



Vision

All students in Colorado will become educated and productive citizens capable of succeeding in society, the workforce, and life.

Goals

Every student, every step of the way



April 20, 2018
1:00pm-4:00pm

Location:
Western Slope Superintendents Conference
Double Tree Hotel – Gunnison Room
743 Horizon Dr., Grand Junction, CO 81506

Capital Construction Assistance Board Members

Tim Reed –Chair
Kathy Gebhardt – Vice Chair
Brian Amack

Margi Ammon
Denise Pearson
Ken Haptonstall

Cyndi Wright
Scott Stevens
Roger Good

- I. Call to Order – 1:01 PM
- II. Pledge of Allegiance
- III. Roll Call – Brian Amack, Margi Ammon (phone-in), Kathy Gebhardt, Roger Good, Ken Haptonstall, Denise Pearson, Scott Stevens, Cyndi Wright, Tim Reed
CDE – Andy Stine, Ashley Moretti, Cheryl Honigsberg, Jay Hoskinson, Anna Fitzer, Julia Fitzpatrick, Dustin Guerin
- IV. Approve Agenda
The agenda was modified to move “Grant Selection Overview” before the “Discussion Items”.
Motion by: Kathy Gebhardt
2nd by: Cyndi Wright
All for: Brian Amack, Margi Ammon, Kathy Gebhardt, Roger Good, Ken Haptonstall, Denise Pearson, Scott Stevens, Cyndi Wright, Tim Reed
All opposed: None
- V. Approve Previous Meeting Minutes from March 8, 2018
Motion by: Denise Pearson
2nd by: Roger Good
All for: Brian Amack, Margi Ammon, Kathy Gebhardt, Roger Good, Ken Haptonstall, Denise Pearson, Scott Stevens, Cyndi Wright, Tim Reed
All opposed: None
- VI. Board Report
Kathy Gebhardt provided an update on the JBC’s approval of the program’s spending authority for COP’s. The JBC was not in favor which forced the program to get an amendment to the long bill. The amendment was approved through the House and Senate, and the amendment will be going into concurrence. The program was granted an increase to \$81 million.

Kathy also provided an update on HB 18-1070 which allows the BEST program to receive 90% of the marijuana excise tax dollars and two additional years of COP’s. By the time the bill reached the Senate Education Committee

the ability to complete two additional years of COP's had been removed. The bill will either go to conference committee or concurrence in order for it to be approved.

VII. Director's Report

Staff has been working really hard in preparation of the May meeting.

The Capital Construction fact sheet is complete and will be posted on our website.

The spending authority was increased to \$81 million which is an increase of \$6 million from last year. This is not official as it still needs to be signed by the Governor.

As of now there will be approximately \$115 million – \$225 million in COP capacity for this cycle.

HB 18-1277 which requires an applicant to have a specific plan for abandoned buildings in their master plan passed and will move on to appropriations.

HB 18-1070 which allows the program to receive 90% of the marijuana excise tax dollars passed and will move on to appropriations.

SB 18-256 will put limitations on the State Land Board for assignments of leases. They feel this would impact their revenue which will thus impact the program's revenue.

Andy presented at Colorado Association of School Business Officials along with other of CDE School Finance staff. There is a potential emergency grant. Andy is working with Julia on it.

Andy presented at the Colorado lottery's board meeting along with Ashley.

At the CDE-wide all staff meeting Julia was recognized for five years of service with the state. The program also received three PROP recognitions.

The State Board of Education has required that the division post reappointment notices for all CCAB members who are appointed by the State Board of Education and are seeking reappointment. Roger and Cyndi, whose positions are appointed by the State Board of Education, are both up for reappointment this summer.

Denise and Scott are also up for reappointment this summer but their appointing authorities have not indicated they want to necessitate this same requirement.

Margi Ammon is stepping down from her position on the board in July. Her position will be vacant and posted publically.

VIII. Action Items

a. Del Norte School District Scope Change Request

Del Norte School District was awarded a FY17-18 COP BEST grant to address urgent health and safety needs at the district's six school buildings by building a new, consolidated K-12 facility and then abating and demolishing the current facilities. The proposed facility in the grant application would be 110,000 square feet and would be built on a new site which was purchased by the district outside of the grant.

Chris Burr, Superintendent of Del Norte School District, explained the district is requesting an enhancement of the project scope proposed in the grant application by 12,500 square feet (or 5,000 square feet if the running track is not included in the overall square footage). The project team has worked to find cost efficiencies and reduce the total cost for the new proposed facility through creative solutions and believes the 122,507 square foot facility can be built within the overall project budget if the \$2.4 million budgeted for abatement and demolition of the district's current facilities is allowed to be moved into the construction budget. He also explained the district has proactively sought out interested parties to take over their current buildings once they move into the new school. Letters of Intent from the Fire Department, Head Start, the Rio Grande County Commissioners, and the Tailwind Group have been given to the district for four of the six buildings, and the National Forest Service is interested in a long-term lease for one more.

Denise Pearson asked what the plan was for the buildings that are not donated or sold but instead leased and what would be the maintenance plan and occupancy plan after the leases were up? Abatement and demolition cost would be built into the cost of the lease in order to demolish the building when the lease is up. Maintenance of the buildings would either be the responsibility of the tenant or billed as part of the lease explained Burr.

Neal Walters, President of Del Norte School Board, expressed that the buildings will not be left standing. They will either be demolished, sold, donated, or leased. If the district is allowed to use the \$2.4 million of abatement and demolition budget to add the additional square feet, the school district will set aside \$1.2 million of their general funds to abate and demolish any of the buildings that are not repurposed. The school district is well over reserves and is currently operating under budget annually and has a healthy general fund.

Brian Amack suggested having a reversionary clause in the contract stating if a building that is donated, sold, or leased is not repurposed in a certain time frame, the district then has the ability to demolish the building.

Andy and Anna mentioned that one of the buildings is a historic building but not on the register. If the building was repurposed it could have an adverse effect.

Andy informed the CCAB the project already anticipated it would be over budget at 110,000 square feet due to higher than estimated costs for materials planned in the original design specs. The project team has been creative in resolving this, but it put the project over the original budget by approximately \$1 million and it is still early in the project; more unanticipated costs could arise as the project progresses, leaving little room in the budget and forcing later sacrifices. The district and their design team expressed they are confident with the budget.

Andy also informed the CCAB that the project team discovered a higher water table than expected which will require raising the grade level approximately three feet. Infill has been included in the most recent SD estimate. The district explained this is inaccurate. They are raising the grade level for drainage purposes. The new school will be on a flat piece of land and to provide positive drainage the design team needs to raise the grade level. There has not been any other unusual findings in the geotechnical survey other than the need for a three foot raise of grade to allow for drainage.

Scott Stevens asked how urgent it was to have this decision made today. The design team explained it was a matter of go or no go. The team is getting ready to go into the DD phase and break ground by July. The district cannot finish the design process unless it is known whether the abatement and demolition funds will be re-allocated or if the district must use their own funds (which they will not be reimbursed for). If the funds are not reallocated this would stall the design process and put the project behind schedule. Scott asked if contracts would be in place for the six buildings prior to breaking ground. Three of six building contracts will be in place by the time the district breaks ground stated Burr.

Margi Ammon asked if the district's budget of \$1.2 million for add-alternates was substantial. Because of the area the district is located in, there is not a backlog of contractors so the community does not see an inflation of prices. The district is confident in their budget and the \$1.2 million would cover the add alternates if the \$2.4 budget is reallocated to construction costs. The district has \$39.2 million to spend on the construction (including the \$2.4 million reallocation) and the construction cost is expected to be \$38.5 million.

Andy and Anna explained to the CCAB that eliminating project scope had been done in the past but the funds from the scope elimination had not been reallocated to another part of the project. Additionally, districts have not been able to increase square footage once a contract had been awarded.

Motion to approve Del Norte School District's Scope Change Request

Motion by: Denise Pearson

2nd by: Kathy Gebhardt

All for: Brian Amack, Kathy Gebhardt, Ken Haptonstall, Denise Pearson, Cyndi Wright, Tim Reed

All opposed: Margi Ammon, Roger Good, Scott Stevens

Passed 6 votes yes, 3 votes no

b. Mountain Valley School District Scope Change Request

Mountain Valley School District was awarded a FY17-18 COP BEST grant to address urgent health and safety needs at the current PK-12 facility by replacing it with a new facility and renovating the current middle school/admin prefabricated metal building into a bus barn. The proposed facility in the grant application would be 59,206 square feet, with an additional 8,120 square feet incorporated into the overall total for the renovated bus barn.

Travis Garoutte, Superintendent for Mountain Valley explained to the CCAB that in preparation for the grant application, a Facilities Master Plan was developed in 2016. Due to later identified inaccuracies with the master plan, the district is asking for two changes to the scope:

1. The first is changing the plans from renovating the 8,120 square foot admin/middle school facility to demolishing that building and constructing a new 4,500 square foot bus barn in a different location. During the design process, geotechnical investigations discovered the water table was higher than expected which would necessitate raising the grade of the entire campus. Additionally, the town water well located on the school's site adds constraints to developing the site plan; the most reasonable and preferred site plan would require the middle school/admin facility be moved from its current location. The project team has investigated the cost impact of building new versus relocating and renovating the current facility; the cost for the new, smaller bus barn building is less expensive and the best option for the project.

2. The second is a scope enhancement for the main school facility to increase the square footage from 59,206 sq. ft. to 67,747 sq. ft., an increase of 8,541 sq. ft. The majority of the additional square footage is in non-assignable support space: circulation, restrooms, and custodial/mechanical/electrical closets. In the solution proposed in the grant application, 12,951 sq. ft. was allocated for this space. The current program budgets 20,411 sq. ft. for these spaces. The project team believes they will be able to build the larger facility within the budget.

Margi Ammon expressed concern about the total square footage not being enough per classroom and meeting the recommendation in the Public School Construction Guidelines. The district's design team believes they have made the square footage as efficient as possible. The district averages about ten students per classroom so they do not need large classroom spaces. In addition, the district is including flexible spaces in the new design that can be used as additional classrooms if the district needs them in the future.

Scott Stevens asked the district to elaborate on the soils issue. The project team has discovered a higher water table than expected which will require raising the grade level approximately three feet. Infill has been included in the most recent SD estimate. The district has completed additional surveys to understand the implications of the water table and are confident with the plan to raise the grade approximately three feet resulting in avoiding that water table.

Cyndi Wright asked staff why project designs are enlarged after the contract has been awarded. Anna explained Del Norte's request was to enhance their scope vs. Mountain Valley having an inaccurate calculation of square footage of unassignable spaces and some unforeseen conditions that were not identified during the initial concept design phase. Tim Reed commented that the firm who designs the project concept is not always the firm who is hired for the construction phase and this can result in inconsistencies.

Motion to approve Del Norte School District's Scope Change Request

Motion by: Ken Haptonstall

2nd by: Scott Stevens

All for: Brian Amack, Margi Ammon, Kathy Gebhardt, Roger Good, Ken Haptonstall, Denise Pearson, Scott Stevens, Cyndi Wright, Tim Reed

All opposed: None

Passed 9 votes yes, 0 votes no

IX. Grant Selection Overview

a. Review Summary Book

Jay Hoskinson walked the CCAB through the different sections of the FY2018-19 BEST Grant Application Summary Book.

b. Review Evaluation Tool

Cheryl Honigsberg walked the CCAB through each section of the BEST Grant Evaluation Tool.

c. Review Electronic Rubric

Anna Fitzer walked the CCAB through the Electronic Rubric and explained how to correctly fill in their individual scores from the Evaluation Tool to create their individual prioritized list of projects and to break potential ties.

X. Discussion Items

a. COP Capacity/Fund Balance

Mattie Prodanovic and Jason Simmons, Hilltop Securities, explained that currently, the CCAB has the ability to spend between approximately \$115 million to \$225 million in COP capacity this cycle depending on how much of the capacity they would like to use. The CCAB discussed the pros and cons for spending all or half of the remaining COP capacity during the FY2018-19 cycle. If the CCAB decides to spend the full capacity of COP funds, they would be eliminating their chances of issuing COP dollars in future cycles due to maxing out the debt service payments. The CCAB leaned towards spending all of the remaining COP capacity during the FY2018-19 cycle but action on the amount of COP capacity to spend during the FY2018-19 cycle will be taken at the May 16-18, 2018 meeting.

b. FY 2018-19 Reserve Amount

The CCAB engaged in conversation expressing that projects should have a proper contingency and escalation costs calculated into their project budgets. The CCAB agreed that they would rather spend all of the capacity on projects in the FY 2018-19 cycle given the amount of requests for funding received. If a project needed additional funds and had exhausted all budgetary options, they could come back to the CCAB with a request for a supplemental grant. Action to adopt a dollar amount for project reserves associated with projects active in the FY2018-19 cycle will be taken at the May 16-18, 2018 meeting.

c. Streamline Shortlist Vote

Division staff proposed to the CCAB that they engage in a hand vote vs. roll call after each project when voting a project to the short list. This would save time during the review process and be a more efficient way of capturing each CCAB shortlist vote. The CCAB expressed concern that a hand vote is not as transparent as a roll call. The CCAB indicated they would like to stick with the current process of roll call vote.

XI. Future Meetings

- May 16-18 @ 8:30 a.m. – 4:00 p.m. Grant Selection Meeting

Location: Jeffco Administrative Center 1879 Denver West Dr. Bldg. 27 5th Floor, Golden, CO 80401

- July 25-27 TBD Location: CASE Convention – Beaver Run Breckenridge Resort

- August TBD @ 9am-4pm Board Retreat Location: TBD

XII. Public Comment – No one was signed up for public comment.

XIII. Adjournment – 5:23 PM

Motion by: Denise Pearson

2nd by: Kathy Gebhardt

All for: Brian Amack, Margi Ammon, Kathy Gebhardt, Roger Good, Ken Haptonstall, Denise Pearson, Scott Stevens, Cyndi Wright, Tim Reed

All opposed: None

The mission of the Capital Construction Assistance Board is to protect the health and safety of students, teachers and other persons using public school facilities and maximize student achievement by ensuring that the condition and capacity of public school facilities are sufficient to provide a safe and un-crowded environment that is conducive to student's learning.