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APPROVED MINUTES

CORAL ACADEMY OF SCIENCE LAS VEGAS BOARD OF GOVERNORS FINANCE AND FACILITIES SUBCOMMITTEE MEETING

Meeting Information

Date: Wednesday, October 16, 2019
Time: 4:30 p.m.
Location: 8965 S. Eastern Ave, Suite 280 Las Vegas, NV 89123

Posting of Agenda:

This agenda was posted at the following locations:

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Format / Procedures / Rules:

[See Agenda for information regarding format, procedure, and rules governing the meeting]

Agenda

Call to order Mr. Zhang called the meeting to order at 4:36 p.m.

Roll Call Present: Ms. Diggins, Mr. Zhang, Dr. Warren, Mr. Nick and Mr. Ercan. Ms. Jana Levin (Opportunity 180), Mr. Terry Manly (Campus 2020). Absent: Mr. Brin Gibson.

Pledge of Allegiances

A. Public Comment (*Information*)

[Please see the Agenda for the procedures and rules regarding Public Comments.]

C. Discussion & Possible Action Items

1. Facility for a New Campus in the Las Vegas/Henderson Metropolitan (*For Possible Action*)

Mr. Ercan briefed the subcommittee that this opportunity came to us through a conversation he had with Rebecca Feiden, Executive Director of Nevada State Public Charter Schools Authority (SPCSA). In the past, Opportunity 180 received grants from the governor to help charter school operators for expansion in the needed areas.

Opportunity 180 is an organization that sets out to champion and invest in increasing access for kids to quality education. They focus on students that have the least access. They focus on advocacy and investment in school launches as well as leadership development. Ms. Levin informed the subcommittee she is looking for a charter school partner for Mr. Manly’s vision.

Mr. Terry Manly informed the board he is a developer that has been in Las Vegas for 30 years, and is on a variety of boards and foundations with various non-profits. He has been the chairman of the Boys and Girls Club for the last few years. With his

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development and construction background he has been able to assist the philanthropy side with the Boys and Girls club. The idea that if you design a non-profit campus and if you get the right collection of uses, there could be leveraging of the physical assets. There could be a charter school that didn't have to build a gym, fields, etc. and these could be utilized by the school. The Boys and Girls Club would build the gym, and they wouldn't have to build classrooms, etc. This took flight and Mr. Manly as well as other donors have started a project named Project 2020. Mr. Manly is the president and chairman of Campus 2020, and has asked Ms. Levin to help identify a charter school operator.

Campus 2020 is acquiring this property through a long term ground lease from the Bureau of Land Management (BLM) through the public purpose act, and they are getting it for 50% fair market value. They are entering into a long term lease. The lease holder will be Campus 2020. Through their planning work with other groups, Three Square stepped up saying they will need a distribution center in the South area, then a partner of theirs, Spread the Word said they are running out of space and would like to be involved as well. This turned into locating multiple distribution oriented non-profits which has turned into a 70,000 square foot industrial building. Then through a relationship Mr. Manly has with one of Junior Achievement's board members, he was informed they have been working on securing a site for their new building and would like to partner as well.

This has grown from the idea that they would have a school, a Boys and Girls Club and athletic fields into this 40-acre campus. A performing arts theater is being planned. Fields that everyone uses including a soccer club. They are also talking to Future Smiles and Eye Care for kids in regards to a medical building, communities and schools is also a potential partner. Campus 2020 will take down the land, they will do all of the infrastructure. Offering up a campus environment fully developed, no need to build gym, auditorium, fields, etc. The sub ground lease will work off the lease they have with BLM. In the future if needed, they will show us an area for a potential High School expansion.

He explained to the subcommittee that he has a county owned BLM property. It is a 20 year renewing lease in perpetuity subject only to compliance (operating as a non-profit). They can convert the lease to purchase the land which might happen.

Ms. Diggins asked if the 20-year lease will make the bond process more difficult and Mr. Ercan noted it would make it more difficult. He added that, If there is any way, we can extend the lease to at least 30 years or 20+20 that would help. Ms. Levin has experience with non-profit development, and there might be a better option. Mr. Manly confirmed the school lease would match the lease they have with BLM.

Mr. Ercan reviewed our student numbers and plan for expansion as well as the waitlist needs. Ms. Levin added that they want to schedule a time to meet to answer any questions Coral Academy might have. They will be making the final decision on the school partner at their board level. They wanted to make sure that the integration with the other non-profit partners is understood and that is the core part of this opportunity. Ms. Diggins asked what the timeline is and Mr. Manly said they will most likely break ground in the third quarter of next year. They plan to start building construction in the third quarter and possibly be ready to enroll in August 2021. Ms. Diggins added that she thinks this is a very innovative idea.

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Mr. Zhang asked if an analysis has been done of the numbers, and Mr. Nick said we do not have the numbers yet to do an analysis. Mr. Manly said they are working through that now as they need to load in their development costs. They think the ground lease will be based on \$12 a square foot plus 8%, which will most likely be in the 90-95 cent a foot range. Ms. Diggins said the board will need an in-depth financial analysis. The subcommittee agrees CASLV is interested but the numbers will need to work, and all of the outdoor space will need to be considered for offsetting costs down the road.

Mr. Manly will send the numbers for the ground lease and lease agreement to Mr. Nick so he can check with the bond advisor. Ms. Diggins noted philosophically this is absolutely something Coral would want to do. A cost benefit analysis for the board is important, and they just need to be sure this is cost effective, and asked if they can have some preliminary information to the board by the October 30th regular board meeting. Ms. Levin asked that the Chairwoman of our board Ms. Diggins has a conversation with the SPCSA just making sure this is acceptable with them as well. Campus 2020 would like to identify their school partner by January 2020.

2. Utilities-Water Connection Fee Payment to the City of North Las Vegas for Nellis AFB Campus Construction (*For Possible Action*)

Mr. Ercan explained this is for the utilities connection to city line. It is time sensitive because we need the bond trustee's approval which is why we asked for Ms. Diggins' pre-approval to get the process started, and that this will come from our \$300,000 contingency. There is a deposit required in the amount of \$14,780.85 which is refundable, and will be paid from CASLV's school account.

Ms. Diggins and Mr. Zhang asked for an explanation as to why this was not discovered or anticipated during their initial analysis phase as it sounds like this is something that was missed. Mr. Ercan noted we will add this to the agenda for the next regular board meeting and the architect along with the project manager will be present so they can explain this.

Mr. Zhang motioned to approve the Utilities-Water Connection Fee Payment to the City of North Las Vegas for Nellis AFB Campus Construction with an explanation from the Project Manager and Architect. Seconded by Ms. Diggins.

ACTION: Motion unanimously carried.

D. Public Comments (*Information*)

Please see the procedures and rules referenced in item A above.

E. Adjournment (*Action*)

Ms. Diggins made a motion to adjourn, seconded by Mr. Zhang.

ACTION: Motion unanimously carried.

The meeting was adjourned at 6:02 p.m.