

# Public School Capital Construction Assistance Board Meeting Agenda



**COLORADO**  
Department of Education

## Vision

*All students in Colorado will become educated and productive citizens capable of succeeding in society, the workforce, and life.*

## Goals

*Every student, every step of the way*



### Date & Time:

May 24<sup>th</sup> & 25<sup>th</sup>, 2016  
8:30 a.m. – 5.00 p.m.

### Location:

Adams 12 Conference Center  
1500 E., 128<sup>th</sup> Ave.  
Thornton, CO 80241

## Capital Construction Assistance Board Members

Lyndon Burnett – Chair  
Cyndi Wright

Tim Reed  
Denise Pearson  
Ken Haptonstall

Scott Stevens  
Karl Berg  
Kathy Gebhardt

- I. Call to Order
- II. Pledge of Allegiance
- III. Roll Call
- IV. Approve Agenda
- V. Discussion Items
  - a. Discuss board member appointments
  - b. Review of the FY2016-17 BEST grant application selection meeting / processes
  - c. Discuss conflicts of interest for CCAB members
  - d. Review of the FY2016-17 BEST grant applications to recommend to the State Board of Education for award
- VI. Board Report
- VII. Director's Report
  - a. Division updates
  - b. Legislative updates
- VIII. Action Items
  - a. Approve previous minutes from the January 27<sup>th</sup>, February 24<sup>th</sup> and April 27<sup>th</sup>, 2016 meetings
  - b. Review and approve FY2017-18 BEST grant timeline per 22-43.7-109(2)(a) C.R.S.
  - c. Approve the final list of BEST grant applications to recommend to the State Board of Education for award
- IX. Future Meetings
  - June 16<sup>th</sup>-17<sup>th</sup> (tentative) 2016 – 1:00 p.m. Location: 201 E. Colfax Avenue, Room 101, Denver, CO 80203
  - July 28<sup>th</sup>, 2016 – 2:00 p.m. Location: CASE Conference: 620 Village Road, Breckenridge, CO 80424
  - August 24<sup>th</sup>, 2016 – 1:00 p.m. Location: 201 E. Colfax Avenue, Room 101, Denver, CO 80203
- X. Public Comment
- XI. Adjournment

# Public School Capital Construction Assistance Board Agenda Sheet

**MEETING DATE:** May 24-25, 2016

**SUBJECT:** Review of the FY2016-17 BEST grant application selection meeting / process

**TYPE:** Action  Information

## **BACKGROUND:**

### **Day 1 - May 19<sup>th</sup>, 2015:**

**Start time: 8:30 – 9:15 a.m.** - Discuss the board business rules.

#### **Project review: 9:15 a.m.**

Applications will be reviewed alphabetically in the following order: County, then Applicant name. The applicant's photos will be shown while each project is being discussed.

Applicants will be given the opportunity to present their project to the CCAB. During their presentation, there is no limit on how many representatives each applicant has available to answer questions pertaining to their grant application.

*\*\*NOTE: Having a representative present is voluntary and application will not be penalized in the absence of a representative.*

#### **Individual Grant Application Review (expected to go until ~4:35 p.m. on Day 1; May 24<sup>th</sup> & until ~12 p.m. on Day 2; May 25<sup>th</sup>)**

- 1) Once a grant is up for review, the Director will ask the Division staff representative and the grant applicant to approach the review tables.
- 2) The Director of the Division will introduce the project (applicant name & project title) and ask the grant applicant(s) to introduce themselves.
- 3) Each grant applicant will have two minutes to present their proposed project to the CCAB. The presentation should include any items the applicant wishes to address pertaining to the proposed project. Please note, no visual materials will be allowed for the presentation.
- 4) Following the applicant's presentation, the CCAB Chair will open the floor to board discussion.
- 5) Once the CCAB has thoroughly reviewed the grant application, each CCAB member will complete a grant application evaluation sheet
- 6) If a waiver is requested as part of the application package, the CCAB will evaluate the waiver, ask any questions they may have, and complete a waiver evaluation sheet.

Please note:

- Statutory waivers will automatically be approved and a waiver evaluation will not be needed.
  - The Board Chair will entertain a motion to approve the applicant's waiver request.
  - If a waiver request is denied, the applicant is still eligible to receive a grant.
- 7) Once Division staff has collected all evaluation sheets, the next grant application will be reviewed.
  - 8) This process will be repeated until all applications have been reviewed.

**It is estimated that all grants will be reviewed by 12 p.m. on May 25<sup>th</sup> (Day 2)**

**After a short break, the CCAB will conduct all other board business on the agenda, and then review the prioritized list of projects.**

#### **Review of Prioritized Grant Applications**

- Once all board business is complete, Division staff will present the CCAB with the results of the grant application evaluation sheets.
  - The grant applications will be sorted by their identified statutory need – priority 1, 2, 3, or 4.



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- The sorted applications will be prioritized by their evaluation score, as determined by the average overall CCAB score.
- The CCAB will review the prioritized list and conduct any final discussion.
- A funding line will be drawn at the set amount of available funding (State share).
- **For this grant cycle the CCAB may award no more than \$60 million dollars, which includes any allocation towards grant reserves, as established by the JBC.**
- The CCAB will review the list and make a final motion to approve it.
- The CCAB review will result in a prioritized list of projects to submit to the State Board for approval. The prioritized list shall include the CCAB's recommendation as to the amount and type of financial assistance to be provided, and, based upon information provided by the applicant, a statement of the source and amount of applicant matching moneys for each recommended project.
- The State Board may approve, disapprove, or modify the provision of financial assistance for any project recommended by the CCAB if the State Board concludes that the CCAB misapplied the prioritization criteria in the statute. If the State Board concludes that the CCAB misapplied the prioritization criteria in the statute, then the State Board shall specifically explain in writing its reasons for finding that the CCAB misapplied the prioritization criteria.
- The abovementioned is only intended to be a general outline of the process. The CCAB's recommendations will be made in accordance with applicable statutes and rules.

**Lunch will be 1-hour and will start around 12:00 p.m. and the meeting is estimated to be concluded ~2:30 p.m. on Day 2**

## **STAFF RECOMMENDATION:**

Review the detailed process of how the meeting will be conducted.

## **STAFF RECOMMENDED MOTION:**

None

## **ATTACHMENTS:**

Proposed Schedule of Events





## Division of Capital Construction

### Proposed Schedule of Events for the CCAB - May 24<sup>th</sup> & 25<sup>th</sup>, 2016

NOTE: Each project will be reviewed and discussed by the CCAB. This schedule is subject to change.

#### **Schedule**

The meetings will be held at the [Adams 12 Conference Center: 1500 E 128th Avenue, Thornton, CO 80241](#), in the Dogwood and Piñon Pine Board Rooms, and shall run from 8:30 a.m. to 4:30 p.m.

It is the intent of the CCAB to conclude the meetings by the early afternoon on Wednesday, May 25<sup>th</sup>, 2016. However, if necessary, the meetings may run longer.

#### **Breaks**

The CCAB will take one break in the morning and one break in the afternoon on each meeting day. Breaks will be 15 - 20 minutes each.

#### **Lunch**

There will be a one hour lunch break each day. In order to stay on schedule, lunch should be taken at an appropriate time as determined by the CCAB chair.

#### **Technology**

The CCAB will be provided with two monitors per table to view the list of projects and grant application photos. There will be two board members per table.

Each CCAB member will have a microphone to address comments or ask questions.

Two projection screens will present the same information to the public as is presented to the CCAB.

The applicants will be provided a presentation table and microphones to address the CCAB.

Wi-Fi is available at no cost.

#### **Amenities**

The Division will provide breakfast, lunch, and light refreshments for members of the CCAB.

The facility has a coffee shop and a café in house for members of the public; and there are also several restaurants nearby;

The facility has several restrooms and breakout areas.

## Accommodations

For CCAB members and those participating in the meetings who are traveling, there are 9 hotels within 2 miles of the facility;

## Board Business

After all the applications have been reviewed, the CCAB will discuss general board matters while the Division compiles the evaluation scores and generates a prioritized list for discussion and finalization. The prioritized list will be reviewed upon the conclusion of the CCAB's general discussion.

## Project Review

Applications will be reviewed alphabetically in the following order: County, then Applicant name. The applicant's photos will be shown while each project is being discussed.

Applicants will be given the opportunity to present their project to the CCAB. During their presentation, each applicant is allowed to have any representatives available to answer questions pertaining to their grant application.

**NOTE: Having a representative present is voluntary and the application will not be penalized in the absence of a representative.**

## Individual Grant Application Review

- 1) Once a grant is up for review, the Director will ask the Division staff representative and the grant applicant to approach the review tables.
- 2) The Director of the Division will introduce the project (applicant name & project title) and ask the grant applicant(s) to introduce themselves.
- 3) After the presenters have introduced themselves, they will be given a two-minute window to present to the CCAB;
  - The presentation should include any items the applicant wishes to address pertaining to the proposed project. No visual materials will be allowed for the presentation;
- 4) Following the applicant's presentation, the Board Chair will open the floor to any discussion / questions the CCAB may have;
- 5) After the CCAB has thoroughly reviewed the grant application and all questions have been answered, each CCAB member will complete a grant application evaluation sheet;
- 6) The CCAB will then make a public motion to move the application to a funding recommendation shortlist.
  - NOTE: Moving an application to the funding recommendation shortlist does not guarantee the application will be awarded. See below for the shortlist prioritization procedure.
- 7) If an application is moved to the shortlist and a waiver is requested as part of the application package, the CCAB will evaluate the waiver, ask any questions and complete a waiver evaluation sheet;
  - Statutory waivers will automatically be approved and a waiver evaluation will not be needed;
  - The Board Chair will entertain a motion to approve the applicant's waiver request;
    - Applicants whose waiver request is denied are still eligible to receive a grant;
- 8) After all evaluation sheets are collected by Division staff, the next grant application will be reviewed;
- 9) This process will be repeated until all applications have been reviewed;

**Day 1 - May 24<sup>th</sup>, 2016****Start Time - 8:30 a.m.****8:30 – 9:15 a.m.** - Discuss the board business rules**9:15 a.m.** – Projects for review

Adams	Adams County 14	Kearney MS Roof Replacement
Adams	Mapleton 1	Global Leadership New PK-3 School
Adams	Mapleton 1	Adventure Elementary PK-6 School Replacement
Adams	Westminster 50	Harris Park ES Roof Replacement
Alamosa	Alamosa RE-11J	MS Security Upgrade
Alamosa	Alamosa RE-11J	HS Security Upgrade
Arapahoe	Adams-Arapahoe 28J	Mrachek Middle School Replacement
Arapahoe	Aurora Academy Charter School	Aurora Academy Security Remodel & Addition

**~10:50 a.m.** – break

Arapahoe	Lotus School For Excellence	Health and Safety Upgrades
Archuleta	Archuleta County 50 JT	MS Roof Replacement
Bent	Las Animas RE-1	HS - Upgrades to improve Indoor Air Quality
Costilla	Centennial R-1	Remediation of BEST Grant FY2008-09 Deficiencies
CSI	Colorado Springs Early Colleges	CSEC Roof Replacement
CSI	Ricardo Flores Magon Academy	Ricardo Flores Magón Academy K-8 New School
Delta	Delta County 50(J)	MS Addition & Campus Sitework

**~12 – 1:00 p.m.** – lunchbreak

Denver	Kipp Sunshine Peak Academy	Sunshine Peak Academy Classroom Replacement
Douglas	Skyview Academy	Complete Fire Sprinkler System
Eagle	Eagle County RE 50	Safety and Security Upgrades at Multiple Facilities
Eagle	Eagle County RE 50	PK-8 Roof Replacement
El Paso	Atlas Preparatory School	Atlas HS Boiler Replacement
El Paso	Atlas Preparatory School	Atlas Prep Middle School Roof
El Paso	Colorado School For The Deaf and Blind	Gymnasium Locker Room Safety Upgrades
El Paso	Lewis-Palmer 38	PLES Abatement/ Roof Replacement
El Paso	The Classical Academy Charter	TCA Central ES Renovation and Addition
Elbert	Elizabeth C-1	HS Roof replacement
Elbert	Elizabeth C-1	ES Wastewater Treatment Facility
Fremont	Canon City RE-1	Roof Replacement at Multiple Facilities

**~2:40 p.m.** – break

Garfield	Garfield 16	HS Sitework, HVAC, ADA and Security Project
Garfield	Garfield 16	ES Security Vestibule
Garfield	Garfield RE-2	ES Partial Roof Replacement
Huerfano	La Veta RE-2	District Safety & Security
Jefferson	Lincoln Academy	Lincoln Academy Safety/ Security Upgrades
Kit Carson	Arriba-Flagler C-20	K-12 Safety and Security Upgrades
Kit Carson	Burlington RE-6J	HS Roof Replacement
La Plata	Bayfield 10 JT-R	New ES & ES Renovation to become Primary School
La Plata	Durango 9-R	HS Track and Field Replacement
Larimer	Poudre R-1	Fire Alarm Upgrades at Multiple Facilities

**~4:35 p.m.** End of Day 1.

**Day 2 - May 25th, 2016**  
**Start Time - 8:30 a.m.**

**~9:10 a.m. – Projects for review**

Lincoln	Limon RE-4J	K-12 Locker Room Renovation Supplemental
Lincoln	Limon RE-4J	K-12 Partial Roof Replacement
Logan	Valley RE-1	Caliche K-12 Wastewater Supplemental
Mesa	Plateau Valley 50	PK-12 RTU Replacement
Montrose	Montrose County RE-1J	MS Replacement
Otero	Swink 33	Swink Abatement and Security Upgrades
Phillips	Haxtun RE-2J	ES Playground Replacement
Phillips	Holyoke RE-1J	JrSr HS Life Skills Classroom
Phillips	Holyoke RE-1J	Jr/Sr HS Partial Roof Replacement

**~10:30 a.m. - break**

Pueblo	Pueblo City 60	Heritage ES Partial Roof Replacement
Pueblo	Pueblo City 60	Goodnight K-8 School Partial Roof Replacement
Pueblo	Swallows Charter	New Classroom Building
Weld	Frontier Charter Academy	ES HVAC Replacement
Weld	Greeley 6	McAuliffe ES Roof Replacement
Weld	Greeley 6	Dos Rios ES Roof Replacement
Weld	Weld County School District Re-3J	Districtwide Security Upgrades

**~12:00 p.m.** – all grant applications have been reviewed, break for lunch 12:00 - 1:15 p.m.

**1:15 p.m.** - Conduct board business on the agenda, and then review the prioritized list of projects.

**Review of Prioritized Grant Applications**

- Once all board business is complete, Division staff will present the CCAB with the results of the shortlisted grant application evaluation sheets.
  - The shortlisted projects will be sorted by their identified statutory need – priority 1, 2, 3, or 4.
  - The sorted projects will be prioritized by their evaluation score, as determined by the average overall CCAB score.
- The CCAB will review the prioritized list and conduct any final discussion.
- A funding line will be drawn at the set amount of available funding (State share). The CCAB will review the list and make a final motion to approve it.
- The CCAB review will result in a prioritized list of projects to submit to the State Board for approval. The prioritized list shall include the CCAB's recommendation as to the amount and type of financial assistance to be provided, and, based upon information provided by the applicant, a statement of the source and amount of applicant matching moneys for each recommended project.
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- The abovementioned is only intended to be a general outline of the process. The CCAB's recommendations will be made in accordance with applicable statutes and rules. **~2:30 p.m.** – End of Day 2.

# Public School Capital Construction Assistance Board Agenda Sheet

**MEETING DATE:** May 24-25, 2016

**SUBJECT:** Discuss conflicts of interest for CCAB members

**TYPE:** Action  Information

## **BACKGROUND:**

The BEST Rules which were recently updated and the end of last year, outline the CCAB's responsibility when a potential conflict of interest may arise. Section 3 of the BEST Rules state:

### 3.1. - Conflict of Interest

3.1.1. - In regard to Board members providing information to potential Applicants:

3.1.1.1. - Board members shall exercise caution when responding to requests for information regarding potential Applications, especially in regard to questions that may increase the chances that the Board would give a favorable recommendation on an Application or Project.

3.1.2. - If a potential or actual conflict of interest occurs with a Board member, the Board member will complete a Conflict of Interest disclosure form and it will be presented at the following CCAB meeting. The Division shall document the date of the disclosure, the name of the board member and conflict disclosed, and the documented disclosure shall be retained and made available at all board meetings which evaluation of applications or voting occurs.

3.1.3. - Board members, and their firms, shall not present their position on the Board to School Districts, Charter Schools, Institute Charter Schools, BOCES, or the Colorado School for the Deaf and Blind as an advantage for using their firm over other firms in a bid to provide services on any capital construction project.

3.1.4. - In regard to Board members avoiding potential conflicts of interest in evaluation of and voting on Applications:

3.1.4.1. - If a Board member's firm has no prior involvement regarding the Project included in an Application and the Board member does not have a direct or indirect substantial financial interest in an Application, the Board member may appropriately vote on the Application, but may not bid or work on the Project. The Board member's firm may bid or work on the Project, so long as the Board member plays no role in the entire procurement process and the Board member discloses any conflict of interest;

3.1.4.2. - No Board member shall participate in the Board's evaluation process, including voting, for any Application when the Board member has a direct or indirect substantial financial interest in the Project or Application or the Board member's firm has had prior involvement with the Applicant directly related to the Project or Application;

3.1.4.3. - At all times Board members must exercise judgment and caution to avoid conflicts of interest and/or appearance of impropriety, and should inform the Division staff of any questionable situation that may arise. A Board member may recuse himself or herself from any vote.

3.1.4.4. - Board members shall be aware of and comply with the Colorado Code of Ethics, section 24-18-108.5(2), C.R.S., and shall not perform any official act which may have a direct economic benefit on a business or other undertaking in which the member has a direct or substantial financial interest.

3.1.4.4.1. - A financial interest means a substantial interest held by an individual which is (i) an ownership interest in a business, (ii) a creditor interest in an insolvent business, (iii) an employment or prospective employment for which negotiations have begun, (iv) an ownership interest in real or personal property, (v) a loan or any other, or (vi) a directorship or officer ship in a business.





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3.1.4.4.2. - An official action means any vote decision, recommendation, approval, disapproval or other action, including inaction, which involves the use of discretionary authority.

3.1.5. - In cases where a Board member has violated the conflict of interest policy as determined by the board chair, the Division Director will notify the Board member's appointing authority of the violation in writing. In the event of a conflict involving the board chair, the vice-chair will make the determination.

## STAFF RECOMMENDATION:

It is recommended the CCAB adhere to the conflict of interest rules outlined in section 3 of the BEST Program Rules. The Division Director will verbally acknowledge any disclosures of conflict of interest that have been submitted by CCAB members at this time. CCAB members should verbally notify the CCAB of their conflict of interest and recuse themselves from the discussion by leaving the room during the applicant's presentation and discussion.

## STAFF RECOMMENDED MOTION:

None

## ATTACHMENTS:

N/A

# Public School Capital Construction Assistance Board Agenda Sheet

**MEETING DATE:** May 24-25, 2016

**SUBJECT:** Review of the FY2016-17 BEST grant applications to recommend to the State Board of Education for award

**TYPE:** Action  Information

## BACKGROUND:

### Application Review Process

- 1) Once a grant is up for review, the Director will ask the Division staff representative and the grant applicant to approach the review tables.
- 2) The Director of the Division will introduce the project (applicant name & project title) and ask the grant applicant(s) to introduce themselves.
- 3) After the presenters have introduced themselves, they will be given a two-minute window to present to the CCAB;
  - The presentation should include any items the applicant wishes to address pertaining to the proposed project. No visual materials will be allowed for the presentation;
- 4) Following the applicant's presentation, the Board Chair will open the floor to any discussion / questions the CCAB may have;
- 5) After the CCAB has thoroughly reviewed the grant application and all questions have been answered, each CCAB member will complete a grant application evaluation sheet;
- 6) The CCAB will then make a public motion to move the application to a funding recommendation shortlist.
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- 7) If an application is moved to the shortlist and a waiver is requested as part of the application package, the CCAB will evaluate the waiver, ask any questions and complete a waiver evaluation sheet;
  - Statutory waivers will automatically be approved and a waiver evaluation will not be needed;
  - The Board Chair will entertain a motion to approve the applicant's waiver request;
    - Applicants whose waiver request is denied are still eligible to receive a grant;
- 8) After all evaluation sheets are collected by Division staff, the next grant application will be reviewed;
- 9) This process will be repeated until all applications have been reviewed;

## STAFF RECOMMENDATION:

Commence the FY16-17 grant selection process.

## STAFF RECOMMENDED MOTION:

None

## ATTACHMENTS:

FY16-17 Grant Application Summary Books - distributed at the April 27<sup>th</sup>, 2016 meeting.



**COLORADO**  
Department of Education

# Public School Capital Construction Assistance Board Meeting Minutes



**COLORADO**  
Department of Education

## Vision

*All students in Colorado will become educated and productive citizens capable of succeeding in society, the workforce, and life.*

## Goals

*Every student, every step of the way*



### Date & Time:

Jan. 27<sup>th</sup>, 2016  
1:00 p.m.

### Location:

201 E. Colfax Ave., Room 101  
Denver, CO 80203

## Capital Construction Assistance Board Members

Lyndon Burnett – Chair  
David Tadlock – Vice Chair  
Cyndi Wright

Tim Reed  
Denise Pearson  
Ken Haptonstall

Scott Stevens  
Karl Berg  
Kathy Gebhardt

### I. Call to Order

### II. Pledge of Allegiance

**III. Roll Call** – Karl Berg, Kathy Gebhardt, Ken Haptonstall, Denise Pearson, Tim Reed, Scott Stevens, Cyndi Wright, Lyndon Burnett. CDE Staff Attendees: Scott Newell, Kevin Huber, Dustin Guerin, Jay Hoskinson, Anna Fitzer, Cheryl Honigsberg, and BEST A.G. Heidi Dineen

### IV. Approve Agenda

The CCAB Chair called for a motion to approve the agenda:

- So moved by Cyndi Wright;
- Denise Pearson 2<sup>nd</sup> the motion;
- Scott Newell recommended the addition of Discussion Item – Discuss the \$40 million Proposition BB Funds;
- So moved by Karl Berg;
- Tim Reed 2<sup>nd</sup> the motion;
- Motion to approve the agenda as amended carried unanimously.

### V. Board Report

Kathy Gebhardt told the CCAB that she had attended two meetings with Senator Kerr regarding Senate Bill 16-072. At this point she did not know if the bill had garnered any Republican support, but was working with some Superintendents to have them testify at the Senate Education committee meeting. The CCAB Chair said that Senator Crowder, a Republican from Southern Colorado, was on the bill and supported the BEST program. Denise Pearson added that the East Central BOCES Board, on which she also sits, was in support of the bill and that Frank Reeves, the Superintendent from Genoa-Hugo, planned to testify. The CCAB Chair also informed the CCAB of a conversation he had with Bill Ryan from the State Land Trust Board; he said there had been some issues with the legislation that they were working to iron out.

### VI. Director's Report

Scott Newell updated the CCAB on the progress of the Statewide Facility Assessment which had encountered a delay due to issues with the contract. He said the actual commencement would not occur until sometime in February according to the new timeline.

He also informed the CCAB of two school district public relations issues: one was a 9News story regarding damage to the gym floor due to humidity; the other was regarding Centennial's legal settlement as a result of problems

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with the geothermal and mechanical systems. Mr. Newell said the division was aware of both and working with each district to help find some resolutions.

Lastly, Mr. Newell added that the hearing for Senate Bill 16-072 would take place the following day and asked if any CCAB members wished to attend.

The CCAB asked if the Centennial settlement would solve the geothermal issues or if it was anticipated the school would ask for a supplemental grant in future. Mr. Newell indicated it was unknown until the settlement was finalized, and discussed the history of the school project, the original grant as well as an additional supplemental grant which the school had also received, and the issues plaguing the project's geothermal system. The CCAB inquired about some technical aspects of the geothermal system and its relation to the size of the facility, the amount the suit was for and the cost to install a replacement system, \$3 million. Cheryl Honigsberg added that the system installed was a horizontal system but reports indicated a vertical system may have been a better solution. The CCAB asked if the issue was design error, which Heidi Dineen, BEST A.G., indicated that is what the litigation is on. The CCAB considered the \$3 million estimate for a vertical system, comparing it to another school with a similar system installed for a third of that price.

The CCAB also inquired about the gym floor at Holly, referencing a situation which one member had in their district. Scott Newell said part of the debate in Holly is over what the GC has identified as the cause of the damage, in addition to mechanical issues.

## VII. Discussion Items

- a. **CCAB Legislative Platform** – The CCAB Chair asked if the CCAB had any updates to make to the platform; hearing none, he moved to Discussion Item B.
- b. **Senate Bill 16-072: A Bill For An Act Concerning An Increase In The Maximum Total Amount Of Annual Lease Payments Authorized For Lease-Purchase Agreements Entered Into Under The "Building Excellent Schools Today Act"** – Scott Newell reiterated there would be a hearing for SB16-072 the following day, a bill which would effectively increase the BEST lease-purchase cap by \$20 million staggered over 4 years, allowing \$5 million to be borrowed per year. There are two sections to the bill, one of which would likely have an amendment added to it that had been submitted earlier in the week and would change the State Land Trust obligation. The current draft of SB16-072 crossed out the original \$40 million State Land Trust obligation and increased it to \$60 million; the amendment, however, would change that back to the \$40 million. Mr. Newell delineated the reason behind this being that prior discussions around increasing the lease-purchase cap had been to leverage revenues from other assistance fund sources rather than obligating the State Land Trust to an additional \$20 million; the amendment would instead allow any BEST revenues to be used for purposes of debt service on the cap increase. He noted there was some sensitivity related to one revenue source, but that he was prepared to discuss it at the hearing. Further, he stated there would be additional testimony in support of the bill and that he had not heard of any opposition to it. The CCAB added that CASE and CASB supported SB16-072 and members of each would attend the hearing. The CCAB Chair reiterated his conversation with Bill Ryan at the State Land Trust regarding the \$60 million obligation, and said an additional amendment to add planning grants to the bill had also been discussed. The CCAB asked Scott Newell if he and Heidi Dineen were comfortable with the language of the bill as amended. Mr. Newell indicated they were and said that the amendment regarding planning grants had been submitted with Senator Kerr's go ahead to bill drafters that morning, though it was uncertain if it would make it into the bill before the hearing the next day. The CCAB Chair called on the Director of the State Land Board, Bill Ryan who was in attendance, to see if he had anything he would like to add to the conversation. Mr. Ryan said that he'd like to explain for the CCAB the Land Board's position: historically, BEST legislation says that BEST receives from State Land Board revenues the greater of \$40 million or 50% of the fund's income. With falling oil and gas prices, the Land Board feared increasing the obligation to \$60 million could mean the State Land Trust's allocation to BEST may reach or exceed 75% of their fund's revenue if their FY17 projections if \$80 million are realized. At the conclusion of Mr. Ryan's explanation, the CCAB asked Kathy Gebhardt to attend the hearing and testify on behalf of the CCAB that they supported the bill. The CCAB Chair also instructed her to add support for an amendment on planning grants if the opportunity arose, provided the language aligned with and was reflective of the intent the CCAB had discussed in previous meetings.

# Public School Capital Construction Assistance Board Meeting Minutes

- c. **Senate Bill 16-035: A Bill For An Act Concerning The Public School Fund, And, In Connection Therewith, Creating A Public School Fund Investment Board To Direct The State Treasurer On The Investment Of The Fund And Changing The Distribution Of The Interest Or Income Earned On The Investment Of The Moneys In The Fund** – The CCAB Chair asked Bill Ryan if he would provide a brief background and synopsis of the purpose and intent of SB16-035 for the CCAB. Mr. Ryan explained that a priority of CLASS, Children’s Land Alliance Supporting Schools, for the past few years has been to increase the earnings on the permanent fund, currently invested in short-term bonds with an average yield of 2.8% on the \$800 million fund. SB16-035 would establish an investment committee – of which the State Treasurer would be a member – to manage the fund and would broaden the range of investment vehicles in which the fund can be invested to include equities. He told the CCAB that other states’ land boards had adopted similar processes and were earning more on their permanent funds as a result, and that the revenues from the earnings generated on the fund would, for the first \$21 million in earnings, be allocated to School Finance, and the additional earnings up to \$20 million would be allocated to the BEST fund. The CCAB Chair noted that if the earnings were off the interest, the BEST fund would be restricted in how those funds could be used because of the tax free status of the funds. Mr. Ryan said that if the bill passes they may be able to construct a portfolio for BEST that generates dividends or capital gains income that may be treated differently by the IRS. The CCAB Chair informed the CCAB that CLASS would be weighing in on SB16-035 and was supportive of the current bill. The CCAB asked Mr. Ryan to confirm that the \$20 million allocation from the earnings as stipulated in SB16-035 would be supplemental to and would not supplant what the BEST fund currently receives from the permanent fund. Mr. Ryan said that was correct. The CCAB asked if the allocation for School Finance was \$21 million or \$5 million. Mr. Ryan explained that School Finance had historically received the first \$16 million from interest earnings on the fund until the end of the last legislative session when that allocation was increased by \$5 million. The CCAB asked if this was related to “The SWEEP”. Mr. Ryan said they had gotten rid of “The SWEEP”. The CCAB asked if a hearing had been scheduled, which Mr. Ryan said one had not yet been set up but that the bill had been sent to committee. The CCAB discussed if they would support the bill. The CCAB Chair indicated he was comfortable with it but said he was concerned about possible issues regarding the tax free status of the funds which BEST would be allocated. He asked Heidi Dineen if she could review the legal implications for the CCAB. Ms. Dineen said there was a distinction in the bill language between the interest off the fund and other income which could be capital gains or dividends but it is unclear yet if those, too, would have to be restricted. She explained that previously they had only asked the IRS for a ruling on interest, rents, royalties, and timber sales to determine which could be used for lease-purchase grants, and at that time the IRS ruled that interest had to be put into a restricted account and could not be used for lease-purchase projects, but other income may not fall under the same limitation. However, even if the funds were restricted, they could still be used for cash grants. She added that if the bill doesn’t get amended to correct the technical issue with wording, rulemaking could be made around it. The CCAB asked if it would be possible to support the BEST portion of the legislation and remain neutral on the school finance allocation. Bill Ryan remarked that was addressing only a narrow part of the bill, the main crux of which is to create an investment committee and empower their investment authority. The CCAB debated whether or not taking a position for or against the school finance allocation aligned with their mission, and wanting to remain neutral on how the money was spent apart from the BEST allocation. The CCAB reiterated that the allocation would be in addition to the money BEST already gets from the State Land Board trust and agreed that they supported the creation of the investment board and the BEST allocation, but took exception to a position on the portion related to the school finance allocation.
- d. **Discuss the \$40 million Proposition BB Funds** – Scott Newell highlighted that each year funds for the BEST program are annually appropriated based on the legislative report submitted by the Division identifying revenues, forecasts, and the amount the Division will award in grants. The report forecasts 5 years out and based on the declining revenue projections from the State Land Board, a conservative expectation of lottery proceeds, and projections on excise taxes, prior to Proposition BB the Division would recommend \$60 million for the year. With the consideration of Proposition BB funds and based on past conversations of the CCAB regarding sustainability while staying true to the intent of the voters, Mr. Newell asked the CCAB to determine how much they wanted to award this year. He discussed his reservations about increasing the

# Public School Capital Construction Assistance Board Meeting Minutes

award amount beyond \$60 million, including a discussion on the timeline of the Statewide Facility Assessment program. The CCAB agreed with Mr. Newell on prudence, and asked what the current budget looked at. They discussed the fund's revenue streams, the amount awarded last year, the models used in the forecasting and multiple scenarios of the budget. The CCAB considered the political component and public perception of Proposition BB, and the legislative discomfort with relying on excise taxes as a revenue source. They reviewed how funds would be allocated if, for example, half of the Proposition BB funds were to be used, which Scott Newell clarified \$5 million would go to the Charter School Grant program and \$15 million towards cash grants for BEST. In response to a CCAB question, Mr. Newell said he would put together models for each scenario and send to the CCAB.

**VIII. Future Meetings** – Scott Newell briefly outlined the timeline for the upcoming grant selection meetings May 24<sup>th</sup> and 25<sup>th</sup>, informing the CCAB they should expect to receive their summary books in April and a training session would be scheduled to refresh them on the evaluation tool and the components of the summary book. The CCAB asked to add a discussion item to the March agenda to reconsider the review process at the meetings.

- February 24<sup>th</sup>, 2016 – 1:00 p.m. Location: 201 E. Colfax Avenue, Room 101, Denver, CO 80203
- March 23<sup>rd</sup>, 2016 – 1:00 p.m. Location: 201 E. Colfax Avenue, Room 101, Denver, CO 80203
- April 27<sup>th</sup>, 2016 – 1:00 p.m. Location: 201 E. Colfax Avenue, Room 101, Denver, CO 80203

**IX. Public Comment** – The CCAB Chair asked if anyone was signed up for public comment, or if anyone from the public would like to speak. Mason Young with Swallows Charter School introduced himself to the CCAB and asked if they could explain what the CCAB members look for in a BEST grant application. The CCAB Chair said his biggest piece of advice would be for Mr. Young to work closely with Division staff to ensure the project aligns with and is appropriately suited to the program's statutory priorities, that the application is succinct but fully addresses the deficiencies and solutions, and why that solution is best. He added that it should answer the following questions: Does the solution make sense? Is it the location the best location? Is it the best avenue, both in terms of cost and solving the deficiency? Is the project well-planned? Does it fit the issue? He also briefly explained that one consideration for the CCAB is the total cost of the project compared to the total amount of funding for the year. If the project will cost \$50 million and they only have \$60 million to award, the burden is on the applicant to provide a compelling need. Mr. Mason asked if the CCAB looked at charter schools differently than they did traditional schools. The CCAB Chair said no, but that some charters are able to get more money than traditional schools from outside sources. He said that every school has need, but the CCAB tries to sort out which schools need aid most and which are most urgent. The CCAB reemphasized their advice that applicants work with Division staff closely and to remember that the grant is competitive. Mr. Newell advised that applicants go over three mental checks when putting their applications together: 1) is the story being presented compelling enough that relative to all other applications the reader will be convinced the need is dire? 2) Once the reader is convinced, is the solution to address the need appropriate, well-developed, well-planned, and well-thought out? 3) Specifically for charters: where is the match coming from, and is the source fully vetted – leaving no cause for concern that funds are not secured, that repayment terms, or collateralization have not been carefully and fully thought out – such that the reader is convinced the project will be a good investment? As a final note, the CCAB encouraged applicants to have individuals unfamiliar with the project to review their application narratives for clarity and understanding.

**X. Adjournment**

The CCAB Chair called for a motion to adjourn:

- So moved by Kathy Gebhardt;
- Scott Stevens 2nd the motion;
- Motion to adjourn carried unanimously;
- Meeting adjourned 2:45 p.m.

# Public School Capital Construction Assistance Board Meeting Minutes



**COLORADO**  
Department of Education

## Vision

*All students in Colorado will become educated and productive citizens capable of succeeding in society, the workforce, and life.*

## Goals

*Every student, every step of the way*



### Date & Time:

Feb. 24<sup>th</sup>, 2016  
1:00 p.m.

### Location:

201 E. Colfax Ave., Room 101  
Denver, CO 80203

## Capital Construction Assistance Board Members

Lyndon Burnett – Chair  
David Tadlock – Vice Chair  
Cyndi Wright

Tim Reed  
Denise Pearson  
Ken Haptonstall

Scott Stevens  
Karl Berg  
Kathy Gebhardt

### I. Call to Order

### II. Pledge of Allegiance

III. **Roll Call** – Ken Haptonstall, Denise Pearson, Tim Reed, David Tadlock, Scott Stevens, Cyndi Wright, Lyndon Burnett. CDE Staff Attendees: Scott Newell, Kevin Huber, Dustin Guerin, Anna Fitzer, Cheryl Honigsberg, and BEST A.G. Heidi Dineen

### IV. Approve Agenda

The CCAB Chair called for a motion to approve the agenda:

- Lyndon Burnett recommended the Discussion Item on Senate Bill 16-035 be moved to immediately after the approval of the Agenda due to SB16-035 hearing scheduled for 1:30pm that afternoon;
- So moved by Scott Stevens;
- Tim Reed 2<sup>nd</sup> the motion;
- Motion to approve the agenda as amended carried unanimously.

### V. Discussion Items

- a. **Senate Bill 16-035: A Bill For An Act Concerning The Public School Fund, And, In Connection Therewith, Creating A Public School Fund Investment Board To Direct The State Treasurer On The Investment Of The Fund And Changing The Distribution Of The Interest Or Income Earned On The Investment Of The Moneys In The Fund** – Scott Newell informed the CCAB that he had attended a stakeholder meeting on Monday regarding a proposed amendment to SB16-035 – scheduled for hearing this afternoon – which would potentially remove the BEST allocation of \$20 million from the interest earned on the permanent fund after the first \$21 million went to School Finance and instead allocate the full \$41 million to School Finance. Mr. Newell went on to say the stakeholder group had discussed the pros and cons of the proposed amendment, questioning the restrictions on BEST's ability to use interest earnings as COP bond repayment versus the ability to use the dollars on cash grants. The CCAB discussed the proposed amendment to the bill, the impacts it could have on the program and reviewed other provisions within the bill with regard to the creation of an investment board. The CCAB concurred they would not be in support of the proposed amendment if it was introduced as they felt the additional revenue could help sustain the cash grant component of the program.

### VI. Approve Previous Minutes from the December 4<sup>th</sup>, 2015 CCAB Meeting and the December 30<sup>th</sup>, 2015 Meeting by Teleconference

The CCAB Chair called for a motion to approve the previous minutes:

# Public School Capital Construction Assistance Board Meeting Minutes

- So moved by Ken Haptonstall;
- Cyndi Wright 2<sup>nd</sup> the motion;
- Motion to approve the previous minutes carried unanimously.

## VII. Board Report

*Kathy Gebhardt arrived at the meeting at 1:21 pm.*

Lyndon Burnett explained to the CCAB that he had received an email from CASB asking if the CCAB would consider hosting a booth at their annual convention. Mr. Burnett felt it would be beneficial for the program in terms of getting more information about the BEST program out to school districts and meeting a large group of stakeholders face to face. Mr. Burnett said the cost of the booth would be less than \$2,000. The CCAB felt a booth may be a more effective way to reach out to stakeholders than holding a breakout session, but had concerns about whether or not it would be an allowable expenditure of program funds, and whether or not it would set a precedent for other organizations wishing to have a booth from BEST. Mr. Newell said he would investigate if this type of an expense would be allowable and report his findings at the next meeting.

## VIII. Director's Report

Scott Newell gave the CCAB an update on the implementation of the Statewide Facility Assessment, explaining the ongoing delays with the contracting process which resulted in the schedule being pushed back two months. Mr. Newell went on to say all concerns with the contract had been resolved and the contract was scheduled to be finalized within the week. Once the contract is finalized the project will commence with a new anticipated completion date of July.

He also informed the CCAB the grant application for this year would close on Friday the 26<sup>th</sup>. It was unknown yet how many applications would actually be submitted, but he said he would update the CCAB via email after the deadline had passed and all applications had been logged in by the Division.

## IX. Discussion Items

- a. Senate Bill 16-072: A Bill For An Act Concerning An Increase In The Maximum Total Amount Of Annual Lease Payments Authorized For Lease-Purchase Agreements Entered Into Under The "Building Excellent Schools Today Act"** – Scott Newell informed the CCAB that SB16-072 had made it through the Senate Finance and Senate Education committees, and was currently assigned to the appropriations committee of the Senate. During the Senate Education committee meeting several amendments were introduced and approved by the committee. Mr. Newell went on to outline the amendments: in Section 1, the State Land Boards obligation had been changed from \$60 million back to \$40 million; in Section 3, amendments had been introduced which would remove a code requirement pertaining to charter schools, remove the current requirement for charter schools to notify their authorizer of their intent to pursue a BEST grant four months in advance, and would remove the requirement for a charter school to be chartered five years before the school was eligible to apply for BEST funding. The CCAB discussed these changes, noting the potential implications as a result of the amendments. They also discussed the proposed amendment to allow the Division to provide planning grants to schools. Mr. Newell said that amendment was introduced at the Senate Education committee meeting but was tabled until a later date.
- b. Review Grant and Waiver Evaluation Sheets** – Mr. Newell reviewed the BEST grant evaluation tool with the CCAB, suggesting the Division could have certain questions pre-scored for consistency. He elaborated saying the CCAB would have the ability to change the score if they thought it more prudent, but as an example, some applicants may not have had a facility assessment done through the previous program and pre-scoring those categories would provide a level of consistency across the applications. He also discussed the supplemental materials applicants were required to submit as part of their grant package as well as clarifications and questions raised during the Division grant review. To incorporate these items into the board's review, Mr. Newell said Division staff will be providing additional commentary in the evaluation sheets this grant cycle to give the board a more thorough understanding of all due diligence performed by an applicant. The CCAB then discussed individual best practices for reviewing applications and reviewed the process for grant selection the day of the meetings; they concluded saying a public vote on each project immediately following the project presentation would be the best process for adding projects to the shortlist.



# Public School Capital Construction Assistance Board Meeting Minutes

- c. **BEST Annual Legislative Report** – Scott Newell gave a brief outline of the legislative report, pointing out the last page which included the recommendation from the Division to the JBC for the FY1617 grant cycle allocation. He explained that the appropriation would be for \$70 million which included \$60 million for BEST cash grant awards for this grant cycle and \$10 million for lease-purchase grants which had been closed with matching funds remaining. Next year, the projected recommendation would be \$50 million based on current revenues.

**X. Future Meetings** – The CCAB requested that an agenda item be added to the March agenda regarding new fire code.

- March 23<sup>rd</sup>, 2016 – 1:00 p.m. Location: 201 E. Colfax Avenue, Room 101, Denver, CO 80203
- April 27<sup>th</sup>, 2016 – 1:00 p.m. Location: 201 E. Colfax Avenue, Room 101, Denver, CO 80203
- May 24<sup>th</sup>-25<sup>th</sup>, 2016 – 8:30 a.m. – 5 p.m. Grant Selection Meetings – Adams 12 Conference Center 1500 E 128<sup>th</sup> Avenue, Thornton, CO 80241

**XI. Public Comment** – The CCAB Chair asked if anyone was signed up for public comment, or if anyone from the public would like to speak; there were none.

**XII. Adjournment**

The CCAB Chair called for a motion to adjourn:

- So moved by Scott Stevens;
- Kathy Gebhardt 2nd the motion;
- Motion to adjourn carried unanimously;
- Meeting adjourned 2:35 p.m.

# Public School Capital Construction Assistance Board Meeting Minutes



**COLORADO**  
Department of Education

## Vision

*All students in Colorado will become educated and productive citizens capable of succeeding in society, the workforce, and life.*

## Goals

*Every student, every step of the way*



**Date & Time:**  
April 27<sup>th</sup>, 2016  
1:00 p.m.

**Location:**  
201 E. Colfax Ave., Room 101  
Denver, CO 80203

## Capital Construction Assistance Board Members

Lyndon Burnett – Chair  
Cyndi Wright

Tim Reed  
Denise Pearson  
Ken Haptonstall

Scott Stevens  
Karl Berg  
Kathy Gebhardt

### I. Call to Order – 1:01 p.m.

### II. Pledge of Allegiance

### III. Roll Call – Karl Berg, Kathy Gebhardt, Ken Haptonstall, Denise Pearson, Tim Reed, Cyndi Wright, Lyndon Burnett. CDE Staff Attendees: Scott Newell, Heidi Dineen, Anna Fitzer, Dustin Guerin Kevin Huber, Jay Hoskinson, Cheryl Honigsberg, Ashley Moretti

### IV. Approve Agenda

The CCAB Chair called for a motion to approve the agenda:

- Discussion: Karl Berg asked if the minutes from the January 2016 and February 2016 meetings have been approved yet. Scott Newell explained they would be approved at the May 2016 meeting;
- So moved by Ken Haptonstall;
- Kathy Gebhardt 2<sup>nd</sup> the motion;

*Scott Stevens joined the meeting*

- Motion to approve the agenda carried unanimously.

### V. Board Report

Kathy Gebhardt informed the CCAB that she had attended the Colorado Association of School Boards Member Day at the Capitol and lobbied for the BEST program. She conversed with the legislature to get the COP bill through senate appropriations. Ms. Gebhardt said that she became aware the governor does not support the BEST Program, though she does not know why, but that the bill went through appropriations. Ms. Gebhardt asked Henry Sobanet to get \$5 million dollars per year to have more money to build more schools, because financing costs are so expensive. She said she asked the Senate to consider reducing the total amount by which the bill would raise the COP cap from \$20 million over five years to \$10 million over a shorter time frame so that the annual allocation would not change; she explained the high cost of financing COP projects would. Ms. Gebhardt suggested if the senate is worried about overall numbers then give BEST fewer years with the same amount of dollars to have more money to build a few more schools and then see where BEST is. Ms. Gebhardt said she was not sure if this argument was successful in regards to the bill, but if it is not successful on the senate side, then the next step would be to get a house amendment. Ms. Gebhardt said that she believes the trouble with getting the bill passed is that the BEST program is not well understood and time should be spent re-emphasizing the good that the BEST program does.

# Public School Capital Construction Assistance Board Meeting Minutes

Ms. Gebhardt also mentioned that School Finance is looking at taking into account debt service as part of the overall amount of money that is available to school districts, though debt service money is not tangible and cannot be used for operations. She stressed that educational conversations need to be had about how debt service money can make some districts look wealthier than they are. She explained that this would affect BEST because it would make it appear as though those districts which have received BEST grants and have passed bonds, are financially better off than they really are.

Tim Reed told the CCAB that his district is preparing to update their facility master plan and has been holding community meetings. He explained that during these meetings he has been approached by community members asking about BEST funding, and specifically wondering where their share of money is from marijuana tax revenues. Mr. Reed explained that there is some confusion within his district about what the BEST program is, where the marijuana money goes, and why it is not benefiting all schools. Mr. Reed has conversed with his community, explaining that marijuana tax dollars support the BEST grant program which districts must apply for and be awarded in order to receive the funding. However, he said his district has not seen the benefit in applying for BEST grants because the overhead cost associated with the match percentage is high and would take away funds for other schools in the district if the district focuses on one BEST project. He asked if an educational piece could be made available to districts to explain BEST funding, and how the marijuana excise tax dollars are part of this. Scott Newell said that the requested information is available and can be found under the financial section of the Capital Construction website.

Denise Pearson informed the CCAB that she had visited Deer Trail School District for a board meeting with staff member Jay Hoskinson, where she answered questions from the district regarding facility issues and the district's plans moving forward.

Kathy Gebhardt informed the CCAB that she and Ken Haptonstall had given a presentation on BEST at the Western Slope Superintendent's meeting.

## VI. Director's Report

### a. Division Updates

Scott Newell publicly announced the resignation of David Tadlock, former Vice Chair of the CCAB. Mr. Tadlock chose to resign due to conflicting interest in a project associated with BEST, and a desire to pursue his professional career. Mr. Newell said that he is reaching out to various organizations to solicit interest in the position. Scott Newell reminded the following CCAB members of their coming reappointments: Denise Pearson, Karl Berg, and Scott Stevens. He informed the CCAB that Lyndon Burnett, Board Chair, would be term-limited at the end of his current term, and that a replacement for the CCAB Chair would need to be appointed by June so they could be presented to the State Board at their June meeting. Because of this, he proposed that both elections for Vice Chair and Chair take place at the May 2016 CCAB meeting.

Scott Newell announced the Division had selected five applicants for the assessor positions with the statewide facility assessment program. Facility Insight will officially commence in July 2016 and the web portal will be operational in August 2016.

Scott Newell stated that the recommendations from the May 2016 grant selection meeting will be presented to the State Board at their June meeting in Pueblo, Colorado.

Scott Newell announced he will be resigning from his position as Director of the Division of Capital Construction, effective June 1, 2016. He informed the CCAB to be on the lookout for information regarding filling his position.

### b. Legislative Update

Scott Newell announced that SB-72 and SB-35 both passed out of appropriations to the committee as a whole. SB-72 was amended; Senator Stedman introduced an amendment to reduce the increase in the COP cap from \$20 million to \$10 million dollars and stagger the allocation in \$5 million increments over the next two-years.

# Public School Capital Construction Assistance Board Meeting Minutes

## VII. Discussion Items

### a. Discuss the usage of the current balance remaining in closed lease-purchase grants

Scott Newell began the conversation by explaining that when lease purchase projects close out, the remaining funds are placed in a state expense account. Currently there is a balance of roughly \$10 million dollars in this account. Mr. Newell explained there are two options to utilize the money:

- 1) Fund another project through financing; the funding would be additive to the \$60 million available this grant cycle, and would give the CCAB an additional \$10 million to use to fund one large project, freeing up cash grant dollars for smaller projects.
- 2) Use the funds to pay down debt service, freeing up cash funds which could be used to fund additional project(s) in a later cycle. Mr. Newell asked the CCAB to discuss the options and direct him on which option they feel is best.

The CCAB Chair expressed concerns about the cost of financing a new project. Heidi Dineen, the Assistant Attorney General, said there would not be underwriting fees associated as the funds are already underwritten. The CCAB asked about the amount of funds BEST has to grant this year compared to previous years, which Scott Newell said that the FY16-17 cycle would have the highest amount of cash grant dollars available than has been available previously, but that future cycles would not likely have as much based on the declining projected revenues from State Land Trust. The CCAB Chair asked if debt service payments are made, how much funding would be available to use in future grant cycles. Mr. Newell informed the CCAB that the funding would be one for one; if they used the \$10 million for debt service, it would allow for \$10 million to be freed up in the assistance fund to fund projects in a future grant cycle. The CCAB asked Mr. Newell if he had a recommendation on how the funds should be used. He told the CCAB that BEST still has a few projects to close out and the remaining balances from these projects would go into the state expense account as well, creating another balance. In addition, if CCAB used the \$10 million to fund another project, any remaining funds from this project would also create excess monies in the state expense account. His recommendation was to use the \$10 million dollars to pay debt service as it is a cleaner process, although funding a large priority 1 project could open up for a few smaller projects further down the priority list. Mr. Newell said either choice made will eventually serve the same purpose.

### b. Review and collect the CCAB Conflict of Interest Disclosure Form

Scott Newell asked if anyone had any conflict of interest forms to submit. Mr. Newell told the CCAB that the conflict of interest form is for any project that is coming for a grant this cycle that a CCAB member may have a conflict of interest with as stated in the BEST Rules. Ken Haptonstall announced that there are two projects (both for Garfield 16 District) that are a conflict of interest for him, and submitted the conflict of interest form for each project.

### c. Review and discuss the FY2016-17 BEST Grant Applications Summary Book

Scott Newell announced that there is a photo presentation that will go along with each grant request submission. Mr. Newell told the CCAB they could access this presentation by following the link that was provided to the CCAB. The CCAB received two books: the summary book and a book with evaluation sheets, waiver sheets, and letters of support for applicable schools. Mr. Newell reviewed the entire FY2016-17 summary book with the CCAB in detail. He explained how the summary book is organized, and what information is included in the grant summaries. Denise Pearson asked a question about what year the school finance information is from, and Mr. Newell answered by stating the FY 2014-2015 is the most current year BEST has access to. Kevin Huber added that the per-pupil counts are up to date as of October 1, 2015. Kathy Gebhardt asked if there is a way to find out if the scope of a project changed from when a district previously applied for a grant for their project. Mr. Newell answered by saying that there isn't, but that is something that can be included in next year cycle. He also added that some projects made the shortlist during last year's cycle, but funding wasn't available which prompts districts to have reapplied. Mr. Huber added that in the grant evaluation section, BEST staff has written comments that will possibly address specific questions like this, which would assist the CCAB during their review process.

Mr. Newell then went over the application evaluation sheet in detail with the CCAB. He explained the Conditions of the Entire Public School Facility, Financial Capacity, Project Proposal, and Other Application

# Public School Capital Construction Assistance Board Meeting Minutes

Consideration sections on the sheet. He then pointed out where on the evaluation sheet the CCAB would give their own recommendation for a priority rating, as well as where to find information about the condition of the facility and any additional information related to the project. Denise Pearson asked a question about what the different data points meant in regards to the FCI and CFI. Mr. Newell answered by stating there is data for the facility building as a whole as well as to the scope (specific part of the building that needs the capital construction improvements). Scott Stevens asked a question about the cost per square foot, and cost per-pupil factor, and if this referred to the entire school. Mr. Newell answered by stating the cost per square foot, and cost per-pupil is specific to the school but also to the affected area itself.

## **d. Training session on FY2015-16 BEST Grant Selection Overview**

Scott Newell began the training session on the Grant Selection by stating each applicant will have the opportunity to present on their presentation to the CCAB for two-minutes. After the applicant has completed their presentation, the CCAB has the opportunity to open for a question and answer session, before the CCAB fills out their evaluation sheet and publically votes on if they would like to shortlist the project. If there is a waiver associated with the project, the CCAB has the opportunity to open up for questions and answers about the waiver, fill out the waiver evaluation, and then hold and additional a public vote on whether to approve or deny the waiver. Mr. Newell added, if the project was approved for the shortlist, it will still remain on the shortlist regardless if the waiver was approved or denied. Denise Pearson asked if the project was voted no for the shortlist, would the CCAB still consider the waiver. Mr. Newell answered Pearson's question by stating no. Newell continued with his training explaining how projects on the shortlist get awarded funding and once the CCAB approves the final project list, then the list has to be approved by the State Board of Education.

Scott Newell then asked Dustin Guerin to present the slideshow presentation with images specific to each grant proposal to the CCAB. Mr. Guerin gave the presentation and also stated that the slideshow would be accessible to each CCAB member before the May's meeting, as well as be presented at the May meeting.

The CCAB Chair asked if there were any other questions.

Ken Haptonstall asked if the evaluations should be filled out prior to the May meeting. Scott Newell answered the question by saying each CCAB member has the option to fill out their evaluations before the May meeting, or they can fill it out as presentations are being given. Cheryl Honigsberg asked that the CCAB write clear and complete comments on their evaluation sheets, as the BEST staff uses these comments to provide information to the districts on why their project wasn't selected.

Scott Newell announced to the CCAB that if any member needs hotel accommodations for the May meeting to contact Ashley Moretti to get that set up. The CCAB chair added that this year's May Grant Selection meeting will be held at Adams 12 in Thornton, CO. Scott Stevens asked if he or any other member of the CCAB have questions about a project, if it is appropriate to contact the BEST staff. Mr. Newell answered by saying any questions can be directed to himself, Ashley Moretti, or the Regional Manager of the project.

## **VIII. Future Meetings**

- May 24<sup>th</sup>-25<sup>th</sup>, 2016 – 8:30 a.m. – 5 p.m. Grant Selection Meetings – Adams 12 Conference Center 1500 E 128<sup>th</sup> Avenue, Thornton, CO 80241
- June 22<sup>nd</sup>, 2016 – 1:00 p.m. Location: 201 E. Colfax Avenue, Room 101, Denver, CO 80203
- July 27<sup>th</sup>, 2016 – 1:00 p.m. Location: 201 E. Colfax Avenue, Room 101, Denver, CO 80203

- IX. Public Comment** – The CCAB Chair asked if there was anyone signed up for public comment, or if anyone from the public would like to speak; Ashley Moretti announced that Pat O'Connor, with Lightspeed Technologies was at the meeting and invited him to speak to the CCAB.

Pat O'Connor introduced himself and Lightspeed Technologies' sound amplifier product. Mr. O'Connor stated that he was aware of the CCAB's impact on creating better learning environment for all students throughout

# Public School Capital Construction Assistance Board Meeting Minutes

Colorado's K-12 public schools, and indicated speech illegibility is an impediment to student's learning environment.

*O'Connor then gave a demonstration of the Lightspeed Technologies product.*

After the demonstration, O'Connor asked that the CCAB consider the product when building and/or renovating school facilities in Colorado's K-12 public schools.

## **X. Adjournment**

The CCAB Chair called for a motion to adjourn:

- So moved by Kathy Gebhardt;
- Tim Reed 2<sup>nd</sup> the motion;
- Motion to adjourn carried unanimously;
- Meeting adjourned at 2:23 p.m.

# Public School Capital Construction Assistance Board Agenda Sheet

**MEETING DATE:** May 24-25, 2016

**SUBJECT:** Review and approve FY2017-18 BEST grant timeline per 22-43.7-109(2)(a) C.R.S.

**TYPE:** Action  Information

**BACKGROUND:**

Pursuant to 22-43.7-109(2)(a) C.R.S. the CCAB is responsible for establishing a timeline for applicants who wish to apply for a BEST grant. The BEST grant timeline is a tool used to show key dates pertaining to the BEST Program. Important dates include: last date for charter schools to notify authorizer, when the BEST Grant application opens, time needed for summary review, when the summary book will be distributed, and the meeting dates for the grant application approval from the CCAB and State Board of Education.

**STAFF RECOMMENDATION:**

Review the FY2017-18 BEST grant timeline, make any changes if necessary and approve.

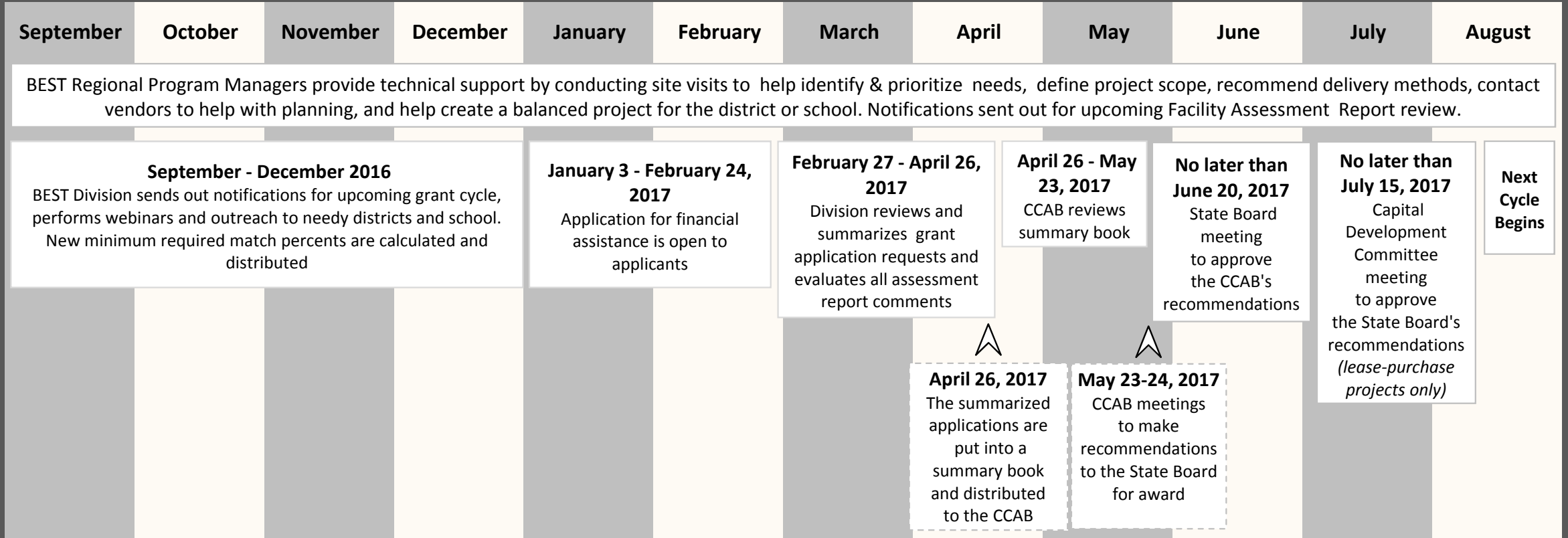
**STAFF RECOMMENDED MOTION:**

I move to approve the FY2017-18 BEST grant timeline as presented.

**ATTACHMENTS:**

FY2017-18 BEST grant cycle timeline

# BEST Financial Assistance Cycle Timeline FY2017-18





# Public School Capital Construction Assistance Board Agenda Sheet

**MEETING DATE:** May 24-25, 2016

**SUBJECT:** Approve the final list of BEST grant applications to recommend to the State Board of Education for award

**TYPE:** Action X Information \_

## **BACKGROUND:**

There are three different motions that may be used for this year's grant selection meeting. One for waivers, one for cash grant recommendations and one for 5% of awarded projects for this year for grant reserve requests.

## **STAFF RECOMMENDATION:**

Review the motions below and read verbatim when requesting an approval for waivers, grants and grant reserve.

## **STAFF RECOMMENDED MOTION:**

### **To approve a waiver**

*"I move to approve (applicants name)'s match waiver/reduction request."*

### **Final Approval for BEST Cash Grant Recommendations:**

*"I move to direct Division staff to submit the prioritized list of (#) BEST Cash grant projects to the State Board of Education based on the eligibility recommendations presented on the chart, subject to the availability of funds and any other noted conditions, with any adjustments to the grant amount and match amount as may be imposed by C.R.S. 22-43.7-109(10)(a)."*

### **Final Approval for 5% Grant Reserve:**

*"I move to direct Division staff to use up to 5% of the available assistance fund dollars awarded during this year to be used for grant reserve applications for this year."*

## **ATTACHMENTS:**

None

