

CAPITAL CONSTRUCTION ASSISTANCE BOARD MINUTES OF THE JUNE 29th, 2011 MEETING

Meeting held at:
The PPA Event Center
2105 Decatur Street
Denver, Colorado 80211

I. Call to Order

- 8:31 a.m. Mary Wickersham called the meeting to order.

Attendees

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

II. Discussion

The CCAB Chair told the CCAB they need to come up with a prioritized list from the shortlists. The CCAB Chair asked if there were any projects that needed to be discussed further. There were none.

III. Action Items

- Continue review and selection of Lease-Purchase Grant applications to recommend to the State Board of Education for award from the BEST Financial Assistance Fund.
- **School District:** Florence RE-2
Project: ES Renovations and Addition

Discussion: (*Pete Jefferson and Adele Willson recused themselves from the discussion*). The CCAB Chair asked if this was the same project as the previous year. Cynthia Scriven, Florence RE-2's superintendent, told the CCAB yes and discussed the project. The CCAB Chair explained the district's reason for a waiver request, stating the district is not going to be receiving the same tax base because of a mill levy increase, making it hard for the district to ask for a bond. A CCAB member asked why the state was not backfilling. Cynthia Scriven said a vote was not required for the mill levy increase. The CCAB member who asked why the state was not backfilling disagreed. Cynthia Scriven discussed the previous bond election and why it did not pass. The CCAB Chair told the CCAB this project was approved the previous year and that the project still has need. The CCAB Chair talked about the district's high school situation and how it was currently in litigation, because of issues with the new building.

Vote: The CCAB Chair called for a vote to approve the waiver request: 0 votes yes, 7 votes no. The waiver request was denied. A CCAB member called for a vote to put the project on the shortlist. The CCAB voted: 7 votes yes, 0 votes no. The project was moved to the shortlist.

- **School District:** Otis R-3
Project: Jr/SrHS Addition to ES

Discussion: Joyce Barkley, a principal in Otis R-3 school district, and John Cameron, with LKA told the CCAB the current FTE and proposed square feet for the project. Ted Hughes talked about the red flags with the CCAB; primarily the high costs. Ted Hughes reviewed the proposed site plan with the CCAB. The CCAB discussed the high square foot per pupil, noting how it was significantly higher than other projects with the same amount of students. A CCAB member asked about the waiver. Another CCAB member noted Otis had a statutory waiver. Scott Newell discussed the project scope with the CCAB and how he and Ted Hughes had evaluated the project and supported the solution. A CCAB member asked about the modifications to the elementary school. John Cameron reviewed the modifications with the CCAB and discussed. A CCAB member said the costs and square feet seem high.

Vote: A CCAB member called for a vote to put the project on the shortlist. The CCAB voted: 1 vote yes, 8 votes no. The project was not moved to the shortlist.

- **Charter School:** Aspen Community Charter School
Project: New K-8 School

Discussion: Skye Skinner, Aspen Community Charter School's director, told the CCAB current pupil counts and proposed project square feet. A CCAB member asked if the county would help with any of the site improvements. Skye Skinner said the county would not help. The CCAB Chair asked John Maloy, the superintendent of Aspen School District, why there is not more financial support. John Maloy told the CCAB he was a new superintendent, but that the district has had large budget cuts. John Maloy said the district had gone out for bond elections, but charter schools were not included on the ballots. John Maloy noted only 30% of the students are from Aspen, but that the district is very supportive of their school. A CCAB member asked to see the site plan and asked about the cost of site work. Scott Newell said it was roughly \$2.5 million and included scope for a septic system. The CCAB Chair asked Skye Skinner if they have looked for other sites. Skye Skinner said the school has, but it very hard to find any land and the land is typically very expensive. Skye Skinner stated the land they are on was donated to them. A CCAB member asked about the different phases of the project, and Skye Skinner discussed them with the CCAB. The CCAB discussed the project scope further.

Vote: A CCAB member called for a vote to put the project on the shortlist. The CCAB voted: 4 votes yes, 5 votes no. The project was not moved to the shortlist.

- **School District:** Big Sandy 100J
Project: New PK-12 School

Discussion: (*Pete Jefferson recused himself from the discussion*). Steve Wilson, Big Sandy 100J's superintendent, and Any Goldman with the Neenan Company, told the CCAB the current FTE and proposed project square feet. The CCAB Chair discussed why the project was an anomaly and why it was a very needy project. The CCAB discussed the site options with Steve Wilson and what would happen with the old buildings. A CCAB member asked about the extra costs that may be needed for annexing and what would happen with them. Ted Hughes said the extra funds would be used as an allowance and would go back into the Assistance Fund if not used. A CCAB member asked if the school was going for a bond. Steve Wilson said yes the district would be maximizing its bond capacity.

Vote: A CCAB member called for a vote to put the project on the shortlist. The CCAB voted: 8 votes yes, 0 votes no. The project was moved to the shortlist.

- **Charter School:** Free Horizon Montessori Charter School
Project: PK-6 Renovations

Discussion: (*Adele Willson recused herself from the discussion*). Ted Hughes briefly reviewed the project with the CCAB. The CCAB Chair said the project seems to deal more with capacity issues and not health and safety. Krista Vuolo, with Free Horizon Montessori Charter School, told the CCAB about the project and its needs.

Vote: A CCAB member called for a vote to put the project on the shortlist. The CCAB voted: 1 vote yes, 7 votes no. The project was not moved to the shortlist.

- **School District:** Falcon 49
Project: MS Renovation and Addition

Discussion: Melissa Andrews, Falcon 49's district planner, and Matt Hahn with Catalyst, told the CCAB current FTE and proposed project square feet. Melissa Andrews talked about the school's capacity issues and Matt Hahn explained the small corridors and how students can only walk one direction, and must walk outside and around the building to re-enter. Ted Hughes told the CCAB about the health and safety issues. The CCAB talked about the district's bonding capacity, FCI and CFI. Cheryl Honigsberg and Matt Hahn talked about the project scope. A CCAB member noted how the school was exceeding their match by 5%.

Vote: A CCAB member called for a vote to put the project on the shortlist. The CCAB voted: 4 votes yes, 5 votes no. The project was not moved to the shortlist.

- **School District:** West End RE-2
Project: New PK-12 School

Discussion: Ted Hughes talked about the district's updated waiver letter since they would not be maximizing their bonding capacity. Paula Brown, West End RE-2's board president, told the CCAB about the project and how the district is looking many different ways to save money. The CCAB Chair asked about the historic building. Paula Brown said the historic building is part of the project and that it is used for administration and classrooms. Ken Hirschman, with Gray Wolf Architects, told the CCAB about the work that needed to be

done and the solution to the problems. The CCAB discussed costs, FTE and proposed square feet with Ken Hirschman. The CCAB further discussed the waiver situation.

Vote: A CCAB member called for a vote to approve the waiver request: 6 votes yes, 3 votes no. The waiver was approved. A CCAB member called for a vote to put the project on the shortlist. The CCAB voted: 9 votes yes, 0 votes no. The project was moved to the shortlist.

- **School District:** Westminster 50
Project: New ES

Discussion: (*Tom Stone recused himself from the discussion*). Don Ciancio, Westminster 50's director of maintenance and operations, told the CCAB current FTE and proposed project square feet and why the square feet would be increasing. A CCAB member asked about the high cost. Don Ciancio said the project included demolishing 3 or 4 other schools. A CCAB member asked if the district had already passed a bond. Don Ciancio said yes. A CCAB member inquired about the technology that would be used in the building. Don Ciancio told the CCAB the technology specs. Don Ciancio told the CCAB about the districts capital budget and the cost model the district used was based off a similar school they had built. The CCAB Chair said she feels there is a need.

Vote: The CCAB Chair called for a vote to put the project on the shortlist. The CCAB voted: 0 votes yes, 8 votes no. The project was not moved to the shortlist. The CCAB Chair called for another vote to put the project on the shortlist, less the amount appropriated for the demolition of the other schools. The CCAB voted: 7 votes yes, 1 vote no. The project was moved to the shortlist.

- **School District:** Denver 1
Project: Address Air and Water Quality in Multiple Schools

Discussion: Bill Gerard, with Denver Public Schools, introduced himself to the CCAB. The CCAB Chair said this project would be difficult to finance based on the collateral needed. A CCAB member asked if the Denver Green School was recently renovated. Bill Gerard said yes. The CCAB member asked why this project was not included in the renovation. A CCAB member asked what type of water issues the schools were having. Bill Gerard said all of them had galvanized pipes. A CCAB member said he has a hard time supporting the application when some of the facilities had been recently renovated.

Vote: A CCAB member called for a vote to put the project on the shortlist. The CCAB voted: 1 vote yes, 8 votes no. The project was not moved to the shortlist.

- **School District:** Elbert 200
Project: New PK-12 School

Discussion: (*Adele Willson recused herself from the discussion*). The CCAB Chair talked about the district's waiver and bond. Kelli Loflin, Elbert 200's superintendent, told the CCAB how the district was putting up \$500,000 of their own money and going for a \$3.1 million bond. Kelli Loflin told the CCAB about the previous bond election and reasons it

failed, including how some people involved with the voting had been indicted for fraud. The CCAB discussed the site work and technology plans.

Vote: A CCAB member called for a vote to approve the waiver request: 8 votes yes, 0 votes no. The waiver was approved A CCAB member called for a vote to put the project on the shortlist. The CCAB voted: 8 votes yes, 0 votes no. The project was moved to the shortlist.

- **School District:** Denver 1
Project: Address Site Traffic at Multiple Schools

Discussion: A CCAB member asked why the assessment did not agree with the grant application request. Cheryl Honigsberg told the CCAB the district needs to update their information. The CCAB Chair told the CCAB about Denver 1's needs.

Vote: A CCAB member called for a vote to put the project on the shortlist. The CCAB voted: 1 vote yes, 8 votes no. The project was not moved to the shortlist.

- **School District:** Ignacio 11 JT
Project: Jr/SrHS Demolition, Addition, Renovation

Discussion: A CCAB member asked why this was the district's #2 priority. Rocco Fuschetto, Ignacio 11 JT's superintendent, told the CCAB the application is only asking for the safety and security portion of the project. Ted Hughes commented saying this was only a renovation. Ted Hughes discussed the project details with the CCAB. Rocco Fuschetto, and Stuart Coppedge, with RTA Architects told the CCAB about the complexities of having this project be a standalone project. Rocco Fuschetto told the CCAB the total cost of all their projects were \$51 million. Rocco Fuschetto said he was receiving good feedback from the community regarding the district going for a bond election.

Vote: A CCAB member called for a vote to put the project on the shortlist. The CCAB voted: 4 votes yes, 5 votes no. The project was not moved to the shortlist.

- **School District:** Ft. Lupton RE-8
Project: MS Renovation

Discussion: Mark Payler, Ft. Lupton RE-8's superintendent, told the CCAB current FTE and proposed project square feet. Mark Payler told the CCAB about the project details and that the district was going for a bond election.

Vote: A CCAB member called for a vote to put the project on the shortlist. The CCAB voted: 7 votes yes, 2 votes no. The project was moved to the shortlist.

- **School District:** Plateau RE-5
Project: PK-12 Fire Alarm, HVAC, and Security Project

Discussion: (*Pete Jefferson recused himself from the discussion*). The CCAB discussed the project. A CCAB member said he felt there was a health and safety concern. Jay Hoskinson told the CCAB about the fire alarm needs. The CCAB discussed the high cost for the strobes.

Vote: A CCAB member called for a vote to put the project on the shortlist. The CCAB voted: 0 votes yes, 8 votes no. The project was not moved to the shortlist.

- **School District:** Sheridan 2
Project: MS Renovation & New 3-8 School
- **Discussion:** (*Pete Jefferson recused himself from the discussion*). The CCAB discussed the project's square feet, scope and FTE for the 3-8 school. A CCAB member asked about the assessed valuation. Cyndi Wright, Sheridan 2's facilities and transportation director and Michael Clough, Sheridan 2' superintendent, told the CCAB about the project and their funds. Cyndi Wright mentioned the district does not have enough space for the pre-school in their head-start program.

Vote: A CCAB member called for a vote to put the project on the shortlist. The CCAB voted: 8 votes yes, 0 votes no. The project was moved to the shortlist.

- **School District:** Ignacio 11 JT
Project: Renovation/Addition of (e) MS to Become K-5

Discussion: A CCAB member noted this was the district's #1 priority.

Vote: A CCAB member called for a vote to put the project on the shortlist. The CCAB voted: 9 votes yes, 0 votes no. The project was moved to the shortlist.

- **School District:** Lake R-1
Project: ES Renovation

Discussion: Dustin Guerin told the CCAB about the school's FCI and CFI. Bette Kokenes, Lake R-1's superintendent, noted health and safety issues the school faces; no heat or hot water and discussed how there recently was a fire at the school. Bette Kokenes talked about the project scope and how they planned to upgrade technology and capacity. The CCAB discussed putting the project on the BEST Cash grant list, but decided to vote on putting it on the BEST Lease-Purchase list.

Vote: A CCAB member called for a vote to put the project on the shortlist. The CCAB voted: 5 votes yes, 4 votes no. The project was moved to the shortlist.

- **Charter School:** Compass Montessori - Wheat Ridge Charter School
Project: 3-6 School Addition

Discussion: (*Adele Willson recused herself from the discussion*). The CCAB talked about the project and a CCAB member noted the school was providing 6% more match. The CCAB Chair said the project could be difficult to finance and the project feels like it deals more with capacity issues.

Vote: A CCAB member called for a vote to put the project on the shortlist. The CCAB voted: 2 votes yes, 6 votes no. The project was not moved to the shortlist.

- **School District:** Holyoke RE-1J
Project: ES & JrSrHS HVAC Upgrades

Discussion: (*Mary Wickersham was absent for the discussion*). No discussion.

Vote: A CCAB member called for a vote to put the project on the shortlist. The CCAB voted: 0 votes yes, 8 votes no. The project was not moved to the shortlist.

- **School District:** Adams-Arapahoe 28-J
Project: ES/MS HVAC Upgrades

Discussion: (*Mary Wickersham was absent for the discussion*). No discussion.

Vote: A CCAB member called for a vote to put the project on the shortlist. The CCAB voted: 0 votes yes, 8 votes no. The project was not moved to the shortlist.

- **School District:** Harrison 2
Project: Replace Boilers at (3) ES

Discussion: Ted Hughes told the CCAB this project would have been higher up on the list and was not scored appropriately and that the project addresses health and safety needs. The CCAB discussed the project and if it should be moved to the BEST Cash shortlist.

Vote: A CCAB member called for a vote to put the project on the BEST Lease-Purchase shortlist. The CCAB voted: 1 vote yes, 8 votes no. The project was not moved to the BEST Lease-Purchase shortlist. A CCAB member called for a vote to put the project on the BEST Cash shortlist. The CCAB voted: 6 votes yes, 3 votes no. The project was moved to the shortlist.

- The CCAB Chair said all of the projects had been reviewed and discussed how the CCAB should proceed. The CCAB agreed to review the shortlists and prioritize the projects. An average of all CCAB members' lists would be combined to form a final prioritized list.

The CCAB Chair called for a break. During this time the CCAB reviewed the shortlists and individually prioritized them. The results were averaged and put into a spreadsheet, then sorted from highest priority to lowest priority.

- **School District:** Florence RE-2
Project: ES Renovations and Addition

Discussion: The CCAB Chair discussed the applicant's waiver request and clarified information discussed during their application review. The CCAB Chair asked the CCAB if anyone wanted to change their vote or re-vote regarding the waiver request.

Vote: No vote.

- The CCAB Chair discussed the process and told the public the CCAB had given full consideration to all projects that made the shortlist. The CCAB decided to review the BEST Cash grant list first. The CCAB Chair noted that CCAB members did not prioritize projects they were recused from during the discussion. The CCAB reviewed the BEST Cash grant list, which was only \$1.4 million over the initial threshold. The CCAB agreed they were comfortable with the amount and proceeded to the BEST Lease-Purchase grant list.
- Discussion pertaining to the BEST Lease-Purchase grant list. The CCAB Chair read the list in order and asked Scott Newell where the \$160 million threshold fell on the list, noting the BEST portion available was around \$135 million. The CCAB discussed the options available and where the line needed to be drawn. The CCAB also discussed how many back-up projects needed to be chosen and what they felt comfortable with approving.
- A CCAB member called for a motion to put Elbert School District 200's project in front of Southwest Open Charter School, because both of the projects had the same priority number and the funding available was split between the two projects.
 - Discussion: The CCAB Chair discussed Ross Montessori's project and if they would be able to make their match. The CCAB Chair said the CCAB has a good process and they should stick to it. The CCAB agreed it was necessary to include SW Open Charter School in the approved list. A CCAB member said he thinks they should vote. The CCAB Chair suggested moving Corridor Community Academy's project to the BEST Cash shortlist, so SW Open Charter School's project could be on the BEST Lease-Purchase grant list. The CCAB discussed. Adele Willson recused herself from the SW Open Charter School discussion.
 - The CCAB voted: 6 votes yes, 2 votes no. Elbert School District 200's project was set at a higher priority over SW Open Charter School's project.
- A CCAB member asked for a motion to move Corridor Community Academy's project to the BEST Cash shortlist
 - Discussion: The CCAB Chair discussed the amount of funding available for BEST Cash projects and that there are enough funds in the Assistance Fund to move the project to be a BEST Cash grant.
 - The CCAB voted: 8 votes yes, 1 vote no. Corridor Community Academy's project was moved to the BEST Cash shortlist
- The CCAB discussed which projects would be back-ups for the BEST Lease-Purchase list. The CCAB discussed their options. The CCAB Chair noted how all back-ups would have to go through a rigorous financing process if selected. The CCAB further discussed and decided the next five projects on the prioritized list would be adequate to approve as BEST Lease-Purchase back-up projects.
- A CCAB member asked that Lake R-1, Sheridan 2, Ignacio 11 JT, Peyton 23 JT and Englewood 1's project be added as BEST Lease-Purchase back-up projects, in that order.
 - No discussion
 - The CCAB voted: 9 votes yes, 0 votes no. Lake R-1, Sheridan 2, Ignacio 11 JT, Peyton 23 JT and Englewood 1s' projects were added as BEST Lease-Purchase back-up projects.

- The CCAB discussed the BEST Cash shortlist and where Corridor Community Academy's project should be placed on the prioritized list. A CCAB member made a suggestion to place Corridor Community Academy's project between Lewis-Palmer 38's project and Harrison 2's project. A CCAB member moved to put Corridor Community Academy's project between Lewis-Palmer 38's project and Harrison 2's project.
 - No discussion
 - The CCAB voted: 9 votes yes, 0 votes no. Corridor Community Academy's project was prioritized between Lewis-Palmer 38's project and Harrison 2's project on the BEST Cash prioritized list.

- **Charter School:** Paradox Valley Charter School
Project: PK-8 CS Renovation and Addition

Discussion: The CCAB discussed the applicant's waiver, since the West End School District would not be going for a bond election and if the Paradox Valley Charter School could make their match. The CCAB Chair said she does not want to fund the project since West End School District's project did not make the prioritized list. A CCAB member said he felt the CCAB had done a good job of selecting projects. Another member agreed saying the CCAB should honor the process. Scott Newell discussed the waiver and told the CCAB the school could provide a \$105,000 match.

Vote: The CCAB Chair called for a vote to approve Paradox Valley Charter School's waiver request. The CCAB voted: 0 votes yes, 9 votes no. Paradox Valley Charter School's waiver request was denied.

- **Motion By:** Dave Van Sant: I move to direct Division staff to submit the prioritized list of 25 BEST Cash grant projects to the State Board based on the eligibility recommendations presented on the chart, with any adjustments to the grant amount and match amount as may be imposed by C.R.S. 22-43.7-109(10)(a).
 - Norwood Robb 2nd the motion;
 - No discussion;
 - Motion unanimously approved.
- **Motion By:** Lyndon Burnett: I move to direct Division staff to submit the prioritized list of 11 BEST Lease-Purchase grant projects and 5 BEST Lease-Purchase back-up grant projects to the State Board based on the eligibility recommendations presented on the chart, with any adjustments to the grant amount and match amount as may be imposed by C.R.S. 22-43.7-109(10)(a).
 - Tom Stone 2nd the motion;
 - No discussion;
 - Motion unanimously approved.

After reviewing the motions with the BEST AG, Erica Weston, it was determined the motions needed to include additional information. The motions were read again.

- **Motion By:** Dave Van Sant: I move to direct Division staff to submit the prioritized list of 25 BEST Cash grant projects to the State Board based on the eligibility recommendations presented on the chart, subject to the availability of funds and financing and any other noted

conditions, with any adjustments to the grant amount and match amount as may be imposed by C.R.S. 22-43.7-109(10)(a).

- Tom Stone 2nd the motion;
- No discussion
- Motion unanimously approved.

- **Motion By:** Lyndon Burnett: I move to direct Division staff to submit the prioritized list of 11 BEST Lease-Purchase grant projects and 5 BEST Lease-Purchase back-up grant projects to the State Board based on the eligibility recommendations presented on the chart, subject to the availability of funds and financing and any other noted conditions, with any adjustments to the grant amount and match amount as may be imposed by C.R.S. 22-43.7-109(10)(a).
 - Norwood Robb 2nd the motion;
 - No discussion
 - Motion unanimously approved.

The CCAB Chair called for a short break.

- Set the timeline for the next grant cycle. Ted Hughes discussed the timeline for the next grant cycle and reviewed the dates with the CCAB. Ted Hughes also told the CCAB the State Board would be meeting on August 3, 2011 to approve the CCAB’s recommendations.

Motion by: Norwood Robb: I move to approve the timeline as presented.

- Tome Stone 2nd the motion;
- No discussion;
- Motion unanimously approved.

IV. Future Meetings

- Discussion regarding future meetings. The CCAB discussed upcoming meetings and decided to cancel the July 27, the October 26, and November 23 meetings. The CCAB agreed.

Motion by: Norwood Robb: I move to adjust the upcoming meeting schedule.

- Dave Van Sant 2nd the motion;
- No discussion;
- Motion to adjust the future CCAB meetings unanimously approved.

V. Public Comment

- John Cook, with LKA Partners, asked the CCAB if this was the last year of funding for the BEST program. The CCAB Chair said it would not be for the BEST Lease-Purchase projects since the statutory limit would not be met. The CCAB Chair said BEST Cash grants will be on going and the amount available would be determined by the amount of money coming from the State Trust Land’s.
- Kurt Connolly with Inline Management asked when the prioritized lists would be posted. Ted Hughes said by the end of the week (Friday).

VI. 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 2:25 p.m.