

**MINUTES OF SPECIAL MEETING OF THE BOARD OF DIRECTORS OF  
ARISTOI CLASSICAL ACADEMY, INC.  
May 31, 2023**

A Special Meeting of the Board of Directors of Aristoi Classical Academy, Inc., charter holder for Aristoi Classical Academy ("School") was held on **Wednesday, May 31, 2023, at 5:30 p.m., at the Katy Elementary (Grammar) School, 5618 11<sup>th</sup> Street, Katy, TX 77493, in The Commons.**

1. Call to order and establishment of a quorum.- L. Botond called the meeting to order at 5:36 pm. Also present were A. Cox, W. Clark, D. Light, C. Gillespie, M. Watson, and A. Amboree.
2. Hearing of citizens. – None
3. Adjourn to closed or executive session pursuant to Texas Government Code Section 551.071 for the following purposes: **TABLED**
  - a. Consultation with legal counsel regarding legal issues regarding procurement, contracting, and other legal matters relating to construction and expansion of campus.
  - b. Consultation with legal counsel concerning matters on which the attorney's duty to Aristoi Classical Academy under the Texas Disciplinary Rules of Professional Conduct clearly conflicts with the Texas Open Meeting Laws.
4. Reconvene to open session.- N/A
5. Take action on matters discussed in closed session. – N/A
6. Hear and discuss update from Masterson Advisors regarding funding options for expansion project at Katy campus. – Mr. Jonathan Church presented an expansion plan, including the financing options available. Based on Aristoi's credit profile the likely rates for refinancing of bonds would be between 6% and 6.5%, which offers savings from our current 7.5%. To confidently recommend the financing of an expansion project, Masterson Advisors would like to see Debt Service Coverage numbers above 1.2x. By identifying possible expense inefficiencies and significant fundraising it would be possible to bridge this gap. Once enrollment increases from the Cypress and Greater Houston campuses, are being reflected in the revenue, the debt service coverage is able to accommodate the 1.2x requirement. An analysis of revenue breakdowns was requested for the June 12 Budget and Finance Meeting, to better understand Katy's revenue contributions. Masterson Advisors also suggested meeting with churches that are looking to offset their costs by partnering with schools.
7. Discuss, consider, and approve engagement of architect for expansion project at Katy campus and hear from Jack Duran of Blueline Architects. – Mr. Jack Duran was present to answer questions from the board regarding an A&E (Architect & Engineer) Contract and methods of construction. Regardless of the method of

construction, an architect will be required to oversee the project. In the Construction Manager At-Risk (CMAR) scenario, the builder would proceed with the build and maintain the budget under the Guaranteed Maximum Cost. No contracts would be signed until the completion of the build. The CMAR scenario offers more flexibility to find savings as the project progresses. There will be a preliminary contract but the payments on the contract will only be for the completion of specific services. In the Design- Build (DB) scenario the budget is provided and locked in, in the beginning to allow hiring subcontractors. This allows fewer opportunities to save money. Additionally, the design-build limits control over the final product. L. Botond pointed out that Mr. Duran has been working with the school on re-drawing an updated Master Plan as well as assisting in the installment of portable buildings by working with the city on Aristoi's behalf to get permits. Mr. Duran has extensive experience with the City of Katy and with Aristoi's team. He has done excellent work and has been indispensable to Aristoi in various projects.

**Motion to Engage Mr. Jack Duran, as architect, for the Expansion Project at Katy Campus: C. Gillespie, Second: L. Botond, APPROVED: Unanimously**

8. Discuss, consider, and approve the method of construction for expansion project at Katy campus and authorize administration to prepare solicitation and publish notice for construction project.

**Motion to Approve Construction Manager At-Risk (CMAR) Method of Construction and Delegate Authority to Administration to Prepare Solicitation and Publish Notice for Construction: L. Botond, Second: A. Hovis, APPROVED: Unanimously**

9. Discuss, consider, and approve the contract with Balfour for the 2022-2023 yearbook. – The board considered the contract and noted the history of similar contracts in previous years.

**Motion to Approve the Contract with Balfour for the 2022-2023 Yearbook: A. Hovis, Second: A. Cox, APPROVED: Unanimously**

10. Adjourned at 6:32 pm.

**Motion to Adjourn: A. Cox, Second: W. Clark, APPROVED: Unanimously**

Prepared by C. Gillespie

This is a true and correct copy of the minutes of the Special Board Meeting held on May 31, 2023 as approved by the Board of Directors on June 19, 2023.

  
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Lucina Botond, Board President