

BOND REIMBURSEMENT & GRANT REVIEW COMMITTEE

Wednesday, February 25, 2021 - 2:00 p.m. – 4:15 p.m.

APPROVED MEETING MINUTES

Committee Members Present

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

Staff

Tim Mearig
Lori Weed
Wayne Marquis
Sharol Roys

Additional Participants

Caroline Hamp for Rep. Dan Ortiz
Larry Morris, Anchorage SD
Kevin Lyon, Kenai Pen. Boro. SD
Branzon Anania, Southeast Island SD
Matt Gandel, Kodiak Island Boro.
Scott Worthington, BDS Architects
Ryan Butte, Lower Kuskokwim SD
Ryan Jeffries, Lower Kuskokwim SD

February 25, 2021

CALL TO ORDER and ROLL CALL at 2:00 p.m.

Chair Heidi Teshner called the meeting to order at 2:00 p.m. Roll call and introduction of members present; a senator has not been assigned to the committee, and Caroline Hamp was present for Rep. Dan Ortiz. Quorum of seven was established to conduct business.

CHAIR'S OPENING REMARKS

Chair Teshner mentioned that this would be the last meeting for two of the members and hoped it was a good meeting.

AGENDA REVIEW/APPROVAL

Randy Williams **MOVED** to approve today's agenda, **SECONDED** by Dale Smythe. Hearing no objection, the motion **PASSED**.

PAST MEETING MINUTES REVIEW/APPROVAL – December 2, 2020

William Glumac **MOVED** to approve the minutes as presented, **SECONDED** by James Estes. Hearing no objection, the motion **PASSED**, and the minutes were approved as presented.

PUBLIC COMMENT

A public comment period was offered, and no public testimony was provided.

FY2023 CIP GUIDELINES FOR RATERS

Preventive Maintenance Narratives (Sec. 9)

Tim Mearig reminded the committee that this item is in preparation for the April meeting where a CIP application will be approved. For almost a year, the department and committee have been collaborating on developing this scoring matrix. Because many questions still existed regarding the level of detail required for scoring, requests for comment on the matrix were sent out to interested parties. The comments received generally favored detailed responses explaining and defining scoring elements.

Tim explained that the new version of the draft scoring criteria, on the left-hand side of the side-by-side comparison, is a combination of the comments received and from independent

department review. He also noted that any proposed changes that were a result of comments is noted in small caps and that most of the changes are organizational rather than significant changes in the content.

The proposal for a requirement to have an intertie between CMMS and to include power monitoring and sub monitoring was removed as being too difficult to accomplish.

Within the capital planning narrative is a method of forecasting renewal which uses FCI (Facility Condition Index) in its scoring criteria. A formula has been provided to determine the FCI value.

Tim set out three options for committee consideration: (1) Prepare the FY23 CIP application materials with the currently revised maintenance narratives; (2) seek additional comment from previous commenters; or (3) open a new period of public comment.

Randy Williams thought the revisions made it clearer what was required at each level and overall thought the revisions were a positive improvement. In the maintenance management criteria, he questioned how 10 percent of school facilities would be measured, whether it would be 10 percent of the components of each building system or 10 percent of the buildings to have 100 percent components. Tim answered that the 10 percent applies to the number of main schools that the district operates. If the district has ten or less, then one school would be adequate.

Lori Weed asked if it would be clearer if the language “each main school component report includes components from each building system” was added to the criteria. Randy Williams replied that it did make it more clear and added that he thought the original commenter was a little confused also.

Dale Smythe asked what the acceptable sources of costs are for the facility renewal cost index or facility condition index. He wanted to know if that element would require a cost estimator and/or design professional, or whether an estimate from the Cost Model would be sufficient. Tim Mearig answered that there is not a definition of where the costs need to come from. There are districts that are actively accomplishing this kind of analysis as part of their capital planning, and that is why it showed up, because those districts are evaluated against districts who are not doing something at that level. Lori Weed stated the insurance replacement value would be the default for the department unless the district has a more defined value.

Dale Smythe asked if the FCI number was used anywhere else in the decision-making process. Tim Mearig replied that it is not a part of any objective scoring criteria. There is no place where the FCI is used as a metric for scoring an application. He has seen some support for FCI scores from districts where condition inventories have been accomplished for the purpose of determining the cost of current need and deferred need. A district is going to get full points if they provide a report that shows a list of their main schools and an FCI, and how they got to that number is not envisioned in this particular set of criteria. However, it should list the cost of deferred items, the replacement value, and the calculation for the FCI, with the name of the school listed.

Don Hiley is concerned about the tremendous increase in the amount of paperwork that is going to be required to submit an application to get any kind of score on the narratives. Generating

extra reports, facility condition indexes, enrollment projections for every building, all will drive the process sky high on the amount of paperwork required. He has heard a lot of comments from people who are frustrated with the process as it stands and the effort that goes into generating the reports that they don't find useful; and increasing the paperwork even more may push some of the districts into non-participation.

He is also concerned that there is one set of rules for everyone, and while the larger districts like Anchorage or Mat-Su have the personnel to handle the applications, the smaller districts do not. For example, some of the smaller districts are not able to calculate facility condition indexes and generate all the information that is asked for in the matrix in order to get any kind of score on their maintenance narratives. He works with a lot of the smaller districts, and he is hearing that if these applications continue to be geared more to the larger districts, some of the smaller districts will choose to not participate.

Chair Teshner asked the committee whether or not to go with the department's recommendation of option 1 or if they wanted option 2 or 3. Dale Smythe was in favor of option 1 with possible clarification to the requirements of source for the facility condition index. David Kingsland supported clarification of FCI parameters noting that there had also been public comment in this area. Randy Williams was also in favor of option 1 because there are not enough substantial changes to warrant delaying it or to ask for more public comment.

Chair Teshner asked if there was any opposition to option 1, hearing none, Chair Teshner directed Tim to go with option 1.

Tim Mearig thanked the committee for their support and noted that if the matrix for maintenance narratives were approved for this year's CIP applications, the department would be able to provide analysis of scoring and how things changed district by district. He made clear that the department was not trying to change scores but trying to make it clear how the department had been scoring.

Life/Safety/Code Scoring (Sec. 4)

Tim Mearig noted the just-mentioned philosophy of bringing clarity but not trying to influence historic point assignments also exists with the rating of Life Safety/Code points on projects that include both non-life safety, and protection of structure items as well as those that do qualify for the condition within the same project and how to rate those accordingly.

An analysis provided by the department between FY20 and 21 indicated that many scores had increased toward the top, possibly due to the weighting factor. A possible weighting tool was identified and implemented in FY22, and it did not work very well. The department had used a method that compared point values of conditions and percentage of cost as a test of how to weight the projects appropriately. They found that a significant number of the projects had some anomalies that increased the scores beyond a baseline percentage of code repair costs to total project costs.

The department has proposed in option 1 to compare the cost to repair certain conditions to the total cost, so it compares the same types of factors: cost to cost. Option 2 compares points to

points so that is more consistent statistically. Tim discussed the table and data. He stated that the department would watch this closely and feels that there will be some additional analysis before a recommendation can be made to the committee.

Randy Williams asked if there were any projections for any of the options and any idea of what effect that would have on the scores. Tim replied that they did know the scores for FY22, and the other charts show how the scoring would have worked in the various options.

Both Dale Smythe and James Estes favored further analysis by the department. No one was opposed to further analysis.

SUBCOMMITTEE REPORTS

Model Schools

Don Hiley reported that the subcommittee had been reviewing three new sections of the School Construction Standards Manual: Substructure, Superstructure, and Conveying Systems. The subcommittee considered the idea of creating a checklist so people could work through that and minimize searching through the manual. That idea seemed to have merit.

Don noted they had sent an invitation to the Alaska A4LE to participate in development and review but had not received a reply. Work might have occurred at their annual meeting but that was canceled for 2020. There are no meetings scheduled at present, but the hope is that by spring they would have a semi-working draft completed that could at least be out for public comment.

Scott Worthington requested that he be provided with a copy of whatever was sent to A4LE for review and stated he would be glad to help with the content.

Design Ratios

DESIGN RATIO RECOMMENDATIONS VOLUME : EXTERIOR SURFACE AREA

Dale Smythe summarized and elaborated on the subcommittee report, the group had met after the report was submitted so there are additional items to discuss. The subcommittee focused on the volume to exterior surface area ratio. This specific ratio is related to a cubic form and that made it difficult to try and recommend anything out of the report because of the relationship of the shape. The idea of a semi-cube or a hypothetical theoretical optimum does not match what a realistic school facility could ever look like. There is some savings to be achieved on the concept of this ratio but not through regulating or proposing a target. The subcommittee members agreed that this ratio was not the right way to try and monitor this going forward. He would like to get that in writing for consideration by the committee and then close out this project and move back to the subject of space planning.

Dale thanked the subcommittee members for their participation and expertise and mentioned that he would like to get some input from A4LE.

PUBLICATIONS

Construction Standards – Part 3 (final draft)

Tim Mearig reported that Part 3 of the Construction Standards speaks specifically to building systems. Most of the sections have been completed, and he is looking forward to reaching the

point where the greater design and school facility operator community can start to review it to avoid any surprises with new regulations.

Section numbering is indexed to the DEED CostFormat and the *Condition Survey Handbook*, and those are both indexed to a building system numbering format. The sections were further detailed in a sub-numbering system allowing specific items to be separated to provide more detailed levels of information of what is required. Tim would like some feedback from the committee whether this level of detail is desired.

Tim discussed the superstructure section. The first three sections, Building System Summary, Design Philosophy, and Model Alaskan School are meant to be preambles that set out what is contained in the rest of the superstructure section. He asked whether those preambles are helpful by section to help orient design construction personnel on what the system consists of and what some of the philosophies are that might be driving the following elements is another category of input. Another question is whether it is appropriate to include design efficiency ratios that might come up in the process.

Tim gave an example of a micro efficiency standard: for foundation walls and treatment, carbon steel reinforcing bar is required with ratios in the 50-100 pounds per cubic yard of concrete. Premium is defined as above 100 pounds per cubic yard of concrete, so that would not be supported.

Tim noted the areas on which the Model School Subcommittee and department would like some committee discussion. It could be on these items and on anything else that needs to be clarified or explained. They are also seeking comments on anything that seems out of place, whether it be something in the premium level that should be allowed or anything else that seems out of place.

Discussion

Don Hiley has some discomfort with the word “required” since it seems to imply that it is something that must be done, but in a lot of the sections, it might not be the only thing that needs to be done. He also wondered whether the level of detail was appropriate.

Scott Worthington suggested that “required” be replaced with “accepted practice” or something similar. Don Hiley suggested “as required” as a possible change.

Tim noted that when using a checklist for requirements, each item needs to be addressed to determine if it applies or does not apply because each item does not apply to all projects.

Randy Williams suggested the terms “baseline” or “standard” in place of “required.”

Scott Worthington pointed out that the terms “required,” “recommended,” and “premium” are already defined in the manual.

Dale Smythe offered his opinion that this document should be far less detailed. There is no reason to repeat things that are already defined that code is already requiring. He gave an example regarding concrete. Once the size of the school and location are determined, that’s 99 percent of it. There really is not any value for the department to be reviewing the

compressive strength of concrete. He favored including lessons learned, things like roof slopes at valleys, (glaciation) stripping the hoods off roofs, etc. If that information is not normally picked up, then that might be included.

Don Hiley agreed with Dale about the level of detail. He is concerned about the ongoing maintenance of the document and the amount of upkeep it would take to keep it relevant or whether it would go out of date if the code or regulations change. There are places that had adopted standards and had not updated them for years, so it was out of date, but the document was still referenced as a requirement and codified. He would like to keep it more general, although there are some specific things that should be detailed, like perhaps not putting vinyl siding on a building.

Dale Smythe added that if the expected lifespan and the location and size of the school is known, that's 99 percent of the criteria. For example, in Western Alaska there is really only one foundation method, but if you change the lifespan to two years instead of 30, you wouldn't be using post and pad.

Randy Williams asked if getting public input or further review was something to discuss now or if it was a future topic.

Tim Mearig replied that it is a big concern for the department and the Model School Subcommittee. They have not seen the kind of interest that they expected, but most people understand that 90 percent of school construction is hitting the mark for cost effectiveness. Perhaps people are not expecting anything new or relevant, so they don't feel a need to contribute much. This handbook is under the committee's charter and statute and will be reviewed and approved by the committee, and it should concern the committee that it is done well.

Don Hiley said they were hoping to get more feedback and wanted to have a discussion at the A4LE conference in December to try to get some interest generated and get people into the process. He thought that the design people who work on schools around the state would be a little more interested since this has a direct impact on their work. But this is a COVID year, and people apparently had other things to do. Hopefully before this gets into an adopted form, it will get more review from the specialists that are working in these various areas every day. There is a lot of expertise still to be tapped.

Randy Williams is concerned that there is little feedback. Developing these things in a vacuum is not good, and he asked if there were any other publications where they can go through the standard steps of getting feedback.

Tim Mearig thought they had a good reach into the school districts through people who do CIP notes to track things, but they don't have as much reach into the design professions in general. The sections on substructure and superstructure are ready for review by technical experts, but they have not asked for review yet.

Chair Teshner asked if it was the intention that when the publication is finished that it will go out for public comment as a whole document. Tim Mearig said yes, that the committee's work plan

schedule was for the review to start in April, but it looks like it will be later than that before it is polished up enough to send out. He also commented to Dale that the PSI of concrete is not specified in code.

Dale Smythe replied that there are strength requirements that relate to that which is why this is a perfect example of the prescriptive method you can do and still get to the result, which is the intent here.

Tim said that the document is positioned so as not to reproduce code. But saying “do what the code requires” over and over may not be needed. A lot of things can be done with a building that meets the code that are beyond what could be called cost effective. Dale Smythe agreed with that but gave an example of concrete failing at Scammon Bay that was designed to the correct PSI, but the pH of the water was wrong. He questioned if they are going to get into that much detail, controlling the pH for the water for the mix trying to do remote construction. He agrees with the goal but is questioning the application of the standard to get there.

Tim Mearig said he’s not trying to defend that it’s very important to have that mentioned in the standard. He acknowledged that the committee’s comments have been very helpful.

Don Hiley pointed out that all these things go to the department for review before they get built, so there is a secondary line of defense there. He doesn’t want to see it get too detailed because specialists are paid to do that. And since there is that second line of defense, that may weigh in a little bit on the level of specificity that is needed.

Dale Smythe agreed but pointed out that on the structural end, the state of Alaska cannot staff a structural reviewer, so they are trusting the design professionals explicitly, and a double check is required.

Scott Worthington said that to him, the usefulness of this document is as a designer looking at what the state accepts and recognizes as materials that they have seen to be proven in the field, and that gives the designers a good starting point. These are standards and practices that the state accepts, but it is up to the designer to recognize if those materials are the right ones.

He added that when looking for public feedback, perhaps e-mail is not the way to do it because it is too easy to put off responding until it’s too late. Maybe it would be more effective to talk one on one with a structural engineer.

Kevin Lyon stated that when he needs a review, he goes to that particular trade professional to take a look and make sure the standard was there. Also, if an exception is requested from what is required, an explanation is needed.

In response to the question from Chair Teshner, Tim Mearig said that this will continue to be developed and input will be sought along the way.

Alaska School Facilities Preventative Maintenance Handbook

Tim Mearig stated that this handbook has not been updated since approximately 1999, and they have been trying to reorient the publication to realign with the five areas of maintenance and

facility management that are outlined in statute, developed in regulation, and used by the department day by day.

They were hoping to further edit the energy management section but did not get to that. They worked on the custodial care section, and a draft master custodial schedule was presented together with a narrative on how schedules are envisioned, how they get used, and how they vary.

This schedule has many of the same elements as part 2 of the construction standards handbook where the different types of rooms are listed. This schedule is meant to be a starting point to develop a specific plan for any building.

Randy Williams asked how Tim was going to develop the energy management section, whether he had certain sources or was starting from scratch. Tim replied that he had been looking at the AHFC pamphlet on setting up an energy management program. They have been doing a lot of work in that area with retro commissioning. He added that Randy should feel free to write a paragraph about anything he wanted. Randy said he would love to participate, even if it's just reviewing, and Tim said he would be glad to have the help.

BR&GR WORKPLAN REVIEW & UPDATE

Chair Teshner referred the committee to the workplan, noting that the next meeting is scheduled for March 17th, and asked Tim Mearig if there were any specific items to address or just provide the construction standards for review. Tim replied that it was just for review, and some of the dates would have to be pushed out; for example, a final draft of the PM Handbook was not completed in February as scheduled. He said he might bring that back to the committee in March for suggestions.

Lori Weed stated that unless the committee members had specific items they wanted updated, the department would wait until the March meeting for any department proposals.

COMMITTEE MEMBER COMMENTS

Randy Williams thanked everyone for their input and participation.

Dale Smythe thanked the department and the subcommittees for all their effort. He hoped he had not sounded too critical – it's just that he gets excited because he likes working on these projects.

Don Hiley thanked everyone for the opportunity to be a member of the committee, said it was his last meeting as a committee member, and wished the new members good luck.

James Estes thanked Don for his service and said he appreciated his perspective as he was representing some of the smaller districts. He also thanked the department and committee members for all the hard work.

William Glumac thanked everybody and said this was his last meeting as a committee member. He said he learned a lot through this experience and appreciates the hard work that the department puts in.

Chair Teshner thanked both Don and William for their time on the committee and their input. She hopes they continue to participate in the meetings when they can. She also thanked the staff for all their hard work. She also mentioned that since Don is no longer going to be the chair for the Model School Subcommittee, a new chair will be needed. She hopes that Don will consider continuing to support that subcommittee process. She hoped everyone continued to stay safe and healthy.

MEETING ADJOURNED

William Glumac **MOVED** to adjourn, **SECONDED** by James Estes. Hearing no objection, the motion **PASSED**, and the meeting adjourned at 4:15 p.m.