

CAPITAL CONSTRUCTION ASSISTANCE BOARD MINUTES OF THE APRIL 27, 2011 MEETING

**Meeting held at:
State Offices Building
201 E. Colfax Ave., Denver, CO 80203
State Board Room, 101
Wednesday, April 27, 2011**

I. Call to Order

- 1:09 p.m. Norwood Robb called the meeting to order.

Attendees

Mary Wickersham – CCAB Chair	Ted Hughes – Staff (CDE)
Mike Maloney – CCAB Secretary	Kevin Huber – Staff (CDE)
Norwood Robb – CCAB Vice-Chair	Dustin Guerin – Staff (CDE)
Lyndon Burnett – CCAB	Scott Newell – Staff (CDE)
Greg Randall – CCAB	Jay Hoskinson – Staff (CDE)
Adele Willson – CCAB	Kristin Lortie – Staff (CDE)
Tom Stone – CCAB	Cheryl Honigsberg – Staff (CDE)
Dave Van Sant – CCAB	
Pete Jefferson – CCAB	
Erica Weston – CCAB Legal Advisor	

- Agenda reviewed
- CCAB Chair asked for a motion to approve the agenda;
 - So moved by Norwood Robb;
 - Adele Willson 2nd the motion;
 - No further discussion;
 - Motion to approve the agenda carried.
- CCAB Chair asked for a motion to approve the minutes from the March CCAB meeting;
 - So moved by Norwood Robb;
 - Adele Willson 2nd the motion;
 - Discussion: Mike Maloney asked to change the wording on page 3, in the last paragraph that said, “master plans will become important” to “master plans will *continue to be* important.” The CCAB agreed;
 - Motion to approve the amended minutes carried.

II. Board Report

- The CCAB Chair asked the CCAB if there was anything new they had to report on. There was nothing new to report.

III. Directors Report

- Ted Hughes informed the CCAB that at 2:45 p.m. the CCAB would need to break to hold an executive session. Ted Hughes told the CCAB the meeting would be in a separate meeting room and the executive session was not open to the public.
- Ted Hughes announced there would be a public hearing at the May 25, 2011, meeting regarding the BEST Rules – 1 CCR 303-3. Ted Hughes said all public comments would be heard at this meeting and all written submissions needed to be submitted to the Division no later than May 18, 2011. The CCAB Chair requested a tracked changes copy of the BEST Rules.
- Ted Hughes reviewed a BEST summary sheet with the CCAB. The summary sheet had information pertaining to all BEST grant cycles for awarded and non-awarded projects.
- Ted Hughes talked to the CCAB about the upcoming groundbreakings for current BEST projects. Ted Hughes noted the dates and times for Park County RE-2, Center 26JT, Mapleton 1, Monte Vista C-8 and Salida R-32.
- Ted Hughes told the CCAB about upcoming ribbon cuttings for current BEST projects. Ted Hughes talked about Campo School District RE-6 and how a huge snowstorm caused a lot of damage to their building. Ted Hughes said Campo RE-6 was also looking to expand their building and was awarded a BEST Grant. Ted Hughes said he would be attending the ribbon cutting on April 30, 2011. Ted Hughes said the next ribbon cutting would be Sangre De Cristo RE-22J on July 16, 2011, and then Alamosa RE-11J on August 26, 2011. Ted Hughes told the CCAB he was going to attend as many groundbreakings and ribbon cuttings as he could and extended an invitation to all the CCAB members, encouraging them to attend. CCAB member, Lyndon Burnett, told Ted Hughes he would like to attend the Campo ribbon cutting.
- Ted Hughes discussed recent meetings he had attended with the State Treasurer's office regarding Lease-Purchase financing. Ted Hughes said he was getting the Treasurer's department up to speed on all of the financing information regarding the BEST Program. Ted Hughes told the CCAB the financing process should be similar to the FY2010-11 cycle, as well as follow the same timeline. Ted Hughes said completing the financing is a rigorous process, but is happy the State Treasurer's office is on board.
- Ted Hughes told the CCAB of a recent study which was completed for the Division regarding the total employment created and supported through the BEST Program. Ted Hughes said the Department of Local Affairs identified a total of 4,400 direct & 4,440 indirect and induced jobs, for a total of 8,800 jobs that had been created and supported from the appropriation of BEST funds. Ted Hughes noted Denver Public Schools had recently completed a similar investigation and they had similar results. Ted Hughes said he was pleased with the findings and has included these facts in a BEST PowerPoint presentation he has been showing at various conferences around the State.

IV. Action Items

- Review options for funding master plans and approve a funding policy for master plans. Ted Hughes reviewed the possible options for funding master plans. Ted Hughes said this discussion was tabled at the March meeting, so that all CCAB members' opinions could be heard. Ted Hughes told the CCAB one more possible option was added; which was to hire

additional BEST staff to complete the master plans. The CCAB Chair told the CCAB she was concerned with local control issues if a fund was set up and used at the Division's discretion. The CCAB Chair said if this was the case, the State would have to contract with a master planner, as opposed to letting the district or charter schools select their planner. A CCAB member said he was opposed to funding master plans, because of the precedent that would be set. Another CCAB member noted that Ted Hughes had provided some very definitive guidelines. The CCAB Chair said she thinks Ted Hughes would do a good job administering the process, but noted that money cannot be given away outside the grant process. A CCAB member said the guidelines had been set. A CCAB member said that if any potential applicant is in a hardship situation and asking the CCAB for help, then they will probably not be too concerned with control. Another CCAB member noted how there would be a 25% local contribution, and other members agreed that this was necessary.

A CCAB member said there were two issues that needed to be looked at: whether or not the Board agreed and what the restrictions or guidelines would be. The CCAB member asked what prevents an applicant from asking for a master plan in the current BEST Rules. The CCAB Chair said nothing and that an applicant could apply for a master plan grant. The CCAB Chair said that the Board just does not fund master plans. A CCAB member said the Board would have to change their position. Another CCAB member explained that if an applicant wanted a master plan funded, it would not be awarded until next year, and then if they wanted to submit for a Lease-Purchase project the following year, there may not be enough funding available. A CCAB member said he was in favor of changing the mind set. The CCAB Chair asked the CCAB who was in favor of changing their position to accept master plan application; all members agreed they were in favor. The CCAB discussed what criteria should be used. Ted Hughes suggested doing a master plan grant cycle that would be on a separate timeline from the BEST Grant timeline. Ted Hughes noted how Otis School District's master plan, which was funded from the Assistance Fund, came out very successful with the help from the Division. A CCAB member stated he thinks the master plan cycle should be on a separate cycle. The CCAB Chair disagreed, stating master plans should only be funded in extreme situations. Another CCAB member said it should be more of a hardship situation and not something the CCAB should promote. A CCAB member asked what the criteria should be. A CCAB member said they were listed in the handout provided by the Division. The CCAB informally agreed to change their position on funding master plans.

The CCAB agreed that they will entertain the funding of master plans for applicants with some type of hardship and that the Division will provide all necessary information to the CCAB.

- Approve funding for charter school match percentage calculation investigation. Ted Hughes discussed issues pertaining to the charter school match percent calculation and the need for more, useful criteria. Ted Hughes noted that some of the criteria in statute is hard to obtain from all charter schools throughout the State and that it is unfair to ask for information if the charter school is not applying for a grant. Ted Hughes said the CCAB Chair had requested an outside firm to conduct an investigation. Ted Hughes told the CCAB about the different firms interviewed for the investigation and that one firm, Augenblick, Palaich & Associates (APA) was the top candidate. Ted Hughes discussed their proposal with the CCAB.

- CCAB Chair asked for a motion to approve a charter school match percent investigation, provided by Augenblick, Palaich & Associates, for the price of \$5,000;
 - So moved by Lyndon Burnett;
 - Norwood Robb 2nd the motion;
 - Discussion: A CCAB member asked Ted Hughes if he recommends taking this approach, Ted Hughes said yes. The CCAB Chair said she thinks it is a good idea to take this approach, so there can be a fresh outlook on the situation. A CCAB member asked if this type of investigation would be conducted for BOCES. Ted Hughes clarified that there is enough criteria to determine a fair match percentage for BOCES and the purpose is to get more criteria for charter schools. A CCAB member said BOCES are at a disadvantage when it comes to providing their required match percent. The CCAB Chair clarified the purpose of the study was to find better criteria and a better calculation for charter schools. A CCAB member asked if the Assistance fund had \$5,000 to conduct the survey. Ted Hughes said yes;
 - Motion to approve the funding of the investigation carried. 7 votes yes, 2 votes no.

The CCAB Chair called for a brief recess.

V. Discussion Items

- Discussion pertaining to the Assurances and Certifications (A&C's). Ted Hughes told the CCAB the A&C's will become part of a contract and that he is working with the Attorney General's office to get the contract finalized. Ted Hughes said the contract would become part of the BEST Grant Application and would be for Cash Grants. The CCAB Chair said the Lease-Purchase projects have a sublease agreement. A CCAB member asked if they will still be required to sign the new contract; Ted Hughes said no.
- Ted Hughes said discussion items b & c could be put off until the May meeting.
- Ted Hughes said the review of the BEST Construction Guidelines could also be put off until the May meeting, but he wanted the CCAB to review them for possible changes and send any comments or changes to the Division.

VI. Public Comment

- The CCAB Chair asked if there was anyone who had questions or would like to speak from the public;
- Jim Poole, from Idalia School District RJ-3, said he had some questions, but they were answered for him during the break.

VII. Executive Session

- The CCAB Chair asked for a motion to convene in executive session to confer with the Board's attorney pursuant to §24-6-402(3)(a)(II), C.R.S, to receive legal advice on specific legal questions regarding interpretation of conflict of interest rules;
 - So moved by Lyndon Burnett;
 - Norwood Robb 2nd the motion;
 - No discussion;
 - Motion carried;
 - Public meeting adjourned as the CCAB proceeded to convene for executive session.