

SCHOOL BUILDING AUTHORITY OF WEST VIRGINIA
Meeting Minutes
June 22, 2015
9:00 a.m.

The Stonewall Resort
940 Resort Drive
Roanoke, West Virginia

I. CALL TO ORDER

Peter Markham, Governor's Designee, called the School Building Authority of West Virginia (SBA) meeting to order at 9:07 a.m. on June 22, 2015. The following members were present: Dr. Michael Martirano, West Virginia State Superintendent of Schools; Mr. David Sneed, Executive Director; Mr. Eric Lewis, Secretary; Ms. Tina Combs; Mr. Victor Gabriel; Mr. Robert Holroyd; Mr. Tom Lange; Mr. Chris Morris; Mr. Thomas Campbell; and Mr. Wade Linger. The following staff of the SBA were also present: Mr. Garry Stewart; Mr. Scott Raines; Ms. Joyce VanGilder; Mr. Mike Hall; Mr. Ben Ashley; Mr. Dana Womack; Ms. Stella Gill; Ms. Karen Courtney; and Ms. Tammy Brewer.

II. ACKNOWLEDGMENTS AND RECOGNITIONS

Chairman Peter Markham recognized the Honorable Robert Sowa, Seventeenth Judicial Family Court Judge, to provide the Oath of Office to the newest member of the School Building Authority, Mr. L. Wade Linger.

The following individuals attended the SBA Meeting: Mr. Ryan White, White Law Offices; Dr. Mark Manchin, Harrison County Superintendent; Mr. David Ferguson, ZMM, Inc. and Mr. Ted Shriver, Williamson Shriver Architects, Inc.

III. APPROVAL OF MINUTES

Upon a motion by Mr. Tom Lange, with a second by Mr. Robert Holroyd the Authority voted to approve the meeting minutes for the School Building Authority's March 23, 2015 Quarterly Meeting.

IV. EXECUTIVE DIRECTOR'S REPORTS

A. Purchasing Card (P-Card) Program Report

Mr. David Sneed requested the Authority review the P-Card report and the staff of the SBA was available to answer questions regarding this report. He reminded the members that one of the requirements of the P-Card Program is for the Authority members to review all purchases made by staff members. He stated that as such, the document in Attachment B provides an itemized list of the SBA's card usage for the period of February 1, 2015 to April 30, 2015. The Authority members reviewed the expenditure report and had no questions.

V.

FINANCE REPORTS

A. Dixon Hughes Goodman LLP – SBA 2015 Audit Planning Communications

Chairman Markham recognized Mr. Garry Stewart who informed the Authority that in conjunction with the annual audit of the SBA’s financial statements for the year ending June 30, 2015, Dixon Hughes Goodman LLP was required to make certain communications with the body charged with governance before the start of the audit. Attachment C “Planning Report from Dixon Hughes Goodman, LLP” provided the required communications from the independent auditor to the SBA Board. The report provided the planned scope and timing of the audit and a list of the client service team. The Authority had no questions or comments regarding this matter.

B. Analysis of Trustee Accounts – Trustee Accounts Report

Mr. Stewart provided the SBA Finance Reports. He presented a recap of the trustee accounts held at United Bank of Charleston, West Virginia and The Bank of New York Mellon for the period ending May 31, 2015. Attachment D was provided to give a short summary of each bond series. The Authority had no questions or comments regarding this matter.

C. United Bank of Charleston – SBA Program Depository Accounts Report

Mr. Stewart presented the financial report of the depository account that are maintained by United Bank for the period ending June 15, 2015, summarizing construction spending by the SBA for its School Construction and Major Improvement Programs. Attachment E provided the information. The Authority had no questions or comments regarding this matter.

D. Bond Refunding Update

Mr. Ryan White of the White Law Offices reviewed Attachment F, a drafted copy of the Parameters Resolution for the refunding effort. The Resolution also authorizes the Governor, or his Designee to advance the refund of certain maturities of the Authority’s Excess Lottery Revenue Bonds, Series 2008 and issue Excess Lottery Revenue Refunding Bonds, Series 2015A. He informed the Authority that at the current time, the advance refunding of these bonds did not meet the benchmarks to warrant an advanced refunding established by the Governor’s Office and its financial advisor. This action would allow the Governor, or his Designee, to act quickly if the market conditions improve to make this advance refunding economically feasible. The Authority had a brief discussion regarding this matter.

Upon a motion by Mr. Tom Lange, with a second by Mr. Victor Gabriel the Authority voted to authorize the Governor, or his Designee to advance refund of certain maturities of the Authority’s Excess Lottery Revenue Bonds, Series 2008, and to issue Excess Lottery Revenue Refunding Bonds, Series 2015A, when these bonds meet the benchmarks established by the Governor’s Office and its financial advisor, making the advance refunding economically feasible.

VI.

CONSTRUCTION COMMITTEE REPORT

A. Policy Revision

Mr. Robert Holroyd, acting on behalf of Chairman Steve Burton, informed the Authority that on June 15, 2015 the Construction Committee held a special meeting and was informed that over the past year, the staff of the SBA has been revising current Policies and Procedures in reaction to changes that have been occurring in the design and construction industry over the past five (5) years. The staff also introduced new policy in 2014 that addressed several of these problem areas.

Additional issues were discussed at the March 2015 Quarterly Meeting Regarding a number of additional changes required in the project delivery, planning, design and construction administration procedures to address the SBA's inability to control project scope creep costs and construction schedule issues. Attachment G provided a strike through and underlined version of recommended policy revisions that would address these issues. The Authority had a brief discussion regarding this matter.

Upon a motion by Mr. Robert Holroyd, with a second by Mr. Chris Morris the Authority voted to approve the policy revisions recommended by the Construction Committee that would allow the revised policy to be placed on the Secretary of State's website for public comment for thirty (30) days. Upon review of the comments received during the thirty (30) day comment period the policy will be returned to the Authority for final review and approval.

B. Advertisement for Construction Management Services and Sample Task Order Agreement

Mr. Scott Raines informed the Authority that during the SBA's March 2015 Quarterly Meeting the staff of the SBA had discussed with the Authority a number of proposed procedural changes, which were in reaction to various problems the agency has been experiencing in the design and construction industry in recent years. These changes included the use of Construction Management Agents, that would represent the interests of the SBA and County Boards of Education and this would allow for better SBA control of the management of the various contracts awarded on our design and construction projects. One of the proposed changes was the SBA entering into a Master Task Order Agreement with Construction Managers, which the SBA would assign to various construction projects. This arrangement will provide for greater SBA control and place an SBA representative into the design and construction process.

Attachment H provided sample forms of a proposed advertisement, statement of qualifications and related scoring matrix that will be used to evaluate the qualifications of each Construction Manager. Additionally, attached was a sample Master Task Order Agreement, which would be executed between the SBA and the Construction Manager. The attached Task Order Agreement was a sample version, and will be finalized before it is sent to interested companies. Mr. Raines indicated that as the services provided by the Construction Manager would vary from project to project, requiring specific project details for each contract in the future. The Authority discussed this matter in detail and the staff of the SBA provided information regarding the specific details of the agreement.

Mr. Victor Gabriel again stated that it was his expectation and that of all Authority Members that the staff of the SBA become further engaged in project control. He requested that the staff of the SBA also investigate a way to have an approved list of SBA Clerk of the Works that the Counties would hire for projects not using a Construction Manager. Mr. Sneed and Mr. Raines agreed to investigate this matter.

Upon a motion by Mr. Eric Lewis, with a second by Mr. Thomas Campbell, the Authority voted to approve the recommendation of the Construction Committee to move forward with the advertising and selection process for Construction Managers via a Task Order Agreement. Mr. Sneed informed the Authority that at the conclusion of the selection process the list of recommended Construction Managers would be presented to the Authority for review and approval to execute a formal agreement for services.

C. Multi-County Vocational-Technical Centers – School Access Safety Upgrades

Mr. David Sneed informed the Authority that WV Code §18-9F-4 established funding for County Boards of Education to address School Access Safety improvements. These funds were dispensed through the SBA to all counties over the past five (5) years, and to the extent possible School Access Safety has been improved in our schools. However, based on a result survey conducted by the staff of the SBA, the Multi-County Vocational Centers were not addressed within the initial funding provided to each county.

Mr. Sneed stated that given the results of the survey, the staff of the SBA would recommend placing an emphasis on funding these types of projects in the upcoming 3% Grant funding cycle. With the Authority's direction, the staff of the SBA will contact the Multi-County schools and inform them that the Authority would like to begin addressing School Access Safety Projects to the extent possible in the upcoming 3% Grant funding cycle in preference to other desired renovations.

Mr. Sneed respectfully recommend that the Authority take action to allow the staff of the SBA to begin working with the Multi-County Vocational-Technical Centers with regards to addressing School Access Safety projects and as a prerequisite for funding. These schools must also participate in all School Access Safety Audit Evaluations and Crisis Response Planning efforts now taking place in all other K-12 schools.

Upon a motion by Mr. Robert Holroyd, with a second by Dr. Michael Martirano the Authority voted to direct the staff of the SBA to begin working with the Multi-County Vocational Technical Centers concerning upcoming School Access Safety projects. With the understanding that these schools must also participate in all School Access Safety Audit Evaluations and Crisis Response Planning efforts now taking place in all other K-12 schools.

In further discussions regarding this matter, Chairman Markham stated that Governor Tomblin had requested that the Vocational Tech Centers' students be an integral part of these construction improvements, where possible perhaps through shadowing the construction workers or being directly involved in construction.

VII.

OTHER BUSINESS

A. Square Footage Costs Allowance

Mr. Sneed stated that as per the requirement of the SBA's legislative rules, the staff of the SBA has reviewed the construction square foot cost for new construction projects over the past twelve (12) months. Based on the current project costs, the staff of the SBA recommended no changes to the square footage cost allowance at this time. However, with the anticipation of several project bids over the next several months as well as the utilization of Construction Managers on future projects; should these projects indicate a need for changes in this strategy; the staff of the SBA will bring this matter back to the Authority in a future meeting.

B. Appointment of Officers for 2015

Mr. Sneed informed the Authority that in accordance with WV Code §18-9D-1 the Authority shall annually elect one of its public members as Vice Chair and shall appoint a member as Secretary. Mr. Steve Burton held the office of Vice Chair and Mr. Eric Lewis held the office of Secretary.

Mr. Sneed respectfully recommended that the Authority fulfill this requirement and select officers for 2015-2016.

Upon a motion by Mr. Tom Lange, with a second by Mr. Robert Holroyd the Authority voted for Mr. Steve Burton to remain Vice Chair and Mr. Eric Lewis to remain Secretary.

VIII.

PERSONNEL COMMITTEE REPORT

Chairman Markham inquired as to the Personnel Committee Report and Mr. Sneed stated that there were no Personnel Committee matters at this time.

Chairman Markham asked the Authority Members if there were any further matters the Authority wished to discuss.

Mr. Tom Lange informed the Authority that he visited Fayette County and that the building conditions are very poor and several schools were not suitable for students based on a recent Engineering Report. A discussion was held by the Authority regarding this matter.

Dr. Martirano stated that the West Virginia Department of Education was aware of the problems facing Fayette County and that solutions were trying to be attained to improve the Fayette County Schools. He also stated that the WVDOE was working closely with the West Virginia School for the Deaf and Blind trying to find solutions for that facility also.

IX.

FUTURE MEETINGS

The 2015 fall quarterly meeting of the School Building Authority of West Virginia is scheduled at 9:00 a.m. on September 28, 2015, with the location to be determined.

The 2015 NEEDs Grant Submission/Superintendent Interviews meeting is scheduled to begin at 9:00 a.m. on November 9 and November 10, 2015, with location to be determined.

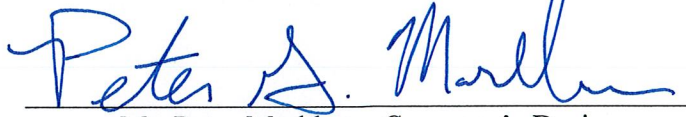
The 2015 winter quarterly meeting of the School Building Authority of West Virginia is scheduled at 9:00 a.m. on December 14, 2015, with location to be determined.

X.

ADJOURNMENT

There being no further business to come before the Authority and upon a motion by Mr. Tom Campbell, with a second from Mr. Chris Morris the Authority voted to adjourn the June 22, 2015 Quarterly Meeting of the School Building Authority of West Virginia.

Minutes Approved September 25, 2015



Mr. Peter Markham, Governor's Designee
School Building Authority of West Virginia