

SCHOOL FACILITIES BOARD
September 11, 2013
Phoenix, Arizona

The School Facilities Board held a Board Meeting at the Arizona State Capitol Building in Phoenix, Arizona. The meeting began at approximately 9:00 A.M.

<u>Members Present</u>	<u>Guests Present</u>
Tom Rushin, Interim Chair	Patricia Ewanski, APS Solutions for Business
Edward Boot	Paul Huber, Tuba City USD
Dru Barisich	Patrick O'Donnell, Superior USD
Jennifer Stielow	Steve Zelasko, Facility Mgmt. Group
Bryan Peltzer	Donovan Kelly, Kelly, Wright & Assoc.
Traci Sawyer-Sinkbeil	Michael Williams, OSPB
Ward Simpson	
	<u>Staff Present</u>
<u>Members Absent</u>	Dean Gray, Executive Director
Vern Crow	Phil Williams, Deputy Director
Dr. Jeff Smith	Kerry Campbell, Public Information Officer
Stacey Morley	Debra Sterling, Attorney General's Office
	Amber Peterson, School Finance Specialist
	Dan Demland, Architect
	Pat Cruse, School Facilities Liaison
	Yujun Mei, Demographer
	David Kennon, Assessment Specialist

I. Call to Order

Interim Chairman Tom Rushin called the meeting to order at approximately 9:00 A.M.

II. Roll Call

There were six (6) voting Board Members present at the start of the meeting. Traci Sawyer-Sinkbeil joined the meeting between agenda items III. and IV., for a total of seven (7) voting Board Members.

Tom Rushin asked everyone to pause for a moment of silence in recognition of those lost on September 11, 2001.

III. Consideration and possible vote to accept, reject or modify the Minutes of August 7, 2013 and Executive Session Minutes of August 7, 2013

Ward Simpson made a motion for Board approval of the Minutes of August 7, 2013 and Executive Session Minutes of August 7, 2013. Jennifer Stielow seconded. The motion passed with a voice vote of 6-0.

Traci Sawyer-Sinkbeil joined the meeting at this time.

IV. Director's Report

a. Positive feedback from Mohawk Valley Elementary

Dean Gray provided a brief explanation of the note from Mohawk Valley Elementary as presented in the Board packet. He also recognized Pat Cruse for his work with the district.

b. Consideration and possible vote to accept, reject or modify New School Facilities Fund Terms and Conditions Amendment #2 for Vail Unified Project No. 100220000-9999-010NCB

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

Ward Simpson asked about the on-site staff walk-through. Mr. Gray explained that staff has performed a preliminary walk-through of the site. Once the site has power, a final walk-through and assessment for compliance with the minimum guidelines will be conducted.

Jennifer Stielow made a motion for Board approval of the New School Facilities Fund Terms and Conditions Amendment #2 for Vail Unified Project No. 100220000-9999-010NCB as presented in the Board packet. Ward Simpson seconded. The motion passed with a voice vote of 7-0.

c. Reschedule October and November Board Meetings

Dean Gray provided a brief explanation for the rescheduling, and indicated that we will be likely to have some Executive Director approvals between meetings in order to keep school systems running.

Traci Sawyer-Sinkbeil made a motion for Board approval of moving the October Board Meeting from October 2, 2013 to October 9, 2013 and cancellation of the November 6, 2013 meeting. Dru Barisich seconded. The motion passed with a voice vote of 7-0.

V. Building Renewal Grant Requests

a. 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 reviewed the balance of the Building Renewal Grant fund. If today's recommendations are approved by the Board the remaining balance would be \$12,490,644. Staff continues working to close projects and make recognized savings and unspent monies available for new projects. He then provided a brief explanation of the projects as presented in the Board packet.

Dru Barisich made a motion for Board approval of the following staff recommendations:

1. Board ratification that **Casa Grande Elementary** be awarded \$1,474 in Building Renewal Grant funding to replace the HVAC expansion valve assembly serving Cactus Middle School Building 1004 (project number 110404110-1004-008BRG).
2. Board ratification that **Casa Grande Elementary** be awarded \$9,229 in Building Renewal Grant funding to replace the ventilator blower assembly

serving Saguaro Elementary Library Building 1001 (project number 110404105-1001-007-BRG).

3. Board ratification that **Mohave Valley Elementary** be awarded \$7,000 in Building Renewal Grant funding for a new 120-gallon electric water heater in the gymnasium/cafeteria Building 1002 at Mohave Valley Junior High School (project number 080416103-1002-010BRG). This includes no contingency funding.
4. Board ratification that **Nogales Unified** be awarded \$1,668 in Building Renewal Grant funding to replace the 5-ton compressor serving Classroom No. 8 (Building 1008) at Wade Carpenter Middle School (project number 120201111-1008-010BRG).
5. Board ratification that **Peach Springs Unified** be awarded \$19,000 in Building Renewal Grant funding to replace the underground propane gas line serving the school buildings at Peach Springs School (project number 080208001-9999-005BRG). This includes no contingency funding.

Edward Boot seconded. The motion passed with a voice vote of 7-0.

Tom Rushin recused himself from the Board at this time. Jennifer Stielow facilitated the meeting for the following agenda item.

- 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 gave a brief description of the request as presented in the Board packet.

Traci Sawyer-Sinkbeil made a motion for Board approval of the following staff recommendation:

Board ratification that **Yuma Elementary** be awarded \$923 in Building Renewal Grant funding to replace the compressor assembly serving Classroom K at Roosevelt Elementary School (project number 140401109-1001-004BRG).

Dru Barisich seconded. The motion passed with a voice vote of 6-0.

Tom Rushin rejoined the Board at this time and resumed as facilitator of the meeting.

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

Dean Gray gave a brief description of each request as presented in the Board packet.

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

1. Board approval of the staff recommendation that **Antelope Union** be awarded an additional \$32,800 in Building Renewal Grant funding for roof construction services for reconditioning of the roofs on Buildings 1021 and 1022 at Antelope Union High School (project number 140550201-9999-004BRG). This amount includes \$5,000 in contingency that will only be used with SFB staff approval and brings the total project cost to \$36,500.
2. Board approval of the staff recommendation that **Nogales Unified** be awarded an additional \$190,000 in Building Renewal Grant funding for correction of the drainage at Lincoln Elementary School (project number 120201113-9999-006BRG). This amount includes \$29,243 in contingency that will only be used with SFB staff approval and brings the total project cost to \$208,100.
3. Board approval of the staff recommendation that **Nogales Unified** be awarded an additional \$242,883 in Building Renewal Grant funding for replacement/repair of the roofs on Buildings 1001, 1005, 1006, 1007 and 1008 at Wade Carpenter Middle School (project number 120201111-9999-007-BRG). This amount includes \$20,000 in contingency that will only be used with SFB staff approval and brings the total project cost to \$253,739.
4. Board approval of the staff recommendation that **Page Unified** be awarded an additional \$1,754,008 in Building Renewal Grant funding for the replacement of 74 water source heat pumps at Page Middle School (project number 030208106-9999-002BRG). This includes \$13,050 for construction administration and \$100,000 in contingency that will only be used with SFB staff approval and brings the project total to \$1,770,008.
5. Board approval of the staff recommendation that **Paloma Elementary** be awarded an additional \$114,900 in Building Renewal Grant funding for the electrical repairs at Kiser Elementary School (project number 130201150-1007-004BRG). This amount includes \$5,000 in additional contingency funding that will only be used with SFB staff approval and brings the project total to \$135,475.

Ward Simpson seconded. The motion passed with a voice vote of 7-0.

- d. Consideration and possible vote to accept, reject or modify Building Renewal Grant Requests (supplemental awards)

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

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

Board approval of the staff recommendation that **Nogales Unified** be awarded an additional \$315,106 in Building Renewal Grant funding for roof replacement on Buildings 1009 and 1021 at Nogales High School (project number 120201210-9999-008-BRG). This amount includes the estimated construction cost at \$257,618, asbestos removal at \$7,151, asbestos removal

oversight at \$4,190, and construction administration at \$26,147, as well as \$20,000 in contingency that will only be used with SFB staff approval and brings the total project cost to \$335,242.

Dru Barisich seconded. The motion passed with a voice vote of 7-0.

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

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

Traci Sawyer-Sinkbeil made a motion for Board approval of the following staff recommendations:

1. Board approval of the staff recommendation that **Hayden-Winkelman Unified** be awarded \$100,000 in Building Renewal Grant funding for the design/administration services and the estimated repair cost to repair the fascia on the gymnasium Building 1005 at Hayden High School. This includes \$4,380 in contingency that will only be used with SFB staff approval.
2. Board approval of the staff recommendation that **Hayden-Winkelman Unified** be awarded \$70,000 in Building Renewal Grant funding for the design/administration services and the estimated structural cost for the repair of the brick columns on the automotive shop Building 1007 at Hayden High School. This includes \$4,280 in contingency that will only be used with SFB staff approval.
3. Board approval of the staff recommendation that **Mohave Valley Elementary** be awarded \$13,000 in Building Renewal Grant funding to replace the faucets and drinking fountains at Mohave Valley Junior High School. This amount includes \$2,254 in contingency that will only be used with SFB staff approval.
4. Board approval of the staff recommendation that **Mohawk Valley Elementary** be awarded \$6,000 in Building Renewal Grant funding for the replacement of the existing locker room heat pump in the gym Building 1006 at Mohawk Valley School. This includes \$400 in contingency that will only be used with SFB staff approval.
5. Board approval of the staff recommendation that **Superior Unified** be awarded \$46,000 in Building Renewal Grant funding for the replacement of the exiting fire alarm system at John F. Kennedy Elementary School. This amount includes \$5,009 in contingency that will only be used with SFB staff approval.
6. Board approval of the staff recommendation that **Tuba City Unified** be awarded \$25,000 in Building Renewal Grant funding to replace two cold water supply pumps on Building 1001 at Tuba City High School. This amount includes \$5,451 in contingency that will only be used with SFB staff approval.

Edward Boot seconded. The motion passed with a voice vote of 7-0.

Traci Sawyer-Sinkbeil recused herself from the Board at this time.

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

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

Ward Simpson made a motion for Board approval of the following staff recommendation:

Board approval of the staff recommendation that **Tolleson Elementary** be awarded \$7,000 in Building Renewal Grant funding to replace the refrigeration unit for the walk-in cooler at Porfirio H. Gonzales Elementary School. This amount includes \$1,498 in contingency that will only be used with SFB staff approval.

Dru Barisich seconded. The motion passed with a voice vote of 6-0.

Traci Sawyer-Sinkbeil rejoined the Board at this time.

g. Consideration and possible vote to accept, reject or modify Building Renewal Grant Requests (design awards)

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

Edward Boot asked about Douglas Unified's \$35,000 balance in Building Renewal funds and if the district could use this funding for the project. Mr. Gray responded that statute does not require districts to use Building Renewal funds for Building Renewal Grant projects. In the case of Douglas Unified, the remaining balance of Building Renewal funds has been encumbered to pay for six other projects the district is working on. Mr. Gray confirmed this with Dan Demland, staff architect and liaison for the district.

Mr. Gray added that the repeal of the Building Renewal statute is effective September 12, 2013, tomorrow. Debra Sterling clarified that within the statute is the district's authority to spend the funds, which is effectively repealed on September 12, 2013. What authority districts have after tomorrow to spend the funds should be discussed with the district's attorney. Many districts have discussed this with the Auditor General's Office. There is no opinion as to whether any other authority exists. School districts have been advised to consult with their local attorneys and spend the funds as quickly as they can.

Mr. Gray added that this information has been posted on the SFB website and communicated to the districts.

Jennifer Stielow asked to clarify that Douglas Unified's entire \$35,000 has been encumbered to fund other Building Renewal projects. Dan Demland affirmed Ms. Stielow's question.

Ms. Stielow asked if the same were true for Valley Union's \$5,880 in Building Renewal and expressed her desire to see districts fund projects with their Building Renewal balances. She also asked if districts are allowed to transfer Building Renewal monies to their M & O budgets. Mr. Gray was uncertain as to the status of Valley Union's balance of Building Renewal funds. He explained that his understanding is that districts cannot transfer monies to a fund that has another use. He offered to ask Valley Union to contribute their balance of Building Renewal to the project, if that was the desire of the Board, but asked that funding for the project with Building Renewal Grant funds be approved by the Board in case the district's Building Renewal monies were already encumbered.

Edward Boot questioned if we know what happens with the remaining Building Renewal monies once the statute is repealed. Mr. Gray explained that the statute is unclear on this, which is why staff has communicated with the posting on the SFB website and directed districts to consult with their attorneys.

Mr. Boot asked if staff knows how much unspent Building Renewal monies are out there. Mr. Gray explained that districts report this information to ADE and the information we have now is from last year's reporting. There could be two or three million dollars in unspent Building Renewal monies.

Ms. Stielow asked that the motion for Valley Union be amended to ask the district to apply any unencumbered Building Renewal monies toward the project.

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

1. Board approval of the staff recommendation that **Douglas Unified** be awarded Building Renewal Grant funding in the amount of \$9,600 for the design of the re-piping of the domestic water system for Building 1016 at Douglas High School.
2. Board approval of the staff recommendation that **Florence Unified** be awarded Building Renewal Grant funding in the amount of \$9,500 for the design of the roof replacement and repair on Building 1011 at Florence High School.
3. Board approval of the staff recommendation that **Valley Union** be awarded Building Renewal Grant funding in the amount of \$9,945 for the design of the roof replacement and repair on Building 1012 at Valley Union High School. Staff will ask the district to apply any unencumbered Building Renewal toward the cost of this project.

Ward Simpson seconded. The motion passed with a voice vote of 7-0.

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

Dean Gray explained that Casa Grande Elementary requested the project denials be pulled from today's agenda.

VI. Future Agenda Items

Traci Sawyer-Sinkbeil asked if the balance of remaining Building Renewal funding could be obtained and presented to the Board. Mr. Gray replied that the districts report this information to ADE on October 15th each year. He also explained that districts are required to report this information to the SFB as well, but more often than not, the districts report different numbers to the SFB than they do to ADE. It would be very difficult to report an accurate balance.

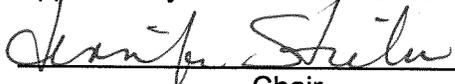
VII. Public Comment

No requests for public comment were received.

VIII. Adjournment

There being no further business, Tom Rushin adjourned the meeting at approximately 9:52 A.M.

Approved by the School Facilities Board on October 9th, 2013



Chair