

BOND REIMBURSEMENT & GRANT REVIEW COMMITTEE

July 19, 2018, Thursday

Teleconference

WORK SESSION MINUTES

Committee Members Present

Heidi Teshner, Chair
Rep. Sam Kito III
Mark Langberg
Dale Smythe
Doug Crevensten
Don Hiley

Staff

Tim Mearig
Larry Morris
Lori Weed

Additional Participants

None

CALL TO ORDER and ROLL CALL at 2:36 p.m.

Heidi Teshner, chair, called the meeting to order at 2:36 p.m. Roll call of members present; Mark Langberg absent; Sen. Anna MacKinnon, Robert Tucker, and William Murdock are excused. Quorum of 5 members.

Don moved to approve the agenda, seconded by Dale.

REGULATION PROJECT UPDATE

Lori updated the committee on the status of the regulations, currently the two sets of regulations previously seen by the committee have been sent to the department's assistant attorney general for review. In response to Dale's question, Heidi summarized the next steps: at September meeting the State Board of Education and Early Development will meet and review the regulations, if it approves the regulations for a 30-day public comment period, then the board would meet at the December meeting to approve sending the regulations to the lieutenant governor's office. Lori noted that, depending on changes made in response to the public comments, the board could choose to send the regulations out for an additional public comment period.

Mark joined the teleconference. Quorum of 6 members.

STANDARDS FOR COST-EFFECTIVE CONSTRUCTION

Tim reviewed packet materials, including the matrix comparing the committee report to the provisions of HB 212. He highlighted four items. One, the bill language did not include commissioning because committee and department already had authority and resources to move forward with regulations. However, item two, because the bill did not speak to commissioning, the fiscal note did not include a \$15,000 feasibility analysis on whether to have highly developed criteria and standards related to commissioning as recommended in the committee report. Item three, the model school criteria #9, spoke to developing the cost model as a cost limit tool; HB 212 did not require cost limit or maximum cost per square foot. Future movement will be on any existing department authority to do so. Item four, the bill will require encouraging, evaluating, and requiring re-use of school plans. Otherwise, a lot of intersection between the committee report and the bill; the fiscal note provides a source of funding to accomplish the objectives.

Heidi inquired whether the additional funding amounts in the fiscal note could be used to address the commissioning study. Tim responded that the increased values came from better, updated information on costs; but it is likely any remaining funding could be shifted. Philosophical question for the committee on how deep to go, as a regulatory body, in developing and defining elements of commissioning standards. Mark stated that commissioning is often driven by what the owner wants and will pay for, companies rely on expertise to accomplish task to owner satisfaction and budget. There are several national organizations with standards to draw from to assist development of state-level standards. The goal would be not to constrain people but to provide better guidance than was previously developed.

Doug observed that the model school elements look comparable. He asked whether it will still move forward with developing “good, better, best” (minimum and maximum) standards. Tim noted development of those standards would be under report criteria #11, developing an outline of building standards.

Heidi provided information on fiscal note appropriations, budgets, and accounting. Timeline for expenditures is July 1 through June 30.

WORK PLAN REVIEW & UPDATE

Tim reminded the committee that three members will have terms ending February 28, partway through the work plan timeline; each are eligible to apply for re-appointment.

Tim reviewed the work item 3.1 changes and noted associated budgets and timelines. Department development of RFP for geographic cost adjustments is on track for August. Subcommittee is developing a statement of services for an RFP to enhance the cost model’s site and major maintenance line items, to be issued in October. On use of the cost model as a cost control tool, the subcommittee will make a recommendation to the committee on whether it would work, then potential development of regulations. Identifies new process of committee review and analysis of the model school, where the committee vets changes to the model; this utilizes the reoccurring funding in the fiscal note to potentially involve industry consultants.

Tim moved to section 3.4, which is work to develop model school systems, starting with department work to finish system standards aligned to other department resources. Noted that the feasibility analysis and development of standards do not meet the FY19 fiscal note timeline.

Outline of design ratio work in work plan section 3.5. The elements proposed by the subcommittee were addressed by the bill language as a need for a way to measure effectiveness, and these ratios are what the committee proposed. Tim noted later 2019 dates due to incrementally staging the start time of each ratio; it may make sense to mesh these timelines together, and put all of the ratio analysis into one RFP. Dale looked forward to discussing in subcommittee; he had not anticipated using more than one modeling consultant.

Prototypical design analysis has always been a committee responsibility under statute. Most recently, the department managed a report on the use of prototypical designs. The last committee action was a position paper adopted in 2004. Funding provided in the fiscal note to support this effort, primarily envisioned to obtain peer input, likely through a workshop with several experts. Tim suggested that this could be handled within context the application and not need regulations. Doug remarked that a scoring criteria for reuse of plans is something that has been missing in

prior discussions on this topic. General discussion on reuse of designs. Tim worried that the associated funding was the least likely to be able to be used in FY19, as the committee is unlikely to move far enough along in the process to make use of it. Counting on the committee to brainstorm and network with associates to bring fresh perspective on prototypes.

FUTURE MEETING DATE

Lori explained that the agenda items anticipated for August were incorporated into this meeting; did the committee want to meet again or work on subcommittee work. Tim asked whether December should be a face-to-face, it has worked out well in the past to have that meeting in Anchorage. Don and Dale agreed that the December meeting in conjunction with the A4LE conference brought the best participation. Dale proposed, to general agreement, that August and September be used for subcommittee work.

Doug moved to approve the work plan as presented, seconded by Mark. Adopted by unanimous consent.

PUBLICATION UPDATE

Lori highlighted the public comments received on the *Professional Services for School Capital Projects*, which were primarily positive and appreciative. Tim explained that the department had added language in the 'pre-design' section, expanded on construction management services, and included information on commissioning.

COMMITTEE MEMBER COMMENT

Mark observed the department has been busy and appreciated the work and progress.

Don and Doug joined mark in thanking the department. No additional comments by Rep. Kito.

Dale warned subcommittee members he would contact them for upcoming work.

Heidi thanked department staff and the subcommittee members for the extra time they put in.

MEETING ADJOURNED

The committee adjourned at 3:54 p.m.