

**Minutes of the Meeting of the
Capital Funding Protection Committee
of the Washoe County School District Board of Trustees**

July 19, 2018

1 OPENING ITEMS

1.01 Call to Order

The meeting of the Capital Funding Protection Committee of the Board of Trustees was called to order at 4:06 P.M. at the Washoe County School District Administration Building, 425 East Ninth Street, Reno, Nevada

1.02 Roll Call

David Bobzien, Carlene Bybee, Kristopher Dahir, Bob Lucey, Jeanne Herman, Mike Cate, Ben Hutchins and Dave Solaro were present for roll call. Paul McKenzie arrived at 4:08 P.M. Tim Rowe and Scott Evans were absent.

1.03 Public Comment

Jeff Church, provided public comment. Mr. Church apologized to the Committee for his unprofessional and sarcastic comments that he had previously engaged in regarding vehicle usage being charged to Capital Projects and assured the Committee it would not happen again.

Jeff Church, requested WCSD provide a watch dog for Capital spending, a full-time Auditor and Oversight. Stated every school needs two officers to offset each other with all their time off. Officers make over \$100,000 a year, 40% PERS contribution and WCSD can't get enough existing Officers to fill the current spots. Mr. Church says WCSD needs to look at Capital Projects technology and has a proposal to submit regarding bullet resistant booths and security techs as opposed to full time Peace Officers. Stated he has been asked where the staffing and budget going to come from for the 3 new schools being opened in 2019. Urged the Committee to use caution before investing more funds into Arrow Creek Middle School.

1.04 Action to Adopt the Agenda

On motion by Paul McKenzie, seconded by Kristopher Dahir, **the Capital Funding Protection committee approved the agenda as presented.** (Yea: David Bobzien,

Paul McKenzie, Charlene Bybee, Kristopher Dahir, Bob Lucey, Jeanne Herman, Mike Cate, Ben Hutchins and Dave Solaro). Final Resolution: Motion Carries 9-0

2 Discussion, Presentation, and Action Items

2.01 Discussion and Possible Approval of the Minutes from the December 7, 2017 Capital Funding Protection Committee meeting (For Possible Action)

Paul McKenzie, questioned the approval of funding to move the Power Line at Wildcreek HS. It was clarified that the approval of minutes is for December 7, 2017 and the Power Line is in the March 29, 2018 minutes.

On motion by Charlene Bybee and seconded by Jeanne Herman, **the Capital Funding Protection Committee approved the minutes of the December 07, 2017 meeting.** (Yea: David Bobzien, Paul McKenzie, Charlene Bybee, Kristopher Dahir, Bob Lucey, Jeanne Herman, Mike Cate, Ben Hutchins and Dave Solaro). Final Resolution: Motion Carries 9-0

2.02 Discussion and Possible Approval of the Minutes from the March 29, 2018 Capital Funding Protection Committee meeting (For Possible Action)

The discussion regarding the Power Line at Wildcreek resumed.

Dave Solaro, Item 2.05 of the minutes in the second paragraph, the summary discussed an \$800,000 allocation specific for the Wildcreek power line relocation. He recalls the issue they had during the process was they had to allocate the funds to start the process because it was a long and lengthy process and that the funding had been allocated because of that and WCSD would return back with the contracts and everything in place once it got to the point to relocate the power line.

Pete Etchart, Chief Operating Officer, In the March 16, 2018 meeting there was 2017-2018 e major project program that listed 9.3 million dollars' worth of projects to be funded. Included in that was \$800,000 worth of power lines design and relocation for the Wildcreek Area HS to replace Hug HS. It was included in the funding that went through and was voted on by the CFPC then went to the Board of Trustees and was approved.

Mike Cate and Kristopher Dahir both recalled that they gave a blanket to move forward and WCSD would bring back the exact.

On motion by Dave Solaro and seconded by David Bobzien, **the Capital Funding Protection Committee approved the minutes of the December 07, 2017 meeting.** (Yea: David Bobzien, Paul McKenzie, Charlene Bybee, Kristopher Dahir, Bob Lucey, Jeanne Herman, Mike Cate, Ben Hutchins and Dave Solaro). Final Resolution: Motion Carries 9-0

2.03 Introduction of Reappointed Member Dave Solaro as the Structural/Civil Engineering Representative and New Member Ben Hutchins as the Public Works Representative for terms beginning July 1, 2018 and ending June 30, 2020, as approved by the WCSD Board of Trustees on June 12, 2018 (For Presentation Only)

Mike Cate, recognized and congratulated Dave Solaro and Ben Hutchins. Ben Hutchins introduced himself and gave a brief background of his experience.

2.04 Discussion and Possible Action to Select a Committee Chair for the 2018-19 committee year beginning July 1, 2018 and ending June 30, 2019 from the current membership: David Bobzien, Paul McKenzie, Charlene Bybee, Kristopher Dahir, Bob Lucey, Jeanne Herman, Mike Cate, Scott Evans, Tim Rowe, Ben Hutchins, and Dave Solaro (For Possible Action)

Kristopher Dahir, motioned to nominate Mike Cate to continue as chair and Dave Solaro seconded the nomination. Dave Solaro moved to close the nominations and it was seconded by Charlene Bybee. **The Capital Funding Protection Committee moved to approve Mike Cates to remain as Chair.** (Yea: David Bobzien, Paul McKenzie, Charlene Bybee, Kristopher Dahir, Bob Lucey, Jeanne Herman, Mike Cate, Ben Hutchins and Dave Solaro). Final Resolution: Motion Carries 9-0

2.05 Discussion and Possible Action to Select a Committee Vice-Chair for the 2018-19 committee year beginning July 1, 2018 and ending June 30, 2019 from the current membership: David Bobzien, Paul McKenzie, Charlene Bybee, Kristopher Dahir, Bob Lucey, Jeanne Herman, Mike Cate, Scott Evans, Tim Rowe, Ben Hutchins, and Dave Solaro (For Possible Action)

Bob Lucey, nominated Dave Solaro and Kristopher Dahir seconded the motion. Charlene Bybee moved to close the nominations. **The Capital Funding Protection Committee moved to approve Dave Solaro for Vice-Chair.** (Yea: David Bobzien, Paul McKenzie, Charlene Bybee, Kristopher Dahir, Bob Lucey, Jeanne Herman, Mike Cate, Ben Hutchins and Dave Solaro). Final Resolution: Motion Carries 9-0

2.06 Presentation and Possible Action to Accept the Capital Funding Protection Committee Bylaws and to Recommend that the Board of Trustees approve the Bylaws. (For Possible Action)

Samantha Frederickson, stated she made the edits per the Committees comments and suggestions from the March 29, 2018 meeting and they should be more in line with what the Committee wanted.

Charlene Bybee moved to accept the bylaws as presented. This motion was seconded by Ben Hutchins. **The Capital Funding Protection Committee approved the Bylaws.** (Yea: David Bobzien, Paul McKenzie, Charlene Bybee, Kristopher Dahir, Bob Lucey, Jeanne Herman, Mike Cate, Ben Hutchins and Dave Solaro). Final Resolution: Motion Carries 9-0

2.07 Discussion and Possible Action to Approve the Funding of a Construction Internal Auditor Position to Work Under the Direction of the Chief Internal Auditor as Requested by the Board of Trustees at its April 10, 2018 Meeting (For Possible Action)

Paula Ward, Chief Auditor for WCSD, requested the CFPC to consider recommending that the Board approve funding for one staff auditor to perform construction audits or agreed upon procedures under the direction of the Chief Auditor. The Internal Audit Department provides risk based and objective insurance, advice and insight to enhance and protect organizational values. Several years ago there was a bond auditor paid for by bond funds and when projects dwindled the position could no longer stay in place. Since the public approved WC1 and construction projects, the board and audit committee members as well as district management recognize the need for an independent oversight from an audit perspective. By recommending the board consider funding approval the obligation to the public for transparency and independent oversight can be enhanced. The construction audits will be based upon a risk assessment which will be done independently from the internal audit risk assessment. After contacting several peers across the country, there are construction auditors in place at internal audit shops throughout the country at school districts. Went through the council at Great City Schools along with an organization she belongs to and presented at a round table there in regards to construction auditing and the need for it. Having an independent assessment underneath the internal audit department adds to the value you would get to have a construction auditor. Board Policy 9405 it does support having this position by doing an annual review of different projects.

Ben Hutchins, asked what the specific scope of the Auditor would be.

Paula Ward, the function of the department is more performance and operational. The scope of a project would be different. In the past they did the change orders and how Capital Projects was organized. It would be based on risks so you don't want to do the full gamut of all the projects you might look to see if the amount of funding is very large, the amount of staffing and personal, so they might look at that.

Ben Hutchins, from an internal control perspective, the school district looks like they have good internal controls when it comes to a purchasing manager. The purchasing manager makes sure everything is in compliance with the laws, rules and regulations.

There is a Chief Financial Officer, Bond Accountant, Financial Consultant, External Auditor, CFPC, Bond Counseling and Financial Institutions that have a significant amount of involvement when it comes to issuing the Bonds. In looking at this from a financial perspective, is a full time person the right thing to do or would an agreed upon procedure with an external auditor be more advantageous when it comes to both efficiencies within the staff. When audits occur on a regular basis, it does slow down the projects and staff they are auditing. Audit support is given but is a full time person or an agreed upon procedure from an external auditor going to be more advantageous? In addition if you have a full time person, that person is funded by the sales tax that is supporting by all the Capital Projects on a full time basis forever. When things slow down, is a full time auditor going to be the right course of action or an external auditor on an as needed basis?

Paula Ward, they do performance operational type audits that external auditors don't usually do those. Does not have the costs involved for doing one agreed upon procedure. Once those projects dwindle they would have to either terminate the position to stay on point with the monies that are funded for that position. The audit department is independent and answers to the board directly and the audit committee. No one on the committee is represented at the district.

Kristopher Dahir, be careful and make sure Construction does not bleed over into the WCSD monthly things happening. If someone is working fulltime for WCSD and they need to have something to do, it is very important this is not bleeding into daily. Who do we expect to hear from if this all passed. Where does it go to?

Mike Cate, agrees an Auditor needs to be involved with the Committee and WCSD. Stated if they are being paid for with these funds, which the committee is responsible for, than the auditor should report to the CFPC and not to the audit committee. It should be set up to audit what the committee feels is needed for their information to make good decisions and not a full time person. It is his opinion they need an auditor and if it is paid for these funds it is going to be an outside source that does not answer to or work for WCSD. A lot of has to do with transparency. They shouldn't be involved with the school district at all. What is reported to CFPC will be reported to the board so they can also make decisions.

Charlene Bybee, will the hiring be from within or will you be putting it out to the public and how is it paid for? Will it be paid for with the WC1 funding?

Paula Ward, yes it would be paid for by WC1 funding and the position would go out to the public for everyone to apply. Paula's office reports directly to the board, she is independent of the school district as far as the Superintendent. The audit committee reports directly to the Board as well as Paula does.

Charlene Bybee, agrees there is a need to have internal audit. The concern is today and short term it would be justified, but not something that would last forever. Can the position be contracted to get the work done without incurring the kind of costs we'd be looking at to add PERS and benefits for a full time employee.

Paula Ward, agrees that is something they should be looking at. A fulltime auditor is about \$65,000 a year you add on about 30% for benefits, you are up to about \$100,000 and does not know what the PERS side of it would be, plus some training. Can you hire someone to do an external audit at those costs? I think what we are here and wanting to accomplish is that there is actually an auditor.

Kristopher Dahir, believes it would be wiser and worth paying a little more to make sure the auditor did not work for WCSD. It would be a target if they did work for WCSD.

Ben Hutchins, Independence is very important when it comes to transparency perspective and also there is a political realm and a nonpolitical realm. There's the independence in fact and the independence in appearance. In this particular case, it's more addressed if we have an external auditor, outside of some who works directly for the school district. From a financial perspective I don't know how much it would cost. What is the scope of service? What is it the CFPC needs to make informed decisions on behalf of making recommendations for the Board of Trustees? Thinks having an external auditor that reports to the CFPC who could develop a scope on an as needed basis vs a full time person. Then the CFPC would have the ability in the future if the economy slowed down or if the service was no longer needed then no one would need to be laid off. Also, if you run the numbers, \$100,000 a year is equal to \$1,250,000 of projects when you're talking a bond debt service. \$100,000 a year can support \$1,250,000 of projects today over 20 years at 5%. We can get other auditing firms out there, if we need a performance auditor we wouldn't go to a CPA firm, we'd go to some other firm and get the specific service for the specific scope of service. If we needed from the Bond perspective, we might go to an auditing firm. We might even get a better level of service because we have a lot of skill set within those specific agencies that provide vs one person. Seems better to have someone outside, the transparency piece and the flexibility with the financing.

Paul McKenzie, has several questions regarding this item and the scope of what they are trying to audit is one of the big things. A performance audit is how we're functioning as an organization to get the job done, financial audit is whether we're spending our money appropriately and they aren't the same types of audits. To make a decision an understanding is needed as to which scope of service we are looking for. What type of audits do they want to do? If we are talking about a multitude of different types of audits then we are much better off going out and doing an outside

firm to audit each specific area. If we were looking at one specific area that we want to keep a continued audit on then an internal auditor maybe better. The issue with an internal auditor on the deal is the question if they work for the school district and who does the hiring, who directs them is if that falls back under the school districts purview then that ties it to working for the school district and not the CFPC. Would like to have some of the questions answered before making a recommendation.

Mike Cate, they can either discuss the type of audit and who's going to be in charge of that auditor, whether it is the CFPC or we can postpone it until some answers can be brought back. An auditor to the CFPC would be better than to hire a fulltime person that works for WCSD.

Charlene Bybee, asked Neil Rombardo on this agenda item which said it has been requested by the Board of Trustees at their April 10th meeting, how does that effect the CFPC as far as is it really our approval or is it the Board of Trustees already approved it and they just want additional approval?

Neil Rombardo, at the board budget hearing they requested that the position be built into the budget. However, this Committee does manage the Capital Funds under WC1 and that is where these funds are coming out of. The Board of Trustees would need the CFPC's approval and out of abundance of transparency WCSD would set up a situation that CFPC controls the funds, if the board disagrees with you then there is a whole appeal process between the two boards. Until both CFPC and the Board of Trustees agrees the funds can't be spent by the other Committee, CFPC does have a say. On this agenda item since we are talking about it, I think the scope is relevant to whether or not you want to approve the funds if you want to discuss scope specifically this item is not really agenezized for that. You can't really pass a motion to decide the scope today but thinks it is relevant to whether or not CFPC wants to approve the funding.

Pete Etchart, Chief Operating Officer, reiterated that when the Board of Trustees made this item, it was to be brought to the CFPC. The Board of Trustees wants to hear from CFPC and to get the input on this item from the CFPC.

David Bobzien, a number of the cautions have already been outlined. There is a lot of sensitivity about are these funds/were these funds going to be used for positions and that is a tuff one to communicate with this one. I think if this were a private engagement depending on what the scope is, that is much more comfortable. It's not fact its appearance and if we can communicate back to the Board of Trustees that we have these concerns and have this conversation somehow. Is fine with the money, agrees with the position and the function, it's just how to do it and being able to

continue that conversation with the public that no were not using these funds for positions.

Bob Lucey, thinks the topic needs to be tabled. Perception is so much of the discussion these days. We can't continue to move forward without having a little more understanding of that scope of work.

Public Comment: Jeff Church heard the term WC1 a few times and didn't know if it was correct or not correct and gets the two committees, CFPC and the Oversight Committee mixed up. As he recalls, CFPC existed long before WC1 and Capital Projects looks at all funding which is property tax, SB207, as well as WC1. Mr. Church stated he thinks there might have been some miss speaking there. Is it going to come out of WC1 money or is it going to come out of the overall pot of Capital Projects which is only WC1 apart. He asked if anyone there doubts that an auditor or a series of auditors would pay for themselves in money savings. Says it needs to go forward. Does not have an opinion if it is in house or not. Mr. Church stated he looks at waste, fraud and abuse. Looking to save money, that the tax payer money is well spent. Was at audit committee last June and it was asked that WCSD get an auditor.

Paul McKenzie moved to postpone item 2.07 and the motion was seconded by David Bobzien. **The Capital Funding Protection Committee postponed item 2.07 until the next Committee Meeting.** (Yea: David Bobzien, Paul McKenzie, Charlene Bybee, Kristopher Dahir, Bob Lucey, Jeanne Herman, Mike Cate, Ben Hutchins and Dave Solaro). Final Resolution: Motion Carries 9-0

2.08 Presentation and Discussion regarding a Major Projects Construction and Land Acquisition Update of Current, Planned, and Proposed Projects including Elementary Schools in the areas of Northwest Reno, Southeast Reno, North Valleys/Cold Springs, and Spanish Springs; Middle Schools in the proposed areas of Sun Valley, Spanish Springs, and Arrowcreek; High Schools in the proposed areas of Butler Ranch, Wildcreek Golf Course, Central Sparks, and Cold Springs; and Support Services in locations still to be determined (For Information and Discussion Only)

Adam Searcy, WCSD Facilities Management, presented the following updates along with a power point to follow along with:

School repairs - Capital Renewal Program was originally contemplated as at least \$20,000,000 per year district wide based on the facilities conditions assessment. The allocation program was presented back in December 2017 where partial funding was requested. In the next agenda item Capital Funding we will be requesting the balance

for the same program. This would be additional funding to begin the construction of projects anticipated for largely the 2019 calendar year.

Expansion/addition to Damonte Ranch High School - the ribbon cutting ceremony was in April 2018. It has been a huge benefit to the school and is already in use.

Nick Poulakidas ES - under construction, crews are making great progress and on schedule with Q&D Construction as the contractor. Scheduled to open August 2019.

Desert Skies MS - is under construction. Presented a drone video showing the current progress. Everything is going well, scheduled to open in August 2019

Sky Ranch MS - similar to and referred to as the sister school to Desert Skis. The construction progress is moving along well and it is scheduled to open August 2019.

Expansion of Nutrition Services Center - Phase I is currently under construction which includes the expansion of storage and some offices. Phase II is a little larger and more complex. Clark Sullivan has been hired for CMAR to help through the final stages of design. Many details have been ironed out and will be presenting for approval for additional funding allocation to fully fund the construction FF&E and other services to actually move it into construction. It is anticipated to bid this late this calendar year, moving it into construction and substantial completion summer 2019. The current work that is underway is going well and on schedule.

Arrowcreek MS - Acquisition of this property has been delayed due to an objection filed with the USFS which resulted in conditions being required by the USFS of WCSD. The District has provided the supplemental information and the USFS is reviewing it. After review the USFS will issue it for another 30 day public comment period. It is anticipated that will begin on or around August 1st, 2018. It is now anticipated the ownership of the property will be delayed until at least September 2018. We anticipate bidding and construction to begin before the end of 2018. If all this is achieved we anticipate to open Arrowcreek for 2020/2021 school year. Design, grading, geotechnical and landscaping updates were given.

Wildcreek Area HS - is a CMAR project with Clark Sullivan Construction and in the schematic design phase. We anticipate concluding schematic design likely in October or November of this year. Through this process we have been able to more closely identify the specific dimensions of the land that we'd like acquire from Washoe County RSCVA. That requires a parcel map and a whole review and approval process through the City of Sparks. It's possible that the process concludes before the end of the year.

It's still tracking in line with our previous estimate from December 2017, approximately 75 acres including water rights of \$5,000,000. We should bring it back before the end of 2018 for consideration.

As we discussed earlier, the regional plan amendment necessary for the relocation of the NV Energy transmission line is underway. We have an executed agreement with NV Energy for the design and ultimately the construction of that relocation. We can't proceed with it until the regional plan amendment has been approved. The steps are in motion and we are on track with this project for an open date of August 2022.

Hug HS - repurposing will be remodeled into a Career and Technical Academy and is forecasted to open 1 year on the heels of the opening of the Wildcreek Area HS.

Core School Investments - a scoping exercises has been initiated. This is intended to evaluate some of our existing schools look for area of structural inequity. We are taking some previously allocated dollars and investing them through Architects into and analysis of the possibilities into those two campuses.

Expansion of the Transportation Yards - we have three different transportation yards. Late 2017 we acquired 4 adjacent acres next to the North Yard that became available, no plans for development at this time. The Central Yard off of Kleepe Lane associated with the North Truckee Drain encasement. Funds had previously been allocated to relocate the building to the Brown Center. Ultimately when we are able to move that shop to the new location, it will free up additional parking space for that Central yard. Along with acquiring the remainder parcel from the City of Sparks, we look to be able to expand that property by 3 acres next year. The South Yard off of Geiger Grade, is currently under design for a small expansion. Hopefully it will be under construction before the end of this year and will ultimately, the design shows us adding 13 bus stalls and 40 vehicle stalls which are desperately needed at that location. The Southeast Connector connects the South Yard and the Central Yard allows for some efficiencies to move buses around.

Future schools - The last time we met we allocated some funds for the design of a Spanish Springs Area Middle School. It will be immediately adjacent to the Sky Ranch Middle School and will use the prototype design that is currently under construction. Design is underway. We anticipate breaking ground one year on the heels of Nick Poulakidas, early 2019 and opening the school August of 2020.

The next school identifying the programs that Elementary School in the North Valley's Area. This property while intending to be acquired through a swap with a land developer was on hold due to entitlement and permitting delays. We have received

some of the approvals that are necessary to move forward with the development. Consequently we are moving forward with the steps necessary to conclude that property swap. If all goes as planned, this school will be proceeding in design in 2019, construction in 2020 and open for students in 2021.

We have a host of future schools under consideration, various areas of development and acquisition. Because we are asking for additional land acquisition allocations in the next item, I wanted to give you a summary of land acquisition that we have expended money on that you've allocated to date as well as talk about some future acquisitions that we still anticipate.

Reviewed a graph of future schools and brief updates on each one. Two residential property purchases recently made. One is adjacent to Reno HS and one adjacent to Sparks HS. A total spent of just over 12,000,000 acquiring these properties. We are in various stages of negotiations and analysis due diligence on other properties.

Similarly the Reno HS property, while this wasn't specifically identified in past presentations or within the WC1 program, I wanted to try and describe the case for acquiring this property. You can see those two APN's, those long 8 digit numbers around the turquoise rectangle. Those are owned by WCSD. Literally this was a privately owned personal residence completely surrounded by Reno HS property. That resident came to us, we've been in communication with the owner of that property for over a decade. Resident came to us a couple of months ago and said they were interested in selling to us. We went through the normal due diligence appraisal and realtor processes and we've acquired that property. The property does represent a security issue and a strategic opportunity to expand the campus. At this time we don't anticipate renting the property, more than likely converting it into some sort of office space until we have a reasonable need or expansion for the property.

Possible future Elementary School site at Stonebrook master planned Community in North Spanish Springs. It is a previously approved master planned community and handbook in the City of Sparks. Located by La Posada and Pyramid Hwy approved for in excess of 1500 residential homes, it has a school site master plan within the community. Over 500 of those home sites are actively under construction. We are working closely with our school planners. Despite the Sky Ranch Middle School and the future Kiley Elementary School with all the residential growth in and around that area we still anticipate a genuine need for this school in addition to those future schools. While we likely won't need to construct it for 5-7 years, the opportunity has come for us to purchase it and we're requesting in this next agenda item \$2,100,000 allocated to move forward with the purchase of the property once we've finalized all of our due diligence and appropriate land acquisitions steps. We do have an appraisal at this time, we are still going through with some additional due diligence environmental studies. If

everything checks out, we anticipate a sale price of approximately \$2,060,000 for just over 10 and a half acres. In the middle of what is to be a 1500 plus master planned residential community.

Mike Cate, regarding the Elementary School site at Stonebrook, is the property set aside for and Elementary School or is that something that is the purpose of it. Whether you buy it today or 5 years from now?

Adam Searcy, it is set aside in the community master plan as a school site. WCSD requested that set aside back in 2006. It is a process we are entitled to through the law. However, that law also burdens the School District with a requirement to purchase the property within 5 years of requesting it set aside. That didn't occur so it is debatable whether or not we could come back and require that site still become available to us. It still would not relieve WCSD from requirement to purchase the property. Technically because that set aside has expired there is a case to be made that the Developer petition the city to repurpose the property into something other than a school site. Our recommendation at this time is to acquire the property to ensure inside of this 1500 unit residential community we have an Elementary School site.

Kristopher Dahir, this is my ward and I can just tell you there is actually 8000 dwellings in that area, whether it is apartment, town home or home that goes all the way up into Sparks into Sun Valley. You are definitely going to fill up the school and then some.

Paul McKenzie, if we have a development planned in that area that hasn't come in for approvals yet that is a perfect opportunity for the city to get them to donate/set aside so we aren't spending \$2,500,000 of tax payer money for a piece of property that may not be the best location given the description of the expansion you got coming in that area. We might be better off putting a school closer to Sun Valley, we may be able to get a piece of property if the City of Sparks puts its foot down that the school district doesn't have to pay for.

Bob Lucey, on the land acquisition summary, you look at this and obviously we are forecasting as far forward as we possibly can to identify properties within developable areas. I look at the acquisition summary and we are looking at six Elementary Schools North of the I80 but we are only looking at one Elementary School acquisition south and that's an Elementary Schools at Rio Wrangler. My concern is district 2 south of the Mt Rose corridor. Have you looked at any acquisitions along the Mt. Rose corridor to do the Rolling Hills area and some of the lower parts, wedge parkway? You have three Elementary Schools and Brown on the East side of Virginia St. Only two to satisfy everything on the West Side of Virginia. What is the future forecast for any acquisitions in that area for more Elementary Schools up there?

Adam Searcy, we are working very closely with our school planners and the demographers have all this data in a lot of detail, the main relief valve is Arrowcreek Middle School. The Middle School allows us to bring the 6th graders up from the Elementary Schools and take 100 or so students out of the Elementary Schools and bring them into the Middle School. I'm confident if I pulled up the data and happy to do, on those schools will be forecasted to be under capacity following the construction and opening of Arrowcreek Middle School for the foreseeable future. To answer your question directly, there are no additional property acquisitions in our immediate forecast for that area. Largely because with the opening of Arrowcreek Middle School, our needs will be satisfied for the foreseeable future.

I would also add south of I80 going over to Butler Ranch, now known as Day Break, we are actively discussing that large master planned community and additional Elementary School needed for that development. We are closely monitoring the situation but the enrollment forecast for all those schools, south of I80, West of 580 are largely satisfied with the construction of the Arrowcreek Middle School.

Pete Etchart, Doral Charter School is opening this year in the Rolling Hills area. Our Demographer works very closely with all the charter schools.

Bob Lucey, Doral Academy isn't provided for Regional Areas there isn't going to be bus transportation to there. It is actually a drop off by parents and one that can be applied to by any parent throughout the region. So realistically if a Demographer uses that as a statistic into looking at where acquisition should be that should be taken out and that school is already full. It needs to be how those communities are developing along that corridors. A lot of that also relies on Pleasant Valley and Washoe Valley as those areas continue to grow.

Etchart, we do monitor and we try to work with the State and Doral Academy is a State sponsored charter school so we don't have the same information as we do if it's a District Sponsored Charter School. We geo code every student knowing where they live, where they go to school and monitor what is the attendance boundary for charter schools. How many come from outside the District how many stay in that general area. So we will continue to monitor that and we will look at all developments that are coming into those areas and see if we can find land.

Paul McKenzie, just one more point on the site acquisitions as development comes if the school district is forecasting a need for school in an area, when that development letter comes to the school district they need to tell the entity that is providing that development that they need it. There have been a lot of times that I have seen

development letters that have come in that said you don't have excess capacity, your schools aren't overcrowded in that area you don't foresee a need for a school and now I'm seeing we are going to buy land popping up on the map. That prevents us from having the ability to tell that Developer you're going to create a need for a school, you need to provide land for it. If you're not reaching ahead and giving us the ammunition to use with the Developer to get acquisition property for you as Development comes, then we are going to end up continuing to spend money that should be going into schools to acquire land. New Development should be providing the land for those schools. It shouldn't be something that we have to spend the taxpayer dollars for.

Public Comment

Craig Meckley, stated he bought his home 34 years ago and his piece of property abuts the North Property Line of the proposed Arrowcreek Middle School site. There is an existing serious drainage problem. Water comes off of Saddlehorn underneath Arrowcreek Parkway and then surface water on Arrowcreek that drops down into two DI's. The water then goes across the Forest Service property and through his property and he has now been flooded 5 times since Arrowcreek Parkway was built. Mr. Meckley stated that in 2007, Duke Lindeman with Washoe County roads and maintenance, came to his property and the damage. Said he couldn't do anything about the problem that Washoe County had created by approving Saddlehorn and Arrowcreek Parkway. He then damned the south entrance of the storm drain that goes under Arrowcreek Parkway and put welded metal plates on two of the DI's. The flooding has stopped. Mr. Meckley continued saying he has lived there 34 years and Tim Rowe told him there was no master plan in that Saddlehorn/Arrowcreek area behind him. Therefore, he was there first. Asked if the school is going to be approved, to have the master planer, look on the plan where he lives and right there, 80'-100' away is going to be \$1,000,000 to \$10,000,000 cubic foot detention pond. He does not think it is fair that the School District can build on the site unless they take care of the water issues. They're going to be building a school and their going to be adding to that water and the Engineer he hired has told him it will increase the concentrated flow at least three times.

2.09 Presentation, Discussion, and Possible Action to Approve the Allocation of \$16,380,000 to the following: \$9,680,000 to the 2019 'C' Capital Renewal Program (see Attachment A) and \$6,700,000 to the 2018/2019 'A' Major Projects Program (see Attachment B) and Recommend Approval to the Board of Trustees. (For Possible Action)

Pete Etchart, presented attachment B. There are three items we are asking for funding and it's in the green in the middle. Adam previously reviewed all of these, \$9,680,000 for school repairs, part of the Capital Renewal Program. This is the third time we've brought this to you, this is the finalized, the construction basically for all those Capital Renewal Projects for the summer of 2019. We have \$4,600,000 for phase two expansion of Nutrition Services and \$2,100,000 in site acquisition funds for a total of

\$16,380,000. On the right in the purple is a summary of all of the funding that has been recommendations by the CFPC and approved by the Board of Trustees, not including the \$16,380,000. It's included in the purple but hasn't been approved yet. The \$9,680,000 was attachment A that shows all the detail for the \$9,680,000 of Capital Renewal Projects.

Paul McKenzie, asked they explore the possibilities of there being property in development that will be coming before that school will get constructed that they could leverage school needs with the City of Sparks or Washoe County and get a site that \$2,000,000 isn't being spent for a piece of ground.

Charlene Bybee, asked if the amount was included in \$16,380,000 that they are being asked to approve.

Pete Etchart, said it would be included. It was \$2,060,000 for that site acquisition and that is what we are asking for this funding for. Yes that would be for acquiring that parcel. Regarding Mr. McKenzie's comment, we want to make sure we get you information. From a School District standpoint we have no authority to require donations. That would be a City Council, County Commission item. What we can do is provide you information about what our attendance is at these different schools and we can try and provide you that information in any format you would like to see it in. We can only ask for set asides of property. As Mr. Searcy said, we have 5 years to pay for it, we have 10 years to build a school. That is the only power WCSD possess. We have no other ability to ask anything from a Developer.

It was moved by Bob Lucey, seconded by Paul McKenzie **to Approve the Allocation of \$16,380,000 to the following: \$9,680,000 to the 2019 'C' Capital Renewal Program (see Attachment A) and \$6,700,000 to the 2018/2019 'A' Major Projects Program (see Attachment B) and Recommend Approval to the Board of Trustees.** (Yea: David Bobzien, Paul McKenzie, Charlene Bybee, Kristopher Dahir, Bob Lucey, Jeanne Herman, Mike Cate, Ben Hutchins and Dave Solaro). Final Resolution: Motion Carries 9-0

3 CLOSING ITEMS

3.01 Announcement of Next Meeting:

Mike Cate suggested they get on a quarterly or every other month meeting basis so four to five months don't pass and they have to try and remember what they did at the meeting before. Stated a lot of building are coming up to be built and a lot of questions to be asked.

Charlene Bybee said they tabled the Auditors decision so felt like they should meet again to come back to get information from the District in order to make that decision.

Paul McKenzie requested the third Thursdays were avoided because he has a meeting on the third Thursday of every month.

Mike Cate, asked Pete's staff to try and make it work for everybody.

3.02 Public Comment

Pablo Nava-Duran asked Adam Searcy what kind of zoning Arrowcreek will look like.

Mike Cate advised that Pablo can only comment and they cannot get into a conversation.

Pablo Nava-Duran then told the Committee they are doing a great job.

3.03 Adjourn Meeting

There being no more business, the meeting was adjourned at 5:55 pm

Mike Cate, Chair