

SCHOOL FACILITIES BOARD  
August 8, 2012  
Phoenix, Arizona

The School Facilities Board held a Board Meeting at the Arizona State Capitol Building in Phoenix, Arizona. The meeting began at approximately 10:05 A.M.

<u>Members Present</u>	<u>Guests Present</u>
Tom Rushin, Interim Chair	Mike Barragan, Tolleson UHSD
Dr. Jeff Smith	Richard Oros, Tolleson UHSD
Gary Marks	Dr. Cecilia Johnson, Coolidge USD
Vern Crow (after agenda item III.)	Paul Holland, HDA Architects
Dr. Bill Johnson – via telephone	Paul Huber, Tuba City USD
Eric Hafner – via telephone	Jay Lunt, Jim Browne & Son Roofing
	Ken Hicks, Littleton ESD
<u>Members Absent</u>	Pete Guzman, Superior USD
Jennifer Stielow	John Fung, Climatec
Stacey Morley	Robin Berry, Palo Verde ESD
	Greg Wyman, Tempe UHSD
<u>Vacant Board Positions</u>	Bob Anderson, Tempe UHSD
Demographer Representative	Diane Meulemans, Tempe UHSD
Teacher Representative	
<u>Staff Present</u>	<u>Staff Present</u>
Dean Gray, Executive Director	Dan Demland, Architect
Phil Williams, Deputy Director	Ron Passarelli, Legislative Liaison
Kerry Campbell, Public Information Officer	Amber Peterson, School Finance Specialist
Debra Sterling, Attorney General's Office	Angela Cade, Fiscal Services Manager
David Kennon, Assessment Specialist	Pat Cruse, Facilities Liaison

- I. Call to Order  
Interim Chairman Tom Rushin called the meeting to order at approximately 10:05 A.M.

- II. Roll Call  
There were six (6) voting Board Members participating in the meeting. Four (4) were present, while two (2) participated via telephone.

Vern Crow arrived at 10:12 A.M., between agenda items III. and V.

- III. Consideration and possible vote to accept, reject or modify the Minutes of July 11, 2012 and July 26, 2012  
Dr. Jeff Smith made a motion for Board approval of the Minutes of July 11, 2012 and July 26, 2012. Gary Marks seconded. The motion passed with a voice vote of 5-0.

Dean Gray asked the Board to move agenda item IV. to the end of the agenda with the hope that a sixth Board Member would arrive resulting in the required number of members to maintain a quorum for this item.

V. 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 \$8,179,947. 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 district requests as presented in the Board packet. He also showed the Board a RILEM tube and the clay that staff uses to test buildings for water intrusion.

Greg Wyman with Tempe Union requested to speak to the Board on this agenda item. He clarified that the water leak Mr. Gray had referenced occurred over a 16 to 18 month period. The site of the leak was located over an underground stream. The district knew about the leak, but could not locate it. The district procured the services of a company to do thermal imaging and found the source of the leak. The district has replaced the leaking pipe and replaced the chiller system. For each replacement, the system was flushed as required by the industry standard. The number of fan coil units demonstrates the size and scope of this project. There has been a rust problem going on for the better part of two years caused by oxygen in the untreated water resulting in degradation of the pipes of the closed-loop system. This may also be causing a sandpaper effect. The district's engineer has analyzed the system and provided stamped drawings for a replacement system. The district currently has an open solicitation for bids which are coming in within the expected cost range. The filter system the district would like to replace costs \$23,334. This filter system fits the engineer's stamped drawings. The district suggests modifying their request to fund the filter system replacement at a cost of \$23,334 and receive authority to proceed using the drawings and bids they have currently received. This has yet to be presented to the district's governing board as it is scheduled for next week. Failure of this system would leave the district deficient and they would like to avoid this by moving ahead with the project.

Mr. Gray asked if the district would be putting a new filter system on the closed-loop system. Mr. Wyman responded that the district would like to put a filter on the loop to clear the system. Once this is in place, the district will use other funding sources to replace the remaining fan coil units. The district estimates the fan coil units are currently failing at a rate of one per month. The rusting caused by the oxygenated water will continue to be an ongoing issue and at the current rate of failure the district expects more to fail. The district understands the full scope of the project to replace each fan coil unit, but they are also aware of the need for a new filter system that will clear the system as each unit is replaced.

Mr. Gray asked if the district wanted to withdraw their original request or modify the request for replacement of the fan coil units to include the new filter system. Mr. Wyman answered that the district was under the impression that the SFB was unable to fund a solution right away. Since the district needs to move ahead, funding for the filter system would be a way to do that.

Mr. Gray clarified that the district is requesting funding for the filter system and withdrawal of the staff recommendation, with the option to request additional funding for this project at a future Board meeting. Mr. Wyman responded that as the district proceeds with the replacement of each fan coil unit, unknown conditions may be discovered as the units are not all the same size or may fail before they are replaced. The district will also need to purchase the replacement units one-by-one or in small batches as they do not have the storage space nor can they predict which units will fail or when.

Dean Gray and Debra Sterling excused themselves from the room for a private discussion around 10:30 A.M. Tom Rushin advised that the Board was in recess. Mr. Gray and Ms. Sterling returned a moment later. Mr. Rushin reconvened the meeting.

Dean Gray explained that he proposes acceptance of the district's request to fund the cost of the new filter system and the withdrawal of the staff recommendation to fund a professional investigation. However, the district has submitted a Building Renewal Grant request for equipment that potentially needs to be replaced; thus, the SFB has some responsibility to assist the district with this problem. We understand the need, but we do not understand the cost. Mr. Gray proposed accepting the district's request to modify the motion to include funding the new filter system (50% of \$23,334) and allow the district to proceed with issuing purchase orders for the equipment replacement with the stipulation that the SFB will assume some responsibility for the cost of the replacement of the fan coil units based on staff review of the engineering documents and investigation that the district has already conducted, not to exceed \$850,000.

Mr. Wyman clarified that the lowest bid came in at \$1.17 million, which is about \$700,000 less than the original project cost estimate.

Mr. Gray added that a stipulation for staff review of the engineering documents and investigation be included in the conditions for funding which will be presented to the Board at a future meeting for approval or denial.

Tom Rushin asked how we should proceed with the drafting of a new motion for the Board. Debra Sterling volunteered to draft a new motion and asked for a few minutes to do so. She explained that the simplest way to proceed is to withdraw the staff recommendation and present a new motion to the Board.

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

1. Board approval of the staff recommendation that **Casa Grande Elementary** be awarded \$15,000 in Building Renewal Grant funding (\$11,200 for the replacement of one failed lift station pump and \$1,300 for the temporary repairs of the lift station controls) for replacement of the lift station pump and repair of the controls at Casa Grande Middle School. This amount includes \$2,500 in contingency that will only be used with SFB staff approval.

2. Board approval of the staff recommendation that **Casa Grande Union** be awarded Building Renewal Grant funding in the amount of \$16,700 to procure an architect to investigate, design and provide construction documents for the repair/replacement of the roofs at Casa Grande Union High School.
3. Board approval of the staff recommendation that **Colorado River Union** be awarded \$3,400 in Building Renewal Grant funding for the parapet roof wall coating at River Valley Union High School (Building 1002). This includes \$1,042 in contingency funds that will only be used with SFB staff approval.
4. Board approval of the staff recommendation that **Coolidge Unified** be awarded \$8,850 in Building Renewal Grant funds to procure an architect to investigate and provide construction documents for the repair/replacement of a portion of the roofs on Building 1007, the cafeteria and auditorium at Coolidge High School.
5. Board approval of the staff recommendation that **Coolidge Unified** be awarded \$8,850 in Building Renewal Grant funding for architectural services to prepare construction and bid documents to repair and paint the exterior of the auditorium building at Coolidge High School.
6. Board approval of the staff recommendation that **Coolidge Unified** be awarded Not To Exceed \$36,263 in Building Renewal Grant funding for the repainting of Buildings 1012 and 1013 at West Elementary.
7. Board approval of the staff recommendation that **Littleton Elementary** be awarded \$55,000 in Building Renewal Grant funding for the replacement of the HVAC units at Littleton Elementary School (Building 1012). This amount includes \$6,110 in contingency that will only be used with SFB staff approval.
8. Board approval of the staff recommendation that **Mohave Valley Elementary** be awarded \$41,391 in Building Renewal Grant funding for the replacement of the five HVAC units at Mohave Valley Elementary School (Building 1018). This amount includes \$5,000 in contingency that will only be used with SFB staff approval.
9. Board approval of the staff recommendation that **Oracle Elementary** be awarded \$6,040 in Building Renewal Grant funding for the engineering and design for the replacement of the existing hot water storage tank at Mountain Vista Elementary.
10. Board approval of the staff recommendation that **Superior Unified** be awarded \$12,000 in Building Renewal Grant funding for the repair of the existing intercom system at John F. Kennedy Elementary. This amount includes \$3,512 in contingency that will only be used with SFB staff approval.
11. This item was withdrawn. See motions below.

12. Board approval of the staff recommendation that **Tolleson Union** be awarded \$240,025 in Building Renewal Grant funding for the engineering, replacement of the HVAC unit on the Performing Arts Center, ROTC building, and the upgrade of the HVAC controls at Westview High School. This amount includes \$10,000 in contingency that will only be used with SFB staff approval.
13. Board approval of the staff recommendation that **Williams Unified** be awarded an additional \$1,300,000 (\$1,100,000 in construction costs, \$67,000 in additional design fees and \$133,000 in added contingency) in Building Renewal Grant funding for the added costs of the renovation at Williams Elementary/Middle School (cross reference to project number 030202000-9999-003EP). This will bring the project total to \$3,179,307.

Gary Marks seconded. The motion passed with a voice vote of 6-0.

The initial motion did not include Colorado River Union. It was amended by Vern Crow and seconded by Gary Marks. The motion passed with a voice vote of 6-0.

The Board proceeded with the motions for Tempe Union.

Vern Crow made a motion for Board approval of the withdrawal of the staff recommendation to award **Tempe Union** \$35,000 in Building Renewal Grant funding for a professional investigation of the existing conditions and scope of work for repair/replacement of the HVAC plant fan coil units and other components at Desert Vista High School.

Gary Marks seconded. The motion passed with a voice vote of 6-0. The votes of Dr. Bill Johnson and Eric Hafner were verified before the Board proceeded to the next motion.

Vern Crow made a motion for Board approval of the staff recommendation that **Tempe Union** be awarded fifty percent (50%) of \$23,334 to install a new filtering system on the central plant at Desert Vista High School. Additionally, staff recommends that Tempe Union provide the engineering reports and bids already received by the district to the SFB for review to determine if the SFB will pay some of the cost of replacing the fan coils. Tempe Union has agreed to match these funds.

Gary Marks seconded. The motion passed with a voice vote of 6-0.

Dr. Jeff Smith recused himself from the Board at this time.

#### IV. Consent Agenda

##### Consideration of 3-Year Building Renewal Plans

Gary Marks made a motion for Board approval of the 3-Year Building Renewal Plan for **Balsz Elementary** as presented in the Board packet. Vern Crow seconded. The motion passed with a voice vote of 5-0.

Dr. Smith rejoined the Board at this time.

Vern Crow recused himself from the Board at this time.

V. Building Renewal Grant Requests

- b. Consideration and possible vote to ratify the Executive Director's awards of Building Renewal Grant funds as authorized by the Board motion approved on June 6, 2012, Director's Report, Agenda Item V.c. (up to \$50,000 for project award)

Dean Gray provided a brief explanation of the request for Oracle Elementary as presented in the Board packet.

Gary Marks made a motion for Board approval of the following staff recommendation:

Board ratification that **Oracle Elementary** be awarded an additional \$47,510 in Building Renewal Grant funding for the cleanup of a rodent infestation in the 3<sup>rd</sup> and 4<sup>th</sup> grade building at Mountain Vista Elementary (project number 110302102-1007-003BRG). This amount includes \$6,000 in contingency funds that will be only used with SFB staff approval. This brings the total project cost to \$51,845.

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

Vern Crow rejoined the Board at this time.

- c. Consideration and possible vote to accept, reject or modify cancellation of Building Renewal Grant award

Dean Gray provided a brief explanation of the staff recommendation for Scottsdale Unified as presented in the Board packet.

Dr. Jeff Smith asked for the background and how an award like this could happen.

Mr. Gray accepted the responsibility for the error in bringing this project to the Board and explained that Apache Elementary is an elementary school, but the district is using it for their Transportation Department and other non-academic uses. The space has been excluded in the building inventory; and had the inventory been checked, he would have seen that it was excluded space. Districts often request funding from the SFB for projects that do not qualify. In this case, the nature of the project qualified for funding, but the non-academic use of the space disqualified it from Building Renewal Grant funding.

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

Board approval of the staff recommendation to cancel the award of \$95,000 in Building Renewal Grant funding to **Scottsdale Unified** for the replacement of the chiller at Apache Elementary.

Dr. Jeff Smith seconded. The motion passed with a voice vote of 6-0.

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

Dean Gray provided a brief explanation of the staff recommendations for Coolidge Unified as presented in the Board packet.

Gary Marks made a motion for Board approval of the following staff recommendations:

1. Board approval of staff recommendation that **Coolidge Unified's** request for Building Renewal Grant funding for repainting the exterior of the buildings at Hohokam Middle School be **denied** because the existing paint appears to meet the minimum school facility guidelines.
2. Board approval of staff recommendation that **Coolidge Unified's** request for Building Renewal Grant funding for repainting the exterior of the buildings at San Tan Heights Elementary School be **denied** because the existing paint appears to meet the minimum school facility guidelines.
3. Board approval of staff recommendation that **Coolidge Unified's** request for Building Renewal Grant funding for repainting the exterior of the buildings at Mountain Vista Middle School be **denied** because the existing paint appears to meet the minimum school facility guidelines.

Vern Crow seconded. The motion passed with a voice vote of 6-0.

VI. Emergency Deficiencies Correction Requests

Consideration and possible vote to accept, reject or modify the requests for Emergency Deficiencies Correction funds

Dean Gray reviewed the balance of the Emergency Deficiencies Correction fund. If today's recommendations are approved by the Board, the available balance is \$242,112. Staff continues working to close projects and make recognized savings and unspent monies available for new projects.

Mr. Gray provided a brief explanation of Palo Verde Elementary's request as presented in the Board packet.

Vern Crow asked if the consultant considered going down the same hole and what is the depth of the existing well. Mr. Gray answered that the consultant has reasons for wanting to drill a new hole as opposed to using the existing hole. The existing well is 350 feet.

Mr. Crow asked if the existing well is cased. Mr. Gray responded that the well is cased and the consultant has recommended drilling a new hole.

Gary Marks asked about the cost savings that will be recognized by the district as a result of less frequent filter changes. Mr. Gray responded that the amount of sanding that is clogging the filters will be considerably reduced with a new well as will the need to replace the filters as often as once per month.

Vern Crow asked if the well was located at a perched water table. Mr. Gray did not have an answer to Mr. Crow's question at this time, adding that the

consultant is a very reputable company that has completed many projects such as this for school districts.

Mr. Crow added that the location of the district would require drilling of between 600 and 1000 feet to reach a good water table. He asked if the consultant knew how far they would have to drill or if there would be additional costs for this project. Mr. Gray responded that well drilling is always unpredictable. The consultant has estimated drilling 650 feet, but no matter the depth, the district needs a new well and staff will bring this project back to the Board if necessary to request additional funding should the consultant need to drill deeper than 650 feet.

Mr. Crow confirmed that the request for \$250,000 would fund the consultant's drilling estimate to the sweet spot of between 650 and 800 feet. Mr. Gray affirmed Mr. Crow's comment.

Gary Marks asked about a permit for the new well. Mr. Gray answered that the funding request includes the cost of the permitting process.

Robin Berry, Superintendent for Palo Verde Elementary, asked the Board what is a perched water table. Vern Crow explained that there are different levels in the water table underground. Usually a shallower water table is not as clean as a deeper water table, since the soil filters impurities from the water. Sometimes water flows uphill as the result of head-pressure and then flows back down hill to the original level, this is called a perched water table. If the existing well is on a perched water table then drilling the new well to 1000 feet may be necessary to reach the sweet water.

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

Board approval that **Palo Verde Elementary** be awarded a Not To Exceed award of Emergency Deficiencies Correction funding in the amount of \$250,000 for the drilling of a new well at Palo Verde Elementary School. This amount includes \$38,125 in contingency that may only be used with SFB staff approval.

Gary Marks seconded. The motion passed with a voice vote of 6-0.

VII. Preventative Maintenance Inspections

a. Consideration and possible vote to accept, reject or modify Preventative Maintenance Inspection Reports

Dean Gray provided a brief explanation of Preventative Maintenance Inspection Reports as presented in the Board packet. He commented that districts in general try hard to perform preventative maintenance, but that funding is an issue.

Dr. Jeff Smith made a motion for Board approval of the Preventative Maintenance Inspection Reports for **Catalina Foothills Unified, Isaac Elementary, Nadaburg Unified, Queen Creek Unified and Wilson Elementary**.

Gary Marks seconded. The motion passed with a voice vote of 6-0.

- b. Consideration and possible vote to accept, reject or modify the random selection of districts for a Preventative Maintenance Inspection  
Dean Gray provided a brief explanation of random selection of districts for a Preventative Maintenance Inspection as presented in the Board packet.

Vern Crow made a motion for Board approval of the random selection of **Bicentennial Union, Clifton Unified, Colorado River Union, Tuba City Unified, and Valley Union** for a Preventative Maintenance Inspection.

Gary Marks seconded. The motion passed with a voice vote of 6-0.

VIII. Future Agenda Items

Gary Marks requested an update on the ARRA Energy Grant Program.

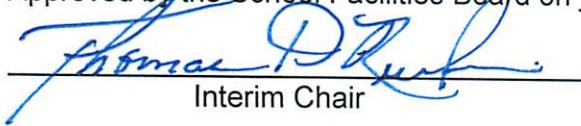
IX. Public Comment

No requests for public comment were received.

X. Adjournment

There being no further business, Tom Rushin adjourned the meeting at approximately 11:26 A.M.

Approved by the School Facilities Board on September 5, 2012

  
Interim Chair