

Ohio School Facilities Commission
April 30, 2015 Meeting
William McKinley Room, Statehouse
1:30 PM

MINUTES

Chairman Keen called the meeting to order at 1:31 PM.

Roll Call

Members present: Chairman Keen, Vice Chair Blair, Dr. Richard Ross, Taylor Stepp for Representative Smith and John Steele for Senator Sawyer.

Adoption of the January 22, 2015 Meeting Minutes

Dr. Richard Ross moved to approve the January 22, 2015 meeting minutes.

Vice Chair Blair seconded the motion.

Approval: Vote 3-0.

Accelerated Urban School District Updates and Approval – Melanie Drerup –
Resolution 15-11 and Resolution 15-12

The Commission approved a Master Facilities Plan in 2002 for the Cleveland Metropolitan School District for \$1.51 B divided into 9 segments for 111 buildings to house 72,500 students. The Commission has approved 6 segments to date. The Commission amended the Master Facilities Plan in 2014 for 32, 443 students.

Resolution 15-11 Cleveland Segment 5, Amendment 4

Melanie Drerup presented the Cleveland Metropolitan School District Segment 5, Amendment 4 for Commission approval. The previously amended Segment 5 agreement provided \$197.7 M for 9 buildings. The proposed Amendment 4: moves the new West Side Relief building to Segment 7; increases the budget for new buildings in response to market conditions; increases the allowance for abatement and demolition of 5 schools and decreases the allowance for 4 schools in response to market conditions. The Cleveland Segment 5, Amendment 4 is decreased by \$5,037,626 for an updated budget of \$192,682,709.

Vice Chair Blair asked Dr. Ross with the enrollment numbers that are dropping off could the suburban districts be picking up some of those students. Dr. Ross thought the urban districts were losing students probably at a faster rate than other schools. State wide enrollment is declining. We also have some suburban districts that are losing enrollment while we have others that are growing. He did not think we could actually say suburbans are growing across the board. He also noted that state wide enrollment in K-12 is declining and has been declining for several years, and we are projecting that will continue.

Vice Chair Blair moved to approve Resolution 15-11.
 Dr. Richard Ross seconded the motion.
 Approval: Vote 3-0.

Resolution 15-12 Cleveland Segment 7

Melanie Drerup presented the Cleveland Metropolitan School District Segment 7 for Commission approval. There are three additional segments being planned for Cleveland, which will be brought to the Commission at a later date. The estimated budget for the remaining segments is \$192.7 M.

School District	County	State Share	Local Share	Total Project Cost	Program
Cleveland MSD, Seg. 7	Cuyahoga	\$109,800,868	\$51,670,996	\$161,471,864	Accelerated Urban

Chairman Keen asked if the three additional segments were Segments 8, 9 and 10. Melanie Drerup responded that was correct. Chairman Keen asked if the levy that was recently passed covers Segments 7, 8, 9 and 10. Melanie Drerup responded that was correct. Chairman Keen asked if almost all these accelerated urban school districts now have the money they need to build all the way out. Melanie Drerup responded that with the exception of Columbus Public Schools, that was correct. Interim Director Chovan also added that we recently approved another segment for Akron. Akron is down to four buildings. We are building two now and expect them to be finishing up quickly. Cleveland will take another six to eight years, but they are on a pathway home.

Dr. Richard Ross moved to approve Resolution 15-12.
 Vice Chair Blair seconded the motion.
 Approval: Vote 3-0.

Design Manual Update Approval – William Ramsey

William Ramsey presented the 2015 updates to the Ohio School Design Manual (OSDM) for Commission approval. Mr. Ramsey thanked the members of the update team: Melanie Drerup and Eugene Chipiga of our planning staff and the Ohio Department of Education for assisting in this year’s endeavors. The formal update began in January of 2015 and the final changes will be completed this month. This is a year-round process as the team collects information and data from both the projects and the activities that occurred since the last update in April 2014. Material and building system vendors are given opportunities to present both their products and building systems for review for inclusion in the manual. The team met with multiple stakeholders, school districts and interested groups to discuss processes and materials that may be considered for inclusion in the manual. The team also reviewed the results and the processes involved with the variance requests and the value engineering studies for various projects that occurred throughout 2014 to see if there are items that need to be changed within the manual. In general this year, there were no major changes to both the material and the building systems

sections of the manual. There have been minimal requests both for variances and material system inclusions from both vendors and design professionals. One area that we spent some time reviewing was the Career Tech portion of the manual, both in the programming and the planning phase. We worked with the Ohio Department of Education to update the programs that are involved, which resulted in a net addition of three new pathways; business administration services, financing and marketing which will be revised into the program of requirements section of the manual. We also revised the subject codes, which is a 2-digit program, to align our program of requirements with the Ohio Department of Education's standards. We also worked with the Department of Health - Safe Routes to Schools to develop two documents that will provide guidance to school districts on site selection. The outcome from that is to provide children the healthy option of getting to school. This encourages more physical activity, but also a safe route ensuring that when school districts are looking for site selections that they have options to choose from. The two documents that will be provided will be located on our website to give school districts the opportunity to look at site selections and also the resources that they can turn to when they are considering their options for new schools. We worked with construction professionals and received input from the broader design construction community to evaluate current market conditions and regional costs. As a result of this review, there were no change costs necessary within our assessment guidelines. The allowances for swing space and existing building reprogramming were also reviewed and no changes were made based again on current market and construction conditions. We did review the regional cost factors throughout the state. We did make some minor adjustments to those based on how current market conditions are working in various locations throughout Ohio as we apply those within the cost manual. Finally, we looked at the inflation factor for the cost manual and applied a 0% inflation factor to the budget for 2015. We worked with IHS Global Insight to determine the annual inflation factor. Working with the data provided by IHS, field interviews from on-going projects, industry information and design and construction professionals, we concluded that the current manual update should remain at a 0% inflation factor for 2015.

Dr. Ross asked if there were changes in design learning spaces in the last 5 to 6 years in terms of the use of technology, delivery of instructional services to students, not only products or the building systems, but just the structure of the facility and how we incorporate size and what we think education would be like down the road. Mr. Ramsey responded a major modification was made in last year's manual to include 21st Century Learning which provided designers more of that involvement to not follow the typical pattern of a school district design of bricks and sticks and kind of corridor design, but to really investigate more current involvement in the design and delivery process of education to let that process of visioning for schools before you start design and really talk about the educational delivery process before you begin to figure out how you are going to lay out the classrooms. That is something we definitely encourage our districts to do. By percentage, we are probably seeing more and more districts that are in our current programs adopting the visioning process and really moving towards that sort of facilitated process to look at their school delivery before they start deciding.

Dr. Ross asked regarding the Career Tech portions, have components been added for particular programs, was there anything innovative or are those pretty perfunctory to just meet the needs of the Career Tech Programs. Mr. Ramsey responded what we have done within the programming statement is recognizing the additional programs. Our programming statement does not look at the

specific design necessary in our manual, but it offers the opportunity that these programs should be adapted when you head towards design. The visioning of 21st Century is open on how you want to provide that particular program or whatever program you are going to do within Career Tech.

Vice Chair Blair asked if OSFC ever consulted with ODOT regarding the site selection process. Mr. Ramsey deferred to Melanie Drerup. Ms. Drerup responded the site selection area of the Design Manual has the contact information for the ODOT offices across the state and contact information for Safe Routes to Schools because they are working with our districts, sometimes after the fact, but we are trying to encourage that to occur before they actually get a building in place.

Vice Chair Blair asked if the schools will have the technology necessary to support the current high speed broad band and wireless needs of the classroom. Mr. Ramsey confirmed that the manual addresses these needs.

Vice Chair Blair moved to approve Resolution 15-13.

Dr. Richard Ross seconded the motion.

Approval: Vote 3-0.

Master Facilities Plan Amendments Approval – Presented by William Ramsey – Resolution 15-14

William Ramsey presented Amendments to the Master Facility Plans for four school districts for Commission approval.

School District (County)	Recommended Modifications to the Master Facilities Plan	Recommended Modifications to the Project Budget
Ashland CSD (Ashland) Seg. 1 Amendment 2	Budget adjustment due to an enrollment adjustment and favorable market conditions.	(\$615,000) State Share (\$885,000) Local Share (\$1,500,000) TOTAL

School District (County)	Recommended Modifications to the Master Facilities Plan	Recommended Modifications to the Project Budget
Dalton LSD (Wayne) Seg. 1 Amendment 1	The final ELPP Closeout Credit Report was executed March 20, 2015 in the amount of \$1,579,349, a difference of \$5,291. The School District Board is required to transfer \$1,852 out of the project construction fund.	\$6,891,011 State Share \$12,797,592 Local Share \$19,688,603 TOTAL

School District (County)	Recommended Modifications to the Master Facilities Plan	Recommended Modifications to the Project Budget
East Cleveland CSD (Cuyahoga) Amendment 5	The project budget was insufficient for the design and construction work required to build one new high school to adequate design and building code standards as the result of the façade not being properly installed, specifically where the brick wall anchor ties behind the brick veneer as it was attached improperly, not attached at all or unspecified material was used as the anchor tie. In addition to the brick veneer being re-anchored, the lower level façade needs rebuilt.	\$662,982 State Share \$87,569 Local Share
		\$750,551 TOTAL

School District (County)	Recommended Modifications to the Master Facilities Plan	Recommended Modifications to the Project Budget
Orrville CSD (Wayne) Amendment 2	The final ELPP Closeout Credit Report was executed September 17, 2014 in the amount of \$28,119,689, a difference of \$500,686. The School District Board is required to deposit the amount \$842,381 into the Project Construction Fund.	\$18,516,734 State Share \$28,962,070 Local Share
		\$47,478,804 TOTAL

Director Keen noted that in the resolutions Orrville City School District had Cuyahoga County instead of Wayne County. Director Keen noted it on the original resolution.

Chairman Keen moved to approve Resolution 15-14.

Vice Chair Blair seconded the motion.

Approval: Vote 3-0.

ELPP Master Facilities Plan Amendments and Project Agreement Amendments Approval Presented by Melanie Drerup – Resolution 15-15

Melanie Drerup presented Master Facilities Plans and Project Agreement Amendments for the discrete portion project scope for Commission approval.

Master Facilities Plan Amendments:

School District (County)	Project Scope	Project Budget	
Mason CSD (Warren) Amendment 3	Budget decrease as only 99.4% of total new building square footage was constructed for the new elementary school. Budget increase due to 2007 OSDM cost update for Mason Heights Elementary School, Western Row Elementary School, William Mason High School and the new High School. Budget increase due to 2009 OSDM cost update for the partial renovation project for the Mason Intermediate School.	\$2,359,979	State Share
		\$7,079,938	Local Share
		\$9,439,917	TOTAL

School District (County)	Project Scope	Project Budget	
West Clermont LSD (Clermont) Amendment 3	Budget decrease due to favorable market conditions to abate/demo at Amelia, Withamsville-Tobasco, and new Elementary School 1 & 2. Budget increase due to 2014 OSDM cost update at Brantner, Clough Pike, Holly Hill, Merwin, Willowville Elementary Schools, Amelia Middle School, Amelia High School, and new Elementary School 3 & 4. Budget decrease due to change in enrollment at Holly Hill, Merwin, Summerside & Willowville Elementary Schools, Amelia Middle School, Amelia High School and new Elementary Schools 3 & 4. Budget increase due to change in enrollment at new Elementary School 1 & 2. Renovations only to house Grades PK-5 at Holly Hill Elementary Grades 6-8 at Amelia Middle School and Grades 9-12 at Amelia High School. Abandon Glen Este Middle & High Schools. Build new High School to house Grades 9-12.	\$2,341,622	State Share
		\$5,463,784	Local Share
		\$7,805,406	TOTAL

Amendments for the discrete portion of the Master Facilities Plan:

School District	Discrete Scope Change	Total Amendment Cost Change	Total Revised Project Budget
Mason CSD (Warren) Amendment 3	Project closed and ELPP credit established for New Early Childhood Center Elementary School, Mason Intermediate School, Mason Middle School and Mason High School. Partial site renovations at Western Row Elementary School. Partial roof renovations and partial site renovations at Mason Intermediate School. Partial renovations and project closed at Mason Middle School. Build 119,382 sf addition at Mason High School to house Grades 9-12.	\$24,220,361	\$128,297,708

School District	Discrete Scope Change	Total Amendment Cost Change	Total Revised Project Budget
West Clermont LSD (Clermont) Amendment 3	Completed project from ELPP at new Elementary School #1 and #2, Amelia, Holly Hill and Withamsville-Tobasco Elementary Schools, Amelia High School. Abandon ELPP project at Glen Este High School. Build new 309,452 sf High School to house Grades 9-12/CT.	\$67,762,411	\$98,705,664

School District	Discrete Scope Change	Total Amendment Cost Change	Total Revised Project Budget
Newark CSD (Licking) Amendment 1	John Clem Elementary School was moved from ELPP to CFAP. Abatement demolition allowance added for Cherry Valley and Kettering Elementary schools.	(\$7,041,425)	\$60,790,348

Dr. Richard Ross moved to approve Resolution 15-15.
Vice Chair Blair seconded the motion.
Approval: Vote 3-0.

Settlement Agreements Approval – Jon Walden – Resolution 15-16

Jon Walden presented a settlement agreement with Fanning/Howey Associates, Inc. on the Fremont City School District project for Commission approval. Fanning/Howey entered into the contract with the district to provide design services for the district. After construction of the project, an issue occurred and was raised concerning a conflict in the design documents and the drawing and specifications related to the location of scuppers on the building. Scuppers are merely an opening on the side of a building that allows water to drain from the roof. Project funds were used to correct the issue and the district sought recovery from the architect. The settlement has the architect paying 50% of the costs incurred or approximately \$22,000. The settlement contains a release of certain claims by the state against the architect.

Chairman Keen moved to approve Resolution 15-16.
Vice Chair Blair seconded the motion.
Approval: Vote 3-0.

Settlement Agreements Approval – Jon Walden – Resolution 15-17

Jon Walden presented a settlement agreement with Fanning/Howey Associates, Inc. on the Hopewell-Louden Local School District project for Commission approval. This resolution concerns a settlement agreement with Fanning/Howey Associates, Inc. for a similar scupper issue on this project. It is a much lower cost to correct and the district had negotiated a settlement of one-third of the cost or approximately \$3,400 that Fanning/Howey Associates Inc. would pay. The settlement contains a release of certain claims by the state against the architect.

Vice Chair Blair shared his concerns with an architect having the same scupper issues on two school districts. Jon Walden responded with construction there are difficulties and issues and there never is a perfect set of plans or designs. Parties are held accountable. We expect at this point that we would not see any more scupper issues related to this same firm. We do understand that construction remains difficult and we try to reach the best solution possible. We also take into account those decisions when scoring for future projects.

Dr. Richard Ross moved to approve Resolution 15-17.
Vice Chair Blair seconded the motion.
Approval: Vote 3-0.

Settlement Agreements Approval – Jon Walden – Resolution 15-18

Jon Walden presented a settlement agreement with Messer Construction Company and Dimensional Metals, Inc. on the Arcanum-Butler Local School District project for Commission approval. At the January meeting via Resolution 15-18, you provided us authority to file suit. At that time, we had also advised you that we were seeking to craft a resolution to those parties in lieu of having to file suit. Mr. Walden reported that based on the hard work of OFCC staff: Eric Moser and Matt Westerman, we were able to get the parties to come together to discuss potential responsibilities and even though there was no full agreement about who should be responsible, we were able to reach a settlement that will allow us to replace the roof without having to go through years of litigation. We will pay \$875,000 for a roof that was put out to bid

and the bid prices that came in were approximately \$2.7 M. This settlement will net us a savings of almost \$2 M. It will save us countless years of litigation to try and determine what a plan might have said or not said or who was actually responsible the architect, the contractor or the owners. The district has approved this settlement and we are able to move forward. This settlement includes a release of claims. Mr. Walden noted that there is pending litigation related to the brick/block where we were unable to reach a resolution with the surety because the contractor is out of business.

Vice Chair Blair moved to approve Resolution 15-18.

Dr. Richard Ross seconded the motion.

Approval: Vote 3-0.

Settlement Agreements Approval – Jon Walden – Resolution 15-19

Jon Walden presented a settlement agreement with MKC Associates, Inc., on the Springfield Local School District project in Summit County for Commission approval. The district engaged MKC to provide design services on the project. Issues arose on the project during construction related to the design of the second floor slab, which resulted in cracking and vibrations in certain areas. The project had to undertake several structural remediations to ensure that the building was appropriate for occupancy. Mr. Westerman, OFCC Senior Legal Counsel, worked with the school district council and the architect's council to negotiate a settlement through mediations and discussions. A settlement was reached where MKC and its insurance carrier will be paying the owners \$1.35 M and reducing the amount of the project balance that would be owed to the architect. The settlement includes a release of certain claims against the architect related to the specific issue.

Dr. Ross asked if the problem has been remedied. Mr. Walden asked Co-Counsel, Matt Westerman for a more thorough explanation. Mr. Westerman added that vibration on the second floor was discovered during the course of construction. We were able to come up with a fix during construction, which actually resulted in two mass dampers placed under the floor and this reduced the vibration issues. The school district is very satisfied with the reduction in vibration. The construction is complete. The school district is in. It is a beautiful building and they are satisfied.

Chairman Keen moved to approve Resolution 15-19.

Vice Chair Blair seconded the motion.

Approval: Vote 3-0.

Authority to File Suit Approval – Jon Walden – Resolution 15-20.

Jon Walden presented an authority to file suit with Giambone Construction, Inc., URS Corporation and other appropriate parties as necessary on the East Cleveland City School District project for Commission approval. There was a budget adjustment to help us start remedial work on the project related to Shaw High School. The high school had serious issues over an entry way related to where there was a failure of the masonry, which we fixed approximately 1.5 years ago to ensure that there was safety for the students. During the

correction of that work, we identified other issues related to the masonry on the multiple story building, which raised concerns about how that was tied into the building and wanted to ensure the building was safe for the occupants. We have had consultants work with us on the planning and design to replace that work. We attempted to bring back the parties from that project to address those issues and to let them have first chance at trying to make suggestions or corrections and to hold them accountable. Neither of those parties responded affirmatively and suggested that it was not their responsibility leaving us with no alternative except to pursue them through litigation. With your authority, we will ask the Attorney General's Office to prosecute the claims against those parties and help to recover our cost spent to correct this issue.

Dr. Richard Ross moved to approve Resolution 15-20.

Vice Chair Blair seconded the motion.

Approval: Vote 3-0.

Executive Director's Report

Interim Director Chovan reported that since the last meeting, there were 3 groundbreaking ceremonies and 13 school district closeout reports. He also reported on contracts executed since the January meeting: 5 HB264 projects totaling \$11.7 M and all of those projects are currently required to provide savings guarantees; professional design services and amendments; CM; CMR; Single Prime; consultant services and specialty services.

Interim Director Chovan concluded his report by announcing that OSFC had reached a major milestone and asked Lisa Laney, Sustainability Administrator, to share that with the Commission. OSFC has reached over 200 LEED certified schools in the State of Ohio. Ohio leads the nation in LEED certified schools with California at 133 and Pennsylvania at 115. The program has so many benefits beyond the environmental and health improvements. The Center for Green Schools estimates that a LEED school can save approximately \$100,000 a year on operating and maintenance costs. There is a menu of credits that a project can choose from to reach the different levels of sustainability. Since the Commission focuses on the energy and atmosphere category, Ms. Laney focused on that category. Our projects have been designed on average 33% more efficient than ASHRAE standards. That is pretty significant in the future operation of these schools. 81% of the schools energy use comes from the HVAC system and the lighting. What we are doing to offset some of those future operating costs are better envelopes for the buildings, better roof assemblies, daylight harvesting for the classrooms and more efficient HVAC components and systems. Our buildings are also designed to save 37% portable water than a building built of its size and similar use. Water savings also translates to energy savings because you're not moving the water to and from the building. We also have numerous rainwater harvesting systems being installed across the state for various uses. Some are used to flush the toilets. Some are used to water the gardens or turf and athletic areas. A lot of the schools are being used as teaching tools for the children in the area of sustainability and environmental education. One of the credits in the LEED rating system is the construction waste diversion. We produce a lot of waste during our construction projects and we have a lot of construction projects going on across Ohio. Our projects have been able to achieve an 81% construction waste diversion and that means they have kept over 370,000 tons of waste out of Ohio landfills and avoided approximately \$1.5 M in tipping fees to dump that waste at the

landfill. Those 370,000 tons of waste could be equated to 92,000 large elephants that we kept out of Ohio landfills. One of the other credits that is a significant impact to Ohio is the regional materials credit. It is material that is extracted, harvested and manufactured within 500 miles of a project. Ohio is a great location for this credit due to our manufacturing industry in Ohio.

Rick Fedrizzi, CEO and founding Chair for the US Green Buildings Council in Washington DC, could not attend the meeting, but sent a video to the Commission. Mr. Fedrizzi congratulated everyone in Ohio and particularly the Ohio School Facilities Commission on all the great work they have done over the years, but in particular achieving their 200th LEED certified school in the State of Ohio. This is remarkable on a number of levels. Ohio is the highest performing state in the United States relative to delivering schools that matter for our children today and for generations to come. When he thought about the benefits of green schools, he certainly thought about the amazing benefits: the daylight, good air quality and non-toxic surfaces can deliver to teachers and children so that they have the best possible opportunity for a solid education. The kind of kids that are going to achieve great things in the future, but when he also looked at the business success story that has been a part of this where more than \$850 M has been sourced from the Ohio community within 500 miles of the activity itself, you have to realize that green building and green schools matter. They matter to the economy, they matter to the community and most importantly they matter to the human being. He thanked Chairman Time Keen, Vice Chairman Robert Blair and Dr. Richard Ross for the continuation of a solid agenda understanding that good buildings can be a part of our children's lives in a meaningful way and they can also be a solid contribution to the bottom line of businesses in Ohio. He thanked everyone for their leadership and their connection to this great issue.

Chairman Keen presented Ms. Laney with a letter of accommodation from Governor John R. Kasich and Lt. Governor Mary Taylor that officially recognized the Ohio School Facilities Commission. Chairman Keen read the accommodation: "On behalf of the State of Ohio, we congratulate the staff of the Ohio School Facilities Commission for successfully helping 200 schools in our state achieve LEED certification. We have an undeniable obligation to be good stewards of our environment and we thank you for your hard work and dedication to ensuring Ohio schools are the best they can be for the students, teachers and our environment. Congratulations on achieving this milestone. Best wishes for continued success."

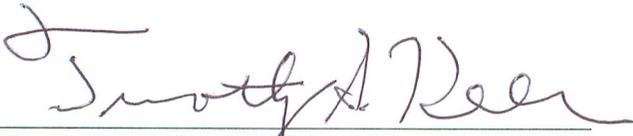
Public Testimony

Keith Bell, Superintendent of the Euclid City School District presented public testimony regarding the OFCC funding model and Euclid's financial state today versus 2009. His written comments are incorporated into the minutes.

Chairman Keen thanked Superintendent Bell for his presentation. He asked if the total project was 4 elementary schools and the high school. Superintendent Bell responded that the first phase was the elementary school and then they had a Phase 2 and Phase 3. What we looked at was if we were going to build a new high school we would lose some of the amenities that we currently have: 2 pools, indoor track, 2 auditoriums. We decided to combine Phase 2 and 3 together, which then brought the middle school and high school configuration together and allow us to be able to keep some of those things that are traditional to the community. It is important that since

we use those facilities not only for our students, but also for the community so the pools with the YMCA in conjunction with the city. That is the reason we combined those together. Chairman Keen asked if the first four buildings are done, the elementary schools are completed. The old additional phases were separate: middle schools, junior highs and the high school and so that is getting combined into one. Superintendent Bell said that is accurate. Chairman Keen thanked Superintendent for his very informative presentation. There are clearly some commendable things going on at Euclid. He noted that the 3rd grade reading guarantee scores caught the superintendent's eye. He appreciated the presentation. This request will be taken under advisement. Chairman Keen asked Interim Executive Director David Chovan to be prepared to discuss with him the issues raised.

The meeting was adjourned at 2:44 PM.



Timothy S. Keen, Commission Chair



These meeting minutes were prepared by
Carolyn L. McClure, Secretary to the Commission