

Sarasota School of Arts & Sciences
Board of Directors Meeting
February 4, 2010
Minutes

Present: Pepar Anspaugh, Jamie Bailey, Missy Wachob, Tara Tahmosh, Marla Patton-Evans, Marilyn Highland, Calvin Sloan, Heather Staine, Henry Marsh, Matt Wenzel, Samantha Robinson, David Jennings, Tanya Jones, Michael Reed, Chris Staine

Dr. Highland called the meeting to order at 6:07 p.m.

Pledge of Allegiance was said by all present.

Mr. Eger was not available for this meeting so Dr. Highland lead the meeting.

A motion was made by Ms. Staine to accept the minutes of the January 25, 2010 Board Meeting as presented with the exception that we add Dr. Highland's name to the list of those present. Ms. Robinson seconded. Unanimously approved.

President's Report –

No report.

Executive Director's Report –

Waived until old business and new business are presented.

Staff Report –

Ms. Patton-Evans reported that the teachers are preparing for FCATs.

PTSS Report –

Ms. Staine waived the PTSS report.

Treasurer's Report –

Mr. Wenzel waived the reading of the Treasurer's report.

Old Business –

- a) Mason Property – The appraisal for the property has been ordered and should be completed soon.
- b) Mr. Anspaugh stated that the referendum is coming up on March 16th. There is a meeting of charter schools on February 26th at Suncoast. Support is needed for the referendum. Teacher salaries will not be cut at SSAS. Mr. Anspaugh said he was asked how the potential budget cut would affect our

construction planning. He said that he did not think it would affect it at all and that budgeting would be done to integrate that cut if necessary.

- c) Portables – We may be able to relocate the student to the Renaissance Storage facility to the south of the school. This may be an option instead of portables. The owner would charge \$1.25 per square foot. At the plumbing building, the owner wants to charge \$6.00/sq ft in warehouse and \$16/sq ft in the retail area.

New Business –

Presentation by Guests –

Richard Moreno spoke about his credentials. He is with Building Hope, a non-profit out of DC. Funded by Sallie Mae and other organizations with the purpose of helping charter schools. He has worked with various charter schools over many years helping them to find financing. He was formerly CFO of Charter Schools USA.

Mr. Moreno spoke about financing options that he has explored for us. These including bank financing, bond financing, so that the school would not have to deplete its cash reserves.

PNC (represented by Greg McKenna) is the potential bond lender.

Richard Moreno introduced Gustavo Bogomolni of MG3.

Richard Moreno stated that his company does very detailed due diligence due to their position as a lender. Board members at Building Hoope are some of the top real estate people in the country.

Mr. Anspaugh asked if Building Hope asked MG3 to construct many or most of their buildings in Florida. Mr. Moreno said that they have done two buildings with them so far and are in the process of working out a third deal.

David Jennings asked the MG3 representatives what their target cost per student head is. Mr. Moreno stated that it was about \$1200 because of additional funding that SRQ County gets. The state average is \$1000.

Mr. Marsh asked MG3 if they have a minority participation program. Pamela Butler replied, that they did not, but they would comply with whatever requirements were necessary to comply with City of Sarasota building requirements.

Hernan Leonoff introduced himself and gave some background on how they got into the charter school business in Florida. See materials regarding past and current projects.

Mr. Anspaugh explained that MG3 frequently builds and owns the charter school properties and then lease them to the school. Not many charter schools own their own property.

Mr. Hernan gave a brief overview regarding their experiences with many different charter schools. He stated that they are coming from the residential building business and that they are listening to the schools and their staff regarding their needs and they feel that they can fill the needs that other architects and developers haven't been.

Pamela A. Butler has met with building officials at the City of Sarasota and would continue to meet with them to make sure that they meet all of the permitting requirements. Mr. Anspaugh inquired about vacating 7th Street. Pam said that the city was willing to consider vacating 7th Street depending on traffic count numbers.

Mr. A asked about two schools that they have going now that will be done in June. The Board was invited to tour those sites.

Gus Carbonell, Architect, gave a short autobiography and passed around some photos of building he has designed so that the board could get an idea of what type of designs he can offer. He offers both traditional and modern designs.

Mr. Marsh asked what would happen if the building isn't ready for students on the date. Mr. Hernan replied that normally, if they do meet the deadline, they only charge half the rent for one year. In the case of SSAS, there would be a condition in the contract for failure to deliver on the promised date.

Mr. Staine asked if they would be amenable to a stipulated sum program instead of a max price package. There will not be a cost-plus contract. Mr. Staine inquired as to the use of payment and performance bonds. Instead of performance bonds, they require a high retainage (about 30%).

Mr. Jennings asked how many schools MG3 is a landlord for. Mr. Hernan replied three and they will add another three in July.

Ms. Wachob stated that the school administration is comfortable with these people.

At this time, the representatives from MG3 and Mr. Moreno were thanked for their time and dismissed from the meeting. There was a short break.

Dr. Highland made a motion to move forward with this group. Mr. Marsh seconded. Dr. Highland opened it up for discussion. Ms. Staine introduced her husband, Chris Staine. Mr. Staine explained options and stressed the importance in getting competitive bids. Ms. Staine expressed concern over going with one company for design and building instead of creating a building design and then opening the construction process for bidding.

Ms. Bailey and Ms. Wachob explained that they have met with three architects and none of them were satisfactory. Mr. Anspaugh stated that he felt that Administration had done its due diligence. Ms. Wachob noted that Mr. Moreno has done a lot for the school and that they were comfortable with him.

Mr. Marsh indicated that someone needs to be on site to supervise the construction. His feelings about the group were that they build primarily residential property and they didn't understand the minority participation program Mr. Marsh asked them about.

Dr. Highland asked if anyone had any other comments. There were none. Dr. Highland restated the motion on the table – The motion is to move forward with contract negotiations with MG3 Developer Group. Moved and seconded. Unanimously approved.

Approval of 990 draft being tabled until Mr. Eger is present.

The next meeting date will be March 1st, 2010 at 6:00 p.m.

Meeting adjourned at 8:08 p.m.

Submitted by:

Secretary

Date

Approved by:

Chairman of the Board

Date