

SCHOOL BUILDING AUTHORITY OF WEST VIRGINIA

Meeting Minutes

June 26, 2017

9:00 a.m.

**The West Virginia Lottery
900 Pennsylvania Avenue
Tenth Floor Conference Room
Charleston, West Virginia**

I. CALL TO ORDER

Chairman Nick Casey, Governor's Designee, called the School Building Authority of West Virginia (SBA) Quarterly Meeting to order at 9:00 a.m. on Monday, June 26, 2017. The following Board Members were present: Mr. Steve Burton, Vice-Chair; Mr. Victor Gabriel, Secretary; Mr. Robert Holroyd; Mr. Tom Lange; Mr. Chris Morris; Mr. Thomas Campbell; Mr. Bart Willis, Mr. Miller Hall and Dr. Steven Paine. Dr. James Wilson participate via phone. The following staff of the SBA were also present: Mr. Frank Blackwell, Executive Director; Mr. Garry Stewart; Mr. Scott Raines; Mr. Mike Hall; Mr. Ben Ashley; Mr. Dana Womack; Ms. Joyce VanGilder; Ms. Stella Gill; Ms. Angie Bradley, Ms. Karen Courtney and Ms. Tammy Brewer.

II. ACKNOWLEDGMENTS AND RECOGNITIONS

A. Oath of Office

Chairman Casey informed the Authority that due to a scheduling conflict Dr. Steven Paine's Oath of Office was given at an earlier time.

B. Recognition for Years of Service

Chairman Casey recognized Executive Director, Frank Blackwell. On behalf of the State of West Virginia and its citizens Executive Director Blackwell recognized Mr. Garry R. Stewart, for Twenty-Six Years Public Service and Ms. Elizabeth K. Courtney for Forty Years of Public Service. The SBA thanked them for their outstanding achievements, absolute commitment and meritorious service to the State of West Virginia.

The following individuals attended the SBA Meeting: Mr. Ryan Quinn, Charleston Gazette-Mail; Mr. Terry George, Fayette County Superintendent; Mr. Steve Slockett, Fayette County Board of Education; Mr. Travis Arey, PCS; Mr. Gary Hough, Fayette County Board of Education; Mr. Rick Milhoan, PCS; Mr. Scott Cochran, Wayne County Superintendent; Mr. Ted Shriver, Williamson and Shriver Architects; Mr. Greg Williamson, Williamson and Shriver Architects; Mr. Jack Cullen, Mason County Superintendent; Mr. Gary Holliday, Fayette County; Ms. Patsy Holliday, Fayette County Board of Education; Mr. Jerry Milliken, West Virginia Department of Education; Mr. Kevin Wills, MBP; Mr. Mike Pickens, West Virginia Department of Education; Ms. Shirley McGraw, Fayette County; Ms. Carolyn Arritt, Fayette County; Mr. Ernie Dellatorre, McKinley and Associates; Mr. Bob Dunlevy, McKinley and Associates; Mr. John Dean, IVDE Local 132; Mr. Jeff Midkiff, Lincoln County Superintendent; Ms. Courtney Persinger, Persinger and Associates; Mr. Luther Lasure, KVBA; Mr. Bill Hutchinson, Parkersburg Marietta BT; Mr. Pat McDonald, CAWV; Mr. David Ferguson, ZMM, Inc.; Mr. John Harris, Bastian and Harris Architects; Mr. Ray Ellis, Lincoln County Board of Education; Dr. Donna Burge-Tetrick, Nicholas County Superintendent; Dr. Frank Devono, Monongalia County Superintendent; Mr. Ronald Hall, Pocahontas County Board of Education; Ms. Morgan McComb, Pocahontas County; Mr. Joe Walker, Pocahontas Building Member; Mr. A.J. Rogers, Nicholas County Board of Education; Ms. Lesly Messina,

ACT; Mr. Matthew Breckey, Thrasher, Inc.; Ms. Deborah Bush, Fayette County; Mr. Steve Bush, Fayette County Board of Education; Mr. Stephen Ruble, WV Bricklayers; Mr. Josh Tullious, Sheet Metal Local 33; Mr. Roy Barnett, Sheet Metal #32; Mr. Jim King, SMWIA; Mr. Jerry Scarbro, DC 53; Mr. Michael Lively, Painters Union; Mr. Rodney Skaggs, DC 53 Painters; Mr. Harold Keller, DC 53 IUPAT; Mr. Glen Jackson, DC 53 IUPAT; Mr. Kyle Captain, Paramount Builders; Mr. Chris Shann, Persinger and Associates; Mr. David Snider, Omni Architects; Ms. Tracy Hannah, ACT Foundation; Mr. John Strickland, MCS; Mr. Scott Young, IN; Mr. Gus Penix, Nicholas County Board of Education; Ms. Debbie Bowling, Fayette County; Mr. Brad Winians, IW 787; Mr. Garry McCallister, KVBA; Ms. Kathy Green, Taylor County Superintendent; Mr. Blair Frier, OWPR Architects and Mr. Mike Davis, G&G Builders, Inc.

III. **APPROVAL OF MINUTES**

SBA Quarterly Meeting March 20, 2017

Upon a motion by Mr. Victor Gabriel, with a second by Mr. Miller Hall, the Authority voted to approve the School Building Authority's March 20, 2017 Quarterly Meeting Minutes.

IV. **EXECUTIVE DIRECTOR'S REPORT**

A. Purchasing Card (P-Card) Program Report

Executive Director Blackwell informed the Authority that one of the requirements of the P-Card Program is for the Authority members to review all purchases made by the staff of the SBA. As such, Attachment B provided an itemized list of the SBA's card usage for the period of February 1, 2017 through April 1, 2017. The Authority members reviewed the expenditure report and had no questions.

B. Legislative Overview

Executive Director Blackwell notified the Authority that several Bills were introduced during the 2017 Legislative Session that would have affected the SBA, but House Bills 2561 and 2720 were the only Bills to Complete Legislation. A summary of the final action on these Bills was provided in Attachments C and D.

C. New SBA Sub-Committee Assignments

Executive Director Blackwell advised the Authority that given the appointment of Dr. Steven L. Paine, Ed.D., State Superintendent of Schools as an Authority Member it was necessary to reassign Members to Sub-Committees. Recommendations of these appointments were provided in Attachment E.

Upon a motion by Mr. Victor Gabriel, with a second by Mr. Chris Morris, the Authority voted to approve the School Building Authority's recommendations for Sub-Committees.

V. **CEFP AMENDMENTS**

Executive Director Blackwell informed the Authority that the following amendments to county Comprehensive Educational Facilities Plans (CEFPs) had been reviewed and were recommended for approval by the staff of the SBA and had been reviewed and coordinated with the State Department of Education Office of School Facilities. The State Board of Education had acted on these same amendments. Approval of these amendments did not necessarily reflect support for funding of the project within the Amendment. Approval of these amendments simply means the County followed the proper Amendment Process. Complete Amendment submittals were available for review upon request. The following Amendments were submitted for review and approval:

A. Kanawha County CEFP Amendment

The Kanawha County Board of Education requested approval of an amendment to its 2010-2020 CEFP. This amendment included the replacement of windows at Horace Mann Middle School.

Kanawha County had complied with the SBA CEFP Amendment process.

Upon a motion by Mr. Bart Willis, with a second by Dr. James Wilson, the Authority voted to approve Kanawha County's CEFP Amendment.

B. Kanawha County CEFP Amendment

The Kanawha County Board of Education requested approval of an amendment to its 2010-2020 CEFP. This amendment includes:

1. Relocating Herbert Hoover High and Clendenin Elementary Schools to newly purchased sites, with new construction of those existing schools.
2. Closing Bridge Elementary School and consolidating this school into newly constructed Clendenin Elementary School.

Kanawha County had complied with the SBA CEFP Amendment process.

Upon a motion by Mr. Chris Morris, with a second by Mr. Tom Lange, the Authority voted to approve Kanawha County's CEFP Amendment.

C. Mingo County CEFP Amendment

The Mingo County Board of Education requested approval of an amendment to its 2010-2020 CEFP. This amendment sought to reconfigure Dingess Elementary School from a PreK-4 facility to one that serves grades PreK-5. This amendment would require no construction, renovations or modification of existing facilities and due to a serendipitous alignment of personnel, no changes in staffing at either Dingess Elementary School or its companion for middle education, Lenore PreK-8 School, except for the reassignment of a small number of teachers to different grades levels.

Mingo County had complied with the SBA CEFP Amendment process.

Upon a motion by Mr. Steve Burton, with a second by Mr. Victor Gabriel, the Authority voted to approve Mingo County's CEFP Amendment.

D. Monongalia County CEFP Amendment

The Monongalia County Board of Education requested approval of an amendment to its 2010-2020 CEFP. This amendment would include the complete HVAC renovation at Mountainview Elementary School. It also updates the addition of six classrooms to Eastwood Elementary School, that was locally funded in 2014 to the original construction that was completed in 2013 and funded by the SBA; the new annex completed at Suncrest Middle and the new Suncrest Elementary School, which were included in its annual update in the fall of 2016.

Monongalia County had complied with the SBA CEFP Amendment process.

Upon a motion by Mr. Robert Holroyd, with a second by Mr. Steve Burton, the Authority voted to approve Monongalia County's CEFP Amendment.

VI.

FINANCE REPORT

A. Analysis of Trustee Accounts - Trustee Accounts Report

Chairman Casey recognized Mr. Garry Stewart to present the Financial Reports. Mr. Stewart 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, 2017 summarizing the trustee functions of the SBA. Attachment J was provided to give a short summary of each bond series.

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

Mr. Stewart notified the Authority that the financial report of the depository accounts maintained by United Bank for the period ending June 15, 2017, summarized construction spending by the SBA for its School Construction and Major Improvement Programs. A copy of this financial report was provided in Attachment K.

C. Refunding of Series 2007 Bonds

Mr. Stewart advised the Authority that after bids were evaluated by the staff of the SBA and the West Virginia Department of Administration the following firms were awarded, Citi Group and Bank America, Underwriters, Bowles and Rice, Bond Counsel and Rice Law Firm, Issuer's Counsel for the refunding of the series 2007 Bonds. And that it is estimated that this bond refunding will result in \$5.7 million in debt service savings.

D. Current SBA Fund Balances

Mr. Stewart stated that the following funds were available as of June 30, 2017:

| | |
|---------------------------------|---|
| Emergency Funds | \$ 4,000,000 |
| 2015 QZAB Funds | \$ 721,000 (Allocated by December 31, 2017) |
| 2016 QZAB Funds | \$ 2,621,000 (Allocated by December 31, 2018) |
| School Construction Funds | \$ 979,953 |
| Reserve Fund - | |
| Financially Distressed Counties | \$ 600,000 |

VII. **NEW BUSINESS** – Mr. Frank Blackwell and Mr. Scott Raines

A. Deliberation and Selection of Major Improvement Program Projects

Executive Director Blackwell advised the Authority that the total MIP Funds available for distribution during the 2017 funding cycle was \$6,726,167. Mr. Scott Raines provided a summary of the SBA review process and a review of each project. The staff of the SBA was available to answer questions from the Authority. The following shows the amount of funds that were available for distribution from the FY2017 and unused Grant Funds for these projects:

| | |
|------------------------------|----------------------------|
| FY2018 Allocation | \$ 5,000,004 |
| Forfeited MIP Grants | \$ 1,716,163 |
| Investment Income | \$ 10,000 |
| Total Funds Available | <u>\$ 6,726,167</u> |

The Authority considered each project submitted and held a discussion then deliberation of the funding for the 2017 MIP Cycle began:

Upon a motion by Mr. Tom Lange, with a second by Mr. Bart Willis, the Authority voted to approve the modification of Cabell County's request, for SBA funds, from \$375,000 to \$100,000.

Upon a motion by Mr. Tom Lange, with a second by Mr. Victor Gabriel, the Authority voted to approve eliminating Webster County's \$10,000 local funds and add it to the SBA share, bringing the SBA Funds to \$950,920.

Upon a motion by Mr. Victor Gabriel, with a second by Mr. Tom Lange, the nomination of Fayette, Taylor, Pocahontas, Cabell, Lincoln, Mercer, Webster, Monongalia, Mason and Pendleton Counties was made for the 2017 MIP Funding. After a brief discussion, Mr. Gabriel and Mr. Lange withdrew this motion.

Dr. Frank Devono, Superintendent of Monongalia County, reduced its request for SBA funding and asked for QZAB Funds in the amount of \$837,733, so that Randolph County's needs could be met.

After a brief discussion, a motion was made, by Mr. Tom Lange, with a second by Mr. Victor Gabriel, and the Authority voted to approve the following Counties for 2017 Major Improvement Project funding, for the projects listed:

2017 MIP PROJECTS

| County | Project Description | Total Project Cost | Local & Other Funds | SBA Funds Awarded |
|---------------|--|--------------------|---------------------|--------------------|
| Fayette | Oak Hill High School Renovations | \$1,397,482 | \$397,482 | \$1,000,000 |
| Lincoln | Midway Elementary & Duval PK-8 Schools Sewer Plants | \$738,306 | \$138,306 | \$600,000 |
| Mason | HVAC Renovations at Five (5) Schools | \$480,192 | \$96,038 | \$384,154 |
| Mercer | Mercer Elementary School Restroom Renovations | \$305,830 | \$25,000 | \$280,830 |
| Monongalia | Mountainview Elementary School Renovation | \$990,948 | \$837,733 | \$153,215 |
| Pendleton | Pendleton County High School & Brandywine Elementary School HVAC Renovations | \$642,353 | \$50,000 | \$592,353 |
| Pocahontas | Pocahontas County High School Sewage System & Water Tank Replacement | \$925,443 | \$ 0 | \$925,443 |
| Randolph | Harmon School Heating & Cooling Units Installation | \$979,570 | \$ 0 | \$979,570 |
| Taylor | West Taylor Elementary Classroom & Restroom Addition | \$1,159,682 | \$300,000 | \$859,682 |
| Webster | Webster County High School Lighting, Ceiling & Locker Renovations | \$950,920 | \$ 0 | \$950,920 |
| Totals | | \$8,570,726 | \$1,844,559 | \$6,726,167 |

B. 3% Statewide Project Review and Award

Executive Director Blackwell advised the Authority that the total of the 3% grant funds available for distribution during the 2017 funding cycle was \$1,894,981. He stated that all projects submitted for consideration had been reviewed by the staff of the SBA, as well as, Dr. Kathy D'Antoni with the Department of Education. A report summarizing these projects and recommendations for projects to be funded this year had been prepared by the staff of the SBA and a copy was provided in Attachment M for the Authority members review and consideration.

Upon a motion by Mr. Tom Lange, with a second by Mr. Robert Holroyd the Authority voted to approve the following facilities for the 2017 Three Percent Grants for the projects listed below:

2017 THREE PERCENT PROJECTS

| Facility | Project Description | SBA Funds |
|--|--|--------------------|
| WV Department of Education | Continuation of Statewide Preventative Maintenance Program | \$106,061 |
| United Technical Center | Door Hardware & Electrical System Upgrades | \$230,000 |
| Mid-Ohio Valley Technical Institute | HVAC Renovations | \$566,000 |
| Fred Eberle Technical Center | Roof Replacement on Building A | \$483,947 |
| WV Schools for the Deaf & the Blind | HVAC and Controls Upgrades in Multipurpose Room | \$57,500 |
| South Branch Career & Technical Center | Roof Replacement on Building A | \$344,472 |
| Totals | | \$1,787,980 |

VIII.

OLD BUSINESS

A. Policy and Procedures Revision

Executive Director Blackwell advised the Authority that the final revisions of the latest Policy and Procedures had been completed, the thirty (30) day comment period ended January 23, 2017 all comments received had been reviewed, and several comments had been incorporated into the revised Policy language to address the comments. The Authority was provided a copy of the public comments, as well as, the staff of the SBA's responses to these comments. The Final Version of the Policy changes was provided in Attachment N.

Upon a motion by Mr. Steve Burton, with a second by Mr. Tom Lange, the Authority voted to approve all Policy and Procedures Revisions.

B. Update Preventive Maintenance Program and County Maintenance Assessment

Chairman Casey recognized Mr. Mike Pickens, West Virginia Department Education, Executive Director of Office of School Facilities. Mr. Pickens informed the Authority that as part of the School Building Authority's project scoring criteria, county school systems are evaluated from the efficiency of their preventive maintenance program. Through a grant from the SBA the West Virginia Department of Education, Office of School Facilities has implemented a software based preventive maintenance program in every county in West Virginia. Attachment O was provided which showed the updated Statewide Preventive Maintenance Information.

C. Construction Managers

Upon a motion by Mr. Steve Burton, with a second by Mr. Miller Hall, the Authority voted to table the Construction Managers item until a later date.

Chairman Casey created an Ad-Hoc Committee with Dr. Steve Paine, Chair; Mr. Steve Burton and Mr. Victor Gabriel serving as support staff. Chairman Casey directed the committee to meet and have communication and conversation regarding the Construction Managers involvement with the SBA and to report back to the Full Authority its findings. Chairman Casey also stated that all Authority members could take part if they so wished.

IX.

FUTURE MEETINGS

The 2017 fall quarterly meeting of the School Building Authority of West Virginia is scheduled on September 25, 2017 with the location to be determined.

The 2017 NEEDs Grant Submission/Superintendent Interviews meeting is scheduled on November 13 and November 14, 2017 with the location to be determined.

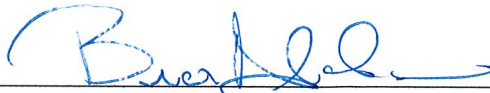
The 2017 winter quarterly meeting and NEEDs Grant project selection meeting of the School Building Authority of West Virginia is scheduled on December 11, 2017 with the location to be determined.

X.

ADJOURNMENT

There being no further business to come before the Authority and upon a motion by Mr. Tom Lange, with a second from Mr. Thomas Campbell, the Authority voted to adjourn the June 26, 2017 Quarterly Meeting of the School Building Authority of West Virginia.

Minutes Approved September 25, 2017

A handwritten signature in blue ink, appearing to read "Brian Abrahm", written over a horizontal line.

Mr. Brian Abrahm, Governor's Designee
School Building Authority of West Virginia