

BOND REIMBURSEMENT & GRANT REVIEW COMMITTEE

October 17, 2018, Wednesday

Teleconference

WORK SESSION MINUTES

Committee Members Present

Heidi Teshner, Chair

Rep. Sam Kito III

Doug Crevensten

Don Hiley

Dale Smythe

Staff

Tim Mearig

Larry Morris

Sharol Roys

Lori Weed

Additional Participants

Tim McDermott, Lake & Peninsula
Borough School District

CALL TO ORDER and ROLL CALL at 2:01 p.m.

Heidi Teshner, chair, called the meeting to order at 2:01 p.m. Roll call of members present; Sen. Anna MacKinnon, Mark Langberg, and Robert Tucker are excused. Quorum of 5 members.

Rep. Sam Kito moved to approve the agenda, seconded by Dale Smythe.

REGULATION PROJECT UPDATE

Tim reminded the committee that there are two sets of regulations out for comment. The first deals with commissioning and when commissioning would be required on projects funded with state aid. The second is the department's cleanup of 4 AAC 31. The state board issued both for public comment, which closes November 12, 2018. Tim requested members pass the word to those interested in commenting; the department has sent notifications directly to the Association for Learning Environments (A4LE) Board and the school district facility managers. The normal process has the regulations come back to the state board at the next regularly scheduled meeting on December 6. The department will be working on responding to public comment, working with the state attorney general, and any proposed changes will go into the packet for the board to review. The board may decide to promulgate the regulations, put the revised regulations out for another public comment period, or seek additional information.

Rep. Kito noted two comments. The first, on 4 AAC 31.023 (page 8 of regulation), was about identifying construction costs for contracted work or forced account work; force account should be defined. The other comment was in regard to reimbursement for applications costs (4 AAC 31.023(c)); however, "application costs" is undefined. The department could end up in a situation where a district files for reimbursement of an entire building survey, when the project activity only involves a portion of it. Rep. Kito complimented the department on catching some of the other technical corrections.

STANDARDS FOR COST-EFFECTIVE CONSTRUCTION

Commissioning Subcommittee

Tim spoke to the upcoming subcommittee work of developing a recommendation relating to commission agent certifications recognized by the department and refining the worksheets developed for the five systems requiring commissioning. He noted that Mark is only current

BRGR member on the subcommittee due to William Murdock's resignation; still a number of industry members active.

Design Ratios Subcommittee

Dale related his conversation with the Alaska Housing Finance Corporation (AHFC) about the department use of BEES climate regions. AHFC indicated no concern with DEED's use of the zones. AHFC adopted the additional zones as an amendment to the International Energy Conservation Code (IECC), defined by heating degree days.

Dale stated he found a request for proposals template for energy modeling for comparison and prompting for completing the state procurement documentation. Recommended the modeling effort be a single solicitation, instead of the work plan's four or five separate solicitations. Lori noted that the combined RFP was proposed in the original committee report as a way to achieve a potential cost savings. General concurrence.

Tim asked for a brief statement of what the professional services will provide. Dale stated that at the end result will be a potential magnitude of savings per climate region relative to these ratios based on a typical model school. Anticipate there will be advice from the consultant on the goals and how to reach that goal better.

Don asked whether the design ratios has become purely about energy savings. In the initial discussion, there was first cost consideration – e.g. most efficient building shapes as far as construction costs, one-story versus two-story and the amount of foundation constructed. Dale noted early subcommittee discussions; there had been some benefits perceived relative to costs but subcommittee focused on a limited effort, with no construction cost component. Tim expressed thanks to Don and stated he wanted to pursue it for this effort. Regardless of available funding, it is important not to just talk about operating costs over time, but also first cost impacts of the ratios. Lori confirmed original intent was to encompass both first cost and operating cost and offered that the focus on energy modeling may have been because it requires consultant effort. Don expressed concern about the disconnect from the life cycle cost of the building.

Doug asked Dale whether the one-story building versus two-story building question has been answered. Dale responded that he had a different opinion before the modeling effort. The modeling showed that overall differences were fairly marginal, there were many influencing variables. The model didn't show the savings seen in other projects Dale had been involved in.

Tim stated his belief that more time was needed to develop the RFP scope. Heidi confirmed the committee could review and comment via e-mail to issue the RPF prior to the December meeting. Tim and Dale agreed to work on developing the RPF before November 15.

Model School Subcommittee

Doug noted a lot of work done by Don on the cost model before the RFP went out for solicitation. Ultimate goal would be to do away with the "lump sum" item type and to provide a rational, defensible cost. Many new line items, but many items missing or in flux, e.g. no items addressing school security, method of determining playground cost, determining useful measurement units. Don walked the committee through the proposed changes, including more granular cost items and specific items. More precision will be better costing, especially if used to cap project costs.

Tim shared that the geographic cost RFP solicitation closed with one proposal from HMS, Inc.; it should be under contract soon. Subcommittee prepared a draft RFP questionnaire for the department to issue an RFP for enhancements to the cost model. Doug offered that renovations and remodeling will be the majority of future projects and this cost model enhancement will delve down to that level and will be helpful to the state when complete.

Tim provided an overview of the current template of model school standards. Original efforts started 2002; department and committee has influenced good design through the application and design review.

WORK PLAN REVIEW & UPDATE

Department will revise work plan based on combined design ratio solicitation.

PUBLICATION UPDATE

Tim observed that the *Swimming Pool Guidelines* was last updated in 1997. During his tenure at the department, Rep. Kito had worked on revisions in conjunction with applying the guidelines to the pool construction projects of the time. Update presented makes straightforward changes but does not achieve potential goal of providing prescriptive limits to state participation in pool projects. Key pieces of the publication are to define an acceptable educational program and the size of pool that is associated with a state-supported educational program. There is an option to develop this update to base state aid on a prescriptive basis, e.g. on a student count basis, this is what you get.

Rep. Kito noted that a four-lane pool is not big enough to host a meet; minimum is six lanes, with regional meets needing eight lanes. Recommends support of a six or eight lane pool with no amenities, as more students will participate in swim programming if they can be involved in a competition sport. Tim offered that swimming instruction can occur with four lanes and other funds can be procured to expand the pool size. Doug noted some parallels between this and the model school issue of providing an adequate education program as it relates to outdoor facilities that have more community use.

COMMITTEE MEMBER COMMENT

Rep. Kito apologized for having to miss prior meetings, is trying hard to keep abreast of the committee conversations. Tim made a special request for Rep. Kito to attend December meeting.

Don mentioned that he would speak with Tim if *Swimming Pool Guidelines* moved forward; he was involved with the Ketchikan pool and had had many conversations with the department.

Doug and Dale had no additional comments.

Heidi thanked the subcommittee chairs for their continued work and expressed thanks to Mr. McDermott for listening in.

FUTURE MEETING DATE

Next committee meeting December 12, 2018. Lori reminded the committee it would be in-person, all day at the state's Atwood Building in Anchorage.

MEETING ADJOURNED

The committee adjourned at 4:06 p.m.