

Ohio School Facilities Commission
October 22, 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, Mr. Paul Russell, Dr. Richard Ross, Representative Ramos, Taylor Stepp for Representative Smith, Senator Manning and Scott Stockman for Senator Sawyer.

Adoption of the July 09, 2015 Meeting Minutes

Dr. Richard Ross moved to approve the July 09, 2015 meeting minutes.

Mr. Paul Russell seconded the motion.

Approval: Vote 3-0.

STEM School Facilities Assistance Guidelines Approval – Sarah Spence – Resolution 15-34

Sarah Spence presented updates to the STEM School Facilities Assistance Guidelines for Commission approval. House Bill 153 created the STEM school facilities assistance program, which would provide OSFC funding to any Science, Technology, Engineering, and Mathematics school that is not governed by a single school district board for the construction, reconstruction, or additions of classroom facilities for the school at a 50/50 state and local share. The original guidelines were approved at the May 2012 Commission meeting. House Bill 64 of the 131st General Assembly authorized the Commission to provide funding to assist a Qualifying Partnership that has entered into an agreement for the joint establishment and operation of a STEM program for the acquisition of classroom facilities, which includes the constructing, reconstructing, repairing, or making additions to classroom facilities, also at a 50/50 state and local share. A qualifying partnership is defined by the legislation as a group of city, exempted village, or local school districts that are part of a career-technical education compact and have entered into an agreement for joint or cooperative establishment and operation of a STEM education program under section 3313.842 of the Revised Code. The aggregate territory of the school districts composing a qualifying partnership must be located in two adjacent counties, each having a population greater than 40,000, but less than 50,000, and at least one of which borders another state. Because of the similarity of the legislative requirements between the two programs, Commission staff has chosen to amend the STEM School Facilities Assistance guidelines to add a qualifying partnership as an eligible entity for receiving funds under the program.

Chairman Keen moved to approve Resolution 15-34.

Dr. Richard Ross seconded the motion.

Approval: Vote 3-0.

Community School Classroom Facilities Grants Guidelines Approval – Jeff Westhoven *Resolution 15-35*

Jeff Westhoven presented the Community School Classroom Facilities Grants Guidelines for Commission approval. In June 2015 HB 64 authorized the creation of the Community School Classroom Facilities Grant program, and created an appropriation of \$25 M for this purpose. The law outlines key elements to be eligible:

1. School must be high-performing, as determined by ODE
2. School must provide a local match of at least half of project cost
3. Project must increase seats
4. Project must serve unmet student needs
5. Project must show innovation in design

OSFC may award a grant if the application is approved by both the Superintendent of Public Instruction and the Executive Director of the Ohio School Facilities Commission. An award is formalized through a grant agreement. In the grant agreement, the facility must provide an educational purpose for 10 years. If the facility closes before 10 years, the agreement addresses ownership and disposition of the facility.

Creation of grant program will involve guidelines and grant agreement, supporting documents such as the grant application and instructions, FAQs, webinar, and web site. Law requires commission approval of guidelines only, so we are coming to you today for consideration and approval. Guidelines are intended to be high-level guidance that shows overall process and consistency with legislative intent, but not all the details.

The application and instructions are being drafted, but there are similarities to standard competitive requests for proposal (RFPs). Applications are to be submitted by a deadline to be determined.

Grant awards can be recommended in whole or in part, as long as partial state funding results in a whole project, either through more local share or a scalable project. Awarded schools would sign a grant agreement. OSFC would then seek approval of the Controlling Board to release the funds.

The applications, evaluations, agreements, supporting documents are public records. At the application deadline, a list of applicants is disclosed as a public record. All remaining documents available upon award of the contract.

Award must be to an eligible school that provides an eligible project scope. Eligible schools include:

1. High performing community schools (HPCS)
2. HPCS serving only grades K-3
3. Dropout Prevention and Recovery Community School
4. Newly Established Community School (there are different options within and outside Ohio)

Eligible project scope is for construction, including design, renovation, addition, reconstruction. The application must include a schedule with a start, end and milestones, and a budget cost estimate

prepared by a design or construction professional. The budget is the basis for the 50% match requirement.

Applications will be evaluated based upon three categories: education quality, financial quality and construction quality. Desirable considerations include partnerships with external organizations and local businesses; a history of strong financial and operational performance and innovative addition of seats and flexible work spaces at a reasonable cost.

As with other construction programs, the grant would require insurance during and after construction. During construction the state reimburses a prorated share of expenses. The ten year term of the grant agreement begins upon construction completion. During the ten years, the state reserves rights for auditing, reporting, reviews, and inspections to determine compliance.

We expect to come before the commission in January 2016 for the grant agreement. Goal is to have all grants awarded by June 30, 2016. In between those dates would be the opening and closing of the application process, evaluation, award, and Controlling Board approval.

Chairman Keen moved to approve Resolution 15-35.

Mr. Paul Russell seconded the motion.

Approval: Vote 3-0.

Accelerated Urban School District Update and Approval – Bill Prenosil – Resolution 15-36

In 2002 the OSFC approved a \$1.51B Master Plan for 9 Segments for 11 buildings based on a 72,500 student enrollment. Last year, the Commission approved an amendment to revise the Master Plan for 32,443 students. The Commission has approved 7 Segments to date and Segment 7 is currently underway with design for 9 new buildings. Three new high schools from Segment 5 just opened last month: John Marshall High School, Max Hayes Career Tech Facility and Cleveland School for the Arts. Also, for the first time, the enrollment is showing a slight increase which could mean the enrollment has bottomed out. A new enrollment projection study is underway.

Bill Prenosil presented the Cleveland Metropolitan School District Segment 6, Amendment 4 for Commission approval. The proposed amendment reduces the enrollment in one new building. The Cleveland Segment 6 Project is decreased by \$5,174,271 for an updated budget of \$27,856,413.

Dr. Richard Ross moved to approve Resolution 15-36.

Mr. Paul Russell seconded the motion.

Approval: Vote 3-0.

Fiscal Year 2016 Projects Approval – William Ramsey

William Ramsey presented the Fiscal Year 2016 projects for the Commission's conditional approval.

CFAP Approval – Resolution 15-37

Mr. Ramsey presented the Master Facilities Plan for two school districts for the Classroom Facilities Assistance Program for Commission approval. Both districts are planning for the November ballot.

School District	County	State Share	Local Share	Total Budget
Euclid CSD – Seg. 2F	Cuyahoga	\$39,891,191	\$57,404,396	\$97,295,587
Riverview LSD	Coshocton	\$9,020,226	\$38,454,649	\$47,474,875

Mr. Paul Russell moved to approve Resolution 15-37.
 Dr. Richard Ross seconded the motion.
 Approval: Vote 3-0.

CFAP Amended Approval – Resolution 15-38

William Ramsey presented one amended school district for Commission approval. The project was originally approved at the July 2015 Commission meeting. Since the time of the original approval the district determined that there would be both capital and operational savings from two new buildings (elementary and middle) to a combined elementary/middle school.

School District	County	State Share	Local Share	Total Budget
Poland LSD – Seg. 1	Mahoning	\$6,254,966	\$26,665,910	\$32,920,876

Dr. Richard Ross moved to approve Resolution 15-38.
 Mr. Paul Russell seconded the motion.
 Approval: Vote 3-0.

CFAP Renewal Approval – Resolution 15-39

William Ramsey presented a Classroom Facilities Assistance Program renewal project for three school districts for Commission approval. Pursuant to ORC Section 3318.054, the Commission is charged with establishing new scope, estimated basic project budget and the school district local share for a lapsed project if the school district desires to seek a new conditional approval of its project. These districts have requested a new conditional approval, and the master facility plan has been developed by Commission staff and the local school district. The project scope and estimated costs established will be valid for thirteen months.

School District	County	State Share	Local Share	Total Budget
Carrollton EVSD	Carroll	\$23,014,296	\$33,118,134	\$56,132,430
Chippewa LSD – Seg. 1	Wayne	\$10,270,819	\$14,779,959	\$25,050,778
Manchester LSD	Summit	\$17,015,871	\$30,250,437	\$47,266,308

Chairman Keen moved to approve Resolution 15-39.
 Dr. Richard Ross seconded the motion.
 Approval: Vote 3-0.

Master Facilities Plan Amendments Approval – Presented by Bill Ramsey – Resolution 15-40

William 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
Gallipolis CSD (Gallia) Amendment 2	The project budget is insufficient for the design and construction work required to build one new elementary school to adequate design and building code standards due to additional site safety issues.	\$84,665 State Share \$43,615 Local Share \$128,280 TOTAL
West Muskingum LSD (Muskingum) Amendment 1	The project budget is insufficient for the design and construction work required to build one new PK - 4 elementary school to adequate design and building code standards due to site conditions. The allowance to abate and demolish Hopewell Elementary has been deleted from the budget.	\$159,510 State Share \$249,490 Local Share \$409,000 TOTAL

Dr. Richard Ross moved to approve Resolution 15-40.
 Mr. Paul Russell seconded the motion.
 Approval: Vote 3-0.

Priority Order of Assistance Policy Approval – Sara Freetage – Resolution 15-41

Sara Freetage presented the Priority Order of Assistance Policy for Commission approval. This resolution updates the Priority Order of Funding list to reflect activity since approval of the prior list in October of 2014. The list provides for an orderly prioritization of funding awards within and between OSFC programs. The amended list removes 8 districts that received funding offers, added 3 lapsed districts, added 5 segmented districts and added 14 newly reached K-12 districts and 8 Joint Vocational School districts. The revised priority list will guide funding offers over the next year.

Chairman Keen asked who was not on the list. Sara Freetage responded those higher on the equity ranking list. Right now we are in about the high 80 percentile for local share. Dr. Ross noted that there was not a big list on vocational facilities. Dr. Ross asked if this was all that was applying or currently pending. Sara Freetage responded we have added quite a few schools as compared to previous years. There has been a lack of interest as far as them gathering their local share and passing ballots. Chairman Keen asked if it is fair to say that the condition of the joint vocational schools is often superior to that of the regular school district facilities. Dr. Ross responded that as a general rule that is true and as a general rule have been built more recently. Chairman Keen added that clearly our program offers these career centers the opportunity to assess their programs and space and to make improvements that would align the programming of today with their facilities. Dr. Ross responded that many of them indeed are doing just that. David Chovan added at the same time, we do have in many of our districts career tech space that we are advancing such

as the Max Hayes Technical School in Cleveland. It is a very innovative career tech. Dr. Ross added that an expansion of career tech even into junior high/middle schools and that is affecting some of the space requests that we are receiving from traditional schools. We are seeing more and more satelliteing of vocational career tech opportunities into a variety of full traditional school districts rather than just at the career tech centers.

Chairman Keen moved to approve Resolution 15-41.

Mr. Paul Russell seconded the motion.

Approval: Vote 3-0.

Settlement Agreement Approval – Jon Walden – Resolution 15-42

Jon Walden presented a settlement agreement with Triad Architects, Inc. on the Waverly City School District project and a litigation and lawsuit filed currently pending in Pike County for Commission approval. The Waverly City School District contracted with Triad Architects, Inc. to perform professional design services on the Elementary-Pre Kindergarten through Second Grade building, Elementary Third Grade through Fifth Grade building, the Middle School, and the High School Projects. After completion, the District experienced several issues on the project buildings and an investigation revealed multiple issues requiring remediation. The District and Commission initiated suit against Triad and several contractors related to defective design and construction. Specifically to Triad, the Commission and District alleged defective design in relation to leaks from the roofs and its failure to meet in standard of care in design and construction administration. After negotiation, the parties reached a settlement in which Triad will pay the District the sum of \$586,537.35 plus pay the remaining balance of an insurance policy in two years if any proceeds remain. The agreement also contains a complete release of certain claims by the Commission against Triad. This agreement does not release any of the claims against the contractors or other parties named in the lawsuit.

Chairman Keen moved to approve Resolution 15-42.

Dr. Richard Ross seconded the motion.

Approval: Vote 3-0.

Executive Director's Report

Director Chovan reported that since the last meeting, there were 6 groundbreakings and 14 dedications. There were 21 closeout reports for Cleveland MSD – Segment 1, 2 & 3; Gallipolis CSD; Greenfield EVSD; Hopewell-Louden LSD; Ironton CSD; New Knoxville LSD; North Baltimore LSD; Orrville CSD; Otsego LSD; Pickerington LSD; Shelby CSD; Strasburg-Franklin LSD; Southington LSD; Teays Valley LSD; Toronto CSD; Waynesfield-Goshen LSD and Wellsville LSD.

Director Chovan reported on contracts executed since the July meeting. Executed were 10 HB264 projects; 4 contracts, 6 amended contracts and 5 Locally Funded Initiatives (LFI) contracts for design services for school districts; 1 contract and 6 amended contracts for CM as Advisor/Owner Agent; 6 contracts, 16 amended contracts and 5 LFI contracts for Construction Manager at Risk;

24 contracts and 7 amended contracts for General Contractors; 9 contracts and 7 amendments for Consulting Services and 1 contract and 1 amended contract for Specialty Services.

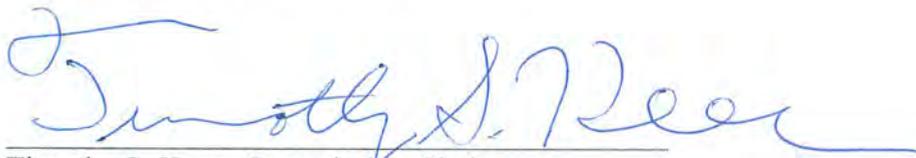
Director Chovan reported on the status of Master Facilities Plans: 266 districts have completed all necessary construction; 83 districts have had their master facilities plans fully or partially funded; 163 districts have been offered full or partial funding, but have been unable to raise their required local share (lapsed) or have deferred and 16 districts are participating in the Expedited Local Partnership Program (ELPP) in anticipation of state funding.

Director Chovan introduced Bill Prenosil, OSFC Senior Planning Administrator, who gave a presentation on Beaver Local School District. Beaver Local School District successfully passed their Bond Issue in May 2012 and were approved for funding by OFSC in summer 2012 with a 37% Local Share and 62% State Share building a new PK-12 237,000 sf facility consolidating 5 existing building into the one new facility. The school opened this September. This facility was conceived and designed as a true Student Center Learning Environment facility. The district went through an Educational Visioning session to arrive at educational and facility goals. Teachers do not “own” their classrooms, but rather share spaces within “learning communities” and teach in teams. The building is flexible, easy to re-arrange, with generous amounts of collaboration areas and natural light. Rooms vary in size depending on need and support project based learning activities. The building contains very little dedicated hallway or corridor space because it has been incorporated into the “learning communities” as extended learning areas. Each Learning Studio has large touch-screen TVs, and the building has full wireless technology. This was also one of the first school districts to use the Construction Manager at Risk project delivery model. The project budget was \$52.2M. The project was finished on time and under budget. The building also serves as a community center because of its rural location in eastern Ohio. Many more OSFC districts have adopted the Student Center Learning Environment thinking and their projects are currently in design or in construction.

Director Chovan concluded his report with upcoming events.

There was no public testimony.

The meeting was adjourned at 2:39 PM.



Timothy S. Keen, Commission Chair



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