
Arkansas Division of Public School



Academic Facilities & Transportation

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

Dr. Ken James, Chair

MEETING AGENDA

April 28, 2009

2:00 pm

1. Minutes January 2009 Commission Meeting
2. CMMS Contract Modification
3. Partnership Program Update
 - a. 2006 Program Year
 - b. 2007 Program Year
 - c. 2009 Program Year
4. Special Report: Transitional Program
5. Special Report: Failed Millage Elections
6. Special Report: Hermitage Facility Distress Status
7. Special Report: Mena SD Tornado Damage

Summary Minutes of the
Commission for Arkansas Public School Academic
Facilities and Transportation
April 28, 2009

Place: ADE Auditorium

Time: 2:00

Attendees: Dr. Ken James, Commissioner Arkansas Department of Education
Mr. Mac Dodson, President Arkansas Development Authority
Mr. Douglas Eaton, Director DPSAFT
Dr. Charles Stein, Assistant Director DPSAFT
Ms. Barbara Dobbs, Admin. Assistant DPSAFT

Absence: Mr. Richard Weiss, Director AR Dept. of Finance and Administration

Call to Order/Roll Call:

Dr. James: Good afternoon. We've got a really short agenda today, and Mr. Weiss is supposed to be here, but he may be running a little late. A couple of us are on flight schedules, so let the record reflect at this point that Mr. Weiss is not here.

Tab 1: Minutes Meeting January 7, 2009

Director Eaton: Tab one is the meeting minutes from the January 7, 2009 Commission meeting.

Commission Action: Approved

Tab 2: Request for Modification to Computerized Maintenance Management System

Director Eaton: Tab two has to do with the Division's request to modify the Maintenance Management System. During the 2009 legislative session, it was passed by law that all school districts will use the Statewide Computerized Maintenance Management System. It is anticipated that on or about the first of July 2009, all public school districts will be on this system. The SchoolDude system will do exactly what we had anticipated. It will track everything necessary to the school district as required by Arkansas law.

The reason we are asking for the global system to be put in place, is that management systems in school districts are designed to be driven at a school district level. There isn't a single state in the United States that gathers this information as the state level, with the exception of New Mexico. New Mexico had SchoolDude designed global system because they run the program from the state level. We don't run the program from the state level, but we clearly by law have the need to gather that information, and the global system will give us the ability to do that. It will help us to work with the districts and establish the

program, and it allows us to extract what we need for the annual and biannual reports that the legislatures require.

Commission Action: Approved

Tab 3: Academic Facilities Partnership Program Update

Director Eaton: Tab three deals with the update in the Academic Facilities Partnership Program. Below is a summary by year:

2006-2007 Academic Facilities Partnership Program Project List. The Division reported to you at the January 2009 Commission meeting, that there were 222 districts that have yet to begin projects. In January of this year, we contacted every single one of those districts, and as a result we found out that a large number of projects had already been completed. So, the report that I provide you today shows that number is now down to 151. We have confirmed with those districts projects are to be done.

2007-2008 Academic Facilities Partnership Program Project List. In January 2009, we reported to the Commission there were 204 projects that still have not begun. That's number is now down to 120.

2009-2011 Academic Facilities Partnership Program Project List. There were significant changes in the 2009-2011 program that dictated what we did this time. Perhaps a lot more stringent than what we did in the past and this could cause concerns among the districts because they simply did not understand. But we followed the rules and law exactly. The number of projects that came in was quite a bit lower, but they were certainly a lot more true to what the district needs.

Below is a list of some of the major program changes:

Program of Requirements (POR): Initially the POR was a square footage total to which a district can aim in constructing a facility. It now has been revised to be not only the square footage size of each individual space in the building, but the number of those spaces in the building. So, if a school district wants to build a facility they must build it of a certain size, and it must be build with the required number of rooms that are identified in the POR.

Definition of Suitability: was revised to be a process to determine project eligibility. If a school district wanted to add space to an existing campus, they have to add to the academic space first. For a new school the Division considered all vacant space in the school district as being available to meet the needs of the given grade before the school district was allowed to construct any school and for ware, safe and dry.

Project Prioritization: was clarified as a process to rank approved projects by three factors: wealth index (WI), facility condition index (FCI), and the actual growth over a 10 year period. It additionally clarified that safe, warm and dry projects would be funded before all others.

Discussion of state financial participation: for approved projects subject to availability of state funds (a process to carry over approved projects should state funding not be available to cover all projects).

Required Timelines: for project agreement execution, beginning of construction, and completion of project. Partnership agreements must be signed within 60 days, construction on the project must begin within 18 months and the project must be completed within 4 years of the commissions' initial approval.

Due to the revision and new rules the Academic Facilities Partnership Program applications were submitted at two different dates. We gave the districts an additional 60 days, and then we gave them 90 days after that by which to submit the schematic drawings.

We received a total of 486 applications. 316 were warm, safe, and dry and 170 were new schools, additions and conversions. We were able to fund all the warm, safe and dry projects. Of the 170 space projects, 84 were approved projects but we were only able to fund the first 41, before we had to draw the funding line. There were 86 projects that were not funded.

| Project Type | Applied For | Approved/ Funded | Approved/Not Funded | Disapproved |
|---------------------------|-------------|---------------------|------------------------|-------------|
| Warm, Safe Dry | | | | |
| Roofs | 86 | 61 | 0 | 25 |
| HVAC | 58 | 33 | 0 | 25 |
| Fire/Safety | 49 | 43 | 0 | 6 |
| *Other | 123 | 26 | 0 | 97 |
| TOTAL | 316 | 163 | 0 | 153 |
| Space | | | | |
| New Schools | 24 | 4 | 9 | 11 |
| Additions | 119 | 31 | 23 | 65 |
| Conversions | 16 | 4 | 6 | 6 |
| Other | 11 | 2 | 5 | 4 |
| TOTAL | 170 | 41 | 43 | 86 |

*Other: Electrical, Plumbing, site, structural

- Summary and breakout of disapproved projects:

| Reason for Disapproval | Partnership Program Rule Section | Number of Projects of Disapproved |
|--|----------------------------------|-----------------------------------|
| No suitability need | 3.29.1 or 3.29.2 | 36 |
| Below funding minimum (\$150,000 or \$300/student) | 4.05.3 | 32 |
| Incomplete application | 4.01, 4.02, 4.05.2 | 29 |
| Maintenance/Repair/Replacement | 4.05.1 | 23 |
| Non-academic facility | 3.01, 3.16 | 2 |
| Previously funded | 3.21 | 8 |
| Not warm, safe, dry renovation | 3.31 | 46 |
| Wrong funding cycle | 3.21 | 1 |
| Not prudent use of state funds | 4.03, 5.01.3 | 19 |
| Complete | | 3 |
| Rescinded | | 40 |
| Total | | 239 |

- **Project review general information:**
 - **Warm, safe, and dry projects**
 - Architect-engineer consultants performed sites visits.
 - Per rules projects limited to: fire and safety needs, roof replacement, major plumbing replacement, major electrical replacements, HVAC systems, site and structural needs. Projects must apply to entire facility or system.
 - Projects excluded by rule include: surveillance systems, security systems, closed circuit TV systems, asbestos abatement (unless part of an approved project), land purchases, demolition of school facility structures (unless part of an approved project), environmental clean-up or supersite clean-up.
 - **Space projects**
 - New School Campus (new school)
 - Used Program of Requirements (POR) to compute required total school size for projected student population.
 - Performed suitability analysis for other existing schools in district with same grades to determine excess space (SF), if any. Excess space subtracted

from required total space for new school to determine amount of fundable space.

- Districts are not penalized for oversized existing areas in gymnasiums, media centers, cafeterias, and auditoriums.
- Existing School Campus (addition or conversion)
 - Computed suitability need on existing campus to determine if school qualified for additional space by comparing total existing space to total space required for projected student enrollment. (Campus was not penalized for oversized areas: in gymnasiums, media centers, cafeterias, and auditoriums.
 - If suitability analysis indicated that campus had no shortfall of space –
 - Addition project could not be supported
 - Conversion of existing space could be supported to provide missing academic core spaces
 - If suitability analysis indicated that campus had space shortfall and needed more space –
 - New spaces contained in proposed project were analyzed with existing spaces in the school
 - Missing spaces were added in the following order – academic core spaces, special education, student dining, administrative
- Requested demolitions considered on case by case basis
 - FCI of 65% used as planning guideline for demolition, not as an absolute over which a school must be replaced.
 - Other considerations included age of building, size and configuration of classrooms to meet district's academic requirements, and prudent use of state funds to demolish and replace versus renovate
- For qualified projects, qualifying project cost determined by multiplying project scope in square feet times project cost factor

Project Funding Recommendation:

State funding is not available to fund the entire 09-11 Partnership list at this time. A recommendation is made to fund those projects which fall above the total fiscal assets.

- Current obligations;
 - 2006 Partnership List:
 - Original Funded amount: \$277,880,000
 - Current total project cost: \$217,527,657
 - Accumulated savings: \$ 60,352,343

- 2007 Partnership List:
 - Original Funded amount: \$366,747,810
 - Current total project cost: \$316,075,000
 - Accumulated savings: \$ 50,672,810
- Fiscal Assets:
 - Accumulated savings: \$111,025,153
 - Less cash flow: -\$ 70,000,000
 - 2009 Appropriation: \$ 35,000,000
 - Est. Bonded debt refund: \$ 11,000,000
 - Cumulative amount: \$ 87,025,153
- Fund to project closest to amount: (\$ 86,738,067)
- Approved/not funded projects
 - Remain on list unless withdrawn by school district.
 - Fund projects as funds become available.
 - Maintain a small surplus for Catastrophic Program.

Recommendation:

It is recommended that the Commission approve the updated Partnership lists and the recommendation to fund those projects above the funding line of \$87,025,153.

James: The Commission is to approve the updated Academic Facilities Partnership Program project list, the recommendation to fund those projects above the funding line for the total \$87,025,153.

Commission Action: Approved

Mr. Eaton: Gentlemen, the other items that are provided to you for the meeting today are all positive reports with the exception of Mena School District. In talking with the superintendent as late as this morning they have not made a final decision, other than the fact that we know we're going to lose part of the school, it clearly must come down. They are now deciding of the remaining portions of the school what can be salvaged and replaced.

Mr. Weiss: The Mena School District, were they carrying full insurance?

Mr. Eaton: Oh, yes, sir. The legislative session passed a law that made it mandatory in July of 2008 that they have full coverage.

Dr. James: I just want to let the Commission know also that Doug has spent quite a bit of time at Mena, including weekends. It's quite a devastating situation that took place down there and so I just want to -- we appreciate your work down there with Diane Gathright the superintendent getting everything to where it is today because it's been quite an ordeal.

Any other questions or concerns from the Commission members?

Dr. James: A motion to adjourn and a second, motion passes. We're adjourned.

A complete transcript can be viewed at the Division of Public School Academic Facilities and Transportation office.