

**Ohio School Facilities Commission**  
**February 15, 2007**  
**William McKinley Room 1:00 PM**

**MINUTES**

Meeting was called to order at 1:11 PM.

**1. Roll Call**

Members present: Director Pari Sabety, Director Hugh Quill, Dr. Susan Tave Zelman, Dr. Steve Puckett, Representative Clyde Evans, Representative Matt Szollosi, Senator Larry Mumper and Jason Smith for Senator Tom Roberts.

**2. Election of Chair and Vice Chair**

a. Nomination of the Chair

Director Quill moved to nominate Director Sabety as the Chair of the Commission.

Dr. Steve Puckett seconded the motion.

Approval: Vote 3-0

b. Nomination of the Vice Chair

Madam Chair Sabety moved to nominate Director Quill as the Vice Chair of the Commission.

Dr. Steve Puckett seconded the motion.

Director Quill abstained from the vote.

Approval: Vote 2-0.

**3. Adoption of the December 14, 2006 Meeting Minutes**

Dr. Puckett moved to approve the December 14, 2006 minutes.

Vice Chair Quill seconded the motion.

Approval: Vote 3-0.

**4. School Energy Conservation Financing Program Approval – Presented by Steve Lutz**

Four School Districts have requested participation in the Energy Conservation Financing Program. In this program, a district identifies energy saving facility improvements and submits a projection of savings to the Commission. The Commission's approval allows districts to obtain financing without a voter approved tax levy. The dollars saved from lower utility bills and operational savings repays the debt incurred for the project. To qualify a project must pay for itself in 15 years or less. Districts must receive Commission approval prior to obtaining financing and proceeding with the work.

Beavercreek City School District of Greene County:

- Sabo/Limbach Energy Services
- One Building
- Total Cost \$211,500 (Self Financed)
- Annual Savings \$68,918
- Payback Period 3.1 Years
- Boiler Room Piping Reconfiguration
- Building, Boiler and Air-handler New Controls & Updated Control Operations

Hudson City School District of Summit County:

- Comfort Control Group, Inc.
- Five Buildings
- Total Cost \$2,771,953 (Including Interest @ 5.0%)
- Annual Savings \$267,987
- Payback Period 14.95 Years
- Boiler Replacements (4)
- Automated Controls Upgrades (5)
- Lighting Retrofit (5)
- Water Conservation (5)
- Classroom VAV Retrofit (1)

Berne Local School District of Fairfield County:

- Bruner Corporation
- One Building
- Total Cost \$1,321,107 (Including Interest @2.5%)
- Annual Savings \$108,219
- Payback Period 12.2 Years
- Boiler & Chiller Replacements
- Automated Controls Upgrades
- Lighting Retrofit
- Rooftop AC Unit Replacement
- Water Conservation
- Vending Machine Controls

West Carrollton School District of Montgomery County:

- Dayton Trane
- Seven Buildings
- Total Cost \$3,718,377 (Including Interest @ 3.75%)
- Annual Savings \$372,596
- Payback Period 10.00 Years
- Boiler Replacements (4)
- Automated Controls Upgrades (7)
- Lighting Retrofit (7)
- Water Conservation (7)
- Vending Machine Controls (7)
- Air-handler Retrofit (7)
- Daylight Harvesting System for Hallways (1)

Staff has reviewed the four School District applications and the engineering review of each provided by the Ohio Department of Development/Office of Energy Efficiency and recommends the Commission's approval of Resolution 07-01.

Madam Chair Sabety asked if many school districts implement energy forecasting. Steve Lutz replied that it is not a requirement, but many school districts elect to do so.

Dr. Puckett moved to approve Resolution 07-01.

Madam Chair Sabety seconded the motion.

Approval: Vote 3-0.

**5. Maintenance Plans Approval – Presented by Steve Lutz**

The School Districts listed below have submitted their plans including a business plan for preventive maintenance and facility operations for Commission approval. A maintenance plan provides the district a systematic and thorough guide for preventive maintenance of the facilities completed under the Commission’s programs. The plans also provide a projection of cost and a prioritization of the recommended maintenance work. Individualized plans are developed based on the equipment and materials used in each building and provide recommendations on staffing levels and outsourcing of certain of certain maintenance tasks. Commission approval of their maintenance plans is a prerequisite for the district’s use of the ½ mil maintenance fund. The staff of OSFC have reviewed these plans and recommends approval.

School District	Buildings Included in the Maintenance Plan
Chesapeake Union Exempted Village School District (Lawrence)	Elementary, Middle and High Schools
Cincinnati Public School District (Hamilton)	Winton Hills PK-8, East End PK-12 and Midway PK-8 – Interim Plan
Mapleton Local School District (Ashland)	K thru 5 School – Final Maintenance Plan
Wellston City School District (Jackson)	Elementary, Middle and High Schools

Vice Chair Quill moved to approve Resolution 07-02.  
 Dr. Puckett seconded the motion.  
 Approval: Vote 3-0.

**6. Project Agreement Approval – Presented by Steve Lutz**

There is one supplemental project agreement for the fourth segment of work for the Cleveland City School District under the Accelerated Urban Initiative. This agreement provides for the construction of 11 new elementary/middle schools and the abatement and demolition of 11 existing schools.

Budget: \$145,363,617  
 State Share: \$98,847,260  
 Local Share: \$46,516,357  
 Scope: Build 11 new ES/MS  
 Abate & Demo 11 Buildings

The Commission staff has worked closely with the district to develop this segment of the district’s facilities plan and recommends the Commission’s approval of Resolution 07-03.

Dr. Puckett asked how many total segments there were for Cleveland. Steve Lutz responded that there were seven segments planned. Madam Chair Sabety asked if there was a process for revisions to the master plan due to changes in enrollment. Director Hickman responded that the six urbans have been significantly impacted by the declining enrollment. Originally 450-468 buildings were included in the plans for the six districts in the Accelerated Urban Initiative. The number of buildings has been reduced by at least 100 as of July 2006 when the Commission approved modifications of the urban plans. Senator Mumper said last year

Director Hickman and the staff put together a program that explained the methodology used for enrollment and presented it to the Commission members and thought it would be good to share that information with the new Commission members. Director Hickman said that it could be scheduled again.

Vice Chair Quill moved to approve Resolution 07-03.

Dr. Puckett seconded the motion.

Approval: Vote 3-0.

**7. Master Facilities Plan Amendment Approval – Presented by Steve Lutz**

There is one Master Facility Plan Amendment for the Northwest Local School District (Scioto) for approval. Northwest LSD was a “1990 District” that was approved in 2001 for participation in the “1990 Lookback Program.” This amendment is to provide an increase of \$900,000 to the budget due to market conditions. The state share of the increase is \$702,701. The local share of the increase is \$197,299. The staff recommends the Commission’s approval of Resolution 07-04.

Vice Chair Quill moved to approve Resolution 07-04.

Dr. Puckett seconded the motion.

Approval: Vote 3-0.

**8. Expedited Local Partnership Program Agreement Amendment Approval – Presented by Steve Lutz**

There is one Expedited Local Partnership Program Part Two Agreement Amendment for the Galion City School District. This amendment is a reconciliation of the work completed. The construction of the new high school was contemplated under the original agreement. The district received an offer of funding under CFAP soon after completing the site work for the project and decided to complete the balance of the project under the funded program. This amendment removes the high school building from the discrete portion, reduces the dollar amount by \$11.6 million and establishes the discrete portion for ELPP as just the site work valued at \$251,890. Staff recommends the Commission’s approval of Resolution 07-05.

Dr. Puckett moved to approve Resolution 07-05.

Madam Chair Sabety seconded the motion.

Approval: Vote 3-0.

**9. Career Technical School Building Assistance Loan Program Approval – Presented by Eric Bode**

The Career Technical School Building Assistance Loan Program is a revolving loan program administered by the OSFC. The application-based program is available to any district, consortium, or joint vocational district offering career technical programs. The award is \$500,000 per year with a maximum award of \$1,000,000 for construction, renovation or equipment purchases. All loans are no-interest loans. Only one application was received this year for a loan of \$500,000 to the Mayfield Excel Technical Education Career Consortium. The consortium is administered by the Mayfield City Schools. The loan is for a new horticultural center, renovation of a classroom facility and construction of an outdoor laboratory. The Commission previously approved a loan for \$500,000 on May 25, 2006. With this additional loan, the district will have enough for the completing the project. The Legislature transferred the program to the Commission in 2005 from the Ohio Department of

Education, and since the school districts advance up the equity list and get funding, we see diminishing requests for this program. The staff recommends approval of the loan through Resolution 07-06. Madam Chair Sabety asked how many loans were approved last year. Eric Bode replied that three applications were submitted and one loan was approved.

Vice Chair Quill moved to approve Resolution 07-06.

Dr. Puckett seconded the motion.

Approval: Vote 3-0.

**10. Consultant Contract Agreement Approval – Presented by Eric Bode**

This \$10,000 operating contract is for Construction Cost Reporting Services with Global Insight. Every year, the Commission revises the Ohio School Design Manual, including costs per square foot. Later this spring, staff will present to the Commission the update for approval. A major component is the overall inflation rate for our buildings. OSFC has used Global Insight (formerly WEFA) since 1999. Initially, the consultant will review off-the-shelf reports, then perform an on-line database review, then present a tailored report and presentation to OSFC in March. Global Insight is under contract by OBM and LSC, so we got a favorable price. On \$1 billion in annual work, a 1% change in inflation rate is \$10 million, so it's important to be accurate. The staff recommends approval of Resolution 07-07.

Madam Chair Sabety asked whether the forecasts the consultant will provide will include fuel and energy costs. Eric Bode responded only construction costs are provided though fuel costs are a component of transportation for construction delivery. Madam Chair Sabety asked if any thought been given to looking at energy costs to operate a completed facility and if it was flat or forecasted for the purposes of HB 264 projects. Eric Bode responded that the assumption is flat. House Bill 264 does not assume any inflation in construction measures. This is a conservative approach.

Dr. Puckett moved to approve Resolution 07-07.

Madam Chair Sabety seconded the motion.

Approval: Vote 3-0.

**11. Architectural Agreements and Amendments Approval – Presented by Crystal Canan**

Crystal Canan shared the OSFC Project Contracting Structure with the Commission members. The law created a co-owner model in school construction projects funded by the State of Ohio. The school district, by law, selects the Architect and enters into a contract that is prescribed by OSFC. The contract with the Architect is subject to Commission approval. OSFC selects the Construction Manager for the project, with school district input to the process. The contract with the Construction Manager is subject to Commission and Controlling Board approval. Today we are presenting architect agreement and amendments and construction manager agreement and amendments.

The first five Architect Agreements are for new school districts; the amount allocated for design services is 6.5% of the construction budget. The fees for the Bucyrus School District exceed the budgeted amount for the reason that the scope of work involves two renovations, which typically involved more complex design services. Ms. Canan described the transaction issues associated with Cincinnati City School District's contract with Cole+Russell Architect, Inc. for the Hughes Center 9-12 Renovation project. It reflects a reduction of co-funding for the architect's services because with declining enrollment, the

Commission is funding less renovation scope in the facility, with the district being responsible for locally funding the remainder of the space that is oversized for the student occupancy.

**Agreements:**

School District	Project	Architect	Amount	Agreement
Adams County/Ohio Valley LSD	Adams County/Ohio Valley LSD	Steed Hammond Paul, Inc.	\$3,253,416	Agreement
Millcreek-West Unity LSD	Millcreek-West Unity LSD	SSOE, Inc.	\$1,226,456	Agreement
Clinton-Massie LSD	Clinton-Massie LSD	Fanning/Howey Assoc., Inc.	\$1,676,151	Agreement
Ironton City School District	Ironton City Schools	Fanning/Howey Assoc., Inc.	\$2,016,710	Agreement
Bucyrus City School District	Bucyrus City Schools	Fanning/Howey Assoc., Inc.	\$2,069,458	Agreement

**Amendments:**

School District	Project	Architect	Fees to Date	Amount	Total	Amendment
Portsmouth CSD	Demo of old High School	Tanner Stone & Co.	\$3,516,180	\$14,041	\$3,530,221	Amendment
Dawson-Bryant LSD	Design a new roof structure for the existing Middle School Gym	Tanner Stone & Co.	\$751,309	\$93,650	\$844,959	Amendment
Cincinnati CSD	Hughes Center 9-12 Renovation	Cole+Russell Architect, Inc.	\$2,176,692	(\$217,584)	\$1,959,108	Amendment
Youngstown CSD	New East HS, New Wilson MS( Adj), Demo Wilson HS, LFIs	Ricciuti Balog & Partners	\$2,732,407	(\$80,694)	\$2,651,713	Amendment
Youngstown CSD	New PR Berry MS, New Taft ES, New Bunn ES(Adj), Reno/Add Kirkmere ES (Adj), Demo East MS & Bunn ES, LFIs	Strollo Architects	\$2,108,319	\$195,073	\$2,303,392	Amendment

**Locally Funded Initiatives:**

School District	Project	Architect	Amount	Locally Funded Initiatives
Adams County/Ohio Valley LSD	Site upgrades, roof & brick, high performance design, three small gyms, main gym increase, additional classrooms, and lockers, showers, restrooms	Steed Hammond Paul, Inc.	\$708,629	Agreement - LFI
Millcreek-West Unity LSD	Additional Square Footage for Millcreek-West Unity Local Schools	SSOE, Inc.	\$88,898	Agreement - LFI
Ironton City School District	Auditorium, Conley Center enclosure, Add'l site prep, Exterior facade upgrade, Add'l classrooms, Add'l site prep	Fanning/Howey Assoc., Inc.	\$375,030	Agreement - LFI
Bucyrus City School District	Auditorium renovation and add'l square feet	Fanning/Howey Assoc., Inc.	\$144,202	Agreement - LFI
Cincinnati City School District	Hughes Center 9-12 Renovation	Cole+Russell Architect, Inc.	\$725,315	Amendment - LFI

The Commission staff has reviewed and recommends the approval of Resolution 07-08.

Dr. Puckett moved to approve Resolution 07-08.

Vice Chair Quill seconded the motion.

Approval: Vote 3-0.

**12. Construction Manager Agreements and Amendment Approval – Presented by Crystal Canan**

The three Construction Manager Agreements are from the 2006 CM selection process. Craig Weise, Deputy Chief of Projects, managed the negotiations for these contracts at 6% and he was introduced to the Commission. These contracts will go to the Controlling Board for approval. Recommend approval of Resolution 07-09.

<b>CM Firm</b>	<b>District</b>	<b>County</b>	<b>Total CM Compensation</b>
Regency Construction	Knox County JVS	Knox	\$848,126
Regency Construction	North Union LSD	Union	\$1,012,246
Turner/DAG Construction	Clinton-Massie LSD	Clinton	\$1,575,959

Madam Chair Sabety moved to approve Resolution 07-09.  
 Dr. Puckett seconded the motion.  
 Approval: Vote 3-0.

The following Construction Manager amendment was presented for approval.

<b><u>School District</u></b>	<b><u>Construction Management Company</u></b>	<b><u>Amount</u></b>
Dawson Bryant LSD	BBL/DAG LLC	\$244,510

The Commission staff has reviewed and recommends the approval of Resolution 07-10.

Vice Chair Quill moved to approve Resolution 07-10.  
 Dr. Puckett seconded the motion.  
 Approval: Vote 3-0.

The following Construction Manager amendment for zero dollars was presented for approval. This request is to accelerate the last phase and release funds in the amount of \$676,340 for Smoot/Elford/Resource. These funds were allocated for FY '07, but it is necessary to allocate them for services performed in FY '06.

<b><u>School District</u></b>	<b><u>Construction Company</u></b>	<b><u>Amount</u></b>
Columbus City SD (Franklin)	Smoot/Elford/Resource	\$0.00

The Commission staff has reviewed and recommends the approval of Resolution 07-11.

Dr. Puckett moved to approve Resolution 07-11.  
 Vice Chair Quill seconded the motion.  
 Approval: Vote 3-0.

The following Construction Manager amendments for “locally funded initiative” were presented for approval.

<u>School District</u>	<u>Construction Manager</u>	<u>Amount</u>
Cincinnati City School District	Turner/DAG/TYS	\$977,076
Galion City School District	Gilbane Building Company	\$300,000
Defiance City School District	Touchstone CPM	\$29,952
Stryker Local School District	Touchstone CPM	\$37,797

The Commission staff has reviewed and recommends the approval of Resolution 07-12.

Dr. Puckett moved to approve Resolution 07-12.

Vice Chair Quill seconded the motion.

Approval: Vote 3-0.

### 13. Trade Construction Contracts Approval – Presented by Crystal Canan

All contracts represent the lowest responsible bidder. The Commission staff will call attention when there is a second low bidder on the award list. The Commission staff has reviewed and recommends the approval of Resolution 07-13.

<u>School District</u>	<u>Contracting Entity</u>	<u>Scope Of Work</u>	<u>\$ Amount</u>
Akron CSD	Duer Construction Co.	Masonry/Concrete	\$1,155,627.00
Akron CSD	Duer Construction Co.	Masonry/Concrete	\$1,844,444.00
Akron CSD	Continental Educational Environments	Office Furniture	\$168,170.07
Akron CSD	Continental Educational Environments	Classroom Furniture	\$98,255.82
Akron CSD	ClarkTel Communications Corp.	Telephone Systems	\$45,299.32
Akron CSD	Speelman Electric, Inc.	Electrical/Fire	\$1,035,000.00
Akron CSD	S. A. Comunale Co., Inc.	Sprinkler System	\$124,500.00
Akron CSD	Great Lakes Crushing, Ltd.	Site Work	\$858,866.36
Akron CSD	Town Center Construction, L. L. C.	General Trades	\$2,659,789.00
Akron CSD	Chad Rowland Plumbing	Plumbing	\$404,290.00
Akron CSD	ClarkTel Communications Corp	Telephone System	\$47,822.47
Akron CSD	C. T. Taylor Company, Inc.	Metals	\$446,000.00
Akron CSD	Montecalvo Electric, Inc.	Electrical/Fire Alarm	\$728,060.00
Akron CSD	S. S. Sprinkler	Sprinkler System	\$98,900.00
Akron CSD	S. A. Comunale Co., Inc.	Mechanical/HVAC	\$1,029,400.00
Akron CSD	R. T. Hampton Plumbing & Heating, Inc.	Plumbing	\$380,000.00
Akron CSD	Summit Construction Company, Inc.	General Trades	\$2,747,900.00
Akron CSD	S. A. Comunale Co., Inc.	Mechanical/HVAC	\$1,189,000.00
Akron CSD	Southeast Security Corporation	Structured Cabling, Data Hardware, Security System, Sound & Video System	\$423,500.00
Canton CSD	Cardinal Environmental Services, Inc.	Asbestos Abatement	\$290,743.00
Canton CSD	Beaver Excavating Company	Demolition	\$139,016.91
Canton CSD	David Williams & Associates	Playground	\$19,650.00
Cincinnati CSD	LVI Environmental Services, Inc.	Environmental Remediation & Asbestos Abatement	\$56,200.00
Cleveland CSD	Homrich, Inc.	Demolition and Associated Abatement Work	\$307,000.00

Cleveland CSD	B & B Wrecking & Excavating, Inc.	Demolition and Associated Abatement Work	\$494,500.00
Cleveland CSD	Dore & Associates Contracting, Inc.	Demolition and Associated Abatement Work	\$467,100.00
Columbus CSD	T. P. Mechancial	Fire Protection	\$107,740.00
Columbus CSD	T. P. Mechanical	Fire Protection	\$105,720.00
Columbus CSD	General Temperature Control, Inc.	Plumbing	\$335,000.00
Columbus CSD	Gutknecht Construction	General Trades	\$2,940,060.00
Columbus CSD	Aggressive Mechanical	HVAC	\$953,000.00
Columbus CSD	International Masonry, Inc.	Masonry	\$774,658.00
Columbus CSD	The Superior Group	Electrical	\$1,221,000.00
Columbus CSD	The Superior Group	Electrical	\$1,219,000.00
Columbus CSD	International Masonry, Inc.	Masonry	\$887,404.00
Columbus CSD	Aggressive Mechancial	HVAC	\$957,000.00
Columbus CSD	General Temperature Control, Inc.	Plumbing	\$345,000.00
Columbus CSD	Colvin Gravel Company, Inc.	Demolition	\$264,999.99
Columbus CSD	LVI Environmental Services, Inc.	Environmental Abatement	\$15,900.00
Columbus CSD	Gutknecht Construction	General Trades	\$3,098,458.00
Dayton CSD	C2 Diversified Services, Inc.	Asbestos Abatement	\$155,050.00
Fairless LSD	Stanley Security Solutions	Technology	\$854,000.00
Fairless LSD	Continental Office Environments	Furniture	\$672,136.83
Gallipolis CSD	Lepi Enterprises, Inc.	Asbestos Abatement and Related Work	\$136,750.00
Gorham Fayette LSD	Woolace Electric	Electrical	\$1,718,491.00
Gorham Fayette LSD	Shambaugh & Son, L. P.	Fire Suppression	\$269,257.00
Gorham Fayette LSD	Mosser Construction	General Trades	\$8,325,600.00
Gorham Fayette LSD	L. R. Babcock, Inc.	Mechanical and Plumbing	\$1,858,000.00
Hamilton LSD	Pro-Onsite Technologies	Technology	\$1,189,000.00
Hamilton LSD	Fox Acres, LLC	Landscaping	\$36,478.00
Hicksville EVSD	Ohio Plumbing & Electrical, Inc.	Plumbing	\$928,000.00
Hicksville EVSD	Woolace Electric	Electrical Systems	\$2,338,850.00
Hicksville EVSD	Reynolds Electric Company, Inc.	Electrical Systems	\$240,500.00
Hicksville EVSD	Absolute Fire Protection	Fire Suppression System	\$281,500.00
Hicksville EVSD	Commercial Appliance Contracts	Food Service Equipment	\$372,621.00
Hicksville EVSD	Peterson Construction	General Trades, Roof, Sheet Metal	\$12,262,000.00
Hicksville EVSD	Lingvai Excavating	Sitework	\$1,850,520.00
Jackson CSD	Zimmerman School Equipment	Loose Furnishings-Classroom Furniture	\$158,000.00
Jackson CSD	Continental Educational Environments	Loose Furnishings-Office Furniture	\$62,381.15
Licking Valley LSD	Microman, Inc.	Telephone	\$105,888.00
Licking Valley LSD	Claypool Electric, Inc.	Technology	\$1,749,000.00
Lincolnview LSD	ACI Const. Co., Inc.	General Trades	\$9,555,000.00
Lincolnview LSD	Shambaugh & Son, L. P.	Fire Protection	\$467,760.00
Lincolnview LSD	Smith-Boughan, Inc.	Plumbing	\$951,200.00
Lincolnview LSD	Frost & Company, Inc.	HVAC / Controls	\$2,473,722.00
Lincolnview LSD	Koester Electric, Inc.	Electric/Technology Cabling	\$1,849,000.00
Lincolnview LSD	LoopMaster International, Inc.	Geothermal Wells	\$640,400.00

Logan-Hocking LSD	Farnham Equipment Company	Telescopic Bleachers	\$159,660.00
Lorain CSD	Continental Office Environments	Loose Furnishings	\$88,469.41
Lorain CSD	Continental Office Environments	Loose Furnishings	\$86,945.87
Mechanicsburg EVSD	Tom Sexton & Associates	Loose Furnishings	\$500,377.84
Miami Trace LSD	Cox Paving, Inc.	Demolition	\$49,979.00
Pymatuning Valley LSD	GCS Industrial Services, Ltd.	Hazardous Material Abatement	\$25,290.00
Tecumseh LSD	AWT Services	Demolition	\$239,700.00
Tecumseh LSD	Total Environmental Service, LLC	Asbestos Abatement	\$137,265.00
Tri-Valley LSD	Siemens Building Technologies, Inc.	HVAC	\$489,900.00
Tri-Valley LSD	Breckenridge Kitchen Equipment & Design, Inc.	Kitchen Equipment	\$765,525.00
Tri-Valley LSD	Gutridge Plumbing, Inc.	Fire Protection	\$234,000.00
Tri-Valley LSD	Settle Muter Electric	Electrical	\$867,750.00
Warren CSD	S. S. Kemp & Co.	Food Service Equipment	\$562,304.00
Youngstown CSD	Kreidler Construction Company	General Trades	\$3,435,050.00
Youngstown CSD	Midwest Telephone Service	Cabling	\$379,168.00
Youngstown CSD	York Mahoning Mechanical Contractors, Inc.	HVAC	\$3,045,500.00
Youngstown CSD	Komar Plumbing Company, Inc.	Plumbing	\$210,000.00
Youngstown CSD	Enertech Electrical, Inc.	Electrical/Technology	\$2,192,855.00
Youngstown CSD	Fire Foe Corporation	Fire Protection	<u>\$484,774.00</u>
		Total	\$95,939,592.04

Ms. Canan shared with the Commission that the number of trade contractor packages is determined by the project team and we typically see fewer trade contractor packages in remote districts. Madam Chair Sabety asked for the definition of remote school districts. Ms. Canan responded that they are districts that are a further distance from major metropolitan areas geographically, with travel costs adding to the expense to deliver materials and labor at those locations. We tend to see fewer small contract packages in those districts; various smaller scopes of work such as painting, carpentry and flooring are packaged with in the general trades scope, making for larger contract packages. Madam Chair Sabety asked if we see costs flattening since we are over the 2004 construction cost material spike. Director Hickman replied that we learned from Global Insight that all indications are that there has been a slow down in the construction cost escalation after the 2004 industry spike.

Vice Chair Quill moved to approve Resolution 07-13.  
Dr. Puckett seconded the motion.  
Approval: Vote 3-0.

**14. Authority to File Suit – Presented by Jerry Kasai**  
Conneaut City School District (Ashtabula County)

The project consisted of building three new facilities serving the elementary school and the middle school populations with additions and renovations to the high school building. The original Master Plan budget was \$37,512,818. The Master Plan was increased by \$7,939,019 due to changes in the enrollment projection and revisions to a facility assessment. The district occupied the last of the new/renovated facilities in January 2005. Since occupancy windows in the three new facilities have had heavy condensation in the winter months. The district has tried to work through the issue with the project team with no success. Recently

an independent consultant provided a report stating that the condensation problem is a result of a non-insulated window being installed. The report suggested that the design documents were vague and conflicting, and that the product submittals were incomplete and inadequate and inconsistent with the product installed. The project team has not been responsive to requests to correct the condensation. The School Board has authorized suit be filed. Presently the cost to fix/replace all windows is still being investigated. Recommend approval of Resolution 07-14.

Vice Chair Quill asked about debarment actions. Jerry Kasai responded that OSFC does not have debarment authority. Director Hickman responded that it is not OSFC's intent to leave a school district with problems. If we don't get cooperation, we don't award supplemental contracts. In the last year, we have resolved 11 problems in 11 school districts.

Dr. Puckett moved to approve Resolution 07-14.

Vice Chair Quill seconded the motion.

Approval: Vote 3-0.

#### Frontier Local School District (Washington County)

The Frontier Local SD project consisted of two new elementary schools with renovations and additions to the high school. Original budget was \$17,806,628 and with one amendment it went to \$24,700,000. New Matamoras Elementary (K-7) and Newport Elementary (K-7) were completed in 2002. The high school renovations were also completed in 2002. Since the completion the roofs on all three buildings have experienced issues with leaking, air infiltration, code violations etc. Apex, the general trades contractor, through a subcontractor (Kelly & Oliver) installed the roofs. Apex, as well as Kelly & Oliver is now out of business. Engineering Diagnostics, a sub-consultant to AVG, examined the roof installation and provided a detailed report identifying workmanship issues. Subsequently OSFC retained RoofTec to identify all the defective roof work. It appears that all three roofs must be replaced due to the problems with the roofs. AVG completed re-roofing design plans in November. Design documents and cost estimates were provided to the Surety (Travelers) for review and to provide them an opportunity to retain a firm to complete the re-roofing and given until early January to respond. They have not responded. Plans are to proceed with re-roofing this summer after school is out.

Lang Masonry completed the masonry work. Defective work includes: at the high school, wall ties between the exterior brick and the concrete masonry backup appear may be missing; the cavity/air space between the exterior brick and the concrete masonry appears to be obstructed with mortar; and the vapor barrier which should be installed between the rigid insulation, weeps are missing, shrinkage at the elementary schools, and the concrete masonry to slow or stop vapor transmission through the wall appears to be missing. OSFC retained a consultant to examine the building and develop a remediation strategy. The district was not comfortable with reports from our consultant and retained Masonry Technologies to evaluate the construction. OSFC received the Masonry Technologies report and reviewed it against our consultant's report. For the most part, the reports are similar. However, we plan to schedule a meeting with the school district to discuss the scope of work that would be agreeable to all. This meeting will be a work session with input from the consultants to discuss all the options in order to arrive at consensus on what exactly we will ask Lang to do. Lang has agreed to redo any work that is to be fixed for which it is at fault for and will commence work as soon as weather permits. Presently the cost to re-roof the buildings may

approach \$1.5 million. Currently, AVG is performing the design work for free and Quandel will be providing the construction management services for free. The cost for the masonry work over and above the work that Lang will be providing for free is unknown. Recommend approval of Resolution 07-15.

Senator Mumper asked about the dollar amount regarding the litigation. Jerry Kasai responded that when we normally file a complaint the payer for relief will request an amount in excess of \$25,000, but until we bid out the work, we won't know the cost. The hope is that the people will step up and do the work when we file. Senator Mumper asked how often does this end up going all the way through court. Jerry Kasai responded that as of the current time we have not had a case to trial. He thought we might have a trial with Meigs, but we settled for \$1 million. Representative Szollosi asked what happens to a contractor with poor work that bids again. Jerry Kasai responded that is always a concern, and we have a number of ways to deal with it. Vice Chair Quill asked if contractors have to disclose subcontractors. Jerry Kasai responded that a prime contractor within 10 days of award of a contract and in excess of \$250,000 must disclose subcontractors. In the past several years, we have been motivating the construction managers to get involved to be sure Form 26/27 are getting submitted. Vice Chair Quill asked if there is a strategy to motivate. Director Hickman reported that annually we do review and audit of the construction manager. Each year issues are identified, and then we meet with the firms to review the audit results and discuss how to move forward. This becomes a key ingredient in the next construction manager selection.

Madam Chair Sabety moved to approve Resolution 07-15.

Dr. Puckett seconded the motion.

Approval: Vote 3-0.

#### **15. Settlement Update – Presented by Jerry Kasai**

##### Ripley Union Lewis Huntington Local School District (Brown County)

Project Scope was for a new middle school. New high school finished in 1994 through the Department of Education 1990 Program. Persistent water infiltration problem with roof. It was also determined during the CFAP project that the existing roof did not meet the 1989 then existing building code for uplift bridging requirements. Scope for the CFAP work for School District included replacing the entire roof, and reworking the structural supports on a somewhat new school due to the extent of both issues. Co-owners filed suit in 2004, alleging damages in of approximately \$850,000. Parties went through mediation in December of 2006. Defendants agreed to settle all the roof claims for \$501,000. In the proposed settlement Tanner Stone will assign all rights against its sub-consultant Eeman & Blinn on the wind uplift issues. At the mediation, Eeman & Blinn asserted that even though the roof did not meet the 1989 Building Code, the fix performed on the Project was excessive and would only offer an insubstantial amount to settle that particular claim. Trial against Eeman & Blinn is currently set for mid-07 in Brown County Common Pleas Court.

#### **16. Executive Director's Report**

Director Hickman provided an update on the dedications and groundbreakings since the Commission's December meeting.

Director Hickman pointed out the OSFC Financial Report Disbursements for FY07 through January 31, 2007 included in the supplemental materials. Since the beginning of the program OSFC has disbursed \$5 billion and for FY07 OSFC has disbursed \$424 million.

## 17. Public Testimony

Gary Dwyer, Ohio State Building and Construction Trades, asked the Commission if there was a procedure in place for someone to contact if they have a concern on any project. Director Hickman responded that OSFC welcomes any and all concerns. The construction manager would be the appropriate person to call. The call could also come into the central office and the OSFC Project Administrator assigned to the project would then notify the construction manager.

## 17. Other Topics:

### - Contractor Qualifications

Assistant Attorney General Dan Belville presented Resolution 07-16. Mr. Belville reported that for several years, school districts have submitted various lists of “responsible bidder criteria” or “quality contracting criteria.” Those lists were reviewed by OSFC staff and approved or disapproved on a case-by case basis. To allow the local school districts more control over their projects, and to bring uniformity to the process; Mr. Belville and Commission General Counsel Jerry Kasai created a list of proposed qualifications standards to insure the OSFC received quality construction on its projects.

The list was adopted from quality contracting criteria adopted by school districts and other political subdivisions in the State of Ohio.

The list of model responsible bidder requirements (Attachment A to the Resolution 07-16) was presented to the Commission, and questions were asked related to specific criteria. At the end of the overview, Mr. Belville emphasized following:

- 1). That the list would not be used on all projects, only at the request of individual school districts; and
- 2). These criteria would not be used in contravention of current state bid law, but would be used to evaluate contractor qualifications within the statutory framework set forth in Section 9.312 of the Ohio Revised Code.

The issue was opened for discussion. Senator Mumper asked if this would increase the cost of projects. Mr. Belville answered it would be very difficult to know. The cost might be similar to prevailing wage, and there were conflicting studies. An OBM study begun in 1997 indicated eliminating prevailing wage on school projects saved the State money while other academic studies found that adopting prevailing wage did not materially increase the cost of public projects. Senator Mumper asked that the Resolution be tabled for further comment. Representative Szollosi spoke to support adopting the Resolution, though he indicated the Commission should remain open to amending the model criteria and he had suggestions in that regard. With no further discussion, the secretary called for the roll.

Vice Chair Quill moved to approve Resolution 07-16.

Dr. Zelman seconded the motion.

Approval: Vote 3-0.

### - Review of Programs and Funding

Madam Chair Sabety asked that there be a review of Commission programs and funding and asked the Executive Director to prepare a review to include the following, with respect to the long-range vision of the Commission:

1. Identify the Commission’s core goals;
2. Review the scope and costs of programs currently administered by the Commission;
3. Recommend changes, if necessary, to align programs with core goals;

4. In consultation with the Office of Budget and Management, identify options for long term funding of the Commission, including revenue sources and the implications for school districts not yet served;
5. Submit the review to the Commission by April 16, 2007.

Director Hickman embraced the resolution. In the early years of the Commission, we were pretty much on target, but then 9/11, steel spikes, hurricane Rita, etc. impacted the market conditions. The urban initiative was introduced which changed the funding stream, had more enrollment issues, community engagement, key decisions created drawing out of time to complete work. It is prudent on the part of the Commission to take time, step back and look at the delivery process and costs and look forward.

Dr. Zelman moved to approve Resolution 07-17.

Vice Chair Quill seconded the motion.

Approval: Vote 3-0.

**Executive Session**

Vice Chair Quill moved to go into executive session.

Dr. Zelman seconded the motion.

Approval: Vote 3-0.

Vice Chair Quill moved to approve Resolution 07-18 appointing Michael Shoemaker as Executive Director of the Commission.

Dr. Puckett seconded the motion.

Approval: Vote 3-0.

Madam Chair Sabety recognized and thanked Director Hickman for his service to the Commission.

Meeting was adjourned at 3:40 PM.



J. Pari Sabety, Chair

These meeting minutes were prepared by:

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