

## BOND REIMBURSEMENT & GRANT REVIEW COMMITTEE

Tuesday, April 14, 2020 - 1:00 p.m. – 4:02 p.m.  
Wednesday, April 15, 2020 - 1:00 p.m. – 2:32 p.m.

### APPROVED MEETING MINUTES

#### Committee Members Present

Heidi Teshner, Chair  
Randy Williams  
Dale Smythe  
James Estes  
William Glumac  
Don Hiley  
David Kingsland

#### Staff

Tim Mearig  
Elwin Blackwell  
Wayne Marquis  
Larry Morris  
Sharol Roys  
Lori Weed

#### Additional Participants

Rachel Molina Lodoen,  
Anchorage SD  
Kevin Lyon, Kenai Peninsula  
Borough SD  
Dana Menendez, Anchorage SD  
Mark Nilson, Fairbanks North  
Star Borough SD  
Kent Gamble, HMS  
Aimee Smith, HMS

#### **April 14, 2020**

#### **CALL TO ORDER and ROLL CALL at 1:05 p.m.**

Acting Chair Elwin Blackwell called the meeting to order at 1:05 p.m. Roll call and introduction of members present; Senator Cathy Giessel excused. Quorum was established to conduct business.

#### **CHAIR'S OPENING REMARKS**

Acting Chair Blackwell noted that he is sitting in for Chair Heidi Teshner briefly, and he thanked committee members for their participation today.

#### **NEW BUSINESS, ADDITIONS TO THE AGENDA**

No new business was added to the meeting agenda.

#### **AGENDA REVIEW/APPROVAL**

William Glumac **MOVED** to approve the agenda, **SECONDED** by David Kingsland. Hearing no opposition, the motion **PASSED** by unanimous consent, and the agenda was approved as presented.

#### **PAST MEETING MINUTES REVIEW/APPROVAL – 12/4/19, 1/23/20, 3/19/20**

Dale Smythe **MOVED** to approve the minutes as presented, **SECONDED** by William Glumac. Hearing no objection, the motion **PASSED** by unanimous consent, and the minutes were approved as presented.

#### **WELCOME AND INTRODUCTION**

Acting Chair Blackwell again thanked members of the committee for their attendance today and tomorrow to work on the Capital Improvement Project (CIP) materials to make it better in the state of Alaska. Members of the public in attendance introduced themselves to the committee members.

## **PUBLIC COMMENT**

Public members did not offer any comments at this time.

## **DEPARTMENT BRIEFING – FY 2022 CIP APPLICATION & SUPPORT MATERIALS**

Tim Mearig introduced this topic by stating that in terms of the Department's perspective with the final applications through reconsideration and appeal, there was one appeal from the Mat-Su Borough School District, but it was filed after the deadline so the department did not take action.

Tim reviewed the highlights of the application changes, and he noted there is an opportunity to engage in further discussion about emergency. They made a few changes to the Guidelines for Raters on that area as well as preventative maintenance scoring. He directed the committee to page 35 of the packet that highlights the application changes and stated that it was a fairly light year of changes, with the exception of the scoring for the maintenance narratives. He believes the revisions were moderate, and there were no significant revisions that will result in a different scoring for the applications because no new scoring elements were added.

## **FY 2022 CIP APPLICATION REVIEW**

Acting Chair Blackwell queried committee members to determine their preference for approving the changes either individually or as one approval of the application and instructions as a whole. Dale Smythe, James Estes, and Randy Williams agreed to vote once at the end, and to address individual concerns as they arise.

Tim Mearig stressed to committee members that the Department welcomes any verbiage amendments for clarity to the documents.

Tim Mearig and Lori Weed led the members of the committee through a review of the matrix of application and application instruction amendments on page 35 of the packet. He also referred the committee to pages 40 and 60 of the meeting packet to reference the application and the instructions for comparison purposes.

Randy Williams noted that he was unable to reference the addition to power issues. Lori Weed stated that it was missed in the application change and will need to be added. She referred the committee to the Guidelines for Raters on pages 88 and 89, and noted that the application changes for question 4a are meant to reflect any changes that were made to the rater's matrix.

Tim Mearig reminded committee members that the original discussion related to power issues took place at a previous meeting where they discussed that some school districts have had issues related to back-up generation and quality of power to the site. This change corrects the previous guide that allows points for significant issues with water, sewer, and so forth, but did not have a point value for lack of power at a site.

Committee members discussed whether or not it would be helpful for applicants to see the associated point values on the application. Tim Mearig reminded committee members that last year there was also a suggestion to put the matrix in the application, which was an enhancement from last year. Lori Weed interjected that raters can do incremental point adjustments from those conditions guidelines, so it might cause confusion if those points remain in the application but aren't the exact points being scored.

Don Hiley believes the points should stay in the application. He was reluctant to have the entire matrix put into the application because he thought it was a little cluttered; but if the matrix is going to be there, he thinks the points should be there with it. He stated that he continues to have serious reservations about some of the relevant point values, so he would like to see front and center what those points are, and he hopes they revise the matrix at some point. Kevin Lyon agreed that he would like the points to stay, because he believes they are helpful for people to understand what points are potentially available. William Glumac agreed that the points should remain, but the goal is to clean up the look of it. He suggested moving to a tabular format with check boxes so there are nice neat columns with the points similar to the Guideline for Raters. Chair Teshner summarized by stating that there is agreement to leave the numerical values on pages 41 through 43 of the packet.

Tim Mearig referred committee members to the Guidelines for Raters on pages 88 and 89 to view the minor changes that were made based on feedback received during committee meetings regarding the levels of flexibility, rigidity, and the assignment of points. He noted that those are relatively significant changes in how raters have addressed assigning points to code issues in the past two years. The language allows the raters to use some discretion in how they see an issue documented relative to allowing incremental age-related adjustments. Don Hiley questioned the definition of “incremental,” to which Tim responded “small.” William Glumac stated that under the code deficiencies section, the third bullet point talking about the age of the building system needs clarification because it could be read either when the application applies for the age of the system, or is it when the project is receiving funding for the age of the system? Lori Weed noted that the word “application” should be deleted in order to have this new language be correct. William further clarified by stating that the intent of the new language is that the age of the building system is based on when the project is funded, not when the application is submitted, to which Lori agreed.

William Glumac wondered if they wanted to look at pushing the system age all the way out to the anticipated construction start date. Tim Mearig noted that it’s possible that that could create more confusion by the desire to specify at which point of construction. William understood and stated that he was comfortable with as it stands, with the deletion of the word “application.”

Don Hiley wondered if “calendar year” should change to “fiscal year” since that is what these are based on. Tim stated that the fiscal year would be the reference year for the department, but the age of the system is a calendar year age. The department would consider the age of that system as the calendar year the building was brought online or the system was renewed, et cetera.

Don Hiley renewed his previous concerns regarding cutoffs of less than 25 years when the funding becomes available July 1<sup>st</sup> of the fiscal year. Tim stated that it is the committee’s responsibility to assess what is fair and reasonable for assigning the condition points. The options are the year it was submitted for in the calendar year application; the year in which it’s scheduled to be funded, which is mid-year of the following calendar year; or if it is some other number that more appropriately reflects the age of the component relative to its being replaced. Randy Williams believes that the way it’s written now with “application” removed is as good as anything else, especially considering the criteria years are relatively arbitrary. This is giving

everybody another year of age to work with, and he thinks it's fine the way it is for now unless they start seeing issues with it or until they need to revisit the age question down the road.

Tim Mearig continued on in the review of the application. When discussing Table 7.1, Tim stated that this is the result of the recently adopted regulations that limit districts to certain levels of indirect administrative costs if not itemized. He reminded members of the committee of the extensive work previously done regarding the regulations. Don Hiley asked whether the regulation that talks about the district administrative costs was spelled out in the instructions anywhere. Lori Weed stated that it is important to note that the district admin that's referenced in the regulation is only on indirect prorate, it's not on all admin costs. If there are project-specific admin costs, it can easily go above the maximum percentages outlined in the regulation. Lori also referenced Appendix C on page 82 of the packet that provides cost estimate definitions. For district administrative overhead, similar language is included as a line for that definition.

Tim Mearig referred committee members to section 9, which is the section that pertains to the inclusion of the matrix in each of the five preventive maintenance narratives that are provided and in the relative five-point scale. The committee has discussed this at length, and there were some broad questions and concerns that this topic would benefit by an opportunity for additional public comment. Chair Teshner offered the public members present an opportunity to provide comment if so desired. Dale Smythe asked if this issue has formally gone out for public comment; and if so, were any comments received by the department? Tim stated that they typically do not put application elements out for public comment like is done with publications. Lori stated that these products were made available for review by posting the meeting packet on the BR&GR Committee's website, noticing the meeting through the Alaska Online Public Notice system, direct e-mail, and a posting on the new School Facilities listserv. Dale Smythe stated that he also remembered that some committee members were going to ask their constituents to respond to this topic specifically. Lori stated that no comments were received.

Don Hiley reiterated that this would benefit from being looked at at the maintenance conference in the fall where there are people together that can discuss this and see what's being talked about. He stated that right now is not a very good time for public comment, and he doesn't think it's a very good policy for public process. Given the current situation, this is obviously not going to rate high on everyone's list of priorities. He believes it makes sense to not try to ram this through, and instead get a little more feedback in the fall when things settle down and the maintenance conference brings together people from all around the state to be able to give their viewpoints. William Glumac agreed with Don about potentially pushing some of these discussion points and being a little more engaged in the community to get public feedback, especially with the current status of the state and the school districts being shut down. He feels it might be smart to push some of this off until the December meeting for approval.

Tim Mearig stated that it sounds as if a motion to approve the materials might need to be crafted to separate section 9 from the rest of the product if the committee members feel like there is a need to offer a different perspective.

Tim then referred committee members to page 54 of the packet to review the checklists associated with the application. Randy Williams suggested that the second check box under project description attachment that is being added related to both 3e and 3f be split into 3e and 3f

so people don't miss that they need to include the solicitation document. Lori noted that there is actually a question 3f box right below that that says, "Including solicitation documents."

Tim Mearig concluded with his review of the changes as noted in the packet.

Dale Smythe **MOVED** that the committee approve all changes as presented in the summary of changes for the fiscal year 2022 CIP application and instructions, page 35 of the packet, with the exception of section 9, **SECONDED** by David Kingsland. Lori Weed asked that the motion be **AMENDED** to include the changes as discussed in summary and as discussed throughout the walk through. The amendment was **ACCEPTED**. Hearing no objection, the motion **PASSED AS AMENDED**

Randy Williams had a question related to section 9. There were three line items in the summary relating to section 9, and he is not clear on which one of those involves the new matrices for the Guidelines for Raters under the maintenance management narrative. Lori stated that it could be a matter of specifically none of them address the rater's guide. For the rater's guide they say, "See the rater's guide," and this speaks mainly to the application and to the instructions. She might be of the opinion that the changes in the application and instructions could stand apart and be incorporated, even if they remove the rater's guideline matrices, because for the most part they are not requirements. She encouraged the committee to review that and make a determination. Randy clarified by asking if she is saying that the rater's guide is the only place that the criteria and matrices appear, to which Lori agreed. Randy noted that they could potentially approve changes to section 9 without the changes to the rater's guide. Tim suggested that for the sake of simplicity, he would recommend they just consider it all as one thing. He stated that if the inclusion of the rater's guide is somehow delayed, then he would say they maybe just disregard all the proposed changes. He felt it would be appropriate to take a motion on incorporating the new matrix and the rater's guide. If the rater's guide with the new scoring is approved, then the changes stay; if the rater's guide goes, then the changes go.

Don Hiley **MOVED** that the committee postpone the proposed changes to section 9 to be reevaluated at the December 2020 scheduled meeting and seek input from districts in the interim, **SECONDED** by William Glumac.

Tim Mearig stated that the scoring matrix that was developed was not primarily intended to change the way that the applications were being scored. They expect that for the most part, the scoring will stay very much the same as it has been. The purpose of the change was to assist the raters in how to assign points and for applicants to have a clearer understanding of how the raters were scoring.

Hearing no objection, the motion **PASSED**.

Tim Mearig stated that if there were some specific non-matrix changes to either the application or the instructions that provided better clarity about those elements, they could entertain looking at retaining some of that. He referred committee members to pages 73 through 76 of the instructions and page 53 of the application. Lori Weed concurred and stated that that information was driven by something outside of the matrix, so it could stand on its own. Randy Williams asked Chair Teshner if it is possible to make a blanket motion to approve changes to section 9 that do not

relate to the proposed matrix additions, and Lori noted that they are trying to determine which ones those are. Tim stated that if the committee entrusts he and Lori to make those determinations, they can do that. Randy noted that the alternative would be to go through each of the items one by one or have somebody come back later and say which ones they are proposing specifically. Lori recommended they keep the one on page 73 that changes the wording from “eight” to “nine.” Tim noted that the other one that is a corrective item is two attachments instead of four in the instructions. Chair Teshner suggested they take a motion that approves the corrective changes as noted above.

Randy Williams **MOVED** that the committee approves the corrective changes to the one on page 73 and then changing it from two attachments from the four attachments and getting those corrections made before they address any of the other changes in section 9, **SECONDED** by Don Hiley and William Glumac. Hearing no objections, the motion **PASSED**.

## **DEPARTMENT BRIEFING**

### ***FY 2021 CIP Report – Reconsideration and Final Lists***

Tim Mearig stated that the department received reconsideration requests from four districts on six projects. In the list issued December 19, 2019, the department reconsidered its determination on these projects and adjusted the project budget on two projects and the priority points on one project. No changes were made to the final lists, and those were issued on March 27 and were scheduled to be approved with the State Board of Education, but the State Board has not met.

Tim directed committee members to the packet for further information on the major maintenance and school construction grant fund lists. He noted that they have had a significant uptick in the numbers of projects submitted from their all-time low last year.

### ***Preventative Maintenance Update***

Wayne Marquis stated that there are currently have five school districts on provisional:

- Bristol Bay – issues with monitoring energy, oil, and waste heat.
- Galena – issues with energy, oil, and biomass – monthly consumption monitoring.
- Chatham – issues with waste heat.
- Lower Yukon – issues with energy, custodial, and training.
- Lower Kuskokwim – issues with preventative maintenance, energy, and training.

Wayne reported that DEED was able to complete quite a few site visits this year, but wasn’t able to finish the last three before COVID-19 hit. The remaining site visits include Dutch Harbor/Unalaska, Kodiak, and Pribilof Islands.

Wayne noted that for three of the site visits conducted, issues were found that will need to be addressed:

- Nenana – stopped monitoring oil consumption and need to be brought back online.
- Kuspuk – preventative maintenance was weak. Half the schools were being monitored for energy consumption, and the other half weren’t. Training has been absent for quite some time.
- Yakutat – not monitoring any of their waste heat, and training is absent as well.

Wayne stated that he has started compiling the schedule of site visits for next year. There will only be nine districts to visit. He and Tim Mearig will discuss how to finish up with the three districts from this year that were unable to be completed. Tim suggested that it might end up being a desktop review for this year.

### ***School Capital Project Funding Under SB 237***

Tim Mearig stated that statute requires an annual report on school construction and major maintenance funding. The 2019 legislative report was provided by the end of February.

### ***REAA and Small Municipal Fund Report***

Tim Mearig directed committee members to the report found on page 132 of their packet. He stated that the REAA fund is an indexed fund such that for every dollar the state offers in reimbursement of school debt to municipalities who have gotten approved a calculation is made for funding the REAA fund based on a multiplier. The table depicts the history of this funding through FY'20. The funding that was projected based on the governor's FY'21 budget would have been a 50 percent of the debt reimbursement amount and a 50 percent of the REAA calculation. Under that projection, they anticipated funding \$9,473,000 for the construction phase of the Hollis school, and a \$10 million carry-over balance for significant projects that are the next priorities on the list that need a reserve balance built up prior to funding.

Don Hiley noted that the briefing paper shows the words "if appropriated," in regards to the Hollis construction. He stated that it appears there is money for that in the fund, but it is still up in the air whether that will be disbursed or not. Tim stated that as of right now, the available fund balance not committed to projects is \$1,162,000. The current operating budget that was passed and signed by the Governor has zero funds to add to that fund. Right now there is no money to fund the construction phase of the Hollis school in FY'21. Lori Weed noted the sheet was compiled and the packet was issued before the governor signed the bill with his vetoes.

Chair Teshner clarified the issue by directing Don Hiley to the FY 2020 column that shows the \$1,162,000 that will be the available balance at the end of FY'20 as of right now. The Governor's original '21 budget was for \$18.4 million. Currently, based on vetoes, there is zero in the FY'21 budget, so that's why the highlighted column for FY'21 is all zeros. There is not enough balance at the end of FY'20 to vest into funds to fund the construction phase of Hollis. Tim added that the department has no plans to change the current agreement it has with Hollis to complete design and to fund it. The governor has stated that funding for the REAA fund would be funded through the CARES Act funding the state is expecting to receive. The department is actively working with the governor's office on this possibility.

### ***Legislative Action***

Tim Mearig directed the committee to the briefing paper and the legislative items of interest that were compiled for the meeting packet, some of which have since been impacted by legislative action. Of particular interest is the passage of HB 106, which extends the moratorium on the school construction debt reimbursement program for another five years.

Randy Williams asked about SB 64, HB 66, and stated that he doesn't understand the part about the multipurpose community function. He wondered if anyone knows where that came from and what the intent was behind it. Tim Mearig and Chair Teshner were unaware of the intent. Tim

stated that there was some language left over from the original bill about co-located facilities that could be consolidated in state-leased facilities, but he is not sure that connection bridged over into this particular program. He also noted that the bill did not gain any traction this last session.

### ***Regulations Update***

Tim stated that they were hoping to have the update for the ASHRAE standard 90.1 in front of the State Board of Education to be put out for public comment, but that has been delayed with the delay of the board meeting. It is due to be heard when the board next convenes.

### ***Cost Model Update***

Tim Mearig reported that they were able to accomplish another annual update with sufficient funding to be able to do so. They hope to have that contract completed in time for use in the application cycle. The due date for HMS is around April 25, and then the document will be available for use in the upcoming application cycle with the updated geographic factors. The geographic factors create a more transparent and clear analysis that can be sustained, repeated, updated, and scaled appropriately between different regions and community sizes.

### ***Commissioning Agent Credentialing Organization***

Tim reported that the commissioning regulations were adopted last year, and those identified what the qualifications needed to be for a commissioning agent to be performing commissioning services on Alaskan school projects. They worked with seven different commissioning organizations and credentialing organizations and evaluated them through self-evaluation of Alaska's regulation requirements. They ended up with three whose commissioning credentialing would meet the regulations' definition of a credentialing agent, and those three are AABC, ASHRAE, and NEBB. Randy Williams shared his surprise that all of them didn't make it, and he was surprised to see that one is not ANCI accredited. Randy thanked the department for its efforts, noting that it went above and beyond what many states would do to accomplish this. The information is very illuminating.

### ***Department Projects***

Tim Mearig stated that Lori Weed has been instrumental in developing a listserv for its members to receive and request information. He stated that the listserv has been very helpful as they have been able to communicate with members during the coronavirus. Anyone who would like to be a member of the listserv can contact department staff to determine eligibility for participation.

## **PUBLICATION UPDATES**

### ***Guide for School Facility Condition Surveys***

Tim Mearig thanked the committee members for their hard work in this area over the last four-and-a-half years since the department has started to scrub all of its publications. He referred committee members to page 133 in the packet. He reminded the committee that they recommended pursuing and updating this publication regarding how the condition survey process interfaces with CIP and the state's capital forecasting and capital program efforts. The format also changed into something that was a more narrative style, and for that they have included an appendix in the publication that can be a standalone Word document. The publication identifies for districts what the purpose of a condition survey is and how to break it down and accomplish that particular element of a capital project or program. Ultimately the

department is aligning the condition survey guide with the department's *Cost Format*, which is required to be used on all capital projects for organizing the project into cost elements.

Tim Mearig summarized the document for committee members and stated he would appreciate any feedback from the committee. The next step for this document will be to go out for public comment. Randy Williams stated that he has reviewed the document and thinks it's very good. He appreciates all the work that went into it, and feels it is much better than the '97 version.

Tim referred committee members to page 195 of the packet that contains a placeholder for Appendix B for the publication that he envisions could contain sample checklists, sample rating scale, sample listing of typical test equipment, and a list of suggested PPE. He welcomes committee member feedback to develop this appendix.

Don Hiley shares Randy's opinion that this is a huge improvement over the old publication. The format looks similar to recent materials he's gotten, and he really likes the checklist. The phrase that keeps going through his mind is "show your work" for some of it, because typically they are using this to try to do a CIP application, and he wants to ensure they are getting the information from the consultants that is needed to score the application right. Another thing that stood out to him, and is an area they continually have problems with, is in the template where it talks about recommendations and the verbiage that describes that. He feels that the template should try to make that more of an emphasis on options and recommendations so that not only do they go through the process, but that the entire process and how they reached their conclusion is explained. Tim understood and agreed, but he noted that on some of the more comprehensive condition surveys, it's not always possible to do an option analysis of every decision. He reframed the suggestion to be that they put in a statement to consider options. Don noted that when they are talking about things with consultants, it's usually for major pieces of work, and he believes there should be some sort of demonstration of efforts taken to determine their recommendation. Tim agreed that that is a good point, and he noted that there is a section in the publication that talks about the template elements, and they deal with every one of the major systems. It might be that they can highlight which ones are particularly suitable to having some options analysis included. Tim also noted that something that might dovetail nicely with some of Don's suggestions was when they get to the point of the design construction standard, there will be a little bit more content about what systems are there and what systems are the standard. That will be able to dovetail in with this and could help with some of the options analysis and what standards the department is looking for.

Chair Teshner stated that they will revisit approval of the publication during tomorrow's session.

#### **OTHER INFORMATION FOR THE GOOD OF THE ORDER**

Tim Mearig stated that they are hoping to be under contract with BDS Architects soon to help the department launch a renewed effort on the design and construction standards.

#### **RECESS**

Dale Smythe **MOVED** to adjourn the meeting, **SECONDED** by Don Hiley. Hearing no objection, the motion **PASSED**, and the meeting recessed at 4:02 p.m.

**April 15, 2020**

### **CALL TO ORDER/ROLL CALL**

Acting Chair Blackwell called the meeting to order at 1:00 p.m. Roll call and introduction of members and guests present; Senator Cathy Giessel excused. Quorum was established to conduct business.

### **PUBLIC COMMENT**

No public members wished to provide comment at this time.

### **COST MODEL UPDATE**

Tim Mearig stated an update happens every year to the department's cost model, and there is a particular file in that cost model that is intended to help the consultant identify any escalations that might be happening with costs in schools. The department in the past has asked for certain back ups with respect to material prices and the particulars of how those have gone up or down and why. This has been a dialogue between the department and the consultant only.

Tim stated that one of the other things that has worked into that particular cost model file is changes that have occurred in school construction and design features. This is the issue that is coming before the committee today, and he stated that HMS will give them a briefing.

Kent Gamble and Aimee Smith from HMS, Inc. appeared to present to the committee. Kent Gamble stated that this year's exercise was pretty simple and mostly includes material pricing updates. They came across a couple of labor rate changes to adjust either up or down, but the largest change was adjusting the exterior wall assembly to reflect what is being seen in the industry right now with school construction. Wood stud framing and wood siding have become antiquated, so the change is to go to a metal stud framing with a metal panel exterior finish. They have also incorporated about 20 percent of the area as having some type of a rain screen assembly with a phenolic resin panel for a visual accent to the exterior closure. Other changes included the provision of emergency lockdown gear in schools; and some inclusion of ballistic protection, to a relatively light degree, at reception areas. They also included flat panel monitors for visual display at the schools this year, which the committee may want to discuss further.

Committee members reviewed with Kent Gamble the details of the model school building escalation cost study. Tim Mearig noted that the exterior enclosure system went up to 65 percent. David Kingsland suggested that he thinks it's a good idea to start looking at the offices and putting the flat panels up like they had talked about.

Kent Gamble reviewed the differences between last year's cost model and this year's model denoting the differences in the metal materials versus the wooden materials. Tim Mearig asked for the unit price difference between wood stud framing and metal stud framing. Kent explained that the units are different, so they don't track. Metal studs are measured by square foot, and wood studs are measured by lineal foot. He stated that a comparison can be made to overall costs by noting that wood studs would be about \$35,000 and metal stud framing would be about \$44,000. Siding can be compared by unit cost, and beveled cedar siding is about \$2.75 per square foot, and although metal siding can range, a good middle ground estimate is \$7.50 per

square foot including all the trims and flashings. Kent also noted that the rain screen assembly system is an expensive system, but it is seeing pretty common use in contemporary construction.

Dale Smythe asked about the “adaptation of new assembly and lockdown provision” and if that was exterior lockdown. Kent stated that what they did there was they added emergency lockdown provisions and the appropriate hardware associated. He stated that it includes the lockdown of the exterior and certain corridor doors within the facility, but not the entire facility.

Dale Smythe asked about the two percent decrease in superstructure in the cost comparison and if that was a representation of what has been seen in the market, or if that was within the error limit. Kent believes that what is driving the decrease is that he dropped pricing on steel joist pricing from the previous year. Kent noted that there was also a slight reduction on the mechanical, primarily because of cost adjustments and productivity adjustments to labor.

Lori Weed noted that lockdown provisions have been added, and she asked if there had been security elements incorporated in the model school previously. Kent Gamble stated that there were some, but those have been enhanced in this updated model. He stated that if committee members are anticipating an enhancement of something more robust in the form of lockdown and school protection, that should be something they consider incorporating if appropriate. Tim Mearig stated that the department has had a lot of discussions about cameras, and has been unwilling to accept into projects cameras in every classroom; but if it looks like it’s becoming a standard, there will be a need for additional justification and vetting.

Tim Mearig stated that the work of the committee on this particular project is to validate the conceptual changes for the model school. He stated that the department will continue to work with the consultant on the particulars of the model that they will then relay to the committee. He stated that this will eventually dovetail with the publication on model school standards or design construction standards that they will work on throughout the rest of this calendar year with a draft to the committee hopefully by December.

Dale Smythe **MOVED** that the Bond Reimbursement & Grant Review Committee approve the updates presented by HMS, Inc. to the cost model’s escalation model school elements with reconsideration for further study of the exterior envelope increases, **SECONDED** by James Estes.

During further discussion, David Kingsland appreciates Tim Mearig digging into more detail on that 65 percent increase on the exterior wall assembly system. He believes that needs to be looked at closely.

Hearing no objection, the motion **PASSED**.

#### **ACTION ITEM – APPROVE PUBLICATION FOR PUBLIC COMMENT PERIOD**

Chair Teshner reminded committee members that the discussion on the Guide for School Facility Condition Surveys was discussed during yesterday’s session. Tim Mearig asked that the committee entrust the department to include some Appendix B elements before putting the publication out for comment.

Randy Williams **MOVED** that the Bond Reimbursement & Grant Review Committee approve the department's proposed update of the *Guide for School Facility Condition Surveys* and recommend the Department open a period of public comment with the additional information provided by the department to fill in Appendix B, **SECONDED** by David Kingsland. Hearing no objection, the motion **PASSED**.

## **SUBCOMMITTEE REPORTS**

### ***Design Ratios***

Dale Smyth stated that they made a major step in selecting a probable ratio number. There was quite a bit of effort since last December during the A4LE Conference to receive additional input. A special thank you to Gary Eckenweiler and Karen Zaccaro who offered a new perspective.

Dale stated that one of the more recent concerns was on student access to daylight and a concern that a suggested ratio might inadvertently limit student performance, so language will be included to add that. Their intent moving forward is to formalize that recommendation of the 15 to 17 percent O:EW ratio and get that in front of the committee when it is formalized.

Dale Smythe stated that in terms of the other three ratios that all have to do with compactness, the subcommittee is going to try to select or modify one ratio that would incorporate all three because it is an important indicator of energy use.

### ***Model School***

Don Hiley directed members of the committee to packet page 202 containing "Task 3, Review analysis and publish a handbook or regulations as recommended" regarding a DEED school design and construction standards building system template, and he stated that that is where the committee has been focusing their efforts. They had a meeting in mid-March to discuss and review an RFP for professional services with the \$50,000 in funding that was made available to the department. An RFP was put out the first week of April, and the contract was supposed to be completed by the end of June. They received a proposal from BDS, and DEED is in the process of contracting with them. He is hoping their product will be available by June and then it will be available for review by the committee and others at that point.

### ***Commissioning***

Randy Williams stated that the main task this subcommittee worked on was identification of a tool for identifying candidates for recommissioning or retro commissioning. Most of the other tasks of this subcommittee have either been completed or are dormant at the moment.

Randy explained to the committee that re-commissioning is repeating commissioning that was already done; and retro-commissioning is performing commissioning that was supposed to have been done or that could have been that was not originally. He stated that he investigated how others are using the Energy Use Intensity (EUI), which is an annual energy use per square foot measurement and is used extensively by the EPA in their Energy Star program. There are online tools such as Portfolio Manager and Target Finder that are used to measure and track consumption data. It then compares data based on real data in the area, not nationwide.

Randy directed committee members to his report in the packet to view actual energy consumption for a few schools to see what their target EUIs might be. The schools chosen were

in Anchorage, Fairbanks, and Utqiagvik, and he noted that the targets are quite different, so schools are not held to the same standard statewide, although they may be held to the same target percentage. He stated that ultimately this could be used to identify schools that are not performing from an energy standpoint because those that are not performing well would quite obviously stand out on the chart.

Dale Smythe was curious if what Randy saw in this effort for the EUI matched what he saw as the result of some of the energy modeling that had been done in the ratio effort across the state. Randy stated that it does track on a gut level, but he did not dig into it. He stated that his modeling experience has shown that it's pretty hard to get an accurate prediction of energy use because of climate variation.

Tim Mearig thanked the committee for their work in this area. He reminded members of the committee of language added to the regulation that, as part of a district's PM assessment, districts would need to be able to establish how they were measuring the need for retro-commissioning in their schools. The department is hoping to be able to provide districts a tool that is the equivalent of the department's renewal and replacement schedule for capital renewal. The R&R tool was developed to be a bare bones way for districts to look at capital renewal across their buildings through entries into a spreadsheet. They are hoping to do something similar with a retro-commissioning tool.

### ***School Space***

Dale Smythe stated that the subject of school space continues to be an important topic for him. They have been doing a review of accuracy and adequacy related to the state space allocation guidelines. They have also received quite a bit of input from the industry as well as from Tim Mearig at DEED on intent. What is important to Dale right now is trying to identify early how they might influence this, and then determine what each of those changes would take. They are trying to find a road that's reasonable between impact, effort, and probability.

Dale stated that they will attempt their monthly meetings through September to determine those things they can have the greatest impact with. He will also continue to gather input from people in the industry.

### **BR&GR COMMITTEE CALENDAR AND WORK PLAN REVIEW AND UPDATE**

Chair Teshner referred committee members to pages 209 through 212 of the packet. Tim Mearig stated that DEED staff have tried to clean the work plan up so people can see the major elements of work, and to project what would need to happen in the various meetings of the year. He referred members to the last page that summarizes the tasks to be accomplished at each meeting. He stated that the only task not identified in the work plan is the ASHRAE 90.1 checklist update as they are awaiting the next State Board of Education meeting to take place.

### **SET DATE FOR NEXT MEETING**

Chair Teshner announced that the next meeting is scheduled for June 16<sup>th</sup>, 2020 as a three-hour teleconference.

## **DEED WRAP-UP**

Tim Mearig opened up a discussion with the committee regarding questions the department has received about extending the date of the upcoming CIP cycle.

Randy Williams asked what the status was of the CIP workshop coming up in May. Tim stated that DEED still plans to have the workshop, and it will be led by Lori Weed and Larry Morris. Lori stated that due to travel restrictions, they are unable to hold the workshop in person, but she and Larry have been discussing how to break up the various pieces of information for presentation through online webinars over multiple days.

Randy wondered if any of the feedback Tim has been receiving about not being able to get the applications done was because of changes to the workshop and the availability and the format. Tim said that the inquiries they have received so far are that people are having trouble getting consultants involved in their project development if it required travel to school locations in order to properly document needs and get application data ready. Don Hiley had those same concerns himself, particularly given the demise of Ravn even after things open back up again. He doesn't believe the writing of the application will be impacted, but the ability to get information and people to where they need to be is certainly going to be impacted. Committee members discussed their perspectives on whether a few week's delay would help. Don noted that so much is unknown at this point, but he didn't want to see the submittal date pushed back. Dale Smythe agreed and suggested they consider offering accommodations with how the materials are accepted, such as instead of having an engineer visit the site, have the engineer involved on the team viewing photos of particular circumstances in coordination with the school district. He thinks allowing flexibility in elements for now that can be proven later would be an option, because he doesn't believe they can count on travel to some of the rural sites being an option regardless of a month delay on the CIP applications. William Glumac agreed to the suggestion of providing some ability to loosen up requirements, at least on a temporary basis on certain criteria. Don Hiley further commented that they may also want to think about electronic CIP submittals with a follow up of the paper copy once it arrives in light of mail and freight being hampered at this point.

Tim Mearig stated that it sounds as if they will need to reevaluate this as they get closer to the date, and they can work on vetting options in the meantime. He stated that it may be reasonable to just offer a couple days of relaxing the drop-dead date of when something has to be received by the department. He asked the committee about the idea of doing some kind of an emergency policy with the regulations regarding an additional time period for reusing past applications. Dale Smythe stated that people would love that, and any kind of flexibility like that could help. Chair Teshner stated that the department has the ability to make a case to the Governor about any statutes or regulations that might need to be waived during this emergency crisis. She suggested they put something on the listserv to elicit feedback and then see about getting some things waived to provide flexibility to districts through the CIP process.

Tim stated that they will keep the lines of communication open as districts inform the department of what kind of impacts they are running into over the summer.

Wayne Marquis thanked everyone on the committee for all of their work. He also thanked those public members from the districts that participated during the meeting because hearing from them is very helpful for the department.

### **COMMITTEE MEMBER COMMENTS**

Committee members shared their final comments. Highlights included:

- Randy Williams appreciated everyone's involvement.
- Dale Smythe thanked everyone for the work. He commented on the challenges on working from home during the pandemic.
- Don Hiley thanked everyone for their time, and appreciated Tim and Larry and others that may have contributed to the new condition survey workbook, which he thinks will be very useful.
- David Kingsland thanked Dale, Don, and Randy for the work they do on subcommittees. He thanked Don for including the hardening off of the school offices and the outdoor locking under the model school report.
- James Estes appreciated the effort, and noted he has spent the meeting digesting all of the good work everyone is doing.

Chair Teshner appreciated all of the committee members for their participation and thanked Elwin Blackwell for stepping in as acting chair in her absences. She complimented the DEED staff by stating that they continue to do amazing work.

Tim Mearig added that Larry Morris has put in his resignation with DEED and will be leaving mid-June to take a position with the Anchorage School District.

### **MEETING ADJOURNED**

Dale Smythe **MOVED** to adjourn, **SECONDED** by Don Hiley. Hearing no objection, the motion **PASSED**, and the meeting adjourned at 2:32 p.m.