

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, NOVEMBER 17, 2016

11:30 a.m.

Members Present

Bowler, Richard	Morley, Thomas
Goynes, Byron	Munford, Harvey
Halsey, Jim	Philpott, Steve
Kubat, Charles	Reynolds, Jacob
Lavelle, Eleissa	White, Eva
Lazaroff, Gene	

Members Absent

Davis, Al
Earl, Debbie
Lopez, George

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 welcomed new Bond Oversight Committee (BOC) member Byron Goynes who was appointed to the committee by Trustee Garvey.

1.03 ADOPTION OF THE AGENDA.

Motion was approved to adopt and accept the November 17, 2016, agenda.

Motion: Lazaroff Second: Kubat Vote: Unanimous

Motion was amended and approved to move item 3.08 – Agenda Planning: Items for Future Agendas before item 3.07 – Questions on and/or Removal of Items on Motions and Taskings.

Motion: Reynolds Second: Morley Vote: Unanimous

2.01 PUBLIC COMMENT PERIOD.

Caryne Shea spoke as a representative of Honoring Our Public Education (HOPE), a parent advocacy group that seeks a unified voice from families in Southern Nevada at the Legislative Session.

Ms. Shea expressed that the expertise of the BOC should be communicated to the Legislative commission regarding the Achievement School District to help guide their decision-making on regulations.

3.01 APPROVAL OF THE MINUTES

Motion was approved to adopt and accept the October 20, 2016, minutes.

Motion: Kubat Second: Morley Vote: Unanimous

3.02 REPORTS BY STAFF AND/OR LIAISON REPRESENTATIVES.

No comments provided by committee members.

3.03 QUESTIONS REGARDING MONTHLY STATUS REPORTS.

Ms. Ruby Alston provided committee members with monthly financial and project status reports for the various Capital Improvement Programs (CIP) as of October, 31, 2016. Documents provided include the Guide to Reading the Reports; Summary Status of Current Estimates and Expenditures Compared to the 1998 CIP Revision 19; Summary Status Report of Revenues and Expenditures (Balance of 1998 CIP Bond Proceeds); Project Level/Budgets and Expenditures Status Report (1998 CIP); Executive Summary Level – Capital Projects in Progress Report (1998 CIP, 2 Year Contingent Plan and 2015 CIP); and Capital Projects in Progress Report – including projects approved in the 1998 CIP Revision 19 approved on April 6, 2016, the 2-Year Contingent Plan approved on October 9, 2014, and the 2015 CIP Revision 1 approved on April 6, 2016.

No comments provided by committee members.

3.04 REPORTS BY THE CLARK COUNTY SCHOOL DISTRICT BOARD OF SCHOOL TRUSTEES' LIAISON.

Trustee Garvey reminded the committee that the joint Board of School Trustees meeting with the BOC will be held at 8:00 a.m. on December 7, 2016, and that Jana Wilcox from the State Department of Education is scheduled to attend the regular meeting of the Board of School Trustees at 6:00 p.m. on Thursday, December 8, 2016, to discuss the Achievement School District and welcomed committee members to attend. Trustee Garvey provided committee members with a document titled, "Clark County School District Board Statement" dated November 2, 2016, which outlines the Board of School Trustees official statement regarding their position on the Achievement School District.

3.05 ACHIEVEMENT SCHOOL DISTRICT.

Mr. Blake Cumbers, Associate Superintendent of the Facilities Division, introduced Carlos McDade, General Counsel, Office of the General Counsel and Craig Stevens, Director of Community and Government Relations, who gave a presentation on Assembly Bill 448 (AB 448) and the Achievement School District selection process (Ref. 3.05).

Mr. Stevens and Mr. McDade provided an overview of the various components related to AB 448 and additional areas of impact including: Assembly Bill 394 (AB 394) Reorganization of the District; ongoing construction projects; reimbursement of bond funds; legal ownership and liability; and maintenance and warranties.

Mr. Morley questioned if there was any support from legislators to sponsor a bill draft request to eliminate AB 448 and AB 394 in the upcoming 17th Legislative Session due to the change in leadership resulting from the recent local election. Mr. Stevens responded that there is some support based on conversations with several legislators.

Mr. Philpott asked if there is a running total on how much money the District has spent so far on AB 394 and AB 448 and if that dollar amount is being posted online for transparency. Trustee Garvey explained that there is no integrated software that is able to track the costs but stated funds are being taken out of the general fund to support implementation efforts.

Mr. Philpott asked if money being used for the Achievement School District could otherwise be used to pay for reduction to classroom sizes or provide repairs to schools. Trustee Garvey stated that she did not believe we could be reducing classroom sizes, but support to classrooms could possibly be paid for with the money being used to implement AB 448. Mr. Rick Neal, Chief of Staff, stated that there is no line item in the budget to pay for costs associated with AB 394.

Mr. Philpott questioned if soft assets will be turned over to charter schools. He has concerns about personal donations he has made to schools. Mr. McDade stated that this issue is not addressed in the statutes at all. Mr. Neal stated that if donations are transferred to the charter organizations, donors would be notified and the assets will be inventoried.

Mr. Philpott asked what happens if a parent does not want their child to attend the charter school – will the child be provided with transportation under open enrollment to attend a Clark County School District school? Trustee Garvey stated that this is something to be discussed with the Attendance Zone Advisory Commission.

Mr. Philpott stated that suppliers should be notified about the implementation of the Achievement School District so that they are aware that they are not part of the District and subject to the excellent credit rating of CCSD and volume discounts.

Mr. Lazaroff questioned if funds for repairs and maintenance will be protected. Mr. Cumbers stated that funds for repairs and maintenance are not protected because they come from the general fund. He also questioned staffing at the Achievement School District schools and reductions-in-force. Mr. Stevens responded that all staff would have to apply for their positions through the charter. If employees chose not to work for or are not selected by the charter organization, they will be reassigned/transferred within the District. Dr. White stated that with the opening of six new schools, affected staff can apply for those open positions which would lessen the possibility of employees being left without a job.

Mr. Lazaroff asked if there were any safeguards in place to prevent hand selection of students for charter schools. Mr. McDade stated that he does not see any such language in the regulation. Mr. Stevens stated that they must accept all students and engage in a blind lottery system.

Mr. Halsey asked if tax-payer dollars will be given to for-profit charter organizations to conduct work and will it fall under prevailing wage. Mr. McDade explained that the statutes say the charter organization pays for maintenance and operation expenses and the District must pay for capital expenses. Mr. Halsey questioned if we still own the building once it becomes part of the Achievement School District. Mr. McDade responded that the statute does not state that the District owns the building, but it is inferred. Mr. Halsey asked if that meant the building could be

sold, and Mr. McDade said that could be a possibility. Mr. McDade explained that a proposed regulation defined capital expense as any maintenance cost over \$15,000, which the District would be obligated to pay for, however this regulation has not moved forward for approval at this time. Trustee Garvey explained that while an expense over \$15,000 may be defined as a capital expense, the money provided to us by the legislature may not consider it a capital expense under the new capital program bond and therefore the general fund would have to cover the cost. Mr. McDade stated that the statutes are not clear on prevailing wage and that there could be an argument for or against it.

Mr. Halsey asked if charter schools will be monitored in maintaining classroom size requirements and capacities. Mr. Stevens stated that the Fire Marshal would be contacted by the charter organizations to determine occupant capacity requirements.

Mr. Reynolds asked if there was any language that states repair needs to a charter school takes priority over a CCSD school. Mr. McDade stated that the statutes say the charter school will not receive priority treatment but CCSD may not change the established priority for the building. Mr. Cumbers stated that a capital expense is defined as replacement of something that is beyond economic repair. Ms. Alston clarified that there are two types of expenses - capital expenses and bond fund expenses due to statutes. The current threshold for major repair projects utilizing renewable source funds like government services tax is \$50,000.

Mr. Kubat asked who pays for converting CCSD schools back into its original condition if the charter schools have reconfigured classroom space and other modifications after the six year period. Trustee Garvey stated that this is a question that she has as well and is unclear as to what the answer is. Mr. Kubat asked how all questions regarding AB 448 are being answered. Mr. McDade stated that regulations are the normal process for explaining statutes, however no regulations have been voted on yet. Mr. Kubat asked if there is an opportunity for developers to build a school and gift it to a charter organization in areas where CCSD is unable to build schools fast enough. Trustee Garvey explained that there are current avenues that charter organizations can take in building schools such as going through the Department of Economic Development to receive loans.

Mr. Kubat asked if students that live within the attendance zone are the only students that can attend the charter school. Mr. Stevens stated that students that currently attend the school and those residing in the attendance zone receive first choice, but all students must apply to attend the school. If there are remaining seats available, the charter school can go into a lottery system to select children.

Ms. Lavelle asked if this could be considered constructive taking - where the state is taking county property. Mr. McDade stated this could be considered constructive taking and constructive gifting. Ms. Lavelle asked if warranties on new construction would be transferred. Mr. McDade responded that this issue has been discussed conceptually but will have to be looked at on a school-by-school basis.

3.06 COST-SAVINGS EFFICIENCIES AND TRADE-OFFS.

Mr. Kubat stated that he appreciated the list (Ref. 3.06) that was provided by Jeff Wagner.

Item 25 – Mr. Kubat stated the he does not want to see school’s stripped of items that bring uniqueness to campuses and noted that some items are needed for other functions such as daylighting. Mr. Wagner stated that the architect’s did not remove much as it relates to this item.

Item 27 – Mr. Kubat asked if cost benefits were done. Mr. Wagner stated that life cycle costs were discussed and was part of the decision matrix. The block considered for elimination was block used for an aesthetic look.

Trustee Garvey stated that the environment of the school lends to the attitude of the students that attend those schools and cautioned that we not go too far in eliminating things that maintain a pleasant environment. Mr. Cumbers stated that everyone should be cognizant of the discussions and recommendations the SAGE Commission has had. There are discussions on decreasing the useful life of buildings by perhaps 30 years which means utilizing stucco and wood in building construction.

Item 40 – Mr. Kubat had concerns about the elimination of daylighting overhangs. Mr. Wagner stated that this does not mean we are eliminating daylighting. Architects have been asked to verify things are working the way they were intended to.

Item 46 – Mr. Kubat had concerns regarding sound transfer with the elimination of this item. Mr. Wagner stated that this was about insulation methods on exterior walls and sound transfer would not be compromised on interior walls.

Item 20 – Mr. Halsey commented about the use of aluminum requiring larger wire and is more expensive and increases maintenance costs. All factors need to be considered with costs. Mr. Wagner stated that this has been found to be a huge costs savings due to the high cost of copper.

Item 4 – Mr. Lazaroff commented that he has concerns with CCSD’s policy on eliminating watering of turf during the summer months and its negative affect on the turf.

Item 62 – Mr. Lazaroff questioned why there are costs associated with food prep when most food is prepared at a central kitchen facility. Mr. Wagner stated that he met with the Food Services Department to talk about kitchen standardization. Mr. Wagner further clarified that some principal’s decide to not utilize the central kitchen facility and opt for fresh or semi-fresh cooked lunches which requires food prep equipment in their kitchens.

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

Motion was approved to remove the Non-traditional Solutions item from the Motions and Taskings List.

Motion: Halsey Second: Philpott Vote: Unanimous

Motion was approved to remove the Equity Levels item from the Motions and Taskings List

Motion: Halsey Second: Reynolds Vote: Unanimous

3.08 AGENDA PLANNING: ITEMS FOR FUTURE AGENDAS.

Ms. Lavelle asked Trustee Garvey what items the BOC should address for the joint meeting with the Board of School Trustees on December 7, 2016. Trustee Garvey stated that concerns of this committee should be brought forth to protect and safeguard taxpayer dollars and assets.

Additionally, the BOC may be asked to present its own position statement on the Achievement School District. Trustee Garvey stated that if there were any additional items that the BOC would like to discuss during the joint meeting, that arrangements be made with the Board Office so that items can be included on the agenda. Trustee Garvey may ask for a discussion item on the policies manual that addresses the use of local contractor's and use of trained and effective workforce.

A motion was approved to form a working group to compile a list of concerns expressed in the October and November BOC meetings to be discussed at the joint BOC and Board of School Trustees meeting to be held on December 7, 2016.

Motion: Reynolds Second: Kubat Vote: Unanimous

A motion was approved to appoint Charles Kubat, Eleissa Lavelle, Gene Lazaroff, Jacob Reynolds, and Steve Philpott to the working group.

Motion: Halsey Second: Kubat Vote: Unanimous

Mr. Reynolds asked if any documents shared in the working group would be subject to open meeting law or open records. Mr. McDade cautioned the working group to not discuss proceedings with other members of the BOC to prevent a constructive quorum.

4.01 PUBLIC COMMENT PERIOD.

Anna Slighting provided comment on her appreciation of a working group being formed to address the Achievement School District and encouraged members of the BOC to educate the legislators on this topic.

5.0 ADJOURN: 1:40 p.m.

Motion: Halsey Second: Kubat Vote: Unanimous