

CAPITAL CONSTRUCTION ASSISTANCE BOARD MINUTES OF THE MARCH 28, 2012 MEETING

Meeting held at:
State Offices Building
201 E. Colfax Ave., Denver, CO 80203
State Board Room, 101

I. Call to Order

- 1:05 p.m. Mary Wickersham called the meeting to order.

Attendees

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

Excused

Tom Stone – CCAB

- Agenda reviewed
- CCAB Chair asked for a motion to approve the agenda;
 - So moved by Norwood Robb;
 - Dave Van Sant 2nd the motion;
 - No discussion;
 - Motion to approve the agenda carried.
- CCAB Chair asked for a motion to approve the February minutes;
 - So moved by Norwood Robb;
 - Pete Jefferson 2nd the motion;
 - No discussion;
 - Motion to approve the minutes carried.

II. Board Report

- The CCAB Chair talked about legislative bills that may be introduced that may affect funding for the BEST Program beginning July 1, 2012. The CCAB Chair said the State Land Board is lobbying to cap the BEST Program's funding stream. The CCAB Chair said members of the Joint Budget Committee (JBC) think the BEST Program receives too much funds from the Land Board revenues. The CCAB Chair said the JBC is looking at imposing a total revenue cap at \$40 million, meaning that is total amount of revenue to the program

in any given year. The CCAB Chair said there have been misunderstandings about how the program works and that the JBC is not focusing on the need for the BEST program or how beneficial the BEST Program is, and has been. The CCAB discussed that lowering the capacity would affect the BEST FY2012-13 projects. A CCAB member requested to know when the JBC meets and how to listen in on future and past meetings. The CCAB Chair said the JBC has made comments about the BEST Programs lack of transparency. The CCAB further discussed, noting no bills have been introduced yet. The CCAB Chair encouraged the CCAB to work through their school organizations to get the word out to help support the BEST Program. The CCAB discussed sending letters to previous grantees and drafting a resolution to state their position on a potential bill that may be introduced. The CCAB Chair said if a bill were introduced, she thinks members of the CCAB should testify against it.

- Ted Hughes gave a brief update on Senate Bill-121 that includes the match percentage calculation change for charters schools. Ted Hughes said the bill was moving along with no potential issues.
- A CCAB member talked about a groundbreaking ceremony she attended for Horizons K-8 Charter School, who was awarded a BEST Lease-Purchase grant last cycle. The CCAB member said it was a nice event and that the school is very excited about the project.

III. Directors Report

- Ted Hughes told the CCAB about Qualification Based Selection (QBS) which is strongly supported and recognized by Colorado State procurement and the Office of the State Architect. Ted Hughes said the selection process is challenging to look at, and that QBS works well. Ted Hughes asked the CCAB if they would like a presentation from the QBS Colorado Coordinator to see the benefits of the process. The CCAB agreed.
- Ted Hughes told the CCAB the State Land Board would be coming in April to give a presentation.

IV. Action Items

- Take action on Sargent School District's capital renewal fund waiver request. Ted Hughes talked to the CCAB about capital renewal and Sargent School District's letter they sent in. Ted Hughes noted the district made a mistake in the letter they sent and the intent was to not have to make to make two payments in one year. A CCAB member noted the CCAB does not have the authority to override the statute regarding requiring capital renewal allocations. Ted Hughes read the statute pertaining to capital renewal. The CCAB Chair said it is her understanding of the statute that the board does not have the authority to monitor and enforce annual deposits into a capital renewal account.

V. Discussion Items

- Presentation from Matt Robbins, with the Colorado State Lottery. Matt Robbins talked about the Colorado Lottery's revenues, how the money is allocated, the history of the program, and the different games offered. Matt Robbins reviewed the previous year's revenues and allocations, including other factors that impact the lottery program. Matt Robbins explained the higher overhead costs for scratch game tickets and how all prizes have to be paid for upfront before the game starts. Matt Robbins told the CCAB about a bill

that was introduced which would cap the amount of funding the BEST Program gets. The CCAB discussed the lottery and asked how the Colorado Lottery compares to other states. Matt Robbins explained it is hard to get a good comparison since the games in each state vary so much. The CCAB Chair inquired about the lottery's administrative cost and discussed with Matt Robbins. The CCAB Chair said she thinks the CCAB should take a position on the proposed lottery cap as well.

The CCAB Chair called for a short break.

- Discussion pertaining to FY2012-13 BEST Grant applications received March 2, 2012. Ted Hughes reviewed a spreadsheet containing applicant information with the CCAB. Ted Hughes and the CCAB Chair discussed how much funding should be used for cash grants for the upcoming cycle. A CCAB member said he read an article that said the BEST Program is a good option for public schools that have a capital construction project, but because of all of the high-performing requirements, the cost is 40% more. The CCAB further reviewed the list of applicants and discussed.

Ted Hughes talked about the criteria used last year and how a score was given to each component of the sort criteria. Ted Hughes said this year the summary book would contain specific answers, like yes, or no, or the actual figure, rather than scoring the information. Wendi Chapin told the CCAB she would be providing additional information pertaining to charter schools financials.

- Discussion pertaining to Furniture, Fixtures and Equipment (FF&E). Ted Hughes told the CCAB, the Division has faced some interesting challenges as to what some people consider FF&E to be. Cheryl Honigsberg presented guidelines she drafted regarding the definition of FF&E and what qualifies. The CCAB discussed the guidelines and asked for clarification on some of the topics. Ted Hughes explained a few of the situations the Division had been presented and told the CCAB the Division was trying provide guidelines so grantees would know what was acceptable for FF&E. Ted Hughes said the guidelines would be reviewed in a webinar and that the information would be sent out to the school districts for their feedback before the document is finalized. A CCAB member continued to question information in the document and stated that some of the information was confusing and conflicting. The CCAB Chair asked for the CCAB's input and to send all comments and feedback to Ted Hughes.
- The CCAB Chair noted the meeting was almost over, and that there were two more discussion items. The CCAB Chair noted how the Division of Fire Safety could not make it to discuss their structural reviews and asked if they could be invited to present at the April meeting. The CCAB Chair request the discussion pertaining to The Neenan Company's timeline of events and lessons learned, be tabled for the next meeting and be the first discussion item on the list. The CCAB agreed.

VI. Future Meetings

- No discussion.

VII. Public Comment

- The CCAB Chair asked if there was anyone else who had questions or would like to speak from the public, there were none.

VIII. Adjournment

- The CCAB Chair asked for a motion to adjourn:
 - So moved by Norwood Robb;
 - Adele Willson 2nd the motion;
 - No discussion;
 - Motion carried;
 - Meeting Adjourned.