

BOND REIMBURSEMENT & GRANT REVIEW COMMITTEE

Tuesday, December 3, 2024 – 1:00 p.m. – 3:22 p.m.

Videoconference

MEETING MINUTES - FOR REVIEW & APPROVAL

Committee Members Present

Dale Smythe
Larry Morris, Jr.
Kevin Lyon
Douglas Hayman
Branzon Anania

Staff

Heather Heineken
Michael Butikofer
Sharol Roys
Alex Watts

Additional Participants

Clay Anderson
Dan DeGraw
Jahanara Carreon
Kristy Germain

CALL TO ORDER and ROLL CALL

Heather Heineken gave opening remarks and called the meeting to order. Roll was taken, and a quorum was established to conduct business.

AGENDA REVIEW / APPROVAL

Kevin Lyon **MOVED** to approve the agenda as presented, **SECONDED** by Dale Smythe. Hearing no objections, the motion **PASSED**.

PAST MEETING MINUTES REVIEW / APPROVAL

Branzon Anania **MOVED**, Kevin Lyon **SECONDED** for approval of the minutes of April 10-11, 2024, the minutes were approved as presented.

PUBLIC COMMENT

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

DEPARTMENT BRIEFING

FY 2026 CIP Report – Summary Statistics and Initial Priority Lists

Michael Butikofer reviewed the FY 2026 CIP report with the following highlights:

- 105 applications were received this year.
- There were 32 budget revisions this year.
- There were four ineligible projects.
- An increase in costs was seen for both the construction and maintenance lists.
- There was one request for reconsideration, which will be finalized in the next coming weeks.

Statewide Six-Year Plan

Six-year plans were received from districts of potential projects for state aid. Not all districts submit plans, but currently about \$1.85 billion is estimated as needed for projects.

School Capital Project Funding Report

The FY2025 operating budget fully funded the REAA Fund capitalization at \$26,978,028 and the municipal debt reimbursement at \$57,517,670. Awarded grants to priorities #1 through #26, which included 4 projects receiving supplemental funding and funding 22 new projects. The moratorium on school debt reimbursement is currently set to sunset on July 1, 2025.

Preventive Maintenance Update

Districts cannot apply for CIP projects if their program is not compliant. Bristol Bay School District is the only district on a provisional program, and only a few are not currently certified. 48 of 52 school districts have certified PM programs.

Special Projects. Capital Needs Forecast Database. Project is set to be complete in early 2025.

Michael introduces new DEED members Don and Alex Bearden.

Michael discusses BRGR position terms that will be coming to an end.

Dale Smythe asks about what made projects ineligible. Michael explains what made various projects ineligible.

Dale Smythe asked about if PM uncompliant districts are applying for grants. Michael reported that no district deemed uncompliant applied for FY26.

Dale Smythe **MOVED** that the Bond Reimbursement and Grant Review Committee recommend the State Board of Education & Early Development adopt the department's FY 2026 list of projects eligible for funding under the School Construction Grant Fund and the Major Maintenance Grant Fund, **SECONDED** by Branzon Anania. A roll call vote was taken with the following result:

YES: Kevin Lyon, Dale Smythe, Larry Morris, Douglas Hayman, Branzon Anania

The motion **PASSED**.

Sharol Roys commented on how she would like to see more districts submit a 6 year plan.

Kevin Lyon urged all people present to testify to legislature on behalf of the districts.

No additional comments on department briefing.

BRIEFING PAPERS

FY 2025 CIP Issues and Clarifications

We did drop in the number of projects submitted. There were a lot of recycled projects, but many new unseen projects. Michael would like to discuss gaps seen by the department with the districts at the next CIP workshop. All in all, Michael believes that the CIP system works well and there were not many issues. Michael went through sections of eligibility and emergency

scoring. His take away is that we have a good system in place and will continue to develop and improve it as time goes on.

PUBLICATIONS

Life Cycle Cost Analysis Handbook

Went out for public comment on August 17, 2024. No comments received on the updates.

Larry Morris said that most changes applied to smaller more simple projects.

Kevin Lyon **MOVED** to accept the changes made to the Life Cycle Cost Analysis Handbook.

Doug Hayman **SECONDED**.

YES: Kevin Lyon, Dale Smythe, Larry Morris, Douglas Hayman, Branzon Anania

The motion **PASSED**.

DEED has two publications with proposed updates in 2025.

Kevin mentioned that the Swimming Pool Guidelines may be best to get rid of.

Larry mentioned that most school districts would gladly get rid of the pools if given the chance.

DEED tasked with looking into the Swimming Pool Guidelines and its need. DEED also tasked with looking at 2023 minutes to see discussion on the Alaska School Facilities Preventative Maintenance Handbook.

SUBCOMMITTEE REPORTS

School Space

Dale Smythe explained the goals of the subcommittee as follows:

1. ADM revisions.
2. Utility and storage variance.
3. Gross square foot clarification/modification.
4. Mechanical/electrical space adequacy.

Dale Smythe discusses utility and storage variance. This was mainly focused on food storage need in rural areas. The thought is that it may better serve the districts to have more storage for those districts that have no road access and barge delivery only for bulk items. This was meant for DEED to be able to grant a variance if a district could demonstrate a need.

Heather mentions it may be best to change the proposed language to “alternate delivery” instead of “barge delivery” since not all districts have barge access.

Dale: The intent was to give DEED the ability to grant a variance based on need.

Dale: ASHRAE 90.1 defines all of the parameters and does a lot of the heavy lifting in terms of defining. The change is specifically for continuous insulation (c.i) and design teams are familiar with this already. Not penalize the square footage for better wall insulation. 2 inches on 20,000 SF building is about 100 SF. From a space standpoint a large 60K SF school or larger is approaching a class size room space.

A discussion is had on where we are on getting this forwarded to SBOE in terms of getting this updated in regulation.

DEED action item. Draft the language for regulation change and vote in Spring meeting and look at impacts to DEED construction standards.

Larry Morris MOVED to approve these recommendations Kevin SECONDED the above.

YES: Kevin Lyon, Dale Smythe, Larry Morris, Douglas Hayman, Branzon Anania

The motion **PASSED**.

CIP Application Process Review

Larry mentioned he was pleased with the amount of public participation in the review process. Larry presented his findings and recommendations and expressed that the committee was successful in achieve what it set out to accomplish.

BR&GR WORK PLAN REVIEW AND UPDATE

3.4.2 and 3.4.3 and design ratios will need to be addressed in 2025. The idea is brought up to solicit design professionals' input for the Alaska Construction Standards update. A discussion on Prototypical design analysis is had. It is discussed that due to Alaska's size and the lack of design cost savings that it may not be useful. DEED will look at 5.4.1 "Space Allocation Issues" to determine its need.

SET DATE FOR NEXT MEETING

A February 18th meeting is proposed and April 9th and 10th. Larry proposed to have drafts ready for possible application changes in this February meeting and Kevin proposed for DEED to have regulation changes briefed at this meeting as well. A discussion is had on in the future coordinating the BRGR December meeting with the A4LE conference to get more public involvement in the BRGR meetings.

COMMITTEE MEMBER COMMENTS

Branzon thanked DEED members for their work.

Dale thanked DEED members as well and BRGR members for their work.

ADJOURNMENT

Dale Smythe **MOVED** to adjourn, **SECONDED** by Doug Hayman. Hearing no objections, Heather Heineken adjourned the meeting at 3:22 p.m.