

MINUTES  
CLARK COUNTY SCHOOL DISTRICT  
SPECIAL MEETING OF THE BOARD OF SCHOOL TRUSTEES  
**BOND OVERSIGHT COMMITTEE**  
ADMINISTRATIVE CENTER, ROOM 466  
5100 W. SAHARA AVE., LAS VEGAS, NV 89146

THURSDAY, SEPTEMBER 15, 2016

11:30 a.m.

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**Members Present**

Bowler, Richard  
Earl, Debbie  
Kubat, Charles  
Lavelle, Lisa  
Lazaroff, Gene

Reynolds, Jacob  
White, Eva

**Members Absent**

Davis, Al  
Jim Halsey  
Lopez, George  
Morley, Thomas  
Munford, Harvey  
Philpott, Steve

A recording of this meeting can be obtained by contacting the Facilities Division at (702) 799-5204 x5226.

1.01 FLAG SALUTE.

1.02 ROLL CALL.

Ms. Lavelle made a motion to modify the agenda to allow item 3.05, Capital Fund Revenue Update presentation by Ms. Nicole Thorn, to be moved up immediately after item 2.01, Public Comment Period.

*Motion: Lavelle*

*Second: Reynolds*

*Vote: Unanimous*

1.03 ADOPTION OF THE AMENDED AGENDA.

*Motion was approved to adopt and accept the amended agenda, September 15, 2016, agenda.*

*Motion: Kubat*

*Second: Reynolds*

*Vote: Unanimous*

2.01 PUBLIC COMMENT PERIOD. None

3.05 CAPITAL FUND REVENUE UPDATE.

Mr. Blake Cumbers introduced Ms. Nicole Thorn, Deputy Chief Financial Officer.

Ms. Nicole Thorn thanked the Bond Oversight Committee (BOC) for allowing her to move up her item immediately after the 2.01 item, Public Comment Period. She continued by stating that her presentation is covering the following slides:

### 3.05 CAPITAL FUND REVENUE UPDATE. (continued)

- Property Tax (Debt Rate)
  - Current Rate - \$0.5534 (Debt Rate)
  - SB 119/SB 207 Authorized
  - Authority to bond or use pay-as-you-go
  - 5-Year Comparison: 2013 - \$297,741,021  
2014 - \$297,236,844  
2015 - \$307,869,927  
2016 - \$322,500,000 Estimated  
2017 - **\$322,500,000 Budgeted**
  - 2015 Program Estimated Property Tax Capacity of \$3.3 billion
- Room Tax
  - Tax charged for lodging
  - CCSD rate is 1 5/8 percent for capital
  - 5-Year Comparison: 2013 - \$67,277,580  
2014 - \$74,067,663  
2015 - \$81,297,840  
2016 - \$85,000,000 Estimated  
2017 - **\$85,000,000 Budgeted**
  - Fiscal Year 2016-2017 Final Budget
- Real Property Transfer Tax
  - Tax on transfer / sale of real property
  - CCSD rate is \$0.60 per \$500 of value
  - 5-Year Comparison: 2013 - \$19,696,212  
2014 - \$21,311,525  
2015 - \$22,146,920  
2016 - \$24,000,000 Estimated  
2017 - **\$24,000,000 Budgeted**
  - Fiscal Year 2016-2017 Final Budget
  - Pledged Revenue Capacity – September 2016
  - 2015 Program Estimated Capacity of \$838 million (assumes flat revenue – room tax & RPTT of \$109,000,000)
- Current Capacity for 2015 Program
  - Current Structure – 2015 Capital Improvement Program (Millions)
    - 2015 \$378.6
    - 2016 19.7
    - 2017 202.1
    - 2018 669.9
    - 2019 639.5
    - 2020 312.8
    - 2021 384.7
    - 2022 435.5
    - 2023 429.5
    - 2024 423.6
    - 2025 222.5
    - TOTAL \$4,118.4 billion (10 years)**

3.05 CAPITAL FUND REVENUE UPDATE. (continued)

- Assumptions
  - Assumes six percent interest / 20 year-term debt
  - Maximize general obligation bond (property tax) resources
  - Maximize general obligation revenue bonds (room tax and RPTT) early and then level resources
  - Conservative revenue estimates

3.01 APPROVAL OF THE MINUTES.

*Motion for approval of the Minutes for the June 16, 2016, agenda.*

*Motion: Bowler*

*Second: Reynolds*

*Vote: Unanimous*

3.02 REPORTS BY STAFF AND/OR LIAISON REPRESENTATIVES. None

Mr. Kubat commented that Mr. Cumbers' Office has kept him updated with various e-mails as the designs have progressed on different schools, and that he appreciates it.

3.03 QUESTIONS REGARDING MONTHLY STATUS REPORTS.

Ms. Alston stated that the committee will not have the Facility Condition Index update until next month in October when the decision is made on the next round of schools to assess. She continued stating the reports at this meeting are as of June 30, 2016, because the books are not officially closed yet and are still under audit. She said that reference (e) reports the active status projects at this time.

Questions:

Mr. Lazaroff asked about the Refund Agreement report and Ms. Alston replied that she would be presenting at the October 2016 meeting along with the other quarterly reports.

Mr. Kubat asked if there are any red flags in these reports and Ms. Alston replied that only one – Chaparral HS and the HVAC upgrade due to unexpected issues with the ceiling which would raise the current budget from \$2M to \$2.2M. Mr. Jeff Wagner clarified by stating that this is going to be a total HVAC replacement instead of just an upgrade. He said that CCSD staff hired an architect for further investigation of the project to verify the assessment and it was determined that the ceiling would need to be removed and replaced. Mr. Wagner stated that the project is on track for on-time completion due to being proactive in identifying the problem early in the design phase.

3.04 REPORT BY THE CLARK COUNTY SCHOOL DISTRICT BOARD OF SCHOOL TRUSTEES' LIAISON. None.

3.06 QUESTIONS ON AND/OR REMOVAL OF ITEMS ON MOTIONS AND TASKINGS.

Ms. Lavelle commented on the first item, *Presentation from Networking Services and Police Services/Surveillance* (page 1 of 3), a request that Mr. Reynolds made on April 2016. She asked if new material would be provided with an issue that has come up in terms of additional work analysis on low voltage systems.

3.06 QUESTIONS ON AND/OR REMOVAL OF ITEMS ON MOTIONS AND TASKINGS. (continued)

Mr. Cumbers responded that the presentation will address questions raised by the BOC members relative to low voltage and how we invest in our schools for those particular systems – the surveillance systems and the networking systems which include the telephone system as well.

Mr. Cumbers stated that Mr. Halsey had called him to inquire about the status of this item and also to let him know that he would not be attending the October meeting, but would be attending the November meeting. In their telephone conversation, Mr. Cumbers said he asked Mr. Halsey what specific information needs to be provided by the Networking Services Department (NSD) and the Police Services Department/Surveillance (PSD) in the content of their presentation in order to satisfactorily address this motion and tasking. Mr. Halsey responded he would be calling him back with this information so that Mr. Cumbers can relay it back to the NSD and the PSD.

Mr. Cumbers stated that he had one opportunity to meet with Police Services on this issue and because it is a two-prong issue – low voltage wiring for the Polices Services surveillance equipment, as well as the issues of the Networking Services Department, he will need to meet with the Networking Services to provide information on the BOC requested presentation. Mr. Cumbers commented that Mr. Wray from the Technology Division was in attendance at this meeting in case anyone wished to ask any questions that maybe he could address at this time meeting.

Mr. Cumbers summarized that in light of Mr. Halsey’s absence for the October meeting, the plan now is to have the presentation by the Networking Services and Police Services/Surveillance at the November 2016 BOC meeting and Mr. Halsey will be coordinating the content questions.

Mr. Cumbers stated that Mr. Jeff Wagner would elaborate on the systems involved within both departments. Mr. Wagner stated that our low voltage systems consist of seven discreet systems:

1. Intrusion system and security cameras are overseen by Security Services Department and Networking Services Department is in charge of data and are both in charge of the components that heat the computers;
2. Energy Management manned by our energy management crew that monitors HVAC systems and other consuming devices in the schools;
3. Clock/Intercom systems are currently their own stand-alone systems because of the technology wiring system we are using there;
4. Fire alarm systems;
5. Grounding systems – equipment is connected to copper wires that runs through conduit then connected to the grounding systems;
6. Telephone systems are serviced by the Technology and Information Systems Division, Telecommunication Services Department.

Mr. Kubat inquired about the second item on page 1 of 3 in the Motions and Taskings, *Presentation to Review Elementary, Middle, and High School Prototypes*, and asked if this item could be addressed at the October meeting.

Mr. Cumbers responded that considerable work has been done under the 2015 Capital Improvement Program (CIP) including changes to the education specifications (Ed Specs) for the elementary school design that needed to be done due to a number of deficiencies that were

3.06 QUESTIONS ON AND/OR REMOVAL OF ITEMS ON MOTIONS AND TASKINGS. (continued)

recognized relative to the space requirements for curriculum and code issues. He said as far as high schools, there are no high schools being built yet, so it would be premature to present any information to this committee at this point in time. Mr. Cumbers stated that a middle school will be built soon, but there are no changes to the specifications yet. He said that staff is about to engage in that process because we will be designing the first middle school under the 2015 CIP. Mr. Cumbers stated that for elementary schools specifically, staff could bring back information to this committee and would be able to address one level per school at a time. Mr. Kubat clarified that the motion and tasking was for staff to update this committee on the status of all the prototypes – elementary, middle, and high schools. He stated that it doesn't have to be an in-depth Ed Specs report for each of the prototypes, but would like the presentation to include information on the status of the current building program on all the elementary, middle, and high school prototypes and also include information if there are any plans to modify the program.

Ms. Earl asked when the estimation for the next middle school and high school will be built and if there will be significant changes. Mr. Cumbers responded that the next middle school is planned to be built on the park adjacent to J. D. Smith Middle School (MS), and then the old J. D. Smith MS will be demolished. He said that the students that are currently attending John C. Fremont MS would then attend the new J. D. Smith MS and then John C. Fremont MS will be demolished and rebuilt as a new elementary school, which it was originally.

Mr. Kubat addressed the next item on the Motions and Taskings, page 1 of 3, "*Cost-Saving Efficiencies/Trade-Offs*." He requested information in regards to efficiencies discovered in the elementary schools design process in terms of value engineering – he said it would be helpful to reveal this to the committee and to the public at-large. Mr. Cumbers replied that staff would be providing a very comprehensive report prior to the October 2016 meeting with all the value engineering items identified during design of the elementary schools.

Mr. Lazaroff addressed the Motions and Taskings item on page 3 of 3, "*Status and Process of Refund Agreements*." He stated the presentation on June 18, 2016, was too general. He stated the presentation had not addressed the process, policies, and procedures currently in place to benefit the District and to capture "push back" on what the entities are actually dictating to the District. Ms. Alston responded that Mr. Lazaroff is requesting information involving Mr. Cumbers, the Board of School Trustees (BOST), and Construction Management. Mr. Cumbers stated that the District does not have an agreement to negotiate with a utility company or any other entity that would involve a refund and staff does not anticipate one at this time. Ms. Lavelle asked Mr. Lazaroff if he would be willing to hold this request until Ms. Alston provides this committee her report at the next BOC meeting and if he has specific questions he would like addressed, then the committee can add those questions to the Motions and Taskings. Mr. Lazaroff agreed. Ms. Lavelle also suggested that at the time this committee is presented with the status of current construction projects, if it is possible to include information that identifies the component of those costs that might be attributable to off-site improvements. Mr. Cumbers replied, "Absolutely, and in doing so, this committee can have a perspective on current construction projects and costs involved."

Mr. Lazaroff addressed the Motions and Taskings item, "*Maintenance Department Performance Measures*" on page 3 or 3. He stated that the presentation to this committee on November 2015

3.06 QUESTIONS ON AND/OR REMOVAL OF ITEMS ON MOTIONS AND TASKINGS. (continued)

was too vague. He would like to know how the Maintenance Department manages the work and what their performance measures in place are to indicate how well they're doing. Mr. Lazaroff stated he would like this item to remain on this list and it be addressed in a future agenda item.

*Motion was approved to remove item five dated 3/19/15 and 8/20/15, from the RFPs and Contracts, from the Motions and Taskings, page 1 of 3.*

*Motion: Kubat*

*Second: Reynolds*

*Vote: Unanimous*

3.07 AGENDA PLANNING: ITEMS FOR FUTURE AGENDAS.

Ms. Lavelle would like an agenda item on the status of the projects currently under construction to include a breakdown of what components of the costs incurred constitute off-site improvements.

Mr. Lazaroff would like an agenda item on the Motions and Taskings item, "*Maintenance Department Performance Measures*" to include the measures that are in place that indicate what is being done on school projects.

Discussion:

Ms. Alston needed clarification on the Motions and Taskings item, "*Funding of Future Land Acquisitions/Off-Site Improvements*" (page 2 of 3) – if this item would be satisfactorily met on the future agenda item requested by Ms. Lavelle above. Ms. Lavelle responded that they are two different issues. Mr. Kubat clarified that his request on this item, "*Funding of Future Land Acquisitions/Off-Site Improvements*," was for staff to provide a monthly report with more updated information back to this committee for discussion. He stated that this item can be revisited after the committee reviews the next monthly report and determine if the report provides helpful or useful information and decide then if the report needs to be provided monthly, quarterly, or every six months.

**4.0 PUBLIC COMMENT PERIOD**

4.01 PUBLIC COMMENT PERIOD.

Speaker: Mike Taack, Teacher, John C. Fremont Professional Development Middle School (PDMS) indicated to the committee that he was here to communicate information from the families of this school. He provided a packet with a petition to the BOC signed by 168 families of 6<sup>th</sup> grade students from John C. Fremont PDMS and a copy of Seven Magazine. He highlighted part of the information in the article by providing separate handouts to the committee. He indicated that the magazine published an article "*Middle School Blues*", about the closing of John C. Fremont PDMS due to low enrollment. He corrected a miss quote about the BOC making a recommendation to the BOST to close the school, which he stated he knows was not accurate. Mr. Taack closed by stating that this was his last time he would be speaking at these meetings.

5.0 ADJOURN: 1:35 p.m.

*Motion: Lazaroff*

*Second: Kubat*

*Vote: Unanimous*