

**Ohio School Facilities Commission
July 09, 2015 Meeting
William McKinley Room, Statehouse
1:30 PM**

MINUTES

Chairman Keen called the meeting to order at 1:30 PM.

Roll Call

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

Adoption of the April 30, 2015 Meeting Minutes

Vice Chair Blair moved to approve the April 30, 2015 meeting minutes.
Dr. Richard Ross seconded the motion.
Approval: Vote 3-0.

Fiscal Year 2016 Projects Approval – Melanie Drerup

Historically, once a year, at the first Commission meeting of the fiscal year, we present new projects based on what the Commission can afford given approved appropriations and cash, as well as forecasts for future funding. In April 2014, we moved to a quarterly outreach cycle to be more responsive to the timing needs of districts. We plan to bring projects to the Commission quarterly if funds are available to do so. A lot of analysis is involved based on not just what we have this year, but what we will have in future years. Each project will spend money into the future not only in Fiscal Year 2016, but into years beyond that as well. The funding of these nine districts along with districts currently underway depends on future appropriations. These projects will be with us well beyond the current biennium. Each of these district projects was developed using a comprehensive planning process which includes a 10-year enrollment projection, a building condition assessment of each of the districts classroom facilities, an enhanced environmental assessment, review of the educational adequacy and review for LEED (Leadership in Energy and Environmental Design). All of the projects are the result of partnerships with districts around the state. All projects have been approved by the school district boards. Upon Commission and Controlling Board approval the districts have 13 months to obtain the local share and maintenance funding to be able to move ahead with their project.

Overall, there are 9 projects totaling \$497 M with an average state share of 38.9%. There are 4 segmented projects (Champion LSD, Cuyahoga Falls CSD, Firelands LSD and Poland LSD) - most are addressing the worst building(s) in the district. The projects include 16 school buildings - of those all but 3 are new; 29 buildings will be taken out of service; plans call for 28 to be demolished and 1 to be abandoned. Average district budget is \$55.2 M. Buildings being replaced are at 2/3rds guideline with exceptions noted.

CFAP – Resolution 15-21

Melanie Drerup presented the Master Facilities Plans and Segment Facility Plans for six school districts for the Classroom Facilities Assistance Program for Commission approval.

School District	County	State Share	Local Share	Total Budget
Champion LSD – Seg. 1	Trumbull	\$17,552,720	\$13,791,422	\$31,344,142
Chillicothe CSD	Ross	\$25,687,894	\$21,017,367	\$46,705,261
Cuyahoga Falls CSD – Seg. 1	Summit	\$22,477,820	\$60,773,367	\$83,251,187
Firelands LSD – Seg. 1	Lorain	\$6,238,379	\$26,595,193	\$32,833,572
Poland LSD – Seg. 1	Mahoning	\$7,143,557	\$30,454,109	\$37,597,666
Southwest LSD	Hamilton	\$24,524,108	\$69,799,383	\$94,323,491

Dr. Richard Ross moved to approve Resolution 15-21.

Vice Chair Blair seconded the motion.

Approval: Vote 3-0.

CFAP Renewal – Resolution 15-22

Melanie Drerup presented Classroom Facilities Assistance Program renewal projects for two schools for Commission approval. Pursuant to ORC section 3318.054, the Commission is charged with establishing the new scope, estimated basic project cost and estimated school district portion of a local share for a lapsed project if the school district desires to seek a new conditional approval of its project. Each of these districts has requested a new conditional approval and the master facility plans have been developed by Commission staff and the local school district. The project scope and estimated costs established will be valid for one year. Both districts plan to be on the ballot – Central Local in March 2016 and Harrison Hills in November 2015.

School District	County	State Share	Local Share	Total Budget
Central LSD	Defiance	\$12,366,416	\$5,878,459	\$18,244,875
Harrison Hills CSD	Harrison	\$25,170,645	\$19,776,935	\$44,947,580

Dr. Richard Ross moved to approve Resolution 15-22.

Vice Chair Blair seconded the motion.

Approval: Vote 3-0.

CFAP Lapsed – Resolution 15-23

Melanie Drerup presented two school districts with a lapse of one year certification for participation in the Classroom Facilities Assistance Program for Commission approval. Both were successful at the May 2015 election.

School District	County	State Share	Local Share	Total Budget
Ayersville LSD	Defiance	\$20,291,730	\$9,994,434	\$30,286,164
Lake LSD	Stark	\$42,034,217	\$47,400,287	\$89,434,504

Chairman Keen asked how long these two districts have been lapsed. Ms. Drerup responded that it would have been at least two planning cycles. Director Chovan added that based on where they are on the priority list, it has probably been two – three years.

Chairman Keen moved to approve Resolution 15-23.

Vice Chair Blair seconded the motion.

Approval: Vote 3-0.

Exceptional Needs Program – Resolution 15-24

Melanie Drerup presented one school district for participation in the Exceptional Needs Program (ENP) for Commission approval. The ENP provides funding to school districts with a compelling need for immediate classroom facilities assistance. In September of last year, applications were received by OSFC and then scored by architectural/engineering professionals. A short list of applicants was then developed. In October 2014 the school districts were notified, and master plans were then developed for those districts prioritized by need.

School District	County	State Share	Local Share	Total Budget
Reading Community CSD	Hamilton	\$27,525,097	\$23,447,304	\$50,972,401

Chairman Keen asked what kind of construction was going on in Reading. Ms. Drerup responded that Reading is going to build a K-12 school and take care of all of the needs of the district at one time. Vice Chair Blair asked what was the criteria for Exceptional Needs. Ms. Drerup responded that we look at health and life safety items. They would be looking for structural, electrical, plumbing or any kind of item that might be hazardous to the life and safety of the children. There is an application that is completed. The information is then scored and tallied. They get a total score and based on where that score is determines if we move them forward for master planning for an exceptional needs district.

Chairman Keen moved to approve Resolution 15-24.

Vice Chair Blair seconded the motion.

Approval: Vote 3-0.

Future Eligibility Approval - Sara Freetage - ELPP Eligibility - Resolution 15-25

Sara Freetage presented the changes to the Expedited Local Partnership Program’s (ELPP) eligibility requirements for Commission approval. This allows school districts to fund a distinct portion of their master facility plan with local moneys prior to becoming eligible for CFAP. Once a district enters CFAP, it receives credit against its required local contribution for work completed under ELPP. By law, a district must be at least two years away from participation in CFAP to be

eligible to enter ELPP. Based upon our assessment of districts that would be eligible for CFAP within two years, we have established the cutoff of priority order number at 172. Below this ranking, a district would be ineligible to enter the ELPP program.

Vice Chair Blair moved to approve Resolution 15-25.

Dr. Richard Ross seconded the motion.

Approval: Vote 3-0.

Future Eligibility Approval - Sara Freetage - VFAP ELPP Eligibility - Resolution 15-26

Sara Freetage presented the changes to the eligibility requirements for the Vocational Facilities Assistance Expedited Local Partnership Program for Commission approval. The VFAP ELPP Program allows vocational school districts the opportunity to move forward with facility improvements prior to their participation in VFAP. Once a district enters VFAP, it receives credit against its required local contribution for work completed under VFAP ELPP. By law, a district must be over two years away from participation in CFAP to be eligible to enter the VFAP ELPP program. Based on our assessment of districts that would likely be eligible for VFAP within two years, we have established the cutoff at priority order number at 12 on the list for the vocational school districts. Below this ranking, a district would be ineligible to enter the VFAP ELPP Program.

Dr. Ross asked if there are a lot of vocational schools that participate in program. Ms. Freetage responded that there are 49. Chairman Keen added there is an allocation of the resources, and we only do a couple a year. Director Chovan added that there is a cap of 2% of our funding that we can offer and thought there were about 15 Joint Vocation Schools that were completed. We are much shorter on the equity list on the Vocation Schools than the K-12 schools. Dr. Ross added with the changes that have occurred recently, there would be a lot of incentives for growth of the career tech programs around the state both at Joint Vocational School Districts and in comprehensive programs, and it will be interesting to watch. Director Chovan added that in many of our CFAP projects we are also building career tech space.

Chairman Keen moved to approve Resolution 15-26.

Vice Chair Blair seconded the motion.

Approval: Vote 3-0.

Fiscal Year 2016 Project Agreements Approval - Sara Freetage - Resolution 15-27

Sara Freetage presented the Project Agreement Templates for Fiscal Year 2016 for the Classroom Facilities Assistance Program (CFAP), Classroom Facilities Assistance Program (CFAP) Segmenting, Exceptional Needs Program (ENP) and Vocational Facilities Assistance Program (VFAP) for Commission approval.

All OSFC programs require the Commission and the school district to enter into a project agreement once funding has been approved by the Commission and Controlling Board. The project agreement defines the scope of the project, the project budget, and other requirements. Each completed project agreement must be approved by the Commission and the local school

board. This resolution approves the standard language, or template, to be used in future project agreements. For FY16 one change was recommended: Co-selection of post construction consultants – clarifying that a co-selected post construction firm’s basic cost is an eligible project expense provided that OFCC pre-approved the work of the consultant. This language will be included in all future project agreements associated with any Commission program.

Dr. Richard Ross moved to approve Resolution 15-27.
Vice Chair Blair seconded the motion.
Approval: Vote 3-0.

Fiscal Year 2016 ELPP and VFAP ELPP Project Agreements Approval – Sara Freetage
Resolution 15-28

Sara Freetage presented Fiscal Year 2016 ELPP and VFAP ELPP Project Agreements for Commission Approval. All OSFC programs require the Commission and the school district to enter into a project agreement once funding has been approved by the Commission and the Controlling Board. The project agreement defines the scope of the project, the project budget and other requirements. Each completed project agreement must be approved by the Commission and the local school board. This resolution would approve the standard language or template to be used in future ELPP and VFAP ELPP project agreements. For FY16 the following changes were recommended:

1. Re-Assessment of ELPP projects
A completed building, building addition or completed renovation constructed under ELPP will not be re-assessed for consideration in CFAP.
2. Credit for replacement or repair work
The Commission will not credit work under ELPP and also provide funding for the replacement or repair of the same work.

This language will be included in all future project agreements associated with the ELPP and VFAP ELPP programs.

Dr. Ross clarified that if they spend money to do repair work, then it would be deducted from the eligible amount and later on that there would be reduced credit. Ms. Freetage responded that was correct. Dr. Ross asked if we have had a lot of that happen. Ms. Freetage responded that what we are trying to do is just prevent that from being an issue.

Vice Chair Blair moved to approve Resolution 15-28.
Dr. Richard Ross seconded the motion.
Approval: Vote 3-0.

Master Facilities Plan Amendment Approval – Bill Ramsey – Resolution 15-29

Bill Ramsey presented Amendments to the Master Facility Plans for two school districts for Commission approval.

School District (County)	Recommended Modifications to the Master Facilities Plan	Recommended Modifications to the Project Budget
Milford EVSD (Clermont) Seg. 1 Amendment 1	Add \$300,000 site safety access allowance for each new elementary/middle school #5 & #6. Move the allowance to abate (\$253,146) and demolish (\$352,800) from a future segment to Segment 1 for Milford Main Middle School.	\$324,998 State Share \$878,698 Local Share
		\$1,203,696 TOTAL

School District (County)	Recommended Modifications to the Master Facilities Plan	Recommended Modifications to the Project Budget
West Liberty Salem LSD (Champaign)	Decrease the allowance for swing space by \$769,373 due to reduction of modular classrooms.	(\$523,174) State Share (\$246,199) Local Share
		(\$769,373) TOTAL

Dr. Ross asked for more information on the safety allowances that were being added to Milford EVSD. Mr. Ramsey responded that site safety allowances are for traffic studies and enhancement required on whether the buildings are located next to major highways or traffic intersections. Quite often the master plans are developed prior to knowing the location of the site or the school may be located in areas that a traffic study is not expected, so the allowances are not included in the original master plan. Chairman Keen asked if the moving of the abatement and demolition allowance adds any cost to the total project. Mr. Ramsey responded that it does. The district had ELPP credit, so it was whether they applied it all now or in the future.

Chairman Keen moved to approve Resolution 15-29.

Dr. Richard Ross seconded the motion.

Approval: Vote 3-0.

ELPP Master Facilities Plan Amendment and Project Agreement Amendment Approval – Bill Ramsey – Resolution 15-30

Bill Ramsey presented a Master Facilities Plan Amendment and a Project Agreement Amendment for the discrete portion project scope for Streetsboro CSD for Commission approval.

Master Facilities Plan Amendment:

School District (County)	Project Scope	Project Budget	
Streetsboro CSD (Portage) Amendment 1	<ul style="list-style-type: none"> •Grade configuration change from Grades 2-3 to PK-3 at Campus Intermediate School •Scope change at Wait Primary ES from renovate/add to allowance to abate/demolish •Scope change at Streetsboro MS from renovate to abandon with allowance •Grade configuration change from Grades 9-12 to 6-8 at Streetsboro HS and scope change from renovate/add to renovate/add/demo •Grade configuration change from 4-6 to 3-5 at Henry Defer Intermediate School •New HS to house Grades 9-12 	\$7,289,243	State Share
		\$13,537,166	Local Share
		\$20,826,409	TOTAL

Project Agreement Amendment:

School District (County)	Discrete Scope Change	Total Amendment Cost Change	Total Revised Project Budget
Streetsboro CSD (Portage) Amendment 1	<ul style="list-style-type: none"> • New construction for ES/MS • 2012 OSDM update to HS & Campus Intermediate • Scope deleted from discrete portion at the Streetsboro MS & Wait Primary 	(\$782,893)	\$14,575,576

Vice Chair Blair moved to approve Resolution 15-30.

Dr. Richard Ross seconded the motion.

Approval: Vote 3-0.

Settlement Agreement Approval – Matt Westerman - Resolution 15-31

Matt Westerman presented a settlement agreement with Giambrone Construction, Inc. and The Fidelity & Deposit Company of Maryland on the Akron City School District – King Community Learning Center project for Commission approval. Giambrone Construction, Inc. served as the General Trades Contractor for the project. The Fidelity & Deposit Company of Maryland is the surety for Giambrone Construction, Inc. The owners terminated Giambrone Construction, Inc. from the project because of a dispute concerning the application of the fluid applied air barrier and other issues of defective work in relation to non-compliance with the terms of the contract. The owners hired replacement contractors to correct the work and complete the project. The surety company has agreed to pay all costs, claims and expenses or damages that are or would have been the responsibility of Giambrone. The owner has agreed to utilize the remaining contract balance to pay the remediation and completion costs before the surety company is obligated to make any payments.

Dr. Ross asked if the Akron City School District was ok with this settlement. Mr. Westerman responded that they were. We worked closely with the school district and school district counsel throughout this. Chairman Keen asked from the school district’s perspective they got the faulty work repaired. Mr. Westerman responded that was correct. We ended up with a good replacement contractor and the school district really did not have any out-of-pocket money regarding the replacement contractor and issues that happened except for the delay. Vice Chair Blair asked about future work with contractors and faulty work. In this case, Mr. Westerman said that Giambrone Construction, Inc. would not be awarded more work because they are now out of business.

Chairman Keen moved to approve Resolution 15-31.

Vice Chair Blair seconded the motion.

Approval: Vote 3-0.

Settlement Agreement Approval – Matt Westerman - Resolution 15-32

Mr. Westerman presented a settlement agreement with Triton Services, Inc. on the Ross Local School District project for Commission approval. Triton Services, Inc. served as the prime contractor for mechanical work for the Variable Refrigerant Flow system on the Ross Local School

District Elda Elementary and Morgan Middle School project. Triton claimed an entitlement payment of retainage in the amount of \$73,282.20. The District and the Commission claim that the VRF system had workmanship errors and leaks. The parties mediated and negotiated a settlement agreement whereby the District will release payment in the amount of \$53,282.20, plus accrued interest on the escrow account, and Triton agreed to relinquish the right to remaining retainage in the amount of \$20,000.

Vice Chair Blair moved to approve Resolution 15-32.

Dr. Richard Ross seconded the motion.

Approval: Vote 3-0.

Authority to File Suit – Matt Westerman *Resolution 15-33*

Matt Westerman presented an Authority to File Suit against Colaianni Construction, Inc. and MKC Associates, Inc. on the Indian Creek Local School District for Commission approval.

The Commission entered into a Project Agreement with the Indian Creek Local School District for its participation in the Exceptional Needs Program, which included a new middle school. MKC Associates, Inc. served as the architect and Colaianni Construction, Inc. served as the General Trades contractor on the project. The District and OSFC are asserting claims against the contractor for defective work regarding grading, topsoil, seeding, lawn maintenance, concrete floor work in the cafeteria, construction of sidewalks and construction of the parking lot. The District and OSFC also assert claims for defective design against the architect because of a failure to incorporate recommendations noted in a Subsurface Investigation and Geotechnical Report by Civil & Environmental Consultants, Inc. during the planning and design phase of the project. The Commission and the School District seek to initiate litigation against the Architect, the Contractor, and other responsible parties to recover damages.

Chairman Keen moved to approve Resolution 15-33.

Vice Chair Blair seconded the motion.

Approval: Vote 3-0.

Executive Director's Report

Director Chovan asked Jeff Westhoven to share the upgrades made to our new website. Mr. Westhoven shared that previously at the end of each meeting we showed pictures from different schools. We now have a way to share that with you on a more continual basis. One of the last elements of our consolidation of the former State Architect's Office, the School Facilities Commission and the Cultural Facilities Commission was to consolidate the websites. One thing that is new on the website is the tab on the far right of the website named Gallery. We will eventually have all our project pictures here. They will be able to be sorted by K-12 schools, state agencies and cultural facilities. This is something that will be quite popular. This is a good way to help get out the message of creating good environments for our kids, our schools and for connecting with the citizens. The second thing that is new on the website is our twitter feed. Social media has become a very important part of our communications strategy. We have really gotten into social media more over the last year, and again it is meant to be visual, short, real time things

that are going on particularly in construction. Now that twitter feed is part of the website, a lot more people are seeing it. We have about 360 followers. We are not up to the level of Dr. Ross who has 1,900 followers. We hope to be up in that range someday, but our website gets over 10,000 visitors in a week. This is a way to share more real time information to a larger audience.

Director Chovan reported that since the last meeting, there were 4 groundbreakings and 1 dedication. There were 6 closeout reports for Wheelersburg LSD, National Trail LSD, Olmstead Falls CSD, Cory-Rawson LSD, Fremont CSD and North College Hill CSD.

Director Chovan reported on contracts executed since the April meeting. Executed were 5 HB264 projects; 1 contract, 4 amended contract and 2 Locally Funded Initiatives (LFI) contracts for design services for school districts; 2 contracts and 1 LFI contract for CM as Advisor/Owner Agent; 3 contracts, 4 amended contracts and 4 LFI contracts for CM as Agent; 3 contracts and 12 amendments for CM as Agent; 1 amended contract for Design Build Services; 18 contracts for General Contractors; 2 contracts and 2 amendments for Consulting Services and 4 contracts for Specialty Services.

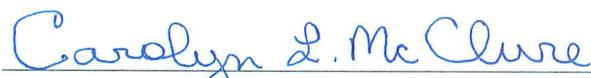
Director Chovan closed his report by expressing his gratitude for the continued support that OFSC have gotten from the administration, legislature with Capital funding for schools of \$675 M in the current Capital Bill. As the economy has improved, there are a lot of districts going to the ballot now. With their success rates higher, we are looking forward to getting a lot more schools started. Hopefully we can have 15 - 20 more school districts going this year and the following year.

There was no public testimony.

The meeting was adjourned at 2:20 PM.



Timothy S. Keen, Commission Chair



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