

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, JANUARY 16, 2014

11:30 a.m.

Members Present

Bruins, David
Earl, Debbie
Haldeman, Joyce
Halsey, Jim
Kubat, Charles
Lavelle, Eleissa
Lazaroff, Gene

Members Absent

Davis, Al,
Hawkins, Frank
Herr, Robert
Lopez, George
Philpott, Steve
Tate, Cameron

A recording of this meeting can be obtained by contacting the Capital Program Office at 799-8710.

1.01 ROLL CALL.

Jim Halsey, Chair, called the meeting to order at 11:45 a.m.

1.02 ADOPTION OF THE AGENDA.

Motion was approved to adopt the Agenda for January 16, 2014.

Motion: Lazaroff Second: Earl Vote: Unanimous

2.01 PUBLIC COMMENT PERIOD.

None.

3.01 APPROVAL OF THE MINUTES.

Approval of the Minutes for December 19, 2013.

Motion: Kubat Second: Bruins Vote: Unanimous

3.02 CLARK COUNTY SCHOOL DISTRICT ORGANIZATIONAL STRUCTURE.

Jim McIntosh, Chief Financial Officer of the Business and Finance Division, and Jeremy Hauser, Associate Superintendent of the Operational Services Division, provided copies of each division's organizational structure, Reference 3.02.

3.02 CLARK COUNTY SCHOOL DISTRICT ORGANIZATIONAL STRUCTURE.
(continued)

Mr. McIntosh explained that the reference material is not a complete representation of the Business and Finance Division and summarized the responsibilities/transition of the sections/departments that were formerly assigned to the Facilities Division.

Due to the duplicative effort of the inspectors, Environmental Services was assigned to Risk Management. The Capital Improvement Office remains the same with Planning, Design, Construction, and Special Projects. Previous audits places Construction Documents, Contracts, Procurement and Compliance under the Purchasing and Warehousing Department to apply Nevada Revised Statutes 332 and 338. Assigning Labor Compliance to a department is still under consideration. The Building Department involving Code Compliance and Plans Examiner now reports directly to the Chief Financial Officer to accomplish a mechanism/separation of duties in the event a project needs to come to a stop due to compliance issues.

Mr. Hauser stated he supervises the Operational Services Division and reports directly to Kim Wooden, Deputy Superintendent of the Educational and Operational Excellence Unit. Mr. Hauser explained that he oversees the Maintenance and Operations Department, Food Service Department, Transportation Department, and the Education Ombudsman's Office. The Ombudsman's office is responsible for fielding and resolving community and parent concerns/complaints. Energy Management and Warranty now report to the Maintenance and Operations Department. Mr. Hauser explained the changes made within the Maintenance and Operations Department are for purposes to provide better customer service and reduce the use of overtime.

Eleissa Lavelle stated that code compliance and the quality of the plans drive the potential for claims/litigation and questioned if the flow of communication exists between the Building Department and the Risk Management Department to alleviate the possibility of future claims. Mr. McIntosh explained that outside of the communication that does occur, there is no organizational requirement that the two departments confer with each other. Mr. McIntosh stated that staff would take this recommendation under advisement and would look at the number of claims and responsibilities of Risk Management.

Gene Lazaroff questioned what happened to the Facilities Division management staff, questioned if the level of administrators who report to the Superintendent and the Chief Financial Officer are educators, and questioned if the refund agreements with service providers/municipalities are being monitored in order to obtain the refunds that are due to the District.

Mr. McIntosh responded to Mr. Lazaroff's inquiries and stated that the Ruby Alston, Facilities and Bond Fund Financial Management, continues to oversee the refund agreements.

3.02 CLARK COUNTY SCHOOL DISTRICT ORGANIZATIONAL STRUCTURE.
(continued)

Gene Lazaroff questioned what staff members he would call if he had a question on any particular subject. Jim Halsey responded and provided copies of the Liaison Appointments that were issued at the last meeting.

Charles Kubat expressed his concern of not having a “Facilities Division” to interact with as to how and whom do committee members interact with when there are questions/concerns that are facilities specific since it is now split up into a variety of areas. Mr. Kubat expressed concern if Purchasing is set up to review and monitor the production of contract documents in terms of their expertise. It would be helpful for the plans examiner function to interact with personnel over the contract document phase, as would be the design personnel that are still under Capital Improvements. Mr. Kubat stated that there is a process within design, and expressed his caution/concern that staff may be losing essential communication steps with the various departments that are now split up. Mr. Kubat questioned whether or not a “Facilities Division” will be reconstituted if another bond is approved and expressed concern that the new organization does not have the same focus.

Mr. McIntosh explained the assignment of Construction Documents, Contracts, Procurement and Compliance reporting to the Purchasing and Warehousing Department was due, in part, to past recommendations and is still being worked on in the organization. As for the organization, the District first has to recognize a need within its own system. If things are to change in the future, staff will address it.

Mr. Kubat stated the contract piece is tied to the design and plans examiner functions to meet the internal requirements, and recommends that the new process does not lose important communication.

Ms. Lavelle expressed her concern of not knowing who the “quarterback” is in the process. The problems that exist in all organization are due to a lack of communication where people do not know what the other is doing and stated that the boxes are as good as the communication between the people within the boxes.

3.03 HAZARD IMPACT STUDY REPORT.

Kim Wooden, Deputy Superintendent of the Educational and Operational Excellence Unit, and Ken Turner, Special Consultant to the Superintendent of Schools, provided and summarized the information provided in Reference 3.03 (Hazard Impact Study Report), Additional Reference 3.03(A) (Interoffice Memorandum), and Additional Reference 3.03(B) (Report from a Study on Hazard Impact).

3.03 HAZARD IMPACT STUDY REPORT. (continued)

Ms. Wooden explained that the purpose of this study was to provide an answer to a question from the Board of School Trustees (Board): “Which facility failures have the greatest potential to halt or impede teaching and learning or impact the capital or general fund?”

Ms. Wooden stated that this work is not yet complete and precise estimates have not been achieved. Continuation of this report will need in-depth experts. This is not a comprehensive facility assessment, but a narrow look of seven systems in a school building. It is not meant to circumvent or replace the work that is already being done or how decisions are made at the Bond Oversight Committee (BOC).

Ken Turner provided an overview of the (draft) Report from a Study on Hazard Impact and requested feedback from this committee.

Charles Kubat questioned how this report would be used in conjunction with the Facility Condition Index (FCI) and expressed his concern that the FCI would not be utilized due to lack of the Facilities Division and personnel. This report speaks to the interruption of instructional time and would like to see the report integrated with the FCI to avoid going down two different paths at the same time.

Gene Lazaroff asked if the group has a recommendation to mitigate the issue that facility needs are often deferred, such as, budget allocations. Dr. Turner stated the data is a window to identify what is going on and more importantly, a mirror, to identify what we are doing. Do we have the right policies in place, and are we abiding by the rules that are set? The District has made some hard decisions in the past that have led us to a tough situation and we can be smarter today than we were yesterday. Dr. Turner thanked Mr. Lazaroff for his question and imagines that staff will present it to the Board.

Mr. Lazaroff stated that the BOC has, in the past, reviewed operating/maintenance costs as it relates to requiring capital investment due to failure of systems. The BOC did not have an input as to the size or distribution of funds to operate and maintain facilities. Mr. Lazaroff questioned if this report’s intent is to have the BOC consider the use of operational funds. Ms. Wooden stated that is not the intent and referred to one of the steps in Reference 3.03, to invite the Board to consider the need for a policy on deferred maintenance. Ms. Wood stated that the deferred maintenance program is currently non-existent, due to the economic times. There is a national push to have facility needs to be on the same level as instructional needs.

Mr. Kubat questioned if the existing FCI was used as the basis or was there a new analysis performed. Ms. Wooden responded that staff did utilize the existing FCI and clarified that the data being utilized for information is from the existing Maximo system and work orders.

3.04 REPORT BY LIAISON REPRESENTATIVES.

Joyce Haldeman stated that on February 5, 2014, at Board's Work Session it is likely that a future bond will be discussed.

3.05 QUESTIONS REGARDING MONTHLY STATUS REPORTS.

Jim McIntosh stated that the Facility Condition Index report will be provided monthly.

Charles Kubat requested that staff provide some form of analysis along with the Facility Condition Index to assist this committee, such as, explain the changes or biggest issues, how many schools fall into a certain percentile of a condition index change, etc.

3.06 REPORT BY THE CLARK COUNTY SCHOOL DISTRICT BOARD OF SCHOOL TRUSTEES LIAISON.

Trustee Deanna Wright explained to the committee that District staff depends upon this committee's expertise, input, and recommendations, and welcomed the committee members to make contact with her if there are any questions.

Trustee Wright stated that this committee's expertise and advice is needed on going out for another bond and how to get the message out to the community.

Trustee Carolyn Edwards suggested the Hazard Impact Study team include outside people who are experts in the field. Trustee Edwards stated that a discussion will take place in February as to when to go out for a bond and requested that this committee provide a recommendation as to how to proceed. Due to the implications of the ethics complaint that was filed, much of the work will have to be accomplished by community members outside of the District.

Joyce Haldeman explained that her department will work with the Superintendent of Schools to provide advice about whether or not to go out for another bond, the parameters of the question, and work with a political action committee to raise the funding so that the message can be delivered to the public.

Charles Kubat expressed concern that reports showing the need and stories of disrepair need to be made public over a period of time, and not just before an election. This is information that sets the stage for the campaign question.

As a result of the ethics complaint, a lengthy discussion followed regarding what District staff and/or Board members are or are not allowed to do in the performance of their normal duties as it would relate to campaigning for a new bond.

3.06 REPORT BY THE CLARK COUNTY SCHOOL DISTRICT BOARD OF SCHOOL TRUSTEES LIAISON.
(continued)

Following a lengthy discussion on what types of news worthy information needs to be announced to the public, Trustee Wright informed the members of a web site link to the Maintenance Electronic Whiteboard. This link will identify the school, problem, priority, report date, and if a crew has been dispatched. The link to the Maintenance Electronic Whiteboard can be found at ccsd.net/departments/maintenance.

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

*Motion was approved to remove Revenue Projections from the Motions and Taskings.
Motion: Haldeman Second: Earl Vote: Unanimous*

*Motion was approved to remove Organizational Structure from the Motions and Taskings.
Motion: Kubat Second: Haldeman Vote: Unanimous*

3.08 AGENDA PLANNING: ITEMS FOR FUTURE AGENDAS.

Charles Kubat requested to have staff provide a report on the future bond discussion that will be held at the February 5, 2014, Board Work Session.

4.01 PUBLIC COMMENT PERIOD.

None.

5. ADJOURN: 1:15 p.m.

Motion: Earl Second: Bruins Vote: Unanimous