

**Bond Reimbursement and Grant Review Committee Meeting Draft Minutes
 April 20, 2012
 Department of Education and Early Development
 Hugh Malone Board Room
 Juneau, Alaska**

Committee Members	EED Staff	Other Attendees
Elizabeth (Sweeney) Nudelman - Chair	Sam Kito	Kathy Brown (SERRC)
Mary Cary	Michael Gaede	Kathy Christy (YKSD)
Mark Langberg	Jane Boer	Dave Ferree (Fairbanks)
Robert Tucker	Lauren Gangel	Larry Morris
Doug Crevensten		Don Hiley (SERRC)
Dean Henrick		Dave Norum (Fairbanks)
		Robert Reed (LYSD)
		Blair Alden (LKSD)
		Don Carney (Mat-Su)
		Dave Anderton (Mat-Su)

CALL TO ORDER AND ROLL CALL AT 8:33AM

REVIEW and APPROVAL of AGENDA

Mary Cary noted a conflict of interest for herself regarding an item on the agenda.

Elizabeth requested to add an item to the agenda to have EED Commissioner Mike Hanley speak at 10:15AM, followed by Assistant Attorney General Neil Slotnick; both addressing the BRGR Committee regarding the CIP process.

Agenda approved as revised.

REVIEW and APPROVAL of MINUTES

Minutes approved as submitted.

PUBLIC COMMENT

Robert Reed, Director of Maintenance and Facilities, Lower Yukon School District:

Read a testimony on behalf of Carl John, BRGR Committee Member. In his letter, Carl stated that he was disappointed with the manner in which changing the CIP application came about. He was in favor of reviewing the application and CIP process in a more transparent and in depth manner, but requested that any significant changes to the FY14 application, specifically the adequate documentation portion, be tabled until it can be determined how the change will have an effect on districts.

Don Hiley, SERRC:

Noted that school Construction funding increased due to Kasayulie, but the funding of major maintenance projects continues to be low. There are some districts that are able to take advantage of debt reimbursement, but not all options are available to all districts. The CIP lists move slowly and there

is increased competition to get projects funded. Many districts make investments in design and consulting for projects which lead to better thought out projects, putting districts at an advantage before starting a project. This process takes planning and a certain amount of lead time before a CIP application is submitted. Districts rely on a consistent process, and although any process should not remain static, significant changes should be made well in advance so that districts are able to adjust their strategic planning for projects. The proposed CIP application change will almost certainly reduce the points that a district can receive in their application since it is late in the year and districts have already begun the CIP process. There may be repercussions that have not been considered, such as merging the new applications with applications requesting a reuse of scores from the previous year. Stated that it is important to hear differing viewpoints on the application and process, and that looking for better solutions is beneficial since this process is serving a diverse group of districts. He mentioned the SERRC has worked with urban and rural districts, and they would be able to offer assistance to the BRGR Committee in order to review the CIP process.

Dave Ferree, Fairbanks:

Introduced himself and asked if there was still going to be an additional comment period after lunch. Elizabeth confirmed that there would be.

Don Carney, Facility Manager, Mat-Su Borough School District:

He noted that he has both written and scored applications. Stated that the Facilities staff focuses on making the application process fair and consistent; making sure that the real, not perceived, needs are met. He declared that this was not possible when the State is not matching the level of funding with the level of need.

Introductions by:

Dave Anderton, Director of Operations, Mat-Su School District

David Norum, Maintenance Manager, Fairbanks North Star Borough School District

Kathy Brown, SERRC: asked the Committee not to make any major changes and requested that the changes be saved for the coming year.

CIP FUNDING ANALYSIS (DOUG CREVENSTEN)

Discussed that he took a look at the last 5 years to see which projects continue to reappear on the CIP lists, which Mary Cary stated was a concern at the previous meeting. Doug stated this was a fairness issue to determine if mostly smaller districts had the same project reappearing on the CIP list year after year. He distributed a handout reflecting his results of reoccurring projects on the CIP list. Concluded that you could not make a determination about why these projects continue to show up because he could not determine if the scope of each project changed between the years, and that a much more detailed analysis would need to be conducted to come to an accurate conclusion. Stated that it is not necessarily bad that a project continues to show up on a CIP list, giving reasons that it could be a poor project or not enough time was spent on the application. He mentioned that more time may need to be spent on this to come up with a definite answer.

STAFF BRIEFING

Sam introduced the School Facilities staff, noting that the Facilities section is fully staffed.

PM UPDATE (STATE of the STATE) refer to page 9-10, 22-23 of 182

Southeast Island School District is using the "Impulse" maintenance system; Bristol Bay Borough School District is using SERRC; and Juneau Borough School District is using the "TMA" maintenance system.

DEBT REIMBURSEMENT FUNDING STATUS (SB 237) refer to page 10, 15-21 of 182

Sam detailed the report and synopsis for SB 237. He stated that much of the bond funding was due to the Mat-Su Borough projects that were previously pending at the December BRGR meeting, with 22 projects being approved amounting to about \$215M.

He reminded the Committee that as of early session 2013, EED is required to provide a report on the debt and grant funding to the state legislature.

FINAL CIP LISTS refer to page 10-11, 24-40 of 182

Sam discussed the information in the packet on page 10-11. He mentioned that the FY13 six-year plan spreadsheet, starting on page 32, also included FY12 because some of the districts' plans have been carried forward if they did not submit a CIP application for FY13.

Mary Cary asked why some districts have not completely filled out the 6-year plan.

Sam answered that he manually enters information for districts who submit the information in a different format, or who provide a plan that encompasses more than six years.

Sam stated that the six-year plan is not as concrete as he would like it, but the more it is used the more likely it will be that EED can track expected annual costs at districts.

Bob Tucker stated that the spreadsheet will be very beneficial for districts and the BRGR Committee so they can determine what is expected.

COST MODEL UPDATE refer to page 11, 41-112 of 182

Sam stated that the cost model spreadsheet was a tool developed in the early '90s to help districts at the concept level in the development of a project to determine a reasonable estimate for the cost of their project. This model is used before the districts even start the schematic design of a project.

Sam discussed the first three tables of the cost model, pages 73-79 and stated that all the tables are updated roughly every three years.

Sam referenced the Construction and Cost Trends update on page 89 of 182, which he stated is updated on an annual basis by HMS. This document gives their prediction of future trends in the construction industry.

Mary Cary asked if a line item for seismic upgrades was included in the cost model.

Sam directed Mary to pages 50 and 59 of 182. He explained that seismic hazard costs can include a seismic inspection, peer review, preparing a rapid visual screening program, and other costs specifically associated with seismic design. Instructions are included in the application for districts who want to include these costs in their project, but a description of the seismic hazard costs will need to be included in Appendix C in a future year.

Elizabeth asked if this is specifically stated in the application.

Sam referenced #18 of the application instructions which includes a paragraph related to seismic hazard costs.

Elizabeth moved for a short break to allow for Neil Slotnick to hear the update on application changes.

BREAK

Elizabeth called to order at 9:40AM

FY2014 APPLICATION CHANGES refer to page 11-12, 113-155 of 182

Sam referenced the meeting packet and addressed the proposed changes to the FY14 application and application instructions.

Elizabeth elaborated on the terminology changes, stating the rationale behind changing the term “objective” to “formula-driven” is because it is felt that “formula-driven” better describes the reasoning of why a district would receive more points on an application if the district turned in a complete report. With regards to changing the language from “subjective” to “evaluative”, EED wants it to be known that questions that are not “formula-driven” are still addressed in a consistent manner and that certain standards need to be met when scoring these questions. When speaking about “adequate documentation”, she referenced the statutes and regulations, stating that “adequate documentation” is an eligibility criteria that needs to be met in an application.

Elizabeth handed out a spreadsheet that reflected an aggregate view of the FY13 application, which listed points for the major maintenance and school construction projects.

Sam continued to review the proposed changes in the FY14 eligibility form and raters guide.

ENERGY REGULATION UPDATE refer to page 13, 157-182 of 182

Sam discussed the information on page 13. He referenced the Alaska Housing Finance Corporation documentation for an example of the energy changes that have been implemented, stating that the AHFC adopted the International Energy Conservation Code while also using BEES (Building Energy Efficiency Standards), which is specific to Alaska. He then explained that AHFC commissioned the Cascadia Green Building Council to compare the various codes and standards, which he would like to provide at the upcoming December meeting so that the BRGR Committee can make an informed decision as to which energy code to adopt.

Bob Tucker referenced that the State provided a free energy audit to the Kodiak Island Borough Schools. He stated that he would gather the information and supply it to Sam as soon as he could.

Sam stated that the Alaska Housing Finance Corporation implemented a lot of the audits by using various contractors, which AHFC stated they would provide EED with the information. He also stated that CEFPI is interested in working with BRGR to help determine an approach for energy standards.

Mary Cary asked if the State is looking into an energy efficiency program, or questioned if they are taking a hands-off approach to energy issues.

Sam responded that the State of Alaska was not currently looking at energy efficiency. EED was directed by the legislature to look at energy efficiency for schools. AK Housing Finance Corporation had been given funds to assess the energy efficiencies of the community.

PUBLICATIONS UPDATE refer to page 13 of 182

Sam stated that he and Michael Gaede can start revising the Preventative Maintenance and Facility Management Guide. Sam also noted that improvements which take place outside the building envelope (playground, site improvements, athletic improvements, etc.) are not specifically addressed in the current statutes or regulations, stating that it would be a good idea to have a publication that districts can reference when undertaking these types of projects.

Sam then stated that the original purpose for the condition survey was to create a checklist that gives the department a general idea regarding the condition of facilities, but he noted that it causes confusion with districts. He said that he would like to revise the condition survey format, which he will bring before the committee for review in the future, mentioning that a checklist is not as useful as a narrative provided by the A/E.

STAFF GOALS and OBJECTIVES

Sam stated that until School Facilities can consolidate the six Access databases, they are unable to start working on an online CIP application system.

Sam noted that EED Facilities has been allowing districts to submit only one hard copy of application attachments, supplementing the documentation with a CD containing the applications and attachments.

Dean asked if School Facilities was able to take a look at the database review sooner since they were fully staffed. Sam responded that a database review is an IT issue, and School Facilities would have to work with IT in order to consolidate the databases.

Comments by Commissioner Mike Hanley

Commissioner Hanley discussed his work with legislators, superintendents, and local school boards to get an understanding of what the education system looks like from the leader's perspective.

With regards to the CIP application process, he stated that there is an understanding of how the application works, but not a clear understanding of the process itself. He explained that this sentiment was expressed by multiple districts: both those that have received funding and couldn't explain why and those that haven't received funding and thought they should have. Commissioner Hanley showed his concern that there was not a level of confidence in the CIP process among many districts. He then referenced a letter that was sent to him by several districts, which reiterated concerns that he already had. He stated that the thoughts by these districts were not isolated, and he has not sought out these issues, although he has pursued them when they arise.

Commissioner Hanley stated that he directed the department to address several components of the CIP process: transparency, aligning the application with the statutes and regulations, and simplification.

Neil Slotnick – Assistant District Attorney

Neil discussed his background with law and with the department. He stated that he would like to take a broad look at the CIP process while working with the BRGR Committee to see how the CIP process can be improved. He stated that he wanted to look at the application as compared to the laws and regulations to determine the consistency between the two.

Neil gave a brief explanation about how the statutes that are adopted by the legislature must be followed. He then referenced AS14.11.013, which he stated lists information that must be represented in the application, adding that this information can be implemented, interpreted, and augmented by the regulations. He said that any time a standard of general application that isn't in the law, it has to be in the regulation. He notified the BRGR Committee that they do not have the authority to update legislation, but they have the duty to make recommendations to the State Board of Education regarding necessary changes to the application and approval process, stating that any suggested changes need to be reflected in the statutes and regulations.

Neil referenced AS14.11.013, stating that this statute governs the proposed change to the FY14 CIP application regarding the "adequacy of documentation". He noted that subsection (b) states what needs to be considered when scoring grant applications, and subsection (c) states what may be considered when scoring grant applications.

He then referenced the regulation 4AAC 31.022 subsection (d), stating that the department must reject an application that lacks adequate documentation, which he said is considered a threshold requirement that must be met in order to be considered for funding.

He said that it doesn't seem like there is a need to amend the regulations, just a need to amend the CIP application in order to make it consistent with the regulations. He stated that there are other issues, but the "adequate documentation" portion is a smaller need that can be addressed quickly.

Mary asked if the CIP application is currently out of compliance with the statutes and regulations without having the adequacy of documentation checkbox on the application.

Neil responded that, yes, this was his view; his recommendation would be to change the application or go to the State Board of Education in order to request a vote to change the regulations.

Mary then asked if there were any other areas where he found that the application was out of compliance.

Neil responded that other areas are being considered for an update based on the idea of staying consistent with the regulations.

Mary asked about the relationship between the Facilities publications and the regulations.

Neil responded that there is no such thing as a "guideline" in state law. He stated that if it contains a standard it has to be a regulation, or it can be adopted by reference in regulation. He explained that the publications that EED Facilities publishes are adopted into regulation after they are written, noting that a handbook that is used as a tool for assistance is not treated the same since it is not a guideline.

Bob Tucker referenced the preventative maintenance plan that is a scoring criterion in the application. He was curious if the scoring criteria can be eliminated from the application and be replaced with a checkbox in order to simplify the application. He acknowledged that there are some established guidelines that districts are using for preventative maintenance which could be simplified on applications.

Neil responded, saying yes, this is a possibility and would be consistent with the statutes and regulations. He informed the Committee that if this was the direction they wanted to go, he would assist them by rereading the statutes to ensure that everything would be done with consistency.

Neil then explained the reasoning behind changing the terms "subjective" and "objective". He stated that the term "subjective" puts EED at a disadvantage at any legal hearing. He asserted that the whole purpose of having subject matter experts score an application is to eliminate the idea that someone is scoring an application subjectively. He then noted that knowledge and experience are required to score an application, so the scoring is done objectively even in the "subjective" categories.

Neil said the whole process should be objective, and some of the categories are determined by a formula, but that a number of questions will require the staff's expertise be used in scoring an application. He showed concern that there needed to be rules that constrain discretion.

Neil handed out a matrix which showed an example of how projects can be distinguished from one another, stating it was only an example to get the BRGR Committee to think about different options. The matrix suggested a category description for a project, different levels, point ranges, and gave examples of different types of projects. Neil suggested that it should be very clear to districts as to which position they are in when they submit their CIP application. He stated that this matrix would give districts comfort knowing that there is a system for rating the applications. He also noted that staff will have to use their judgment and expertise in order to determine which category each project falls in to.

Mary asked for a larger picture of the process and questioned what was allowable with the way the regulations were laid out. She also asked if the Committee needed to use a certain priority when evaluating project applications in order to determine which projects have the highest need.

Neil referenced the statutes, then stated that there wasn't the specificity in the statute that she was looking for, that it is the department who establishes priorities. He stated that he derived the matrix to try and show what the thought process is of the scorers so that districts can have a better idea of what to expect.

Elizabeth asked if statewide funding is a policy that should be looked at by the BRGR Committee. Neil stated this is not a BRGR issue; it is looked at somewhere else and it is a political process.

Bob Tucker asked if the matrix would end up as a rater's guide.

Sam responded that information which identifies scoring levels would be in the rater's guide.

Neil reiterated that the matrix is preliminary and is not set in stone. He discussed a couple of the descriptions from the matrix, noting that he was not sure how the matrix should be set up but that it could possibly be used as a starting point.

Mark and Bob expressed their agreement with some of the point ranges.

Doug showed concern about complicating the process, stating that things should be as simple as possible for the districts since they already have trouble with what to include in project applications.

Bob referenced his 20 years of writing grant applications and then stated that he thinks the matrix would make it easier for districts, but maybe not EED.

Doug stated it would be good to look at what would be nice to have and what is absolutely necessary to have.

Elizabeth asked Neil if the matrix was specifically for Emergency and Life Safety.

Neil answered that he doesn't know what should be included in the matrix, stating that it was just an example of what a matrix can look like. He said that it will take time to determine a process that works for everyone.

Mary suggested looking at other states' applications and scoring criteria's.

Sam addressed Mary's comment by stating that he wasn't sure about other states, but wanted to point out that Alaska is the state with the largest statewide grant funding for schools, noting that most other states rely on local education agencies for funding for school construction.

Mary asked what triggered the need to change the application and questioned if that information would be supplied to the BRGR Committee or review for public comment?

Elizabeth stated that it was a letter addressed to the Commissioner; she then distributed the comments that were given to the commissioner by several districts.

Mary asked which districts had the concerns since there was not a cover letter included with the feedback that Elizabeth distributed.

Elizabeth stated that she can follow up with the Commissioner to determine who sent the letter.

Mary suggested opening up the floor for public comment.

Neil stated that he could come back during the public comment session instead of adjusting the agenda. It was decided that Neil would return after lunch during the public comment portion of the meeting.

BREAK at 11:14M

CALLED TO ORDER AT 11:35AM

Elizabeth referenced the handouts: her chart, Neil Slotnick's matrix, and the letter that Commissioner Hanley supplied.

Doug recapped what Mary stated earlier regarding looking at regulations first to determine application criteria and what the highest priority for school funding is. He then stated that there should be enough guidance and examples that districts are able to have a reasonable assumption of whether or not their project will get funded.

Dean mentioned the importance of keeping the "KISS" method involved.

Bob expressed confusion about what exactly the department is proposing for changes in the FY14 application and asked how far EED wanted to take the changes during their meeting.

Elizabeth answered that EED was proposing the changes listed in the meeting packet, that the matrix was distributed only to start a conversation. She stated that the BRGR Committee could make amendments, but it was not anticipated that making an amendment would be a part of the changes.

Bob asked if a district could state that there was adequate documentation but have their application thrown out because there really wasn't.

Elizabeth stated that if the box gets checked, the department cannot go back through the application to find a reason not to score the application. The checkbox will be there to reflect that documentation is available for each question, which will eliminate the need to review an application for documentation to determine if there is sufficient evidence for the project.

Bob asked what will happen to the 30 points for districts that are reusing scores.

Elizabeth answered that her recommendation is for the 30 points be deducted.

Doug then asked why the checkbox is even necessary, to which Bob responded that it is so the district can verify that they provided the documentation needed for submitting the application.

Elizabeth referenced page 2 of the application which states the basic eligibility requirements.

Mary discussed her confusion with the numbering of 6a and 6b, stating that the way it is numbered makes it seem like adequate documentation is directly related to 6a, which asks if the project is for a capital improvement project and not part of a preventative maintenance program.

Elizabeth stated that adequate documentation was not added as number "7" for simplicity sake, since the remaining numbers in the document would need to change.

Mark stated that any district would automatically check the adequate documentation box so their application would not be thrown out. He suggested that "6b" is redundant and not necessary to the application because of question 31, to which he recommended that a reference to a statute or regulation on question 31 be made.

Bob stated that question 31 should stand alone since it shows what districts have provided for backup, stating that it would not answer the adequate documentation portion of the question.

Mary started a discussion about shifting the points for the adequate documentation. General discussion followed.

Elizabeth stated that when she looked at the adequate documentation points it closely mirrored the other categories.

Bob showed concern about the applications that request a reuse of scores.

Sam stated that it would be challenging for the raters to score new applications versus an application requesting a reuse of scores. He stated that the adequacy of documentation is a review of what information has been provided. When reviewing the new applications, there will be a shift of points since raters will no longer be able to assess the adequacy of documentation at the end of a review.

Bob asked how many applications request a reuse of scores, which Sam responded, referencing page 11 of 182, that 20 requested a reuse for FY2013 and 45 requested a reuse for FY2012

Bob requested a reorder of the agenda to have public comments directly after lunch and then continue the interactive work session for the Committee.

LUNCH

1:30PM

Elizabeth reviewed the department's recommendations for FY14 CIP applications, stating that it was EED's recommendation to change the application to remove the adequate documentation scores and put it under the eligibility portion as a checkbox. For the applications that request a reuse of scores, it was recommended to remove the adequate documentation points from the prior year's score. She also requested that raters not score the applications any differently in FY14 so that there will be consistency between the scoring over the years.

PUBLIC COMMENT

Dave Ferree (Fairbanks): Stated that Fairbanks supports the proposed changes, confirming that Fairbanks was the district who initiated the letter to Commissioner Hanley. He asked the Committee not to get hung up on a phrase or two in the letter because they may not have stated everything correctly in the letter. He said that it should not be about who has the best writer for grant applications; it should be about the project itself. He felt like that idea had been lost, and asserted it was time to look at the process, stating that the requested changes are a good first step but that a more detailed look should be taken in the future, in which he showed interest in participating in the process. He said that the letter indicated the system should be improved, but recognized that it will be difficult to meet the needs of everyone since needs can vary significantly. He said that it was time to admit that it would be better if districts can "go their own way" in finding capital needs, noting that ways to reduce competition in grant funding should be determined. He suggested several alternative options: rewards based opt-out, a

formula-based statewide allocation of grant funds, and a rotation of grant eligibility among all districts so that every district gets a chance. He stated that EED has become narrowly focused within the last few years and that it is time to take a look at the process.

Don Carney (Mat-Su): Agreed that substantive change was due, but disagreed with the statement that the current system is broken and should be thrown out. He agreed that trying to design any program in Alaska to fit all districts will be a difficult task, noting that making a change that fits one group could be very damaging to another. He commented that he didn't think that people are against changing the system, but the changes need to be looked at carefully. He also mentioned that the people who work with this process daily have a vast amount of ideas to offer. He mentioned how valuable the additional 30 points for the adequate documentation is when scoring applications, stating that discretion can be used with each project application. He recalled that it was very difficult to get the districts to buy in to the maintenance program, but that it is a very valuable management tool. He stated that using the maintenance system as a management tool helps to prolong the useful life of facilities. He encouraged a more open process that involves the staff, BRGR Committee, and the users of the CIP process, stating that there is a lot of help available to the department if they ask for it.

Robert Reed (LYSD): Stated that he would like to see time given to any changes in the application and requested that any changes be reviewed for possible ramifications before actually making the change. He stated that he was not against change, just against change immediately. He suggested looking at the requested changes as a group in order to consider the ramifications.

Kathy Christy (YKSD): Kathy detailed her experience with several different school districts: she was a facilities director at a large district that had bonding capacity, was the Capital Project's Manager at a smaller borough that had bonding capacity but usually used the bonds for other community projects, and her support to an REAA with no bonding capacity. She stated that there could be more clarity in the applications, asserting that something which may seem straight forward still requires a lot of thought. She stated that change is never easy and it is important to do it in a methodical way and in an open process. She then stated that changing the points for the FY14 application wasn't reasonable since the upcoming applications will be scored using different criteria than those districts requesting to reuse scores. She showed concern that there would be an overall imbalance for districts asking to reuse scores for FY14, and stated that what you gain with a small change is probably not worth the harm. She requested that any changes wait until the next round of CIP applications (FY15). She closed by saying that everyone should have a voice in the process.

Don Hiley (SERRC): Stated that it was too late in the year to start making changes when districts have already begun to spend funds consistent with the way applications are currently scored, stating that this change may be inappropriate so late in the CIP cycle. He suggested if BRGR wished to make changes, they should involve smaller districts in order to get their opinion to determine how changes would affect their district, stating that the proposed changes may seem small but they could have a large impact on the smaller districts. He asked for openness from the BRGR Committee, stating that a wide-range of people should be involved. He suggested that if future changes are to be made, they

should be done by the December meeting so that districts have enough of a warning before they start planning their projects.

Pete Lewis (Fairbanks): Asked BRGR to support the proposed changes in order to lower subjectivity in scoring applications. He urged that the decision, process, and appeal procedure be completed early enough to be included in the governor's budget.

INTERACTIVE WORK SESSION

Mary asked for clarification on what they should be acting on – the bigger picture regarding what will come over the next year, or discussing the issue at hand.

Bob thought they should focus on the suggested changes for FY14. He showed concern for the necessity of addressing the fact that the application was out of compliance with regards to the state statutes. He stated that something needed to be done with putting the checkbox in the application.

Mark stated that question 6b seemed redundant when you have the list on question 31 which asks for the documentation that is been submitted. He asked why a reference to the statutes and regulations in questions 31 couldn't be made.

Elizabeth responded that the statues state the requirement for adequate documentation, also mentioning that there is a low threshold. She explained that this meant that the applications are able to be scored; it is not meant to dig into a lot of specific categories.

Bob stated that the adequate documentation threshold it is an eligibility item, which 6b is trying to answer, which should not be confused with the list in the back of the application. He stated that the attachments seem to be the backup documentation, in which Doug agreed.

Bob asked if there was any item required for eligibility not listed on the application checklist.

Sam responded that there were specific items identified as a requirement for eligibility on the last page of the application. He said that particular projects require certain documentation, giving the example that a cost/benefit analysis is required for the building/renovating of a school, but it is not required for other projects. His understanding was that there was not a statute or regulation listing what was required for adequate documentation, they only identify that adequate documentation is required. How well the documentation supports the application is how the raters score the applications.

Doug stated that adding a reference to the statutes and regulations under question 31 may confuse districts more. He showed concern that districts may think that the more boxes they check the more likely it is that they will get funding, so it would be clearer if the adequate documentation box was kept with 6b.

Bob responded that adding the reference to statutes and regulations in the back of the application would be redundant if 6b is included for adequate documentation.

Doug mentioned that people were talking about what “adequacy” means, but he stated his preference that districts determine if they have submitted adequate documentation. He noted that it will be interesting to see if what the submitter states is adequate is really adequate.

Bob stated that the scoring would take care of itself if a district thought that they submitted adequate documentation, but in all actuality did not. He noted that it is tough for the raters because they have to look at the project itself, and the application needs to support what the district wants to do with the project. He said that BRGR won’t be able to make everybody happy; he was in agreement to leave the question in.

Mark said he didn’t think it mattered, but felt that 6b was redundant.

Bob acknowledged the need to move the discussion towards the scoring of applications.

Mary showed concern that the additional 30 points for adequate documentation was used subjectively, and she felt it was important to look at the overall application and judge it for the quality.

Bob felt that smaller districts that can’t afford to hire anyone for design but have a quality project are getting passed up because the application is not a quality application. He stated that there was a need to cut these districts some slack and the subjective scoring of the adequate documentation actually hurts them.

Sam cautioned about getting lost in the “quality” discussion and reviewed the rater’s guide and the current adequate documentation requirements. He mentioned that raters look at specific data included with an application and measure how well the data supports the application; they do not measure how the application stacks up against another application.

Mary asked when the adequate documentation was originally included in the application.

Sam responded that applications go back to FY97, the first year that grant applications were scored, with the 60s-80s having different types of funding. He stated that adequate documentation was included in the FY97 application, as was the rest of the current application, even though the PM requirement has expanded over time. He mentioned that the statutes and regulations address the submittal of documentation, referencing the following: 14.11.013(c)(3)(a) – which states that EED can reject a project due to incomplete documentation; 31.022(d)(1) – which states that EED will reject a project that lacks AD under 31.011(b)(3); 31.021 – which states general regulations for grant CIP.

Neil added to Sam’s testimony, stating that while Sam pointed out where adequate documentation exists in the statutes and regulations, he (Neil) was trying to point out where it does not

appear. Neil discussed how the adequate documentation was being used to balance the applications at the rater's discretion in order to change the scores on the application, dependent upon the documentation that was submitted. He then referenced 31.022(c), which discusses the balancing that is used when scoring an application, which is what adequate documentation was being used for. He stated that adequate documentation was not mentioned in 31.022(c), which is what caused him concern. He said that this didn't pertain to the checklist, but it did relate to the 30 points being used as a balancing mechanism. He stated that he had trouble seeing how the 30 points awarded in applications were consistent with regulations. He did note that if anyone disagreed with him, he would go back and take another look at it, but he could not figure how it was consistent. Neil also mentioned that he wasn't reviewing how good or bad a policy was he was only conducting a consistency review.

Elizabeth asked if there was a consensus on question #6.

Mary requested to wait for the next public comment.

BRGR decided to wait for the public comment to make the vote.

Bob showed concern about if the adequate documentation points were legally put in the application.

Mary stated that they needed to take the opportunity to look at the long-term picture at future meetings, incorporating the statutes and regulations to determine what the application should look like. She also mentioned that it seemed like EED would deduct the adequate documentation points from previous applications that are asking for a reuse of scores instead of rescoring the applications, and that districts will have the opportunity to revamp their application if they would like to instead of reusing the scores from the previous year.

Bob confirmed that there is always an option for the districts to redo their application instead of reusing their scores.

Doug stated his concern was that removing the adequate documentation points and adding a checkbox is that the applications will essentially be scored differently from here on out, stating that there would be two different types of scoring.

Mary asked if it was going to be a methodology change or a terminology change for the formula-driven and evaluative criteria.

Elizabeth responded that it would be a terminology change, stating that if the rating guidelines are not changed the raters should not change the way they are rating. She again said she didn't want people to think the scoring is actually subjective; therefore, evaluative was a better word for how the scoring guide is applied.

Mark asked if Sam saw it that way as a rater.

Sam stated that it was hard to say without actually using the proposed rating guide. He said that both he and Kimberly Andrews had concern about how to account for the information provided in support of the application. If not using the 30 points for adequate documentation, you have to consider the amount of information that is supporting the projects. He rhetorically asked if they would be relying on a statement alone, a condition survey that is recent, or a condition survey that was 10-12 years old. He stated that his understanding when speaking with Elizabeth Nudelman and Neil Slotnick was that adequate documentation would be evaluated under the category in which the documentation applies. He mentioned that there is not a category that addresses the schematic design and design development portions of a project.

Elizabeth referenced page 150 of 182, which refers to the seriousness of life safety and code conditions. She said that a district can't claim they have a lot of problems without providing any documentation and still score highly. The expectation is that the documentation is embedded in each question, and that documentation is necessary to tell the story of the issues of a facility. She also stated that you also have to consider the nature of the emergency.

Bob and Doug pointed out that the question "is there documentation" is already in the raters guide. Doug stated that there should be more revision of the application at a later date.

Elizabeth stated that over the years BRGR may want to tackle each main category one at a time. She referenced a list on page 139 of 182 for planning points, stating that EED may want to stress how important planning is for districts. She clarified that she was not suggesting what to do with the planning points, but it is something that can be looked at in the future.

Sam gave a brief history on the condition survey and facility appraisal, stating that there was previously a point category for the fixed asset inventory: 10points for fixed assets or zero points for no fixed assets. He mentioned that when he started working at EED, he identified that fixed assets were an eligibility category and that without any fixed assets, an application cannot be scored. Providing point incentives on CIP applications helped to distinguish the districts who utilized facility appraisals and condition surveys from those that did not. He referenced page 139 of 182, stating that it identifies whether or not a district has selected an architect or engineer. The district would have to complete each of the items under planning in order to get the full 10pts. He stated that it is not as though the districts are getting double points since not all projects require a condition survey.

PUBLIC COMMENT

Todd Poage (Alaska Gateway Superintendent): Had three suggestions for application scoring and how it relates to the CIP lists. He stated that he would like to see the "planning" and "design" categories reduced because his district does not always have the money to spend on planning. He also asked that there be criteria for longevity for projects that are listed on the major maintenance list.

Lastly, he wanted something to be implemented which reduces fluctuation for projects that continue to be on the list from year to year, so the districts can estimate when projects will be available for funding. He then showed concern that one of his district's projects fluctuated around the list by 14 points, even though it was listed on their district as priority #1. He stated that Aleutians East has not had a project funded since FY06, and conveyed his worry that the buildings do not get any younger and conditions do not get better while they remain on the list.

Elizabeth added that the discussion on points changing from one year to the next would be a longer discussion than what was allowed for the day. She stated that it cannot be assumed that a project will be the same on the list from year to year since the projects that are on the list fluctuate from year to year. She offered to give Todd Poage a call to provide more information and discuss specific projects in more detail.

Elizabeth stated that some of the conversations taking place had been brewing for a while, and there was a struggle with these issues before. She mentioned that the matrix that Neil Slotnick brought was similar to a matrix from 2008 that she recently reviewed. She stated that it was time to focus and get issues resolved for some of the outstanding items.

Doug wanted to know if it struck people as fair when asking districts to either reuse their application scores or requesting the EED re-rate an application from the previous year.

Bob stated that if you use the same criteria as you used the year before, theoretically, the scores should not change, so there should be no difference.

Sam stated that there is a range of scoring for all the criteria and that there are three raters who score the applications. He stated that these raters sit down to ensure their scores all fall within a certain range of one another, and if one project's score falls outside the range, the raters try to determine why the score varied so much. There may be a rater with concerns about roofs and tries to influence the other raters to see the importance in roofing projects, making that particular year more attentive to the issues of roofs. There can be slight differences from year to year based on the interaction between the raters as they discuss the project's merits.

Dave Ferree stated that applicants always have the option to use or reuse, stating that he doesn't understand why this would be an issue as long as the districts know that they have the option to reuse or not. He stated that he wanted to point out that EED does a good job of training in May, but that a lot of district representatives are unable to go. He advised that the department get the word out on the training early in order to get more people to attend this year.

Sam identified the importance of recognizing that the audience at the meeting was small and was not be represented by all districts that are involved in using the process.

Don Carney mentioned that the districts are limited to the number of new applications that they can submit each CIP cycle. He stated that if districts wanted to submit a new application instead of requesting a reuse of scores, this would reduce the number of new project applications they could submit. He suggested waiting another cycle or eliminating the 10 new application limit all together. He stated that this would be forcing people to make a decision about project priorities that they would not otherwise have to make.

Don Hiley mentioned that any districts that reuse scores will not be affected equally by removing points, noting that some applications have more points than other projects. He stated that projects at the top of the list are separated by a small amount of points, and that if you look at the cutoff line, the projects can be separated by less than one point. He said it is something that needs to be considered as a fairness issue.

Mary questioned why there was a need to change the application immediately if the BRGR Committee will be reviewing changes in the near future.

Elizabeth responded that the changes usually come to the BRGR Committee in April. She stated that EED saw the need for change immediately when they looked at the statutes and regulations compared to the application.

Public comment closed.

BREAK

Bob made a motion to accept the changes to the FY14 Application, scoring criteria, and raters guide as revised. Doug seconded.

Mary showed concern that the proposed changes should have been brought up in December in order to give the districts more time to alter their applications; it was a large enough change that districts should have had more notice. Dean agreed stating that he wished they would have had the discussion sooner or delayed the action to a later date.

Elizabeth said that she was supportive of the change; she thought it was a good change that will allow everyone to move forward while keeping the playing field level.

Mark stated that he had reservations, but overall, was supportive. He stated that there have been rough patches in the past and there will be more in the future.

Doug again showed his support, saying he liked the discussion around the issue. He mentioned that the discussion helped to illuminate issues and that work should be done on the application process.

Motion to update the application, instructions, scoring criteria and rating guide passed unanimously.

COMMITTEE MEMBER COMMENTS

Bob asked for more discussion about the application, looks forward to the future meetings, and added that hopefully the plan from here on out is to be to give enough notice to the districts. If the proposed changes today would have had a bigger effect that what it did he would have voted it down.

Elizabeth stated that the responsibility to take regulatory changes out to statewide comment is going to help the process in the future.

Mary said that she would like to have a recommendation for a public process for the next meeting. She stated that she would like there to be training on the issues for everyone so that people can understand the statutes and regulations. She also noted that she would like to work through a public process that allows transparency, while trying to formulate a methodology for going forward.

FUTURE MEETING DATE:

Bob recommended a summer meeting while Mary recommended Anchorage as the location. General discussion followed regarding the schedules of the BRGR Committee, Sam Kito, and Kimberly Andrews.

Meeting tentatively set for July 19-20, 2012.

The topic of discussion will be the application changes and questions related to the application.

Doug would like to see a more refined agenda that is not as open-ended.

Bob wants the summer meeting agenda out to the districts as soon as possible in order to get their input at the meeting.

Dean requested that districts provide comments ahead of time so that the committee can review the information.

Mary suggested setting up more of a workshop on the first day and a work session the next day.

MEETING ADJOURNED 4:00PM

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