

ANCHORAGE SCHOOL DISTRICT
ANCHORAGE, ALASKA

ASD MEMORANDUM #135 (2007-2008)

December 17, 2007

TO: SCHOOL BOARD

FROM: OFFICE OF THE SUPERINTENDENT

SUBJECT: 2008 GENERAL OBLIGATION BOND RECOMMENDATIONS

ASD Goal: Establish and maintain a supportive and effective learning environment by providing safe, caring, barrier-free school. Ensure public accountability through effective consultation with the community to ensure wise use of financial resources and responsible construction and maintenance of facilities, and effective communication with students, staff, parents, community and government at all levels.

RECOMMENDATION:

It is the Administration's recommendation that the School Board approve a Bond proposal package totaling \$43,710,000, comprised of Proposition 1 - Elementary School Addition/Renewal/Design Projects in the amount of \$34,300,000; and Proposition 2 - Districtwide Building System Renewal Projects in the amount of \$9,410,000.

The propositions are summarized below:

Proposition 1- Elementary School Addition/Renewal/Design Projects

Chester Valley Elementary School Addition and Renewal	\$16,500,000
Sand Lake Elementary School Addition and Renewal	\$17,500,000
Girdwood K-8 School Design	\$300,000
Proposition 1 Total	\$34,300,000

Proposition 2- Districtwide Building System Renewal Projects

Districtwide Code/Hazmat/ADA/Sprinkler Projects	\$465,000
Districtwide Roof Replacement and Repairs	\$950,000
Districtwide Building Renewal Projects	\$1,240,000
Districtwide Electrical Projects	\$1,475,000
Districtwide Mechanical Projects	\$1,950,000

Districtwide Traffic Safety	\$600,000
Districtwide Track Renewal	\$2,250,000
Emergency Communications Systems- Middle Schools	\$480,000
Proposition 2 Total	\$9,410,000

PERTINENT FACTS:

The District's highest school addition, renewal, design, and building system renewal needs have been included in this bond recommendation, and there remain many other high priority facility needs within the District. However, in order to keep the requested bond amount less than the \$44 million of bond indebtedness retired since the last bond election on April 3, 2007, not all of the high priority needs could be included in this bond recommendation. In an attempt to be able to fund some of these additional priority needs, alternative funding sources from bond balances and interest earnings have been identified. The approval of School Board Memorandum #147 (2007-08), Approval of Funding for Capital Projects Using Interest Earnings and Project Balances, will authorize funding for these additional needs. The bond recommendation may need to be modified if Memorandum #147 (2007-08) is not approved as presented.

Since 1993, the Anchorage School District has received voter approval for approximately \$1.047 billion in school construction and renovation bonds. Of this amount, approximately \$768 million has received up to 70 percent State reimbursement through debt reimbursement programs.

Between the last election in April 2007 and the upcoming election in April 2008, approximately \$44 million of bond indebtedness was retired. Over the next five years, the District will be paying off between \$43 million and \$50 million of bonds each year, of which the State will pay approximately 50 percent. Currently, the District has \$794 million of bonds outstanding as of June 30, 2007. Of this amount, the State pays approximately 54 percent.

Proposition 1 of this bond proposal provides funding for the needed additions and renewal of the Chester Valley and Sand Lake Elementary Schools, as well as schematic design of Girdwood K-8 School.

Proposition 2 of this bond proposal provides funding for Building System Renewal needs. The Districtwide building system renewal projects include code upgrades, fire sprinklers, building renewal, roof replacement/repairs, mechanical, electrical, traffic safety, track renewal, and middle school emergency communications systems.

Information provided in this memorandum with attachments should assist the School Board in making decisions about items that should be included in the next

bond election. Major decisions facing the School Board are the total cost of the bond propositions, the projects to be included, and the packaging of the bond projects for the April 1, 2008 Municipal Ballots.

The project descriptions for the Elementary School Addition, Renewal and Design projects are provided in Attachment A. Project descriptions for the Building System Renewal projects are provided in Attachment B.

The approved Six-Year Capital Improvement Plan, Facilities Department Building System Renewal master list of unfunded facility infrastructure needs, and the District's Facility Management Priorities were utilized to identify these critical needs and in determining project priority. The District's Facility Management Priorities are provided in Attachment C. The Capital Improvement Projects approved by the School Board in the 2007-2013 Six-Year Capital Improvement Plan (CIP) are included in Attachment D - CIP Recommendations by Year, 2007-2013, Table 1.

Documentation of Need:

The District operates and maintains the largest physical plant of any public entity in the State, with approximately 7.5 million square feet of facilities. The replacement value of District buildings exceeds \$1.5 billion. The District is responsible for 93 facilities, housing approximately 50,000 students, more students than the total of the next five largest Alaska districts, and over 5,000 staff members. Anchorage educates approximately 40 percent of the total student population of the State. Not only is the inventory large, it is aging. Forty-nine schools are 20 to 50 years old. Of these schools, 20 have had no significant renewal and 29 have had partial renewals. Of the 10 schools over 50 years old, four have had no significant renewal and six have had partial renewals.

Building components wear out. Facility systems only last so long. Roofs deteriorate and leak; heating, plumbing, and ventilation systems wear out; structural systems age. Various code changes require updating electrical and mechanical systems, access for the physically disabled, hazardous materials removal, fire sprinkler and building code upgrades.

Functional obsolescence is another fact of life for older schools. Over the life of a school, programmatic changes take place that demand updating the facility infrastructure. There is a continual need to update the electrical distribution systems in the schools to accommodate current technology. Older schools have outdated science rooms that also limit curriculum options. Current educational delivery methods require physical layouts that are often different from those of 30 to 40 years ago. Without renewal, these schools do not provide our students the same quality educational parity of program and facilities across our school system.

Additional capacity to house the constantly shifting student population is the third component of capital requirements. Anchorage is the largest district in the State, and while its overall enrollment has been steady in recent years, the geographic distribution of students continues to shift due to the high mobility of the Anchorage population. To meet short-term capacity needs in the affected schools, the Anchorage School District has over 130 relocatable classrooms available.

Effective operation and maintenance programs are a critical component to extending the life of buildings, sites, systems and equipment, and for maintaining and providing a quality building environment for the instructional programs. The Maintenance Department with a well-trained staff and the utilization of a computerized maintenance management program are effectively accomplishing the preventive and corrective maintenance tasks necessary to maintain the District facilities. The Operations Department utilizes a Custodial Guide and ongoing training of staff to maintain the District facilities in a safe, clean and orderly condition.

Capital Request Advisory Committee

The District's Capital Request Advisory Committee (CRAC) met on October 24, 2007 and November 7, 2007 to review options and develop recommendations for a spring 2008 bond. The Committee recommended two bond propositions totaling \$43,790,000. The projects are listed below:

Proposition 1:

Chester Valley Elementary School Addition and Renewal project for \$16,500,000
Sand Lake Elementary School Addition and Renewal project for \$17,500,000
Girdwood K-8 School Design for \$300,000

Proposition 2:

Building System Renewal Projects for \$9,490,000

The Administration has carefully reviewed these recommendations and studied the timing and delivery of the various construction projects included in it. Based on this analysis, except for minor changes as shown in Attachment E, the Administration concurs with the recommendations of the CRAC and is bringing these recommendations to the School Board. Draft minutes for these meetings are included with this memorandum as Attachment F.

Debt Retirement Funding From House Bill 13

House Bill 13 passed by the Legislature in July 2006 provides for 60 percent or 70 percent debt reimbursement on school construction projects that have received local voter approval between October 1, 2006 and November 30, 2008. School

projects that add space have been eligible for 60 percent reimbursement, and those projects that do not add space have been eligible for 70 percent reimbursement. The Elementary School Renewal/Addition/Design projects should be eligible for 60 percent reimbursement and all of the Building System Renewal projects should be eligible for 70 percent reimbursement.

Cost of Potential Bond Proposals to the Local Taxpayers

The approximate amount of annual taxes on \$100,000 assessed valuation to retire the proposed debt of \$43,710,000 is \$4.27 based on an estimated 5.00 percent weighted interest rate for twenty years, as shown on Attachment G. This amount is based on the assumption that the District will receive 70 percent State debt reimbursement on \$9,410,000 of projects, and 60 percent reimbursement on \$34,300,000 of projects. The debt reimbursement projects have not been reviewed or approved by the Alaska Department of Education and Early Development (DEED), so the 60 percent and 70 percent reimbursement rates have not been confirmed as of this date. The District will submit these projects for debt reimbursement to the State no later than February 1, 2008, when DEED finalizes their decision of School Construction and Major Maintenance grants.

In addition, the Chester Valley and Sand Lake Elementary School Addition and Renewal projects will not incur any significant increase in annual operations and maintenance costs; therefore the Administration has elected not to request an increase in the municipal tax cap.

When the School Board finalizes the approved list of projects, the Administration will work with the Municipal Bond Counsel to complete the actual bond proposition language. The Municipal Assembly will finalize the bond propositions through an ordinance introduced in January 2008, scheduled to be acted on early February 2008. Revisions can be made up to the point of Municipal Assembly action.

CC/GV/ML/JS/RA/MP/RM/jg

Attachments:

- A. Project Descriptions - Elementary School Addition/Renewal/Design, Proposition 1
- B. Project Descriptions - Districtwide Building System Renewal Projects, Proposition 2
- C. Facility Management Priorities
- D. CIP Recommendation by Year, 2007-2013 - Table 1
- E. Administration Recommended Changes to Capital Request Advisory Committee Recommendations
- F. Capital Request Committee Meeting Minutes-October 24, 2007 & November 7, 2007

G. 2008 Bond Reimbursement Rate and Taxes

Prepared by: Rachel Molina, Project Support Analyst
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Approved by: George Vakalis, Assistant Superintendent of Support Services

Attachment A - ASD Memorandum # 135 (2007-2008)
Project Descriptions – Addition/Renewal/Design Projects

CHESTER VALLEY ELEMENTARY SCHOOL ADDITION AND RENEWAL

Chester Valley Elementary School is located on an 8 acre site at 1751 Patterson Street in northeast Anchorage. The existing 19 classroom school with two portables on site delivers educational programs for pre-kindergarten through fifth grade.

The school was originally built in 1964 with a classroom and multipurpose room addition constructed in 1967. The school has had minimal amount of renovations since it was constructed 43 years ago. The existing facility is deficient in its physical capability to meet the educational program. Although well-maintained, its building systems, including mechanical and electrical, are well beyond their useful life and are no longer cost-effective to repair and operate. Existing structural systems do not meet current structural requirements of building codes and hazardous materials need to be abated.

The project consists primarily of a major building renewal with additions. The additions will include a Gymnasium, Art classroom, and minor addition to better locate the Administration areas to more efficiently serve the school and the public, and a reconfiguration of interior spaces for more efficient operations.

Further, the project will renew the facility and its building systems to meet functionality and code requirements as well as improve energy efficiencies. The project will include:

- sprinkler system installation for fire safety,
- seismic upgrades,
- mechanical system upgrades,
- electrical system upgrades,
- hazardous materials abatement,
- exterior window replacement,
- building insulation upgrades,
- site circulation and drainage improvements, and
- playground upgrades.

In 2003, design funding was approved by voters. The project design was carried through Schematic Design (35%). Due to failure of the bond issues for construction in April 2004 and 2006, further development of the project was suspended.

SAND LAKE ELEMENTARY SCHOOL ADDITION AND RENEWAL

Sand Lake Elementary School is located on a 10 acre site at 7500 Jewel Lake Road in Southwest Anchorage. The existing 24 classroom school with five portables on site delivers both traditional and Japanese Immersion programs for kindergarten through sixth grade.

The school was originally built in 1958 with classroom additions in 1959 and 1967. Also in 1987 an addition was added that included classrooms and a Gymnasium. The school has had minimal amount of renovations since it was constructed. The 1958, 1959 and 1967 portions of the school are deficient in physical capability to meet the educational program. Although well-maintained, its building systems, including mechanical and electrical, are well beyond their useful life and are no longer cost-effective to repair and operate. Existing structural systems do not meet current structural requirements of building codes and hazardous materials need to be abated.

The site has heavy traffic congestion, resulting in unsatisfactory situations where parents dropping off or picking up students are forced to queue on Jewel Lake Road, a major collector street. School buses drop off students in the southwest playground area where delivery vehicles also deliver goods to the service area. This encroachment impedes the ability to fully utilize that portion of the school's playground.

The project, as scoped in 2003, consisted primarily of a major building renewal with reconfiguration of interior spaces for more efficient operations and three classrooms and an art room addition.

However, since 2003 the structural building codes have changed to the extent that it would require extensive structural upgrades to the pre-1987 building to meet the current structural code. An evaluation of the costs to implement these required structural upgrades concluded that it was more cost effective to demolish the oldest eastern portion of the existing school and replace with new construction. This partial replacement will provide opportunities to develop a more efficient floor plan to better accommodate the needs of the current instructional programs. In addition, improved design solutions to fully integrate with the Strawberry Road upgrades, address the heavy parent drop-off and pick-up traffic, and separate the bus traffic from vehicular traffic can be developed, portions of the existing school will be renewed and receive needed code, mechanical and electrical upgrades as well as improved energy efficiencies.

In 2003, design funding was approved by voters. The project design was carried through the Schematic Design (35%) for the building and Design Development (65%) for the site work in 2004. Due to failure of the bond issues for construction in April of 2004 and 2006, further development of the project was suspended.

GIRDWOOD K-8 SCHOOL DESIGN

Girdwood Elementary School is located on a 27-acre site in Girdwood. The existing nine classroom school delivers educational programs kindergarten through eighth grade.

The school was originally built in 1981 with a four classroom addition in 1985.

Girdwood is continuing to mature beyond its origin as a seasonal resort by developing into a community with a permanent year-round population with major residential developments planned for the community including affordable housing units. It is anticipated that the school population is on the verge of exceeding the existing school's capacity to support the increased students.

This project will result in a design solution to meet these future student demands on the school.

**Attachment B- ASD Memorandum #135 (2007-2008)
Building System Renewal Projects**

Location	Project Description	Amount
<u>Districtwide Code/Hazmat/ADA/Sprinkler Projects</u>		
Rabbit Creek ES	Install Sprinkler System	\$300,000
Romig MS	Replace Stair Treads (3 Stairwells)	\$65,000
Romig MS	Elevator Upgrades (Hydraulic Ram)	\$100,000
		<hr/> \$465,000
<u>Districtwide Roof Replacement and Repairs</u>		
Susitna ES	Roof Replacement and Structural Upgrades	\$750,000
Gruening MS	Reconstruct Shingled Roof Areas	\$200,000
		<hr/> \$950,000
<u>Districtwide Building Renewal Projects</u>		
Baxter ES	Replace Playground Safety Surface	\$150,000
Campbell ES	Asphalt and Sidewalk Renewal	\$315,000
Klatt ES	Asphalt and Sidewalk Renewal	\$400,000
Northwood ES	Connect Rain Leader to Storm Water System	\$100,000
Turnagain ES	Replace VAT Tiles in Kindergarten Classroom Wing	\$50,000
Gruening MS	Replace Gym Divider Curtain	\$80,000
Mears MS	Resurface Indoor Track	\$145,000
		<hr/> \$1,240,000
<u>Districtwide Electrical Projects</u>		
Alpenglow ES	Replace Intercom/Bell/Clock System	\$150,000
Alpenglow ES	Replace Fire Alarm System	\$175,000
Bear Valley ES	Replace Fire Alarm System	\$175,000
Birchwood ES	Replace Intercom/Bell/Clock System	\$150,000
Inlet View ES	Lighting Upgrade in Corridor	\$100,000
North Star ES	Replace Existing Panels in Hallway and Kitchen	\$150,000
O'Malley ES	Replace Fire Alarm System	\$200,000
Gruening MS	Replace Intercom/Bell/Clock System	\$200,000
Whaley	Replace Fire Alarm & Security System	\$175,000
		<hr/> \$1,475,000
<u>Districtwide Mechanical Projects</u>		
Maintenance Building	Domestic Water Pipe Replacement	\$500,000
Campbell ES	Domestic Water Pipe Replacement	\$300,000
Eagle River ES	Domestic Water Pipe Replacement	\$650,000
Klatt ES	Replace Boilers	\$300,000
Bartlett HS	Air Handling Unit Control Upgrades	\$200,000
		<hr/> \$1,950,000
<u>Districtwide Traffic Safety</u>		
Huffman ES	Traffic Safety Upgrades - Design Only	\$100,000
Mears MS	Traffic Safety Upgrades - Design Only	\$500,000
		<hr/> \$600,000
<u>Districtwide Track Renewal</u>		
Central MS	Track Rebuild	\$750,000
Gruening MS	Track Rebuild	\$750,000
Hanshew MS	Track Rebuild	\$750,000
		<hr/> \$2,250,000

Attachment B- ASD Memorandum #135 (2007-2008)
Building System Renewal Projects

Location	Project Description	Amount
<u>Emergency Communications Systems - Middle Schools</u>		
Central MS	Emergency Communications System for First Responders	\$160,000
Mirror Lake MS	Emergency Communications System for First Responders	\$160,000
Romig MS	Emergency Communications System for First Responders	\$160,000
		<hr/> \$480,000

Attachment C – ASD Memorandum #135 (2007-2008)
Facility Management Priorities

Facility Management Priorities

The District has established the following general priorities to identify the condition of the facility infrastructure and the program needs. These priorities will be used to rank the unfunded needs identified for each District Facility. These priorities will also be used as one of the factors for establishing the implementation priority along with funding and administrative priorities for construction projects that will address one or more of these priorities.

A -- Facility Infrastructure (Building System Renewal) Priorities

1. Unexpected loss of use of a facility.
2. Fire Code & Life Safety and Security needs.
3. Protection of Structure, Failing or soon to fail system/equipment.
4. System/Equipment close to the end of the life, Energy Conservation Measures.
5. Improvements to existing site or facility not required for basic mission needs.
6. Code Upgrades that are not life safety issues now, but may become so in the future.

B -- Facility Program Priorities

1. Un-housed students, Classroom space/program functionality.
2. Un-housed basic core program spaces. (IMC, MPR, Gym, Etc.)
3. Un-housed elective program spaces.
4. Lack of / or inadequate, program site amenities.
5. Lack of / or inadequate, support service spaces.
6. Master planning for new or enlarged facilities.

Attachment D - ASD Memorandum #135 (2007-2008)

CIP 2007-13 Table 1

Recommendations by Year

Priority		2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
1	Clark Middle School Renewal & Replacement	\$65,000,000					
2	Districtwide Code/Hazmat/ADA/Sprinkler Projects	\$1,265,000					
3	Districtwide Roof Replacement & Repairs	\$1,950,000					
4	Multi-School Security System Upgrades	\$890,000					
5	Emergency Communications Systems - High Schools	\$650,000					
6	Districtwide Building Renewal Projects	\$4,110,000					
7	Districtwide Electrical Projects	\$2,190,000					
8	Districtwide Mechanical Projects	\$5,845,000					
9	Districtwide Traffic Safety Projects	\$3,100,000					
10	Gladys Wood Elementary School Planning <i>Funded by Senate/House Bill; \$65,000</i>	\$0					
11	Girdwood K-8 School Planning <i>Partial Funding by Senate Bill; \$49,000</i>	\$0					
12	Chester Valley Elementary Construction		\$15,200,000				
13	Sand Lake Elementary School Construction		\$13,600,000				
14	Districtwide Code/Hazmat/ADA/Sprinkler Projects		\$2,250,000				
15	Multi- School Security System Upgrades		\$1,000,000				
16	Emergency Communications Systems- Middle Schools		\$850,000				
17	Districtwide Emergency Radio Deployment		\$1,360,000				
18	Districtwide Roof Replacement and Repairs		\$2,000,000				
19	Traffic Safety/Site Renewal/Planning/Renovation		\$1,700,000				
20	Districtwide Electrical Projects		\$4,000,000				
21	Districtwide Mechanical Upgrades		\$4,000,000				
22	Districtwide Building Renewal Projects		\$4,000,000				
23	Facility Assessment- Elementary, Middle and Alternative Schools		\$400,000				
24	Bartlett High School West Wing Construction & East Wing & Support Services Design		\$14,800,000				
25	East High School Southwest House Construction and 1/2 Southeast House Design		\$13,300,000				
26	Service High School Main Gym and Auxiliary Gym Renewal and Boiler Room Addition &		\$16,000,000				
27	New Southwest Anchorage Area Middle School Planning		\$415,000				

Attachment D - ASD Memorandum #135 (2007-2008)

CIP 2007-13 Table 1

Recommendations by Year

Priority		2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
28	Site Selection and Acquisition		\$6,000,000				
29	Whaley School Design		\$850,000				
30	Replacement School Buses		\$1,120,000				
31	High School Synthetic Athletic Field Turf		\$1,600,000				
32	Districtwide Site Acquisition Planning		\$150,000				
33	Districtwide Maintenance Equipment		\$680,000				
34	Districtwide Code/Hazmat/ADA/Sprinkler Projects			\$1,075,000			
35	Multi- School Security System Upgrades			\$1,015,000			
36	Districtwide Roof Replacement and Repairs			\$2,150,000			
37	Traffic Safety/Site Renewal/Planning/Renovation			\$1,050,000			
38	Districtwide Electrical Projects			\$2,750,000			
39	Districtwide Mechanical Upgrades			\$4,300,000			
40	Districtwide Building Renewal Projects			\$7,500,000			
41	Bartlett High School 1/2 East Wing Construction and 1/2 East Wing Classrooms Design			\$7,600,000			
42	Chugiak High School House 4 Construction and Site Design			\$13,500,000			
43	East High School 1/2 Southeast House Construction			\$8,600,000			
44	Service High School Cafeteria, Auditorium, & Commons Construction			\$32,500,000			
45	New Southwest Anchorage Area Middle School Design			\$5,000,000			
46	Girdwood K-8 School Design			\$525,000			
47	Whaley School Construction			\$8,650,000			
48	Site Selection and Acquisition			\$5,500,000			
49	Information Technology Facility Planning			\$100,000			
50	Replacement School Buses			\$1,165,000			
51	High School Synthetic Athletic Field Turf			\$1,700,000			
52	Districtwide Maintenance Equipment			\$700,000			
53	Districtwide Code/Hazmat/ADA/Sprinkler Projects				\$1,075,000		
54	Multi- School Security System Upgrades				\$1,075,000		

Attachment D - ASD Memorandum #135 (2007-2008)

CIP 2007-13 Table 1

Recommendations by Year

Priority		2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
55	Districtwide Roof Replacement and Repairs				\$2,150,000		
56	Traffic Safety/Site Renewal/Planning/Renovation				\$1,075,000		
57	Districtwide Electrical Projects				\$3,250,000		
58	Districtwide Mechanical Upgrades				\$4,000,000		
59	Districtwide Building Renewal Projects				\$6,500,000		
60	Bartlett High School 1/2 East Wing Classrooms Construction & Tech Ed, Cafeteria, & Phys. Ed.				\$8,700,000		
61	East High School 1/2 Southeast House Construction				\$8,600,000		
62	Service High School Library & Administration Design				\$1,100,000		
63	New Southwest Anchorage Area Middle School Construction				\$75,000,000		
64	New Southwest Anchorage Area Elementary School Planning				\$110,000		
65	Chugiak High School Site Construction				\$5,000,000		
66	Girdwood K-8 School Construction				\$8,650,000		
67	Romig Middle School Planning				\$185,000		
68	Gruening Middle School Planning				\$210,000		
69	West High School Planning				\$315,000		
70	Gladys Wood Elementary School Design				\$1,075,000		
71	Inlet View Elementary School Design				\$780,000		
72	Site Selection and Acquisition				\$3,175,000		
73	Replacement School Buses				\$975,000		
74	High School Synthetic Athletic Field Turf				\$1,800,000		
75	Information Technology Facility Design				\$365,000		
76	Districtwide Maintenance Equipment				\$565,000		
77	Districtwide Code/Hazmat/ADA/Sprinkler Projects					\$1,075,000	
78	Multi- School Security System Upgrades					\$1,075,000	
79	Districtwide Roof Replacement and Repairs					\$2,150,000	
80	Traffic Safety/Site Renewal/Planning/Renovation					\$1,075,000	
81	Districtwide Electrical Projects					\$2,750,000	

Attachment D - ASD Memorandum #135 (2007-2008)

CIP 2007-13 Table 1

Recommendations by Year

Priority		2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
82	Districtwide Mechanical Upgrades					\$5,400,000	
83	Districtwide Building Renewal Projects					\$5,400,000	
84	Bartlett High School Tech Ed, Cafeteria, & Phys. Ed. Construction and Site Design					\$12,200,000	
85	East High School Northeast Classrooms Construction					\$8,900,000	
86	Service High School Library & Administration Construction and Site Design					\$11,100,000	
87	Dimond High School - Classroom Wing Addition and Auxiliary Gym Renewal					\$15,000,000	
88	New Southwest Anchorage Area Elementary School Construction					\$20,000,000	
89	Gladys Wood Elementary School Construction					\$10,750,000	
90	Inlet View Elementary School Construction					\$7,600,000	
91	Turnagain Elementary School Design					\$975,000	
92	Romig Middle School Phase 1 Design					\$1,015,000	
93	West High School Phase 1 Design					\$1,050,000	
94	Rabbit Creek Elementary School Design					\$1,300,000	
95	Gruening Middle School Phase 1 Design					\$1,600,000	
96	Replacement School Buses					\$1,005,000	
97	High School Synthetic Athletic Field Turf					\$2,000,000	
98	Information Technology Facility Construction					\$3,120,000	
99	Districtwide Code/Hazmat/ADA/Sprinkler Projects						\$1,075,000
100	Multi- School Security System Upgrades						\$1,075,000
101	Districtwide Roof Replacement and Repairs						\$2,150,000
102	Traffic Safety/Site Renewal/Planning/Renovation						\$1,075,000
103	Districtwide Electrical Projects						\$2,750,000
104	Districtwide Mechanical Upgrades						\$5,400,000
105	Districtwide Building Renewal Projects						\$5,400,000
106	Bartlett High School Site Construction						\$5,600,000
107	East High School Connector Construction and Gym & Site Design						\$13,000,000
108	Service High School Site Construction						\$9,000,000

Attachment D - ASD Memorandum #135 (2007-2008)

CIP 2007-13 Table 1

Recommendations by Year

Priority		2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
109	Turnagain Elementary School Construction						\$12,750,000
110	Romig Middle School Phase 1 Construction and Phase 2 Design						\$5,400,000
111	Gruening Middle School Phase 1 Construction and Phase 2 Design						\$5,400,000
112	West High School Phase 1 Construction and Phase 2 Design						\$8,350,000
113	Rabbit Creek Elementary School Construction						\$12,750,000
114	Airport Heights Elementary School Planning						\$75,000
115	Bayshore Elementary School Planning						\$75,000
116	Eagle River Elementary School Planning						\$75,000
117	Mt. View School Elementary Planning						\$75,000
118	O'Malley Elementary School Planning						\$75,000
119	Replacement School Buses						\$1,040,000
	Total	\$85,000,000	\$105,275,000	\$105,380,000	\$135,730,000	\$116,540,000	\$92,590,000

Projects with attached dollar amounts will require funds to be obtained. After 2008-09, scope and costs are estimates and require verification. Both may be adjusted based on recommendations from Facilities resulting from preliminary design and facility audits.

Total 2007-08	\$85,000,000
Total 2008-09	\$105,275,000
Total 2009-10	\$105,380,000
Total 2010-11	\$135,730,000
Total 2011-12	\$116,540,000
Total 2012-13	\$92,590,000
Total 6 year CIP	\$640,515,000

Projects Having No Assigned Priority

Vocational Education Training Center	Study
Student Transportation Facility & Site Selection	Study
ABC Elementary School Program Housing	Study
Southeast Anchorage Area Elementary School	Site Selection
Chugiak/Eagle River Elementary School	Site Selection

Attachment E – ASD Memorandum #135 (2007-2008)
Administration Recommended Changes to Capital Request Advisory Committee
Recommendations

Districtwide Code/Hazmat/ADA/Sprinkler Projects

Projects removed due to alternative fund sources identified:

- | | |
|---|-----------|
| 1. Service High School – Elevator Upgrades | \$100,000 |
| 2. Scenic Park Elementary School – Hazmat Abatement | \$200,000 |

Districtwide Building Renewal Projects

Projects removed due to alternative fund sources identified:

- | | |
|--|-----------|
| 1. Chugiak High School – NW Sewer Line Freeze-up | \$75,000 |
| 2. Chugiak High School – Repair Curb/Sidewalk at bus delivery area adjacent to Pool and Auditorium | \$50,000 |
| 3. Dimond High School – Replace Exterior Siding | \$400,000 |

Additional priority need project added:

- | | |
|---|-----------|
| 1. Campbell Elementary School – Asphalt and Sidewalk Repair | \$315,000 |
|---|-----------|

Districtwide Electrical Projects

Projects removed due to alternative fund sources identified:

- | | |
|---|-----------|
| 1. Campbell Elementary School – Remove and replace kitchen distribution panel | \$125,000 |
| 2. Bartlett High School – CCTV System Installation | \$265,000 |
| 3. Bartlett High School – Replace Fire Alarm System | \$300,000 |
| 4. North Star Elementary School – Replace Intercom/Bell/Clock System | \$130,000 |

Additional priority need projects added:

- | | |
|--|-----------|
| 1. Alpenglow Elementary School – Fire Alarm System | \$175,000 |
| 2. Gruening Middle School – Replace Intercom/Bell/Clock System | \$200,000 |

Districtwide Mechanical Projects

Additional priority need project added:

- | | |
|--|-----------|
| 1. Eagle River Elementary School – Domestic Water Pipe Replacement | \$650,000 |
|--|-----------|

Attachment E – ASD Memorandum #135 (2007-2008)
Administration Recommended Changes to Capital Request Advisory Committee
Recommendations

Districtwide Traffic Safety

Reduced project scope and funding:

- | | |
|--|-----------|
| 1. Mears Middle School – Traffic Safety Upgrades,
Design Only | \$500,000 |
|--|-----------|

Additional priority need project added:

- | | |
|--|-----------|
| 1. Huffman Elementary School – Traffic Safety Upgrades,
Design Only | \$100,000 |
|--|-----------|

Districtwide Track Renewal

Additional priority need projects added:

- | | |
|---|-----------|
| 1. Gruening Middle School – Track Renewal | \$750,000 |
| 2. Central Middle School – Track Renewal | \$750,000 |
| 3. Hanshew Middle School – Track Renewal | \$750,000 |

Attachment F – ASD Memorandum #135 (2007-2008)
October 24, 2007 Capital Request Advisory Committee
Draft Meeting Minutes

Wednesday, October 24, 2007
ASD Educational Center Board Room B
1:30 p.m. – 4:00 p.m.

The meeting was called to order at 1:38 p.m. by George Vakalis, Assistant Superintendent of Support Services for the Anchorage School District.

Introductions

Committee members introduced themselves. Attendees were.

Ray Amsden	ASD Facilities, Facilities Director
Michael Baldwin	Special Education Advisory Committee - Representative
Rob Balivet	ASD Facilities, Design Manager
Jason Bergerson	Federation of Community Councils
Daphne Brown	Alaska Professional Design Council – Representative
John Bulkow	Service Elem/Middle School Attendance Area-Representative
JoAnn Contreras	MOA Planning Department
Ophelia Dargan-Steed	ASD Demographics/GIS, Manager
William Dugdale	East High School Attendance Area-Representative
Michelle Egan	ASD Communications, Director
Rhonda Gardner	ASD Assistant Superintendent of Instruction
Brian Griggs	Military Representative
Brad Harris	Area-Wide Schools & Programs Representative
Mike Henry	ASD High School Education, Executive Director
Brian Hickey	East Elementary/Middle School Area Representative
Dan Loring	West Elem/Middle School Area Representative
Pamela Massey	Service High School Area – Representative
Patricia McRae	ASD Elementary Education, Executive Director
Kerstin (Kitte’) Miller	Area-Wide Schools & Programs-Alternate
Ken Olmstead	Chugiak-Eagle River Chamber of Commerce
Larry Petersen	ASD Maintenance, Director
Steve Pifer	Chugiak/Eagle River High School Area Representative
Mike Price	ASD Facilities, Construction Mgr, Capital Projects
Stacey Schubert	Anchorage Chamber of Commerce
Jerry Sjolander	ASD Special Education, Executive Director
Louis Theiss	South Attendance Area - Alternate
George Vakalis	ASD Assistant Superintendent of Support Services
Leslie Vandergaw	ASD Middle School Education, Executive Director

Other Attendees:

Heidi Embley	ASD Communications, Sr. Communications Specialist
Steven Golab	ASD Facilities, Project Support
Randy Ribble	ASD Facilities, Project Manager
Tracy West	ASD Facilities Department, Administrative Assistant

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Ray Amsden commented that there are new members. He noted that the application mentions where members reside, not necessarily what attendance area they will represent. He corrected assumptions on new member applications and confirmed new members' names and represented areas.

Mr. Vakalis indicated everyone seated around the table are voting members except Ray and himself.

Approval of Meeting Minutes – September 12, 2007

A Motion was made to approve the meeting minutes of September 12, 2007. Motion was seconded. Dan Loring commented on Page 4 of the minutes: he asked about graffiti on the building and the District's policy for removal. He stated that he did not share the name of the building because he didn't want to hurt feelings. He felt it would better serve the minutes, the community and the committee if the minutes were amended to show that he had discussed that, with graffiti on at least one elementary school, the 24-hr removal policy has failed by five months. Mr. Loring requested that the minutes be amended to more properly reflect the discussion at the last meeting.

Mr. Vakalis indicated the minutes would be adjusted to read, on page 4 after the sentence ending in "...within 24 hours...", insert a new sentence: "Dan Loring stated that at his neighborhood elementary school, the 24 hour policy to remove graffiti is not working."

Larry Peterson requested discussion on the issue. Mr. Vakalis noted that the action before the committee was to address the minutes rather than the issue. Mr. Loring's **motion** was seconded, voted upon and **passed**.

Review of "Information for Development of Potential 2008 Bond Projects":

Mr. Amsden reviewed the documents distributed to the Committee and said the committee would discuss a "strawman" bond issue.

The "Strawman" bond issue, presented as \$44 million, reflects debt retirement for this past year. The District Administration has decided this is a good point at which to begin discussion on total bond dollar amounts. He described the "Strawman" document.

Mr. Vakalis stated that the Capital request Advisory Committee has three missions.

#1 To come up with a recommendation for an April 2008 Bond issue.

#2 To come up with a 10-year Capital Improvement Plan (CIP). And

#3 To preclude last year's confusion about projects directly funded from the Legislature and funneled through the various community groups, PTA, PTSA, Booster Clubs, Alumni Associations, Community Councils, without going through the District. He noted it is better to funnel them through their local school, and then to executive directors to the assistant superintendent for instruction, and then the CRAC. The CRAC will then review and recommend projects. He noted that, if they are supported by the Superintendent and School Board, it increases the likelihood that some of those would be passed by the Governor.

Mr. Amsden stated that the District will be retiring \$44 million this year. As a strategy, ASD felt the voters will be more inclined to vote for something that was not adding more taxes. In other words, it

Attachment F – ASD Memorandum #135 (2007-2008)
October 24, 2007 Capital Request Advisory Committee
Draft Meeting Minutes

would be more acceptable to the voters. Going to the voter with smaller packages will be more acceptable and a better strategy.

Mr. Vakalis explained what a “Strawman” is. The Committee may have other ideas of what is more important than those presented by ASD staff. The Committee’s recommendations will be forwarded to the Superintendent. The Superintendent may change those recommendations before presenting them to the School Board, but modifications to the CRAC’s recommendations will be noted to the School Board.

Mr. Vakalis explained why the Chester Valley and Sand Lake Elementary School renewal projects are on the Strawman.. He then opened the meeting up for discussion and recommendations.

Mr. Loring stated that he was told there would be an orientation for new members. However, it was never offered. He said he has reminded ASD staff, but has never been contacted. He asked when and if he and new members will be asked to go through the orientation. Mr. Vakalis asked if there are other members interested in sitting down with ASD staff to review the CIP, its process of development, and the governing process to get the different items through the School Board and Assembly. A show of hands was called for. Discussion ensued. Members will be contacted.

Mr. Loring asked, if the \$44 Million dollars debt is retired and that is replaced with new debt, what will that do to the annual cash flow of the District - assuming bonds are sold at a predicable interest rate. Mr. Vakalis responded that voter approval of new capital improvement bonds does nothing to the cash flow. The voters’ bond issue authorizes the District through the Municipality to sell up to that amount of bonds at some point of time. So the action of voting on it only gives authorization. The District looks at all existing projects and at timelines of new projects included within a bond issue. Then the District analyzes what is realistic, how long design will take, how much to pay off incrementally for the design effort, and then, when construction begins, how much is needed for initial construction. Then Bond Counsel and Municipality staff look at the bond market. The District tries to sell bonds for the most benefit. So when bond rates are just right, they are sold. This allows the District to capitalize on the tax benefit as well as the low premiums we would have to pay on the bonds. Mr. Vakalis said he could not provide a number now, but, by the time the District brings bond issues to the voters, bond market conditions will be more certain and cash flow would be also more certain. Bond rates would be less certain.

Mr. Loring asked what would the bond levels do to the operational budget? Further, if debt is retired are the interest rates higher or lower than the retired debt’s? If bonds are purchased, will that increase or decrease District annual debt requirements? He stated, to sell a bond issue to voters, it would be important to have a general idea whether the transaction will be neutral, negative or positive to the operational budget. He said some of his neighbors and members of the community council would like that information and would probably vote yes if it was similar to present levels. Mr. Vakalis answered that the answer to his questions would be determined at a later date.

John Bulkow questioned the strategy of using the amount being retired for proposed bonds. He asked: 1) if all the bonds require an increase to the tax cap, and, 2) if they just replace what is retired, then why is the tax cap increased? Mr. Vakalis responded that there are several reasons: one is debt service. If you go further into debt, then that allows the tax cap to ratchet up. If the voters approve \$x million dollar in bonds, then the debt service is part of that and allows the tax cap to increase. It is all voter approved. The second thing that allows the tax cap to rise is on selected bonds, or selected ballot issues, that go before

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the voters, if there are additional operations and maintenance costs, (for example, when a new school is built), those are additional costs to what the budget had before, because that school wasn't in existence. The costs include heat, light, electricity, staffing, maintenance, etc. Those estimated costs are put on the ballot. It does not have any effect on the debt service. What it does do is allow the tax cap to rise, so that the Municipality can tax at a higher rate to cover those additional operation and maintenance costs.

Bradley Harris asked, when school bonds are retired, whether that amount of taxability is reserved for the School District, such that the tax cap is based on the total debt of the Municipality? Mr. Vakalis responded that the tax cap is based on many things, of which the Municipality's debt is one. Mr. Harris noted that there are always new measures being passed, so that when retiring \$44 million in bonds, the total bond burden is never reduced by \$44 million.

Discussion ensued on the tax cap, how bond issues appear to the voters, and what the Municipality retires in school bonds *versus* what this bond package proposes.

Stacey Schubert noted that the discussion had jumped ahead to communications strategy and that she wanted to further discuss the Strawman. She questioned the dollar increase for Chester Valley Elementary School.

Mr. Amsden stated that new building codes are in effect, and the numbers are updated to reflect new code changes. He said the highest priority projects are listed on the new lists distributed.

Ms. Schubert asked what the long term affects of the projects are on the School District. Mr. Amsden responded that deferring necessary work leads to higher costs and higher risks to the facilities. Discussion ensued

There was discussion on the Assembly's time frames and getting CIP project budgets passed by the Assembly.

Mr. Loring emphasized the importance for the District to decrease costs (taxes) to local property owners. It is also important for property owners and voters to know the relative costs of the Municipality *versus* the District. Discussion ensued.

Mr. Harris noted he saw no deferred projects column listed and added that it would be helpful on the next list. He further asked how the District is addressing accessibility issues and the deferment of Chugiak High School's NW sewer line freeze up. Mr. Amsden responded that infrastructure has been laid in cooperation with AWWU to provide service. The project is not complete yet, because the State needs to upgrade the Highway first. The pipeline that is freezing will go away after the service is provided by a new system. The date is subject to AWWU planning.

Mr. Harris asked about the deferrals on Huffman Elementary School traffic upgrades. Mike Price explained that there is a situation in which the asphalt, driveway and sidewalks are currently unusable. Maintenance will have to repair it for one more year. Discussion ensued.

Pamela Massey addressed whether the two elementary schools are over capacity. She noted that the CIP shows Sand Lake at 128% and Chester Valley at 77%. If next year it is the same, is it necessary for

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additions at Chester Valley? Renovation is understandable - what are the new significant code requirements - earthquake steel, electricity, etc? Mr. Amsden responded that the project does not add classrooms. It addresses inadequate administrative spaces, addition of a Gymnasium, similar to other schools where there are a Gym and Multi-purpose room. Rob Balivet noted there is also an Art Room added – presently it is delivered on a cart. Ophelia Dargan-Steed noted that more people will be coming into the area with the new housing development in the Creekside Town Center. Mr. Vakalis said that, with the military coming back in the December time frame, their families will be coming back from Outside, and that, typically, they are more matured with school age children.

Daphne Brown stated that sometimes schools are repaired when they should be demolished. The District seems to remodel more schools over time. Discussion ensued

Ms. Massey asked how is the community going to be receptive to these two school projects? Mr. Vakalis replied that the two projects have been on the CIP bond consideration list a number of years, and that these two schools, with the constraints of \$44 million, are truly deserving of major renovations. He said that the District hopes the CRAC and others will see the wisdom and that voters will become educated on why these two projects need to be done.

Carol Comeau said that people ask why the District brings back Bartlett, East & Service high school projects. In the late '90s, it was decided to phase those schools' projects. In retrospect, it may not have been the best strategy. One thing the District can do is, as with the Clark MS project, make the case that this is the District's number one priority project and then educate the voters on why it is number one. The District will have to do the same things with the phased high school projects - pick them off one by one. She noted that the Girdwood school issue is whether to remodel school as a K-8 school or as a K-12 like Polaris. She noted there are dilemmas like this all over the District as to what is the best strategy. After listening to the Assembly, it is clear they will never accept the large total amounts for yearly projects in the CIP. They would never be approved by the Assembly for the ballot. To be successful, the District needs to bring critical needs forwards.

Discussion ensued on site acquisition and how ASD would get land for a future school.

Discussion continued on the Chugiak High School sewer. Mr. Amsden noted that AWWU manages and controls the project site work. AWWU was short funds to complete this project. The District's scope of work is completed. As AWWU's and the State's further work unfolds, the District will be involved.

There was a question about the Chugiak Elementary School Traffic safety project: It is funded, designed and ready to be constructed next summer.

Rabbit Creek Elementary School does not have sprinklers. Two other schools also do not have sprinklers. Someone asked if we have sprinkler systems at all in those facilities? Mr. Vakalis answered that the District has quite a few schools without sprinkler systems. At the time the schools were built, sprinkler systems were not required, not a matter of code, nor was it a state requirement. Since then, the code has changed and the State has required sprinkler systems in schools. The reason they have required them is not necessarily a life safety issue, because kids can get out of the school, it is more for property protection. The State has large investments in the schools. It is better to install sprinkler systems when schools are renovated.

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Jason Bergerson moved that the Straw man be discussed. Ms. Schubert seconded the motion.

Discussion ensued: Mr. Loring asked about the CCTV at Bartlett High School. Mr. Vakalis explained it is Closed Circuit Television. Cameras are placed throughout the interior and exterior of the school. There is a recorder device and the cameras are viewable at the school with one viewable off-site. Discussion ensued. Mr. Loring requested to see the priority list of cameras to be installed. Mr. Vakalis said that could be made available for him to see. Mr. Loring stated, in the role of representing his area, he would like to make a friendly amendment to add two camera (CCTV) systems to be installed with an appropriate cost - one at Mt. View Elementary School and one at Fairview Elementary School. He said it is an urgent need about which the staff has told him. Randy Ribble stated that those schools are on the funded list. Mr. Loring withdrew his motion.

Mr. Harris noted that the CIP had \$400,000 for facility assessment. Given that facilities condition assessment is a common tool used for documentation, can the District explain why it would not be required. He further asked about switching from grass to turf on the Athletic Fields - it would benefit the CRAC to hear figures on costs to maintain turf fields and the out-of-service time for re-growth. Mr. Amsden responded that the facilities condition assessments are still needed and necessary. The future is not bright for new projects from scratch – there is a backlog of projects already scoped out. The CIP shows a number of projects ready to go, but there is lack of funding mechanisms - so the projects are deferred a little longer. Mr. Vakalis responded that a lot of money is spent to maintain grass fields – they are worn ‘to death’. The District uses a field one year and lets it rest the next year. Artificial turf is expensive to put down. Underlayments must be right. Yet it cuts down on labor cost, increases rental fees, lasts longer, and is easier to maintain. Discussion ensued

Ms. Schubert called the question. It was seconded. Vote on the Strawman as presented: 10 for; 2 Against; 1 Abstained. Mr. Vakalis announced it was approved as presented.

Ms. Brown said she would like to question the abstainer as to why he did not vote. Mr. Loring replied he wanted to learn more about Turnagain Elementary School, that the discussion was too limited, and that he needed more information to his job as a volunteer. Mr. Vakalis asked who voted no and why. Ms. Massey stated she did feel prepared to send the recommendation to the Assembly. John Bulkow stated that he voted no for the same reason - he wants more time to consider. Ms. Brown said it would have been helpful to hear those concerns when the discussion is on the table. Discussion ensued.

Mr. Loring noted that the CRAC meets only a few times a year and the meetings use valuable staff and volunteer time. He asked if it is possible to discuss the long term or is the meeting limited to the agenda. Mr. Vakalis recognized that everyone’s time is valuable, but that the review and approval of the Strawman is easiest of all the Committee’s missions. Mr. Harris offered that there is a problem in being handed the material at the meeting and being required to digest it during the meeting prior to voting. Mr. Loring said that he feels there is limited information on projects provided at the meeting on which to base recommendations on millions of dollars of work.

Discussion ensued on the list of past bond packages approved and a review of what is designed but not constructed.

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Steven Pifer addressed the question of why some did not vote on the Strawman and others did. Speaking for himself, he said he voted for the Strawman because this is his fourth year on the Committee and he has more history about what the committee has discussed in the past. For example, the Committee discussed last year whether or not the needs at Chester Valley and Sand Lake were greater than Clark. Because Clark became the priority, compromises were committed to that must now be honored - the Committee decided to do Clark with the understanding that Chester Valley and Sand Lake would be next. There are no more commitments from this point forward.

Discussion ensued about future meetings. There was a question about reconsideration of votes, site visits for new members, and clarification of the next meeting date. Seven members would like to go on site visits. Mr. Amsden said he will set up a meeting and arrange for a bus to transport the group. He also noted there will be a joint School Board and Assembly work session to address the CIP and April's bond issues – these are public meetings and CRAC members can attend. Mr. Amsden offered a one-on-one meeting to go over the CIP process with committee members. This may include a session where staff would review the Strawman in detail, explaining why projects were chosen.

Mr. Vakalis stated that a motion and second for reconsideration on the vote would be valid within 10 days of this day's vote.

Brian Griggs recommended committee members get a feel for the high schools and how the students flow at passing time. This may provide a good sense of the equalities of, or differences between, schools. Discussion ensued.

A committee member moved to adjourn meeting. Motion was seconded. Meeting adjourned.

The minutes are respectfully submitted by:

Tracy West
Administrative Assistant
Department of Facilities

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November 7, 2007 Capital Request Advisory Committee
Draft Meeting Minutes

Wednesday, November 7, 2007
ASD Educational Center Board Room B
1:30 p.m. – 3:30 p.m.

The meeting was called to order at 1:30 p.m. by George Vakalis, Assistant Superintendent of Support Services for the Anchorage School District.

Introduction of Staff and Members

Committee members introduced themselves. Attendees were.

Ray Amsden	ASD Facilities, Director
Rob Balivet	ASD Facilities, Design Manager
John Bulkow	Service ES/MS Attendance Area - Representative
JoAnn Contreras	MOA Planning Department
Ophelia Dargan-Steed	ASD Demographics/GIS, Manager
Jose' DelReal	High School Student Representative to School Board
Rhonda Gardner	ASD Assistant Superintendent of Instruction
Brian Griggs	Military Representative
Dan Loring	West ES/MS Attendance Area – Representative
Pamela Massey	Service HS Attendance Area – Representative
Kerstin (Kitte') Miller	Area-Wide Schools & Programs-Alternate
Rachel Molina	ASD Facilities, Project Support Manager
Ken Olmstead	Chugiak-Eagle River Chamber of Commerce
Larry Petersen	ASD Maintenance, Director
Steve Pifer	Chugiak/ER HS Attendance Area – Representative
Mike Price	ASD Facilities, Construction Manager
Stan Syta	ASD Operations, Director
Louis Theiss	South HS Attendance Area - Alternate
George Vakalis	ASD Assistant Superintendent of Support Services

Other Attendees:

Heidi Embley	ASD Communications, Sr. Communications Specialist
Randy Ribble	ASD Facilities, Project Manager
Jerry Koetje	ASD Middle School Education, Supervisor

George Vakalis noted that the committee needed to accomplish two items:

1. provide recommendations on how to package the 2008 bond request.
2. provide the District with guidance as to what to consider when developing ten-year CIP Strawman.

Review of DEED Initial Agency Grant Lists

Ray Amsden reviewed the handouts provided to the committee.

Mr. Amsden noted that as of Tuesday, November 6th, the state published the initial prioritized list of projects submitted under the State Grant Application process. The Department of Education

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and Early Development (DEED) has scored and prioritized all projects submitted last fall. Under the grant program, there are two major categories that projects fall under, the School Construction Grant Fund and the Major Maintenance Grant Fund. The District submitted projects for grants on both of those programs, but the District is generally not successful in terms of receiving money through these programs. This is the only mechanism to inform the state of what each district's needs are in both categories. The Sand Lake Elementary School project was ranked 10th and the Chester Valley Elementary School project was ranked 11th on the Major Maintenance list. These projects basically maintained their rank from last year's list, but slight changes occurred because projects have shifted statewide. On the School Construction grant fund, the first Anchorage project appears at #18 which is East High School. The Anchorage projects have been highlighted in gray so they can be easily identified. The criterion used to score these grants is identified as columns with the scores for each project listed. The District will review these lists, and may take the opportunity to appeal for reconsideration the ranking or scores for any project if felt there is a flaw in the system or if the District feels that DEED has misjudged a project in some form or fashion. The state will review these appeals and re-rank if necessary. Each district will then have an opportunity to respond and appeal again, and the state will issue a final decision at a later date. The District will continue to monitor this process as it develops.

Mr. Vakalis asked if there were any questions on the Grants.

Kitte Miller wanted clarification as to why Service High School is on the Major Maintenance list and the other high school projects are on the School Construction list.

Mr. Amsden responded that the District typically picks the grant fund program for each project that will best position that project for a higher score. Generally, the District ranks higher on the Major Maintenance Grant Fund. Typically the School Construction Fund is more driven by additional space needs versus a renewal, renovation or general upgrade project that does not add instructional space. With declining enrollment, it is very difficult to demonstrate the need for new space in our District, which is why the District is not normally successful in the School Construction fund.

Ms. Miller asked for clarification if ASD chose which category for each project or if the DEED categorized each project.

Mr. Amsden answered that in prior years DEED has arbitrarily adjusted the fund category from what was submitted if they felt that the change was necessary. Preliminary review showed that this did not happen this year, but will be evaluated further.

Ms. Miller further asked if additional square footage determined why the Service project was submitted in one category compared to the other high school projects.

Mr. Amsden asked Mike Price to further clarify the submitted project. Mr. Price answered that the Service project incorporated work on the mechanical/boiler room, and work on the main and auxiliary gyms at Service.

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Pam Massey asked if the boiler and mechanical work determined why it was placed on the Major Maintenance list versus the construction list.

Ms. Miller noted that it because these are public documents, it may look like Service has less need because of where that project falls on the list and which list it is on.

Rachel Molina stated that the DEED Application is set up with the different categories that fit for school construction educational space projects and major maintenance type of projects. Discussion ensued on this topic.

Mr. Amsden stated that the District tries to strategize the best position available for each project and generally the District is more successful in the major maintenance category as opposed to the school construction. He explained that the District is not in the position to justify additional space needs at this time.

John Bulkow asked how the School District rank numbers are developed, which is the fourth column on the lists.

Ms. Molina explained that the School District Rank column refers to the amount of points granted to that project based upon the District's rank of the project. The State grants 30 points for the District's number on priority, and every project after that will receive three points less. The State only awards points for the top 10 projects, which is why some District projects will receive zero points in that category.

Mr. Bulkow clarified if that is why Service High School Renovation got zero points.

Ms. Molina responded yes, because the District applied for more than ten projects.

Mr. Amsden added that the District uses the Capital Improvement Plan (CIP) to determine ranking, and the committee assists the District with that process.

Mr. Bulkow asked if the Adequate Documentation column refers to what the State is looking for in terms of documentation.

Mr. Amsden replied that the State will award more points to a project in that category based on the amount of detail given where they can understand what that project is.

Recommend 2008 Bond Packaging

Mr. Vakalis asked from the committee a recommendation as to how to package the April bond based upon the approved Strawman from the previous meeting.

Steve Pifer noted that in the past when there have been three options, voters have approved two propositions and reject the third, so the committee should attempt to limit it to three bond propositions. If all projects are presented on one bond, this tells voters that they vote for all or none. Presenting two bonds would tell voters that they have a choice but the bonds are going to be smaller, and the inclination is that both will be approved.

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Mr. Pifer motioned to submit two bonds, one being a construction with both schools on it and the second being Building Systems Renewals and that is somewhat consistent with what we've done in the past. Ms. Massey seconded the motion.

Discussion ensued on the motion.

Lou Theiss asked if the District knows what the Municipality is going put forward on their bonds for the April 1st election.

Mr. Vakalis responded that the total is approximately \$63M.

Discussion continued.

Mr. Vakalis asked if there were any further questions about the motion on the floor. Ms. Miller asked if there quorum was met. Mr. Vakalis noted that the committee was two members less from meeting quorum, but the vote would be disclosed. The question was called. The vote was seven in favor one abstention. The motion carried.

Direction regarding development of Ten-Year CIP

Mr. Vakalis expressed the need for guidance on how to prepare a ten-year Strawman, for example, should the District keep the total bond request at a certain dollar value for each year, or should there be a limit to how much should be allocated to system renewal projects and capital projects, or should the high schools be addressed again in the CIP. These examples are not to encourage the committee in any way, but are examples to show what guidance would be helpful. Mr. Pifer made a motion that 1)The district first look at the amount of debt that will be retired over the next ten years, use that as a guideline for what the total bond package should be; 2) of this amount two thirds should be allocated for major construction and the other third for systems renewal projects. If bonds pass this year, it appears the elementary and middle school projects will be mostly addressed, therefore two high school projects a year would be sufficient. The high schools projects should evenly distributed over the geographic areas of town. The large Service High School project may have to stand alone. Motion was seconded by Ms. Massey. Discussion ensued with the understanding that the maker of the motion would be willing to if appropriate to accept friendly amendments if we wanted to add something to that.

Mr. Vakalis restated the motion. First, the District considers tying the amount of debt paid off each year with the total amount of the bond. Second, that this amount is distributed as one third to major construction and two thirds to major system renewal projects. Third, two high schools a year should be considered, which should be geographically dispersed. However, if this is not possible because of the magnitude of the particular construction phase then that project will stand alone. Discussion ensued on this topic.

Mr. Theiss added a friendly amendment to the motion that geographical or demographic changes also be considered. Maker of the motion accepted and it was seconded. Further discussion ensued.

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Brian Griggs added his concern that the high schools be addressed as complete projects and not phased due to the public feedback of the high schools re-appearing year after year.

Mr. Vakalis noted that at this time the District does not have the ability to relocate high school students while the high schools are under construction which forces the high schools projects to be phased. The phasing may be altered so that more work is completed in each phase and the number of high school phases might be reduced.

Discussion continued.

Question was called on the motion. The motion unanimously passed.

Mr. Vakalis noted that there is a conflict with the January 23, 2008 meeting; if the meeting is needed, it will be rescheduled. This will be the follow-up meeting to our Ten-Year CIP meeting.

There was a motion to adjourn. Motion was seconded. Meeting adjourned.

Future Meeting Schedule:

January 16, 2008

February 13, 2008

April 23, 2008

The minutes are respectfully submitted by:

Jacqueline Gay

Administrative Assistant to

Director of Facilities

APRIL 2008 PROPOSED BOND PROPOSITIONS
CALCULATION OF ESTIMATED TAXES FOR DEBT SERVICE ON \$100,000 ASSESSED VALUATION

	Bond Proposition Amount	Est. State Debt Reimb. By Project	Annual Debt Prin. & Int. 5.00% [1]	Per \$100,000 Assessed Val. \$ 31,136,342,449	State Debt Reimb. Per \$100,000	Property Taxes Per \$100,000
Proposition 1- Elementary School Addition/Renewal/Design						
Chester Valley Elementary School Addition and Renewal	\$ 16,500,000	60%				
Sand Lake Elementary School Addition and Renewal	17,500,000	60%				
Girdwood K-8 School Design	300,000	60%				
Proposition 1 Total	<u>\$ 34,300,000</u>	60%	\$ 2,752,321	\$ 8.84	\$ 5.30	\$ 3.54
Proposition 2- Districtwide Building System Renewals Priority One						
Districtwide Code/Hazmat/ADA/Sprinkler Projects	\$ 465,000	70%				
Districtwide Roof Replacement and Repairs	950,000	70%				
Districtwide Building Renewal Projects	1,240,000	70%				
Districtwide Electrical Projects	1,475,000	70%				
Districtwide Mechanical Upgrades	1,950,000	70%				
Districtwide Traffic Safety	600,000	70%				
Districtwide Track and Field	2,250,000	70%				
Emergency Communications Systems - Middle Schools	480,000	70%				
Proposition 2 Total	<u>\$ 9,410,000</u>	70%	\$ 755,083	\$ 2.43	\$ 1.70	\$ 0.73
Total Propositions 1 & 2	<u>\$ 43,710,000</u>	62%	<u>\$ 3,507,404</u>	<u>\$ 11.27</u>	<u>\$ 7.00</u>	<u>\$ 4.27</u>

[1] Based on 5.00% interest rate provided by Municipality of Anchorage