

SCHOOL FACILITIES BOARD
March 6, 2013
Phoenix, Arizona

The School Facilities Board held a Board Meeting at the Arizona State Archives Building in Phoenix, Arizona. The meeting began at approximately 10:02 A.M.

<u>Members Present</u>	<u>Guests Present</u>
Tom Rushin, Interim Chair	Traci Sawyer-Sinkbeil, potential new Board member
Dr. Jeff Smith	Ward Simpson, potential new Board member
Gary Marks	Patricia Ewanski, APS Solutions for Business
Vern Crow	Joanne Pearson, AG Legal Intern
Jennifer Stielow	Angel Tellez, Saddle Mountain USD
Dr. Bill Johnson	Michael Schmitt, Coolidge USD
Dru Barisich	Mark Joraanstad, Saddle Mountain USD
Ed Boot	Michael Williams, OSPB
	Jeremy Calles, Kyrene ESD
<u>Members Absent</u>	
Eric Hafner	<u>Staff Present</u>
Stacey Morley	Dean Gray, Executive Director
	Phil Williams, Deputy Director
	Kerry Campbell, Public Information Officer
	Debra Sterling, Attorney General's Office
	Dan Demland, Architect
	Amber Peterson, School Finance Specialist
	Angela Cade, Fiscal Services Manager
	Pat Cruse, Facilities Liaison
	Yujun Mei, Demographer
	Ron Passarelli, Legislative Liaison
	Gerry Breuer, Facilities Liaison

- I. Call to Order
Interim Chairman Tom Rushin called the meeting to order at approximately 10:02 A.M. He then presented plaques to Gary Marks and Dr. Bill Johnson whose terms have expired. He introduced two new Board members (Dru Barisich and Ed Boot) and recognized two additional Board members that were in the audience and will replace Gary Marks and Dr. Johnson starting with the April Board meeting.

- II. Roll Call
There were eight (8) voting Board Members present.

- III. Consideration and possible vote to accept, reject or modify the Minutes of February 6, 2013
Vern Crow made a motion for Board approval of the Minutes of February 6, 2013. Gary Marks seconded. The motion passed with a voice vote of 6-0. Ed Boot and Dru Barisich abstained from voting on this agenda item.

- IV. Consent Agenda

Consideration and possible vote to accept, reject or modify FY 2013 3-Year Building Renewal Plans

Gary Marks made a motion for Board approval of the FY 2013 3-Year Building Renewal Plans as presented in the Board packet. Vern Crow seconded. The motion passed with a voice vote of 8-0.

V. Director's Report

a. Legislative Update

Dean Gray deferred to Ron Passarelli, SFB Legislative Liaison, for an update on the Legislative session. Mr. Passarelli reviewed the bills presented in the Board packet. Staff will monitor these bills and provide the Board with updates as the session progresses.

Jennifer Stielow asked if SFB Board members are allowed to lobby the Legislature. Debra Sterling clarified that members are allowed to lobby the Legislature as individuals representing themselves, not the Board. In order for the Board as a whole to take a position on a bill, the Board would be required to pass a motion stating the Board's position.

Ed Boot asked about the status of HB2237 (schools; bonding level increase; repeal). Mr. Passarelli explained that the bill has passed out of the House, had first and second reads in the Senate, and has been assigned to the Senate Education and Rules Committees.

Dr. Jeff Smith asked about SB1403 (United Nations Rio declaration; prohibition). Mr. Passarelli explained that the bill prohibits the State and its political subdivisions from adopting or implementing the United Nations Rio Declaration on Environment and Development.

Dr. Smith asked what the Rio Declaration is about. Mr. Passarelli explained that the Rio Declaration was adopted by the United Nations Conference in 1992 and has to do with global warming.

b. Budget Update

Dean Gray explained that the Executive Budget Recommendations for the SFB were provided in the Board packet for a second time for the benefit of the new Board members. He offered to review it at the pleasure of the Board and to answer any questions.

VI. New School Construction

a. Consideration and possible vote to accept, reject, or modify the FY 2013 Capital Plan New Construction Requests

Dean Gray gave a brief description of the capital plans as presented in the Board packet.

Dr. Bill Johnson asked if the moratorium on new school construction was still in effect. Mr. Gray explained that the moratorium is still in place, but that statute requires the SFB to continue awarding new schools as needed.

Dr. Johnson asked how many awards for new school construction were on hold as a result of the moratorium. Mr. Gray answered that there are seven awards that have not been funded as a result of the moratorium.

Dr. Johnson asked if there had been any talk or action with regard to lifting the moratorium. Mr. Gray explained that the SFB budget request for FY 2014 includes \$109 million for new school construction, but he has not received any indications that the moratorium will be lifted

Jennifer Stielow made a motion for Board approval of the following staff recommendations:

1. **Gadsden Elementary (K-6): Conceptually approve** 008N (buildout of core K-6 school) to open in FY 17.
2. **Grand Canyon Unified (9-12): Deny** conceptual approval for a school for 100 students to open in FY 21.
3. **Pima Unified (K-6): Conceptually approve** 002N (K-6 school for 79 students) to open in FY 16.
4. **Vernon Elementary (K-8): Deny** conceptual approval for a K-8 school for 160 students to open in FY 17.
5. **Yuma Union (9-12): Deny** the district's request for a new school for 1,800 students to open in FY 16.

Vern Crow seconded. The motion passed with a voice vote of 8-0.

Ed Boot commented on the high quality of work produced by staff in preparing the capital plans.

VII. Reduction of Square Footage Requests

Consideration and possible vote to accept, reject or modify Requests for Reduction of Square Footage

Dean Gray gave a brief description of Peach Springs Unified's request for reduction of square footage.

Jennifer Stielow asked what it means to retire a building. Mr. Gray explained that the district may use the building for a number of purposes, but once a building is retired from the SFB Building Inventory it may no longer be used as academic space.

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

Board approval to approve **Peach Springs Unified's** request to retire Buildings 1001 and 1002 at Peach Springs Elementary School.

Vern Crow seconded. The motion passed with a voice vote of 8-0.

VIII. Building Renewal Grant Requests

- a. Consideration and possible vote to ratify the Executive Director's awards of Building Renewal Grant funds as authorized in the Building Renewal Grant Policy IX (B) (up to \$30,000 for professional evaluation)

Dean Gray reviewed the balance of the Building Renewal Grant fund. If today's recommendations are approved by the Board the remaining balance would be \$206,040. The fourth quarter allocation is expected on April 1, 2013. The Current Building Renewal Grant Requests that are pending total \$16,205,976. Staff continues working to close projects and make recognized savings and unspent monies available for new projects. Mr. Gray explained the purpose of the breakdown of projects as an aid for prioritization and then provided a brief explanation of the district requests as presented in the Board packet.

Ed Boot asked about the project cost estimate as provided in the backup documentation. Mr. Gray expressed his shared concern with the potential \$1.2 million cost estimate and explained that there are details that need to be worked through with the Trust.

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

Board ratification that **Chandler Unified** be awarded \$1,000 in Building Renewal Grant funding for a professional evaluation of the underlayment on all the roofs at Shumway Elementary School. This includes \$425 in contingency funding that will only be used with SFB staff approval.

Gary Marks seconded. The motion passed with a voice vote of 8-0.

Dru Barisich recused herself from the Board at this time.

b. Consideration and possible vote to accept, reject or modify Building Renewal Grant Requests (matching funds)

Dean Gray suggested taking the district requests as separate motions. He provided a brief explanation of Union Elementary's request as presented in the Board packet.

Jennifer Stielow asked if there is an estimated project cost for Union Elementary's request. Mr. Gray explained that cost estimates are not always available, as in this case. He refrained from providing an estimate as it wouldn't be a fair presentation to the Board.

Ed Boot asked if the district is committing 50% of the project cost. Mr. Gray explained that the district is offering to match funding up to \$30,000. While this project has the potential to exceed that figure, staff has applied the district's matching funds to the investigation, design and construction documents phase of the project.

Dr. Jeff Smith made a motion for Board approval of the following staff recommendation:

1. Board approval of the staff recommendation that **Union Elementary** be awarded \$4,010 in Building Renewal Grant funding for architectural fees for the repair/replacement of the Building 1002, 1007, 1008 and 1009 roofs at Union Elementary School. The district will match these funds. This brings the total design cost to \$8,020.

Gary Marks seconded. The motion passed with a voice vote of 7-0.

Dru Barisich rejoined the Board at this time.

Tom Rushin suspended the meeting for a five minute break at 10:41am.

Tom Rushin reconvened the meeting at approximately 10:46am.

Dean Gray provided a brief explanation of Antelope Union's request as presented in the Board packet.

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

2. Board approval of the staff recommendation that **Antelope Union** be awarded \$1,952 in Building Renewal Grant funding to repair the existing HVAC unit on Building 1022 at Antelope Union High School. The district is matching funds, which brings the total project cost to \$3,903.

Jennifer Stielow seconded. The motion passed with a voice vote of 8-0.

- c. Consideration and possible vote to accept, reject or modify Building Renewal Grant Requests (supplemental awards in order of priority)

Dean Gray provided a brief explanation of the district requests as presented in the Board packet.

Vern Crow asked about the additional \$150,000 for code corrections that Saddle Mountain Unified is requesting. Mr. Gray explained that some of the requested funding is for code corrections, while some is for replacement parts. Portions of the original installation have to be reinstalled appropriately requiring the need to purchase some new equipment.

Mr. Crow commented that the Casa Grande Elementary request for an air/dirt filter seems familiar. Mr. Gray added that there have been two or three project requests similar to this one, but they were not for this system.

Ed Boot asked if it is customary to add contingency to each project funding request. Mr. Gray replied that it is customary to add contingency in the event of unknown conditions. A number of factors go into establishing the contingency, but it is mostly based on his 31 years of construction experience and the details of the project.

Mr. Boot asked if staff brings the project back to the Board when the contingency is used. Mr. Gray explained that change orders are not brought to the Board unless additional funding is required.

Dru Barisich asked how staff arrived at the project total for Saddle Mountain Unified's request. Mr. Gray walked the Board through the breakdown of the funding.

Dr. Jeff Smith made a motion for Board approval of the following staff recommendations:

1. Board approval of the staff recommendation that **Saddle Mountain Unified** be awarded and additional \$150,000 in Building Renewal Grant funding for the latest code correction and final approval from MCESD for the waste water treatment plant at Ruth Fisher Elementary and Tonopah Valley High Schools (project number 070390000-9999-001BRG). This includes \$16,014 in additional contingency funding that may only be used with SFB staff approval and brings the project total to \$1,579,883.
2. Board approval of the staff recommendation that **Paloma Elementary** be awarded an additional \$16,000 in Building Renewal Grant funding for electrical drawings and project administration to correct the electrical issues at Kiser Elementary School (project number 070394001-9999-004BRG). This includes \$1,000 in additional contingency that will only be used with SFB staff approval and brings the to-date project total to \$20,575.
3. Board approval of the staff recommendation that **Casa Grande Elementary** be awarded an additional \$30,684 in Building Renewal Grant funding for the engineering and installation of an air/dirt separator within the chiller loop at Villago Middle School (project number 110404131-9999-005-BRG). This includes \$5,100 in contingency that will only be used with SFB staff approval. This brings the project total to \$68,609.
4. Board approval of the staff recommendation that **Casa Grande Elementary** be awarded and additional \$6,510 in Building Renewal Grant funding for the replacement of additional chiller controls at Villago Middle School (project number 110404131-9999-006-BRG). This will bring the project total to \$35,485.
5. Board approval of the staff recommendation that **Chino Valley Unified** be awarded an additional \$64,480 in Building Renewal Grant funding to replace the existing HVAC system at the gymnasium Building 1001 at Chino Valley High School (project number 130251203-1001-004BGR). This includes an additional \$8,694 in contingency funding (for a total of \$15,000) that will only be used with SFB staff approval and brings the project total to \$313,130.

Gary Marks seconded. The motion passed with a voice vote of 8-0.

- d. Consideration and possible vote to accept, reject or modify Building Renewal Grant Requests (potential loss of asset)

Dean Gray explained that "loss of asset" refers to loss of a building and provided a brief description of Colorado River Union's request as presented in the Board packet.

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

Board approval of the staff recommendation that **Colorado River Union** be awarded \$10,000 in Building Renewal Grant funding for the installation of two new booster pumps for the auditorium Building 1005 at Mohave High School. This includes \$2,416 in contingency that will only be used with SFB staff approval.

Dr. Bill Johnson seconded. The motion passed with a voice vote of 8-0.

e. Consideration and possible vote to accept, reject or modify Building Renewal Grant Requests (construction funding)

Dean Gray provided a brief description of the district requests as presented in the Board packet.

Vern Crow asked if an error was made in the original award causing the project to be brought back to the Board for additional funding. Mr. Gray explained that some projects are initially awarded funding for investigation and design. The design phase sometimes provides a relatively good cost estimate which staff presents to the Board for funding. When no cost estimate is available, the project is bid and an exact cost is presented to the Board for funding. This is the construction funding.

Mr. Crow asked for clarification of the additional funding for Coolidge Unified. Mr. Gray provided a breakdown of the funding request.

Ed Boot commented that the Mammoth-San Manuel Unified evaporative coolers lasted for 21 years despite being installed without engineering.

Jennifer Stielow made a motion for Board approval of the following staff recommendations:

1. Board approval of the staff recommendation that **Coolidge Unified** be awarded an additional \$142,005 in Building Renewal Grant funds for the replacement of the roof on Buildings 1001, 1002 and 1003 (project number 110221001-9999-004-BRG) at West Elementary School. This includes \$12,900 in contingency that will only be used with SFB staff approval and brings the project total to \$150,005.
2. Board approval of the staff recommendation that the **Coolidge Unified** be awarded an additional \$100,938 in Building Renewal Grant funding for the replacement of the roof on Building 1007 (project number 110221007-1007-005-BRG) at Coolidge High School. This includes \$9,980 in contingency that will only be used with SFB staff and brings the project total to \$109,788.
3. Board approval of the staff recommendation that **Gilbert Unified** be awarded an additional \$218,304 in Building Renewal Grant funding for the replacement of the roofs on Buildings 1001 and 1002 at Gilbert High School. This includes \$19,800 in contingency that will only be used with SFB staff approval and brings the project total to \$231,704.

4. Board approval of the staff recommendation that **Mammoth-San Manuel Unified** be awarded \$120,000 in Building Renewal Grant funding to replace two evaporative cooler and heating units on Building 1001 at San Manuel High School. This includes \$6,402 in contingency that shall only be used with SFB staff approval.

Vern Crow seconded. The motion passed with a voice vote of 8-0.

- f. Consideration and possible vote to accept, reject or modify Building Renewal Grant Requests (design funding)

Dean Gray provided a brief description of Snowflake Unified's request as presented in the Board packet.

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

Board approval of the staff recommendation that **Snowflake Unified** be awarded \$7,932 (\$2,932 for roof consulting services and Not To Exceed \$5,000 for asbestos testing) in Building Renewal Grant funding for investigation and bid documents for the roof replacement on Buildings 1006 and 1020 at Snowflake High School.

Dr. Bill Johnson seconded. The motion passed with a voice vote of 8-0.

- g. Consideration and possible vote to accept, reject or modify denial of Building Renewal Grant Requests

Dean Gray provided a brief description of the district requests as presented in the Board packet.

Dru Barisich asked about the fire alarm replacement request from Amphitheater Unified. Mr. Gray explained that fire alarm panels have lights and sounds that alert maintenance staff to trouble with a particular heat/smoke detecting device. This would be an alarm in the panel.

Ed Boot commented that he will support the motion, but the Amphitheater Unified fire alarm is 28 years old and we should expect to see this request again. Mr. Gray affirmed Mr. Boot's assessment, adding that the Building Renewal Grant statute is clear and requires the school to fall below the minimum guidelines. In this case, the fire alarm meets the minimum guidelines and does not appear to pose a threat of imminent failure.

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

1. Board approval of the staff recommendation that **Amphitheater Unified's** request for Building Renewal Grant funding to replace the fire alarm system at Rio Vista Elementary School be **denied** because it appears the existing system meets the minimum school facility adequacy guidelines.
2. Board approval of the staff recommendation that **Kyrene Elementary's** request for Building Renewal Grant funding for slurry sealing of the

parking lots at Kyrene de los Cerritos Elementary be **denied** because in their current condition the parking lots do not fall below the minimum school facility adequacy guideline.

3. Board approval of the staff recommendation that **Kyrene Elementary's** request for Building Renew Grant funding for the replacement of the day-lighting and skylights at Kyrene de la Estrella Elementary be **denied**. The school site meets the minimum school facility guidelines (Sections R7-6-265 and R7-6-271).
4. Board approval of the staff recommendation that **Kyrene Elementary's** request for Building Renewal Grant funding for replacement of the existing circuit breaker panels at Kyrene Middle School be **denied**. The school site meets the minimum school facility guidelines listed (Sections R7-9-260 and R7-6-265).
5. Board approval of the staff recommendation that **Kyrene Elementary's** request for Building Renewal Grant funding for the replacement of the main sewer line at Kyrene Middle School be denied because the sewer line requires maintenance. The school site meets the minimum school facility guidelines (Section R7-6-265).

Vern Crow seconded. The motion passed with a voice vote of 8-0.

Vern Crow recused himself from the Board at this time.

IX. Emergency Deficiencies Correction Requests

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

Dean Gray reviewed the balance of the Emergency Deficiencies Correction fund. If today's recommendations are approved by the Board the remaining balance would be \$481,617. Staff continues working to close projects and make recognized savings and unspent monies available for new projects. Mr. Gray then provided a brief explanation of the district request as presented in the Board packet.

Ed Boot made a motion for Board approval of the following staff recommendation:

Board approval of the staff recommendation that **Mobile Elementary** be awarded \$12,500 in Emergency Deficiencies Correction funding for the repair of the existing serving counter in Building 1003 at Mobile Elementary School. This includes \$2,053 in contingency that shall only be used with SFB staff approval.

Jennifer Stielow seconded. The motion passed with a voice vote of 7-0.

Vern Crow rejoined the Board at this time.

X. Future Agenda Items

Dean Gray informed the Board that once all four new members are seated we will have an AG presentation on open meeting laws.

Ed Boot requested further explanation of the matching funds portion of the Building Renewal Grant statute. He requested a list of the previously approved projects including the awarded funds and categorization by system, and asked how the district's performance of or lack of preventative maintenance impacts their Building Renewal Grant requests.

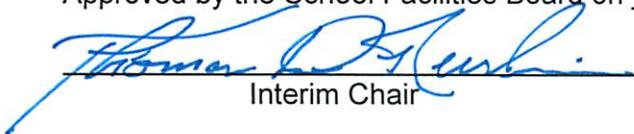
XI. Public Comment

Patricia Ewanski with APS Solutions for Business made the Board aware of the Spring Incentive Sale currently offered by APS. Mr. Gray added that staff will post the information on the SFB website.

XII. Adjournment

There being no further business, Tom Rushin adjourned the meeting at approximately 11:30 A.M.

Approved by the School Facilities Board on April 3, 2013


Interim Chair