



**COMMISSION ON PUBLIC SCHOOL ACADEMIC FACILITIES
AND TRANSPORTATION**

Dr. Ken James, Chair

MEETING AGENDA

March 8, 2006

9:00 a.m.

Arkansas Department of Education Auditorium

Call to Order/Roll Call

1. Approval of January 23, 2006 Meeting Minutes
2. Request for Approval of Transitional Projects
3. Request for Approval to Transfer Funds to Support Transitional Projects
4. Update on Immediate Repair Program Changes
5. Update on Master Plan and Partnership Program
6. Update on Transportation
7. Update on Public Hearing on Rules Governing the Transitional Academic Facilities Program
8. Recognition of Mr. Stacy McCloud for Lifesaving Emergency Response

SENATOR BROADWAY-

*MAY 19 SUSTAINABLE BUILDING COMM. MEETING
PUBLISH BY COMMISSIONER'S MEMO*

MINUTES
COMMISSION FOR PUBLIC SCHOOL ACADEMIC
FACILITIES AND TRANSPORTATION

Date: March 8, 2006

Place: ADE Auditorium, Little Rock, AR

Attendees: Dr. Ken James, Director, Arkansas Department of Education
Richard Weiss, Director, Arkansas Department of Finance and Administration
Mac Dodson, President, Arkansas Development Authority

Call to Order/Roll Call. Dr. Ken James called the tenth meeting of the Commission for Public School Academic Facilities and Transportation to order. All commission members were present.

1. Approval of January 23, 2006 Commission Meeting Minutes. Dr. James stated that the minutes were received and asked for questions or a motion. **Mr. Weiss moved to approve the minutes as submitted. Mr. Dodson seconded the motion and with no further discussion the motion was approved unanimously.**
2. Request for Approval of Transitional Projects. Dr. James recognized Doug Eaton who stated that in January the DPSAFT brought the Commission a list of recommended projects for the Transitional Academic Facilities Program contingent upon the ability to verify cost estimates and that the projects met the program requirements. Each submitted project has been visited, about twenty were revisited and many superintendents were contacted.

The first spreadsheet lists the proposed projects to be funded under the Transitional program. Dollar amounts changed slightly from the original submittal (\$86.3 million to \$86.8) which is simply a matter of inflated costs over the last few months and the total amount of projects dropped by two from the original list. The projects listed meet the requirements and DPAFT is recommending that list of proposed projects be approved. The projects highlighted in gray represent \$20 million worth of completed projects out of the total project amount of \$298 million. The total State's share is \$86.8 million. Also highlighted is the present funding level.

The second spreadsheet "Transitional Program - Non-Qualified Projects" lists a number of projects that do not meet the requirements instituted in the various statutes to monitor this program. *Seventeen projects were classified as repair by replacement* (taking something out of a building and putting something back in), not an enhancement, upgrade or recondition. *Six are non-academic facilities* (four are Pre-K programs not eligible, funded by a separate entity). *Five are considered to be not resourceful use of funds.* Technology and intrusion devices in surveillance are a concern. A decision was made to not support surveillance. For example, on this list is a surveillance camera at \$75,000 and another at \$4,000. Some cameras are used simply to protect the students and assist the principal in monitoring the daily goings on and some range from simple analog cameras to high tech colored digital cameras, multiplex systems, etc. Then there is a question of how many cameras. It will be difficult to establish a standard of one camera for 200 feet of hallway space as districts are requesting cameras in the bathroom, gym, parking lot, etc. *Therefore, camera systems are being set aside in the Transitional Program* and districts will be appropriately notified. *Ten projects were pre-2005 indebtedness* and the applications clearly indicated that the debt was incurred prior to January 2005. The law clearly states and in context with the other statutes that any debt incurred prior to 2005 made the project and its indebtedness eligible under the Bonded Debt Assistance Program and not under the Transitional Program. Siloam Springs has raised an objection and has requested to appear before the Commission, probably next month. *One project would not begin until after 6/30/06* (another condition was that the expenditure would be made between 1/1/05 and 6/30/06) and the district was notified to apply under the Partnership Program (same project, same amount of money to be moved into a different program). *Two were simply not eligible* –a wireless radio tower and a roof replacement. One district wanted to pull out a cable backbone system in the school and replace it with fiber optic. It would be difficult to make a decision as to how this would be approached across the state since many districts do not have backbone systems. Districts that want to upgrade a system will have to do so themselves. The total for projects that were not qualified is \$11.5 million.

Mr. Weiss requested that a typical district visit be described. Mr. Eaton stated the process began with the application (the supporting documentation), a review of how the project would be funded and how it would impact the growth index. Transitional projects are projects that districts have already planned, maybe years ago.

A growth problem has been recognized, a resolution reached and now funding is needed. Verification is made that all items tie together, projected growth ties with the project, the project ties with the amount of space requested, etc. The most current standards did not have to be met but in many of the additions and new buildings many districts stepped up and met the new State standards that the Commission approved in September 2005. The projects were discussed to make sure there was an understanding of what the district was trying to accomplish, that eligibility and how the wealth index would work were understood, and that the district's share and the state's share would be prorated (so the district would know the amount of money to be received). Previously mentioned to Dr. James was that a lot of time was spent discussing financing from the standpoint of when the debt was incurred (before 2005 or after 2005), was the debt from existing balances, how the wealth index would affect this, what would be included in the financial agreement and that pending final approval the district must be prepared to assume the entire cost of the project. The next round of site visits for the Partnership Program will be done slightly different.

Mr. Weiss asked about the Partnership Program and Mr. Eaton responded that architect/engineer teams would be sent out. A matrix has been devised as 1,556 projects have been received and there is no way each project could be visited. If the district agrees, single projects at the same school or on the same campus may be combined as one project. Visiting a thousand projects (Transitional over 200, Immediate Repair over 200) will be a tremendous task. The matrix establishes that facilities with a FCI Index greater than 50 but less than 65 will be visited. When a facility's FCI Index rating reaches 65, replacement rather than repair should be considered. At 50 there is probably an acceleration of deterioration of a building. Projects with an FCI index between 50 and 65, projects supported by a suitability change and projects based on growth will be visited. Suitability is at the crux of making schools equitable across the state by enhancing and changing the environment, updating classrooms, renovating the interior of the building to make it more suitable, etc. Projects less than \$25,000 will not be visited (procedures used for state contracts breaks at this point, these are projects that superintendents can manage and below that amount four quotes can be obtained and a district does not have to go through the contract procedure). Partnership Program procedure will be to give districts suggested contracts and clauses to use to ensure that the State share is protected. This is a representation of the checklist and hurdles for project visits to meet the Partnership Program deadlines of May 1 and July 1.

Mr. Eaton recommended that the Commission approve the conditional list of Transitional projects and allow DPSAFT to go forward. Mr. Weiss stated that he was pleased with the work the staff has done and that the thoroughness is outstanding. **Mr. Weiss moved that the Commission approve the list as being final and as submitted to accomplish the projects. Mr. Dodson seconded the motion and with no further discussion the motion passed.**

3. Request for Approval to Transfer Funds to Support Transitional Projects. Mr. Eaton stated that this ties directly to the action in #2 and to go forward with the Transitional projects, funds need to be transferred. Approximately \$35 million is in the Transitional account and commitments are now up to \$87 million. The difference will allow DPSAFT to immediately process payments for projects that have been completed as money needs to be distributed to the districts before this summer and \$20 million is a lot of money to be holding. The shadowed projects listed are completed projects. **Mr. Weiss made a motion to approve the transfer of funds.** Dr. James asked for the amount. Mr. Eaton said the amount was the difference between the \$87 million and \$35 million - \$52 million. Mr. Dodson asked if the amount to be transferred is \$52 million or whatever it takes. Mr. Eaton responded that DSAFT did not have the prerogative to go in and simply change the amounts as the district amounts change. The ground rule is to tell districts the program will be funded at the level that has been approved by the Commission. If a project comes in below, it will be funded at that level. If a project comes in above, the district will be funded at the agreed upon amount. As in the Immediate Repair Program, the plan is to build up surpluses and if, at the end, there is additional money and the Commission so desires, the surplus money can be spread back to districts that have exceeded the amount approved. The Transitional Program is now funded at the level approved by the Commission and there is no contingency. **Dr. James stated that a motion had been made to approve the transfer of funds for the Transitional Projects. Mr. Dodson seconded the motion and with no further discussion the motion passed.**
4. Update on Immediate Repair Program Changes. Mr. Eaton stated that in 2005 the Commission approved the Immediate Repair project list and approximately \$4 million of the \$33.6 million State share portion has been disbursed. The highlighted projects are projects that have been completed or where payments have been made.

This list is expected to accelerate in the summer as many districts are waiting until summer to do the projects. The last column shows the difference between what a district was promised in the September submission approved by the Commission and the amount the district now requests. The bottom figure shows a positive balance of \$387,000 and includes additions made to this list after the September meeting. After the September meeting DPSAFT was directed to add two valid projects from districts on the fiscal distress list. These have been added with the most significant being Helena-West Helena which added over \$800,000. There were enough deletions from the original amount of money forecasted in September to meet Helena-West Helena's requirement of \$800,000. After all the overages asked for are met there is still a balance of over \$400,000. When invoices are submitted districts are told that payment will be paid based on the original agreed upon amount. The State's share is about \$33.7 million, with excesses of about \$387,000.

Approval for this list as amended is requested so districts can be paid up to the actual amount incurred. There have been very few changes and most of these have resulted from inflation in cost or something extra had to be done when the project was started. Since districts were asked to get into this program very quickly and begin immediate repairs to the most sensitive areas in the districts (those that directly affect the health and safety of children), the Commission and the Division need to exactly follow the law and support the initiatives of the districts.

At a later meeting another spreadsheet will be submitted listing amounts districts have been paid (up to the agreed amount) and the additional funds requested, along with the resulting positive or negative balance. As expected some districts have been unable to come up with their share. This was expected, is expected with the Transitional Program and has already started with the Partnership Program; therefore, a surplus is expected. It is requested that the updated Immediate Repair list be approved so DPSAFT can proceed with payments. **Mr. Dodson made a motion to approve the updated Immediate Repair list. Mr. Weiss seconded the motion and with no further discussion the motion passed.**

5. Update on Master Plan and Partnership Program. Mr. Eaton stated that Master Plans were due on February 1 and all plans are in. Two districts had some difficulty but were worked with closely to meet the requirements. DPSAFT granted extensions to some districts, especially those affected by consolidations (all of a sudden the entire picture changed and time was needed to consider the other district). The first review has begun and is limited to projects in the Partnership Program. The first master plans received showed over 2,100 partnership projects with that dropping down to 1500 when the applications were received in March. Districts put in projects as a safeguard to provide time to prioritize and determine if the projects could actually be done. The districts were advised that the submission of the Master Plan is not a one-time event. A district may need to change their Master Plan once the final amount allowed under Partnership Program is determined. The Master Plans needs to be a very mobile document and one that the superintendent can feel comfortable with and change as needs change.

Monies allocated under the Partnership Program for 2006-2007 were announced yesterday. A large range of \$200 to \$390 million is expected under this program. If the scope of ten to 12 of the largest districts is changed, the amount can drop drastically. Changes are expected as projects are refined and tied together with the correct R. S. Means estimates. \$390 million was a total of what had been requested. Errors may have been made and the errors may have been made low so there needs to be flexibility to work this out. The state's share will vary between \$50 and \$180 million for 2006-2007.

Training begins in this room tomorrow morning with about 30 architects and engineers. The teams are to look at the projects without being a burden to the superintendents, verify what the projects are and report to DPSAFT so negotiations can begin regarding the final project scope and to define the project. As the projects are defined, the money will also be defined. DPSAFT has to really understand what the districts are going to do to bring up the standards of the schools. The first two programs came on awfully fast for these districts and many districts did not have sufficient time to consider the overall equity of their school buildings as compared to others in the state. Money was there so let's repair; now the final goal to bring equity of the buildings up must be considered and that is the purpose of the projects and the cost must be dealt with. It is believed that the Legislature will try to assist with funding as long as we are responsible. Dr. James said these are key points and these are preliminary numbers, and as we go through this process the numbers will be refined. Although it is better to

give a number, the point needs to be made that the absolute was not possible. Mr. Weiss made an observation that in all likelihood requests will be made at the high end.

Mr. Eaton replied the district's projects are very close to the assessment, believed the districts realize that some projects could not be funded even with state assistance and that the districts will deal with issues pointed out to them that would make their schools more equitable. There are a wide range of projects. Some are to enhance the ability to meet ADA compliance, some are additions or renovations, some are brand new schools (one is a new combined middle/ public facility in the Carlisle area), etc. and it is not known how closely the guidance given them regarding the Means estimates was followed. Hopefully, the districts have an architect on board to protect the district.

Dr. James agreed that districts had to quickly get things underway but now can go back, make some adjustments and over time look at what has been successful and what could be done differently.

Mr. Eaton said this was presented as an update to the Commission on the Master Plan and Partnership Programs.

6. Update on Transportation. Mr. Eaton reported that the Transportation staff is now fully staffed and so far has had the opportunity to visit and inspect buses at 47 school districts. These 47 districts have about 1,063 of the estimated 6,000 buses in the State of Arkansas. 274 (about 26%) of the 1,063 buses were randomly selected for inspection. The inspection rate will go up with the addition of the new inspectors.

Only about 31 (about 11%) of the buses inspected had deficiencies that resulted in a grounding of the bus and the districts took this very seriously. In many cases the inspectors and Mr. Simmons reported that the district repaired the bus the same day, the bus was re-inspected and the bus was back on the road because the district did not have extra buses to substitute for a route. Districts are being very proactive and are very responsive to somebody coming in wearing the same type uniform and identifying what is wrong with a bus. Minor problems were to be corrected and followed back up with an inspection, while major problems required that the bus be grounded until problems were corrected. Only one district required the involvement of the superintendent because he was not getting the support he needed and that district is to be revisited. Now with additional staff, plans are to visit school districts on a twelve-month basis, instead of our current fifteen-month basis. DPSAFT would like to be able to visit each district every year, inspect different buses and increase the percentages as time progresses, because the percentages will increase as buses become newer. Many buses are traveling unimproved roads and long distances and require a tremendous range of repairs (from buses that drive 100,000 stop and go miles in Little Rock to buses that drive 100,000 miles on unimproved roads).

The driver training program has also begun and in the last few months 600 of the estimated 8,000 public school bus drivers have been trained. Setting up driver training schedules presents difficulties as some drivers are teachers, coaches or custodians; many have second jobs; some drive in the morning, go to another job, come back and drive in the afternoon; etc. A master schedule has been set up to give districts an opportunity to schedule training at a time that would best meet the needs of the district drivers and to consolidate training at the co-ops. The goal is to get all drivers through the first phase of training and then go back for the refresher and include new drivers. Hopefully all drivers can be trained within the next year. This summer there will be a training class for in-service driver trainers at the annual mechanics workshop in Conway. The purpose presentation is to acknowledge that transportation is a key issue.

Mr. Weiss asked about the number of staff. Mr. Eaton responded that there are 12 (five inspectors, five trainers and two in administration). Mr. Weiss said that is a lot of ground to cover for so few people. Mr. Eaton said after the programs are in place and a determination is made about how the districts are served, DPSAFT can report to the Commission the percentage that are trained every year and if personnel adjustments need to be made. Right now it is too early to tell and until the programs are fully implemented it would be difficult to make such a determination. DPSAFT is very fortunate in bringing on qualified personnel. Also at a formal meeting of several superintendents, transportation issues were discussed and the possibility of consolidated diesel contracts was posed. The superintendents were receptive even though diesel prices cannot be forecast from month to month. Last night the Academic Facilities Oversight Committee Chairs, Representative Cook and Senator Broadway, offered their support and now it is up to the Legislature for this to be pursued. Now that

there is a separate division of transportation the superintendents at the meeting indicated that assistance from the transportation department in financial and other issues would be appreciated.

Mr. Weiss asked if any work had been done with the Highway Department or other state agencies that deal with the same issue on fuel and thought it would be worthwhile to make contact to find out if there is any way to get cooperatively involved. Mr. Eaton responded that was a good point and could certainly be considered from a mechanical standpoint but past that are bus issues that deal directly with safety and other issues.

7. Update on Public Hearing on Rules Governing the Transitional Academic Facilities Program. Mr. Eaton said this was an update on the public hearing on February 16, 2006 for the change to the Transitional rules that would allow a modification of the needs. Five people attended and there were no questions and no concerns. After a general discussion of 15 minutes, the public hearing was closed. The general consensus of the superintendents in attendance was that this change was something the districts wanted, asked for and were satisfied that the Commission was able to provide it.
8. Recognition of Mr. Stacy McCloud for Lifesaving Emergency Response. Mr. Eaton requested that the Commissioners sign a letter to be presented to Stacy McCloud, a Rogers School bus driver, who in early February prevented a near fatal accident in Rogers, Arkansas when a young girl was attacked by some pit bull dogs. Mr. McCloud stopped the bus and setting his own safety aside used a bucket or a waste paper basket to beat off the dogs. From the Rogers police on down this action clearly saved the young lady who was only five years old. It is appropriate that the Commission recognize Mr. McCloud with a letter that Dr. Janie Darr, Superintendent, Rogers School District, will present at the next School Board meeting on behalf of the Commission. This is a good opportunity to show support for the initiative of this driver.

Dr. James asked if there was anything else to be discussed or if there were any questions. Mr. Weiss said he wanted to reaffirm how pleased he was with the good work and rapid work the Division staff is doing. It is very impressive.

Mr. Eaton said one district has requested a hearing and the Commission would work around that. Otherwise we will wait until more information is back from the teams that are visiting the schools on the Partnership Program before the next Commission meeting is set.

Senator Broadway made an announcement regarding the Sustainable Building Task Force and a conference planned about green buildings and sustainable buildings with State agencies targeted. Physical plant managers, architects, engineers and superintendents will be invited to accomplish two things: 1) discuss sustainable buildings and 2) allow the Commission and the Division to discuss what has been done, what needs to be planned for in the future and to collectively hear this at the same time. The meeting is scheduled for May 15 at UALR; school will be out and parking will not be an issue. A Commissioner's Memo will be sent out. Senator Broadway wanted to invite the Commissioners and let them know their work is appreciated. He also appreciated their attendance at Carlisle and the interest shown in all these issues has meant a great deal and Representative Cook feels the same way.

Mr. Weiss wanted to know if there was an update on the Carlisle situation as it was an interesting program. Senator Broadway said it was still under discussion and financing was being addressed. Mr. Eaton said Carlisle had submitted a Partnership application and this was the second school in the state to partner with a public entity.

With no further business to come before the Commission, Mr. Weiss made a motion to adjourn. Mr. Dodson seconded the motion and the motion was unanimously approved.