
Arkansas Division of Public School



Academic Facilities & Transportation

**ARKANSAS COMMISSION FOR PUBLIC SCHOOL ACADEMIC
FACILITIES AND TRANSPORTATION**

Dr. Ken James, Chair

MEETING AGENDA

September 23, 2008

9:00 A.M.

Arkansas Department of Education Auditorium

Call to Order/Roll Call

- 1. Minutes Meeting July 22, 2008**
- 2. Transitional Program**
- 3. Partnership Program**
- 4. Millage Election Update**
- 5. Bus Specifications Rule**
- 6. Academic Facilities Master Plan Program-State Plan Report**
- 7. Statewide State of Condition of Academic Facilities Report**
- 8. School District Appeals**
 - a. Cabot School District**

SUMMARY MINUTES OF THE
ARKANSAS DEPARTMENT OF EDUCATION
PUBLIC SCHOOL ACADEMIC FACILITIES AND TRANSPORTATION
COMMISSION MEETING
September 23, 2008

CHAIRMAN JAMES: The Chair sees a quorum and all members are present, so we're going to go ahead and call the Facilities and Transportation Commission for Academic Facilities to order and turn it over to Mr. Eaton. Mr. Eaton.

DIRECTOR EATON: The first item on the agenda is the minutes from our meeting on July 22nd, 2008. These are condensed from the taped minutes that we have.

Recommendation: That the Commission approved this report for submission to the Governor and Legislature.

Commission Action: The minutes of July 22, 2008 are approved

DIRECTOR EATON: Item Number Two is an update on the Transitional Academic Facilities Program. The purpose of this report is to advise the Commission of the current status of the Transitional Academic Facilities Program. In March the Division reported that 18 projects were still in progress and 2 projects had been identified as not started. As of September 2008, 13 projects are still in progress, two hundred have been completed and nine have been cancelled. To date the Division has inspected approximately 87% of all completed Transitional projects for compliance with their application, plans and specifications. No major discrepancies have been found.

The most recent schedules provided by the school districts indicate that all Transitional projects should be completed by December, 2008. If this remains accurate we will complete this program six months prior to the provision of June 2009, established by law in 2007.

DIRECTOR EATON: Yes, sir. I just had something pointed out to me, I misspoke, and it was Woodlawn, not Waldron. I apologize. It's identified correctly on the sheet, Woodlawn School District.

CHAIRMAN JAMES: Commission members, with that correction we'll go ahead and make that note in the minutes as well, in terms of making sure that that appears as Woodlawn versus Waldron. All right, go ahead with Item Number Three.

Recommendation: It is recommended that the Commission approve this updated Transitional list.

Commission Action: The report is approved as submitted.

DIRECTOR EATON: Item Number Three is an update for the Commission on the Academic Facilities Partnership Program.

In March 2007, we reported that we had begun an intense examination of all of the 2006 projects over \$100,000 that had not started. We screened that list and, as a result, we identified about 104 projects which school districts had withdrawn from the 2006 list based on failed millages, lack of district funds additional review of project documentation submitted by the districts. The Division will continue to closely monitor the plans, specifications and contracts for the district and continue to revise the estimated state financial participation, when necessary. In addition we will be contacting the school districts to determine if the withdrawals have an impact of their ability to provide suitable facilities.

Since March we added three projects to the list. These are two projects for the Dollarway School District. Dollarway School District, if you remember at that the projects initially made in March of 2006, was in fiscal distress. So the Commission approved the project and left it on the list until they came off the fiscal distress list. Once that happened we moved those projects onto the approved list. We also approved a catastrophic project for a roof repair in Helena-West Helena. And those three additions have been made to the project list. We're also reviewing right now had have tentatively approved a catastrophic project for the Earle School District as a result of the tornado, and once we arrived at that financial scope we will make that change.

The Partnership Program list of 2007, for the last two months we have stepped up the same process that we began with 2006. We've coordinated with all the school districts the projects that have not adhered to the original design and construction schedule that was submitted in their approved application. And the purpose of this was twofold. One, to determine if the school district still plans to proceed with the project and, two, that if the project was to continue we asked them to submit a design and construction schedule. To date about 50 projects have been rescinded. And we're continuing to make changes to that list based on the following areas:

1. Refining of the project scopes as contracts, plans and specifications are received and evaluated compared to the original applications.
2. The projects, identified by the school districts whose millages failed in 2007 and 2008 and whose scopes are being reassessed
3. The projects being withdrawn by the school districts due to higher priorities.

Right now about 411 or about 30 percent of the total project list has been completed and we have about a third of it still underway at this time, and we have probably the remaining ones being reviewed and under the design phase right now.

The first portion of the 09-11 Partnership project applications were on May 6, 2008. This was about 60 days later than programmed due to the changes that we made to the Partnership rule. The districts are required to submit the remainder of the application, which consists of the schematic drawings by 1 August, 2008. There were 470 applications that were received. Of those about 63 percent of them, or about 295 were projects related to warm, safe and dry, or non-space projects. The remaining 175 or about 37 percent of the applications related to new facilities and additions.

The Division has completed the preliminary screening of the projects in comparison to the school districts master plans. We did this because the screening of the master plans was required to be completed by 1 September and the districts notified. This month we'll conclude the field verifications using architect and engineer teams to determine the validity and define scope for estimated purposes. Any project that falls in a specific category, especially one that deals with a replacement of a life cycle item by law requires an engineer analysis, and that's what we're having those teams do at this time.

The projected stated financial participation at this stage would be very, very premature until we finalize this list and finalize those scopes.

CHAIRMAN JAMES: Mr. Eaton, just for the purpose of the audience here, why don't you just highlight the money part in terms of what those figures are.

DIRECTOR EATON: Okay. In the Master Plan, the State Master Plan -- I'm sorry, in the portion the State report on the status and condition of facilities we drew the initial interpretation of the law that because the law says the State Master Plan is developed to manage the State financial participation, we sort of extended that into comparing everything to the amount of money we spent. And we're finding we're having too much problems, and I've explained that in the State plan this time. We're missing projects that fall between the cracks, that's been that reported. The inflation is eating us up. What might have cost a million dollars in 2004 is now costing us a million six, for example. So somebody could say, oh, based on the 4.1 billion that we told the Legislature you spent 1.8 million dollars. No, I spent one million dollars. So we get -- we're drawing a bad parallel. So after considering that we thought it would be best to stay away from the analysis of the money except to report how much is obligated and focus on the projects. How many we have been asked to do that the districts have requested, how many we approved, and where we are with regard to the status. I can provide the Commission data dealing with the loans at anytime, but I'm trying to turn around and put the focus on the facilities and not so much on the money that's being spent to enhance the facilities and bring them up to the suitability and adequacy standards.

CHAIRMAN JAMES: Further questions from Commission members on either one of the status reports that's been presented, Partnership?

Mr. Eaton, one other question on the timeline, on the field verification, you think you'll have those done by say the end of the month?

DIRECTOR EATON: Yes, sir. We started those about the first part of August, I believe. We sent out teams of private architect firms and they're -- they're going through the -- we're doing the ones dealing with additions, things that have to do with the technical ones, looking to replace the tie back on things that the State has been saying, yes, it needs to be done or, no, it does not need to be done. Or, yes, it needs to be done, but here's a less expensive way to do it.

Recommendation: It is recommended that the Commission approve the updated Partnership.

Commission Action: Reports approved as submitted.

DIRECTOR EATON: Tab Four is a report on the Millage Elections that were conducted on September 16th.

There were a number of elections held throughout the state for increased millages to support construction or other financial initiatives. Attached is a listing of all of those school districts whose elections had impact on their master plans. In accordance with Arkansas Code 6-21-811 under the Facility Distress Law, we are now required to contact them, which we have done, to determine if there are any adequacy suitability issues, warm, safe or dry that could be deferred or possibly not accomplished because of the millage failure.

The nine districts that you see listed there, as opposed to the 32 that had elections have already had a letter sent to them and within the next two weeks we will meet with them and decide whether or not their millage election had impact on those conditions. One thing that is interesting to note is that three of those school districts went out for projects in '09 and '11. Now, we have sort of discouraged this with the school districts because they're gambling. Unless they are prepared to entirely fund the project, they're gambling that project is going to be approved. And fortunately these districts millages didn't pass.

CHAIRMAN JAMES: Have we had any conversation with the district that finds them self in this predicament, that you just described?

DIRECTOR EATON: We've had a lot of conversation.

CHAIRMAN JAMES: And do we know what their plans are at this point in time?

DIRECTOR EATON: Well, they put in for a project that under the new rules of the Partnership may possibly not qualify unless other conditions are met. If the other conditions are met then their project probably will qualify. Where they're having trouble is twofold. One, that they've already had the millage election and they've contacted their attorney to see what would happen to that millage election and what responsibilities the district would have it didn't go through with the items that were on the election.

The second issue that they're having is that in the scope and the plan to build this new facility they have to close one. Well, it's a very sensitive issue because that school to be closed is in another town that was brought together with this school district as part of the consolidation. So the districts sit's between a rock and a hard place, between what they want and what they have to do to get what they want. And the last discussions I had with the school district the board voted to close that school. That was immediately followed by a threat of a lawsuit by the town and so they're off and running. But regardless of what they have done, and we explained this to the district, the fact that you passed a millage puts absolutely no pressure on the State to approve that project, you still have to meet all of the qualifying gates. If you meet the gates, the project is approved. If you don't meet the gates, the project is not approved. So they actually won't know what the status of that project is until May 1, 2009 with the public school list. In the meantime they're continuing with their design and they're continuing with their plans to close

this other school. So there's no recommendation. This was primarily presented to be an update on the status of the millage increase and elections.

CHAIRMAN JAMES: Okay, Commission members, you have heard the report on the millage, recent millage elections with nine school districts that may potentially have an impact on their master plans and, Mr. Eaton, just for the same of the Commission we'll, needless to say, be very interested in the results of those meetings that you have with those districts in terms of feedback as this continues to move forward.

Recommendation: It is recommended that the Commission approve this updated Transitional list.

Commission Action: The report is approved as submitted.

DIRECTOR EATON: Yes, sir, Tab Five. Arkansas Code 6-20-1403 designates the Department of Education with responsibility for drawing up the minimum specifications for all school buses. It further prescribes that an advisory committee made up of ten school administrators representing all sizes and all areas of the state shall assist the Department in drawing up those specifications.

During the July Commission Meeting, the proposed changes to the Rules for the Specifications Governing School. Those specification changes were presented to the Commission in July. We opened up the comment period on July 29th, it ran through September 15th. On August 5th we held a public meeting. At that time there were three people there and we received comments from three individuals. Those comments were discussed within the Division and we also discussed those with the ten members of that committee. The specific comments are attached on the second page. Generally we found that we got -- we received pretty much overwhelming acceptance of the changes that we presented to the Commission in July. And the four questions and comments that were addressed here, we have addressed all four of them. Two of them we accepted and two of them we rejected. Those changes have been made to the rules and the rules are ready to go forward to the ALC Rules Committee, if the Commission so approves them.

CHAIRMAN JAMES: All right, Commission members, you have heard the rule as presented on the bus specifications. Do any Commission members have any questions?

COMMISSIONER DODSON: I have a question. I don't see the -- I don't see which page it's on but I know last Commission meeting we discussed the different fuel types for school buses and there was a statement made, I think, that natural gas was being phased out of school buses. But, yet, I've seen where Wal-Mart is working now with some group to try to change their whole fleet over to natural gas. Is there any discussion on that?

MR. SIMMONS: Yes, sir. Currently we don't -- we probably have less than two dozen school buses in the state that are run on compressed natural gas or propane. As our older buses, back in the '80s, we had the big push for propane use and we had a bunch of them retro-fitted. Those are phasing out, but there is a push on right now to do the compressed natural gas. In fact one of the manufacturers, I figure all three of them are, but I know one of the manufacturers, Blue Bird, has publicly come out and said they are working on propane school buses, and so it is

something that we are looking forward to seeing how that works out, you know, as far as the manufacturers goes. Basically that's about all we know at this point.

COMMISSIONER DODSON: I just wanted to make sure that was still in the mix. If somebody like Wal-Mart is looking at it must be a good (Inaudible).

CHAIRMAN JAMES: Any other comments from Commission members?

Recommendation: The Division recommends that the Rules for the Specifications Governing School Bus Design, with the complete adaptation of the Specially Equipped School Bus Specification section, of the National Standard, be approved by the Commission to be submitted to the ALC Administrative Rules and Regulations Committee for consideration.

Commission Action: All right, the rules have been approved for submission to ALC.

DIRECTOR EATON: Tab 6 Academic Facilities Master Plan Program-State Plan Report. Arkansas Code Annotated 6-21-807 mandates that the Division develop a comprehensive State Master Plan for managing State financial participation in local academics facilities projects across the state.

Arkansas Code Annotated 6-21-112 further states that a report on the State Academic Facilities Plan will be made to the Governor, the House Committee on Education, the Senate Committee on Education and the Academic Facilities Oversight Committee by 1 October of each even numbered year. Submitted to the commission is that report. The report a different format this year and is closer to the intent of the information required by required by law. The report is essentially divided into two sections; the first is a listing of the academic facility programs and the financial assistance programs as established in law, and the second is an update of each of the programs since the last report and of the financial program supporting the master plan.

Highlights of the report:

1. Master plan update;
 - a. Legislative changes
 - b. Automated report system
 - c. Improved plans over 2006 submittal
 - d. Included Maintenance portion
2. Facilities Custodial/Maintenance Manual Update;
3. Facility Manual Update;
 - a. Revised Chapter 7 (Sect 2) "Construction Standards"
 - b. Revised Chapter 5 (Sect 2) "Program of Requirements"
4. Academic Equipment Manual Update
5. Facility Distress Program;
 - a. Legislative changes
6. Partnership Program Update:
 - a. Legislative changes
 - b. Applications received 11/2006 and 5/2008
7. Catastrophic Program Update

8. Includes two project lists
9. Summary;
 - a. Explains relationship of school district plans to state plan
 - b. Planning is challenge for school districts
 - c. Tendency to solve all problems at once
 - d. First time submission of Maintenance Plan
10. Expanding role of Division

Recommendation: That the Commission approved this report for submission to the Governor and Legislature.

Commission Action: Approved the report for submission to the Governor and Legislature on October 1, 2008.

A complete excerpt may be found at the office of the Division of Public School Academic Facilities and Transportation.

MR. EATON: The Division of Public School Academic Facilities and Transportation is required to submit this annual report pursuant to Ark. Code. Ann. 6-21-112.

This annual report conveys the progress of actions undertaken by the Arkansas public school districts to construct new public school facilities, renovate and convert existing public school facilities, and correct significant deficiencies to state school facilities toward the goal of providing equitable surroundings to support the state's education program.

Highlights of the report:

1. Units of Measure;
 - a. 12 major building and design system
2. Assessment as basis of report
 - a. Tie to financial programs
 - b. Cautions
3. Explanation of financial programs
 - a. Relationship of financial programs
4. Chart showing expenditures vs. original assessment
5. Analysis of school district effort towards deficient areas
6. Summary and conclusion.

Recommendation: It is recommended that the Commission approve this report for submittal to the Governor and Legislature.

Commission Action: Approved the report for submission to the Governor and Legislature on October 1, 2008

DIRECTOR EATON: Tab eight is the Cabot School District appealing a decision rendered by the Division to the Commission regarding the partial denial of funding the Catastrophic Program for the construction of Cabot's Junior High North.

The facility, which is presently under construction, was the subject of an application for Catastrophic funds. The facility was lost due to a fire in 2006. The Division approved funding this program. The Cabot SD is appealing the basis used to determine the district's eligible expenses and subsequent state settlement reached in March 2007

Recommendation: The Division recommends that the Cabot appeal should be denied and further recommends that any monies distributed to the Cabot School District will be in accordance with the provisions of the signed Partnership agreement.

Commission Action: The motion to deny the appeal is upheld and so with respect to that we so notify the Cabot School District that the Commission has upheld the Division's position with respect to the appeal.

Meeting adjourned.

A complete excerpt may be found at the office of the Division of Public School Academic Facilities and Transportation.