

Public School Capital Construction Assistance Board Meeting Minutes



COLORADO
Department of Education

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



Date & Time:

Feb. 24th, 2016
1:00 p.m.

Location:

201 E. Colfax Ave., Room 101
Denver, CO 80203

Capital Construction Assistance Board Members

Lyndon Burnett – Chair
David Tadlock – Vice Chair
Cyndi Wright

Tim Reed
Denise Pearson
Ken Haptonstall

Scott Stevens
Karl Berg
Kathy Gebhardt

I. Call to Order

II. Pledge of Allegiance

III. **Roll Call** – Ken Haptonstall, Denise Pearson, Tim Reed, David Tadlock, Scott Stevens, Cyndi Wright, Lyndon Burnett. CDE Staff Attendees: Scott Newell, Kevin Huber, Dustin Guerin, Anna Fitzer, Cheryl Honigsberg, and BEST A.G. Heidi Dineen

IV. Approve Agenda

The CCAB Chair called for a motion to approve the agenda:

- Lyndon Burnett recommended the Discussion Item on Senate Bill 16-035 be moved to immediately after the approval of the Agenda due to SB16-035 hearing scheduled for 1:30pm that afternoon;
- So moved by Scott Stevens;
- Tim Reed 2nd the motion;
- Motion to approve the agenda as amended carried unanimously.

V. Discussion Items

- a. **Senate Bill 16-035: A Bill For An Act Concerning The Public School Fund, And, In Connection Therewith, Creating A Public School Fund Investment Board To Direct The State Treasurer On The Investment Of The Fund And Changing The Distribution Of The Interest Or Income Earned On The Investment Of The Moneys In The Fund** – Scott Newell informed the CCAB that he had attended a stakeholder meeting on Monday regarding a proposed amendment to SB16-035 – scheduled for hearing this afternoon – which would potentially remove the BEST allocation of \$20 million from the interest earned on the permanent fund after the first \$21 million went to School Finance and instead allocate the full \$41 million to School Finance. Mr. Newell went on to say the stakeholder group had discussed the pros and cons of the proposed amendment, questioning the restrictions on BEST's ability to use interest earnings as COP bond repayment versus the ability to use the dollars on cash grants. The CCAB discussed the proposed amendment to the bill, the impacts it could have on the program and reviewed other provisions within the bill with regard to the creation of an investment board. The CCAB concurred they would not be in support of the proposed amendment if it was introduced as they felt the additional revenue could help sustain the cash grant component of the program.

VI. Approve Previous Minutes from the December 4th, 2015 CCAB Meeting and the December 30th, 2015 Meeting by Teleconference

The CCAB Chair called for a motion to approve the previous minutes:

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- So moved by Ken Haptonstall;
- Cyndi Wright 2nd the motion;
- Motion to approve the previous minutes carried unanimously.

VII. Board Report

Kathy Gebhardt arrived at the meeting at 1:21 pm.

Lyndon Burnett explained to the CCAB that he had received an email from CASB asking if the CCAB would consider hosting a booth at their annual convention. Mr. Burnett felt it would be beneficial for the program in terms of getting more information about the BEST program out to school districts and meeting a large group of stakeholders face to face. Mr. Burnett said the cost of the booth would be less than \$2,000. The CCAB felt a booth may be a more effective way to reach out to stakeholders than holding a breakout session, but had concerns about whether or not it would be an allowable expenditure of program funds, and whether or not it would set a precedent for other organizations wishing to have a booth from BEST. Mr. Newell said he would investigate if this type of an expense would be allowable and report his findings at the next meeting.

VIII. Director's Report

Scott Newell gave the CCAB an update on the implementation of the Statewide Facility Assessment, explaining the ongoing delays with the contracting process which resulted in the schedule being pushed back two months. Mr. Newell went on to say all concerns with the contract had been resolved and the contract was scheduled to be finalized within the week. Once the contract is finalized the project will commence with a new anticipated completion date of July.

He also informed the CCAB the grant application for this year would close on Friday the 26th. It was unknown yet how many applications would actually be submitted, but he said he would update the CCAB via email after the deadline had passed and all applications had been logged in by the Division.

IX. Discussion Items

- Senate Bill 16-072: A Bill For An Act Concerning An Increase In The Maximum Total Amount Of Annual Lease Payments Authorized For Lease-Purchase Agreements Entered Into Under The "Building Excellent Schools Today Act"** – Scott Newell informed the CCAB that SB16-072 had made it through the Senate Finance and Senate Education committees, and was currently assigned to the appropriations committee of the Senate. During the Senate Education committee meeting several amendments were introduced and approved by the committee. Mr. Newell went on to outline the amendments: in Section 1, the State Land Boards obligation had been changed from \$60 million back to \$40 million; in Section 3, amendments had been introduced which would remove a code requirement pertaining to charter schools, remove the current requirement for charter schools to notify their authorizer of their intent to pursue a BEST grant four months in advance, and would remove the requirement for a charter school to be chartered five years before the school was eligible to apply for BEST funding. The CCAB discussed these changes, noting the potential implications as a result of the amendments. They also discussed the proposed amendment to allow the Division to provide planning grants to schools. Mr. Newell said that amendment was introduced at the Senate Education committee meeting but was tabled until a later date.
- Review Grant and Waiver Evaluation Sheets** – Mr. Newell reviewed the BEST grant evaluation tool with the CCAB, suggesting the Division could have certain questions pre-scored for consistency. He elaborated saying the CCAB would have the ability to change the score if they thought it more prudent, but as an example, some applicants may not have had a facility assessment done through the previous program and pre-scoring those categories would provide a level of consistency across the applications. He also discussed the supplemental materials applicants were required to submit as part of their grant package as well as clarifications and questions raised during the Division grant review. To incorporate these items into the board's review, Mr. Newell said Division staff will be providing additional commentary in the evaluation sheets this grant cycle to give the board a more thorough understanding of all due diligence performed by an applicant. The CCAB then discussed individual best practices for reviewing applications and reviewed the process for grant selection the day of the meetings; they concluded saying a public vote on each project immediately following the project presentation would be the best process for adding projects to the shortlist.

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- c. **BEST Annual Legislative Report** – Scott Newell gave a brief outline of the legislative report, pointing out the last page which included the recommendation from the Division to the JBC for the FY1617 grant cycle allocation. He explained that the appropriation would be for \$70 million which included \$60 million for BEST cash grant awards for this grant cycle and \$10 million for lease-purchase grants which had been closed with matching funds remaining. Next year, the projected recommendation would be \$50 million based on current revenues.

X. Future Meetings – The CCAB requested that an agenda item be added to the March agenda regarding new fire code.

- March 23rd, 2016 – 1:00 p.m. Location: 201 E. Colfax Avenue, Room 101, Denver, CO 80203
- April 27th, 2016 – 1:00 p.m. Location: 201 E. Colfax Avenue, Room 101, Denver, CO 80203
- May 24th-25th, 2016 – 8:30 a.m. – 5 p.m. Grant Selection Meetings – Adams 12 Conference Center 1500 E 128th Avenue, Thornton, CO 80241

XI. Public Comment – The CCAB Chair asked if anyone was signed up for public comment, or if anyone from the public would like to speak; there were none.

XII. Adjournment

The CCAB Chair called for a motion to adjourn:

- So moved by Scott Stevens;
- Kathy Gebhardt 2nd the motion;
- Motion to adjourn carried unanimously;
- Meeting adjourned 2:35 p.m.