

12/20/18 Closed Session

Mark Twain New Elementary Building

Directors went into closed session at 6:17 p.m.

Members presented:

Directors Castro, Champion, Holland, Lynch, Pyevich Staley, Struck

Mike Raso, Superintendent

Dallon Christensen, Finance Director

Chris Andrus, Director of Operations

Caroline Olson, MT Principal

David Farmer, Board Treasurer

Bill Bruce, Bush Construction

Chileshe Mulenga, Ross College

Shannon Muckenfuss, Superintendent Administrative Assistant

Mark Twain Options

Chileshe Mulenga of Ross College said they received a very important document from the City and Fire Department today, which was requested by their landlord. He wanted some level of comfort that we were not putting him or his insurance policy at risk with a school and a playground there.

He discussed terms of the lease. About 15,364 useable square feet would be the temporary space for the Mark Twain School. Based on discussions, the proposed draft lease is for a 6-month term to occupy the space with options of 30-day extensions if needed. The lease would be from mid-July to mid-January. It is a gross lease meaning everything is included in the lease. It would be \$43,950.41 per month. That is based on the base rent, common area maintenance costs, utilities, and all of the construction and subtenant improvements, and design costs (construction documents). Construction costs include instructing a new secure lobby entrance based on requirements by Chris Andrus, a wall to divide the space, new food prep area, portable toilets, security measures, exterior signage, and exterior playground area that is required. Any existing furniture and audio/visual equipment that is in the space is available for use.

Director Pyevich asked what is included in common area maintenance costs. It includes snow removal. Janitor costs are not included in this.

Director Castro asked if this space is completely separated from Hobby Lobby. The proposed space is an end cap. Ross College is between Hobby Lobby and the proposed spaces.

Mr. Mulenga was asked to validate the programmatic requirements to make sure they work in the space so there are no operational issues once we move in. A programming meeting is scheduled for January 7th and they will go through all the line items on this agenda and review the codes for occupancy loads, plumbing requirements, room requirements, number of exits, fire alarms, distances traveled to exits, and seats/configurations for proper instruction. After the meeting, they will create a space plan that basically summarizes everything discussed.

He reviewed a tentative schedule. If approved, a programming meeting is scheduled for January 7th. Written approval is still needed from the landlord. He anticipates having that within the next week or so. He anticipates the programming effort to take three weeks, plus or minus (January 7-February 14) and that is if everything goes according to plan. A lot of the details, such as insurance requirements, will need to be ironed out. He feels confident they can start construction drawings around February 11th. Construction would end around the third or fourth week in April. That gives the district a couple of months between construction, completion, and taking over the space.

Finance Director Dallan Christensen said he talked with Hub International (district's insurance carrier) and they have said they will do whatever is necessary on their end to ensure the district has the appropriate amount of insurance. The cost is negligible.

Director Staley asked if this could be Edison Academy. He was wondering how we minimize our risk and questioned if we could get into a five year lease.

Director Champion asked how we are paying for this. Finance Director Christensen said this does qualify under capital sales tax bonding and he is also looking into one-time spending authority, similar to what was done with the planetarium.

Director Pyevich asked how negotiable is the rent if the district does decide to do something for five years. Mr. Mulenga said they are just passing on costs and these numbers are bottom line costs, with no markup. Without construction costs, the cost of the lease would be \$14,301.00 per month.

Director Staley asked where the bus drop will be. Chris Andrus said drop off will be in front of the building.

MT Principal Caroline Olson said it is a lovely space and they will make it work. Dallan Christensen said as a parent it is not ideal, but he thinks this is the best approach.

Bill Bruce of Bush Construction said he spoke to the board in October about the three options. Legat and Bush Construction are recommending option 1, which is temporarily moving to Ross College. Key reasons they recommended this option is that there will be no students on site during demolition and peak construction of building. It minimizes student distraction from construction activities and there is plenty of parking and drop off area. Project will be 100% complete by end of year 2019. There will be no parking and drop off area issues for the new building. Director Lynch noted it is an additional \$35,000 to get it done in a way that is much safer for students.

Director Champion asked if the \$40,000 is mostly for bussing. Mr. Andrus is estimating bussing to be around \$10,000-\$15,000 but he is not sure how to estimate bussing because he does not know how many kids will need it. The plan is to have a drop off site for Mark Twain and Thomas Jefferson that will then go to Ross College. Dallan Christensen said he feels like there will be parents who will want to pick their children up at Ross College and Thomas Jefferson. Director Champion feels the procedure needs to be very refined. He suggested staggering the start time by about 15 minutes. Director Pyevich said it is not

that far. Director Lynch believes a well-developed transportation plan needs to be done before the 2nd board meeting in January. Director Staley asked if we can set board policy that students are not allowed to walk to Ross.

Director Pyevich asked if there is contingency built into the construction costs. He asked about furniture. The desks are adjustable. Contingency is about \$15,000. The goal is to not use any of it but it is in there just in case. President Holland said everything in here is an estimate.

Director Castro asked how long this is confidential. Superintendent Raso said he is surprised that it is not already out there. They have talked about it openly. The plan is to come to the board publically on January 22nd. Director Pyevich is trying to figure out what other costs the district might occur. Mr. Andrus said the reason everything is baked into lease is because they thought it would be more of a challenge to sell to the public if they have to spend extra on building a wall, secure entrances, etc.

Director Pyevich wanted to know where we are at with the potential sale of Jefferson. Director Holland said we cannot do it soon enough. Superintendent Raso said he would like to issue an RFP through our attorney and not use a real estate company. Director Holland noted a stem academy is interested in the Jefferson building. He said the best option would be to have our attorney draw up a Request for Proposal (RFPP) and issue that. Superintendent Raso recommended sending them out the middle of January.

Director Pyevich asked about the stem school. Director Holland said it might not be the best option because if it folds then we are left with a vacant building. Directors agreed that they did not want to see a school on the Jefferson property. Director Holland said we might face political backlash if we do not at least let others explore it. Director Staley thought the board authorized a realtor to list the Jefferson property and questioned using an attorney. Director Lynch said the intent was to sell it not whether or not we use an attorney or realtor. He asked if the district has to go with the highest bidder.

On a side note, Finance Director Dallan Christensen said he received one, maybe two unsolicited expressions of interest on the current Edison Property.

Director Champion would like the contract to state that they can take possession of the property on a certain date and the district will demo the building. He said the standing building will haunt the district. The board directed administration to work with our district attorney to develop a RFP or RFQ that would be advantageous to the district and follows through with the motion in July to sell the Jefferson property.

Directors returned to open session at 7:25 p.m.