

SCHOOL FACILITIES BOARD
May 1, 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	Roy Sukanick, Creighton ESD
Jennifer Stielow	Tim Mace, Casa Grande UHSD
Dru Barisich	Shannon Goodsell, Casa Grande UHSD
Edward Boot	Michael Williams, OSPB
Dr. Jeff Smith	Patricia Ewanski, APS Solutions for Business
Vern Crow	
Bryan Peltzer	<u>Staff Present</u>
	Dean Gray, Executive Director
<u>Members Absent</u>	Phil Williams, Deputy Director
Traci Sawyer-Sinkbeil	Kerry Campbell, Public Information Officer
Ward Simpson	Debra Sterling, Attorney General's Office
Stacey Morley	Amber Peterson, School Finance Specialist
	Angela Cade, Fiscal Services Manager
	David Kennon, Assessment Specialist
	Ron Passarelli, Legislative Liaison

- I. Call to Order
Interim Chairman Tom Rushin called the meeting to order at approximately 10:02 A.M.

- II. Roll Call
There were six (6) voting Board Members present at the start of the meeting. Edward Boot joined the meeting at agenda item IV.b. for a total of seven (7) Board Members for the balance of the meeting.

- III. Consideration and possible vote to accept, reject or modify the Minutes of April 3, 2013
Vern Crow made a motion for Board approval of the Minutes of April 3, 2013. Jennifer Stielow seconded. The motion passed with a voice vote of 6-0.

- IV. Director's Report
 - a. Welcome and Introduction of New Board Member
Tom Rushin welcomed the newest Board Member, Bryan Peltzer, and provided a brief review of his experience.

Edward Boot joined the Board at this time.

 - b. Open Meeting Law
Dean Gray deferred to Debra Sterling, Assistant Attorney General, for this agenda item. Ms. Sterling reviewed the Open Meeting Law presentation and offered to answer any questions from the Board.

c. Legislative Update

Dean Gray deferred to Ron Passarelli, SFB Legislative Liaison, for an update on the Legislative session. Mr. Passarelli provided a brief review of the bills that have died and those that are still making their way through committee.

Edward Boot asked about the status of SB1271; solar school grant program. Mr. Passarelli explained that the bill did not get heard in committee and is dead.

d. Budget Update

Dean Gray explained that this item was a placeholder in the event there had been any advancement with the budget negotiations. He offered to answer any questions from the Board.

V. Reduction of Square Footage Requests

Dean Gray deferred to Amber Peterson, SFB School Finance Specialist, for review of the district requests. Ms. Peterson provided a brief explanation for the Board.

Jennifer Stielow asked what is involved in the grade reconfiguration. Is there construction; is it a temporary situation? Ms. Peterson explained that it is not a temporary situation; the district has requested a permanent grade reconfiguration. If the district wanted to move the 6th graders back to the middle school, they would need the Board's approval to do so.

Ms. Stielow asked if construction was involved or if the district was just moving students around. Ms. Peterson replied that in this case the district is moving students around. Mr. Gray added that when districts make these requests they are still required to meet the minimum guidelines, including those that are grade specific.

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

1. Board approval of **Humboldt Unified's** request to reconfigure its elementary and middle schools from K-5/6-8 to K-6/7-8.
2. Board approval of **Payson Unified's** request to remove Parc Place from the district's inventory.

Dr. Jeff Smith seconded. The motion passed with a voice vote of 7-0.

VI. 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 \$108,775. The Current Building Renewal Grant Requests that are pending total \$16,004,289. Staff continues working to close projects and make recognized savings and unspent monies available for new projects. Mr.

Gray reviewed the Building Renewal Grant statute and explained the section about matching funds.

Edward Boot asked about the Casa Grande Union project 005 in the footnote on the Balance Sheet and if it should be project 002. Mr. Gray explained that they are two different projects.

Mr. Boot asked about the backlog of projects and if they were prioritized and on hold waiting for money. Mr. Gray explained that the backlogged projects are in process of being prepared for the Board. When they are ready, they will be presented to the Board for prioritization.

Mr. Boot asked for clarification on the balance of available funding and when projects are presented to the Board. Mr. Gray explained that if there are five projects ready to go to the Board but there is only enough money to fund one of those projects, all five will be brought to the Board and the Board will decide which project takes priority. Staff recommendations for prioritization are based on our technical knowledge of the projects and only provided to assist the Board. As stated in the Building Renewal Grant policy, the Board may accept, reject or modify those recommendations.

Vern Crow asked about the “priority given to districts that provide routine preventative maintenance” phrase in the statute and if there is anything the SFB can do to encourage districts to perform preventative maintenance. Mr. Gray agreed with Mr. Crow’s concerns and explained that staff is working with districts, assisting them with implementation of PM programs where there are none and improving those that are struggling. Funding is always an issue. The current budget proposal, if passed, would make \$1 million available to implement preventative maintenance software statewide. This proposal failed last year, however.

Jennifer Stielow echoed Mr. Crow’s frustration and commented that the Board packet says the districts perform preventative maintenance, but it does not really provide any useful information. Mr. Gray replied that staff will provide more specific information in the future.

Dr. Shannon Goodsell, Superintendent of Casa Grande Union, thanked the Board for their comments regarding district performance of preventative maintenance and commented that his district does the best they can with the budget they have to work with.

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

Board ratification that **Casa Grande Union** be awarded \$22,657 in Building Renewal Grant funding for the seal and two condenser pump replacements on the central plant at Vista Grande High School (project number 110502004-9999-006-BRG). This includes the initial Executive Director’s award of \$1,916 and \$2,100 in contingency that will only be used with SFB staff approval.

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

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

The requests presented in this section are not in order of priority, rather they are presented in alphabetical order. Dean Gray provided a brief explanation of the district requests as presented in the Board packet.

Edward Boot asked about the amount of contingency included in each award. Mr. Gray explained that the amount of contingency is usually based on his years of experience in construction and is established based on the nature of the project.

Roy Sucasnick, Director of Physical Plant Services with Creighton Elementary, thanked the Board for consideration of his district's request and assured the Board that his district follows the preventative maintenance rules. He expressed his disappointment that the building renewal funds have run dry resulting in the grant situation we have now, adding that it took months of work in committee meetings (which he attended) to develop the prior system.

Jennifer Stielow asked why the bids came in higher than the original design estimate on the Willcox Unified project. Mr. Gray explained that sometimes the estimates fall short, but could not give a specific reason in this case.

Ms. Stielow asked if there were any unforeseen conditions that added to the cost. Mr. Gray answered that the bids were based solely on the design and that there were no unforeseen conditions.

Edward Boot asked for the square footage of the Willcox Unified roof. Mr. Gray did not have the square footage immediately available and offered to follow-up with Mr. Boot with this information.

Edward Boot made a motion for Board approval of the following staff recommendations:

1. Board approval of the staff recommendation that **Creighton Elementary** be awarded an additional \$20,633 in Building Renewal Grant funding for the replacement of a 6-ton heat pump unit at Gateway Elementary School (project number 070414120-1002-003-BRG). This includes \$1,800 in contingency that will only be used with SFB staff approval and brings the project total to \$24,993.
2. Board approval of the staff recommendation that **Willcox Unified** be awarded an additional \$74,823 in Building Renewal Grant funding for new roofing on Buildings 1001 and 1009 at Willcox High School (project number 020213201-9999-004BRG). This includes no additional contingency funding and brings the project total cost to \$296,323.

Vern Crow seconded. The motion passed with a voice vote of 7-0.

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

Dean Gray asked to pull the Apache Junction Unified request. He then provided a brief description of the remaining district requests as presented in the Board packet.

Edward Boot asked staff to provide the age of the equipment to be replaced as this would aid the Board in making a decision. He then asked about Mohave Valley Elementary's \$1,869 balance of Building Renewal funding and how this is considered when awarding Building Renewal Grant funding. Mr. Gray explained that the Building Renewal Grant statute does not speak to Building Renewal. That being said, staff takes the district's available funds into consideration and has on occasion asked districts to match funds. We purposely do not sweep small balances of Building Renewal because the districts need some money to perform low cost repairs.

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

1. Board approval of the staff recommendation that **Ajo Unified** be awarded \$5,800 in Building Renewal Grant funding for the repair of the existing intercom system on the Ajo Elementary and High School Campus. This amount includes \$964 in contingency that will only be used with SFB staff approval.
2. This item was pulled from the agenda.
3. Board approval of the staff recommendation that **Mohave Valley Elementary** be awarded \$9,000 in Building Renewal Grant funding to replace the 4-ton package heat pump unit on Building 1007 at Fort Mohave Elementary. This amount includes \$1,800 for structural evaluation and \$1,622 in contingency that will only be used with SFB staff approval.

Dr. Jeff Smith seconded. The motion passed with a voice vote of 7-0.

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

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

Vern Crow made a motion for Board approval of the Preventative Maintenance Inspection Report for **Hayden-Winkelman Unified**. Dru Barisich seconded. The motion passed with a voice vote of 7-0.

VIII. Future Agenda Items

Dr. Jeff Smith asked staff to provide the amount of Building Renewal that has been withheld from districts.

IX. Public Comment

No requests were received.

X. Adjournment

There being no further business, Tom Rushin adjourned the meeting at approximately 11:15 A.M.

Approved by the School Facilities Board on June 5th, 2013



Interim Chair