afford to do the detailed demographic analysis that the SFB does. The New Construction Analysis page that is provided by staff in the Board packet is instrumental in giving a visual of the district's capacity versus ADM projections and where the numbers fall in regards to the funding window. While the SFB is often questioned by some legislative committee members who think the SFB builds schools too soon, statute requires the SFB to perform this analysis and award schools when the need arises.

Tom Rushin made a motion for Board approval of the following recommendations:

1. **Benson Unified (K-4): Approve** 001N (K-4 school for 48 students) to open in FY 14. **Note: Funding will not be available until sufficient funds are available in the New School Facilities Fund.**
2. **Continental Elementary (K-8): Deny** conceptual approval for a K-8 school for 616 students to open in FY 19.
3. **Fort Thomas Unified (K-6): Deny** approval for a K-5 school for 320 students to open in FY 13.
4. **Fort Thomas Unified (7-12): Deny** approval for a school for 240 students to open in FY 13.
5. **Gadsden Elementary (K-6): Conceptually approve** 008N (buildout of core K-6 school) to open in FY 17.
6. **Pima Unified (K-6): Conceptually approve** 002N (K-6 school for 150 students) to open in FY 17.
7. **Sahuarita Unified (K-8): Deny** the district's request for 005N (K-8 school for 600 students) to open in FY 15. **Conceptually approve** 005N and 006N to open in FY 18 and FY 19, respectively.
8. **Yuma Union (9-12): Deny** the district's request for a new school to open in FY 15.

Dr. Johnson seconded. The motion passed with a voice vote of 5-0.

VII. Emergency Deficiencies Correction and / or Building Renewal Grant Requests Consideration and possible vote to accept, reject or modify Emergency Deficiencies Correction and / or Building Renewal Grant Requests

Dean Gray explained that the four projects presented today qualify as Emergency Deficiencies Correction projects; however, we have been informed by the Governor's Office that the SFB may be receiving a supplemental appropriation to the Building Renewal Grant fund. For this reason, the projects are being presented as both Emergencies and Building Renewal Grants. He reviewed the balance of the Emergency Deficiencies Correction fund (\$483) and the Building Renewal Grant fund. If today's recommendations are approved by the Board, only the Toltec ESD request (\$10,000) will be funded immediately, leaving an available Building Renewal Grant balance of \$37,532. This balance is not sufficient to cover any of the 3 remaining projects; they may be approved contingent upon a supplemental appropriation. Staff continues working to close projects and make recognized savings and unspent monies available for new projects.

Mr. Gray provided a brief explanation of the four requests as presented in the Board packet, and informed the Board that Desert Arroyo Middle School had been removed from the recommendation for Cave Creek USD, because its current occupancy status precludes it from qualifying for Building Renewal Grant funding.

Jennifer Stielow asked if the districts have reached their budget limits. Stacey Morley responded that the districts' budget limits do not come into play with regard to Building Renewal Grants. The Building Renewal Grant funding is considered a grant and is not part of the budget formula.

Dr. Bill Johnson made a motion for Board approval of the following staff recommendations:

1. Board approval that **Casa Grande Union** be awarded an additional \$110,000 in Building Renewal Grant funding for repair of the pedestrian guard rails at Casa Grande High School (project number 110502000-9999-002BRG), contingent upon a supplemental appropriation to the Building Renewal Grant fund. This amount includes \$16,000 in contingency that may only be used with SFB staff approval.
2. Board approval that **Cave Creek Unified** be awarded \$256,844 in Building Renewal Grant funding for replacement of the fire alarm systems at Cactus Shadows High School, Black Mountain Elementary School, the Fine Arts Center, Varsity Stadium Concession Buildings and the central plant, contingent upon a supplemental appropriation to the Building Renewal Grant fund. This amount includes \$20,000 in contingency that may only be used with SFB staff approval.
3. Board approval that **Ganado Unified** be awarded \$80,000 in Building Renewal Grant funding for the replacement of the fire alarm at Ganado Primary School, contingent upon a supplemental appropriation to the Building Renewal Grant fund. This amount includes \$10,943 in contingency that may only be used with SFB staff approval.
4. Board approval that **Toltec Elementary** be awarded \$10,000 in Building Renewal Grant funding to hire an architect to design and provide

specifications for the repair and replacement of the roofs at Toltec Middle School.

Tom Rushin seconded. The motion passed with a voice vote of 5-0.

VIII. ARRA Energy Grant Awards

Consideration and possible vote to accept, reject or modify additional Solar Energy Grant Awards

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

Dr. Bill Johnson asked if there was a timeline for completion of the energy projects. Mr. Gray responded that there is a deadline of April 30, 2012 and that we anticipate completion of these final projects on or around April 15, 2012.

Jennifer Stielow made a motion for Board approval of additional Solar Energy Grant Awards. Dr. Bill Johnson seconded. The motion passed with a voice vote of 5-0.

IX. Future Agenda Items

No requests for future agenda items were received.

X. Public Comment

Tom Harris from PV Advanced Concepts expressed his concern about an amendment to HB2830 decreasing the term of the contract from 20 to 15 years and the effect this would have on solar vendors' ability to enter into performance contracts with school districts.

XI. Adjournment

There being no further business, Dr. Frank Davidson adjourned the meeting at 10:42 A.M.

Approved by the School Facilities Board on June 6, 2012


Interim Chair