

**DRAFT**

Capital Request Advisory Committee Meeting  
Continuation of November 12, 2002  
November 21, 2002 2:00 p.m.  
Baxter Elementary School

Meeting called to order by George Vakalis

Introductions

Roll Call by Ray Amsden

**Voting Members**

Ann Brooks	East High School Area Representative
Joan Diamond	Service High School Area Representative
Diane Etter	Anchorage Council of PTAs
Angela Jimenez	Minority Education Concerns Committee
Crystal Kennedy	Chugiak High School Area - Alternate
Chris Larson	Associated Builders and Contractors
Jan Maki	Anchorage Principals Association
Lael Marlow	Bartlett High School Area Representative
Kerstin (Kitte') Miller	Area-wide Schools and Programs
Boyd Morgenthaler, P.E.	Alaska Professional Design Council
Jackie Ohlson	Dimond High School Area Representative
A.L. Tamagni Sr.	Federation of Community Councils
Louis Theiss	Dimond High School Area – Second Alternate
Elaine Wenzholz	Military Representative

**Non-Voting Members:**

Ray Amsden	ASD Facilities, Director
Rob Balivet	ASD Facilities, Design Manager
Marilyn Barbeau	ASD Facilities, Project Manager
Rick Barrier	ASD Facilities, Project Support
Jan Christensen	ASD Assistant Superintendent Instruction
Ophelia Dargan-Steed	ASD Facilities – Demographics/GIS Manager
Michelle Egan	ASD Public Affairs
Susan Fison	MOA Planning Department
Mike Franks	ASD Facilities, Construction Manager, Major Maintenance
Mike Henry	ASD High School Education
Larry Petersen	ASD Maintenance
Mike Price	ASD Facilities, Construction Manager, Capital Projects
Janet Stokesbary	ASD Chief Financial Officer
George Vakalis	ASD Assistant Superintendent of Support Services

Today's meeting is a continuation of the November 12, 2002 meeting.

Motion to add to the Agenda, after Item 2, the Approval of September 17, 2002 Meeting Minutes.  
Motion made by A.L. Tamagni. Seconded by Crystal Kennedy. Passed unanimously.

There were no questions regarding Items 3 and 4 on the Agenda.

A new “straw man” was provided which includes dollar amounts for the Administrative Office Building and Emergency Preparedness. Two items were added, which are the Security Upgrades and School Buses. Chester Valley had a change to reflect Design funding only.

The floor was opened for discussion and questions.

Question: The construction cost for the Eagle River High School has sky-rocketed, are there any other construction funding increases?

Answer: Cannot assume that they all have gone up. Some projects will have increased construction costs. The Eagle River High School construction cost estimate is \$49,500,000. The District and the Building Design Committee are currently in the process of cost cutting measures to bring construction cost within budget.

Question: Are construction costs on “straw man” going to be adequate?

Answer: The estimate is based on the best information that we have today. The District believes that our mission is to make our projects as attractive as we can. Higher costs will more likely affect renovation projects than they “new building” projects. The Building Design Committee is going to meet to reduce costs for Eagle River High School. We will continue to monitor the costs and make any necessary adjustments prior to School Board and Municipal Assembly approval.

Question: Will Eagle River High School house optional district-wide programs?

Answer: The Eagle River High School has the possibility of housing optional programs. One rumor that is not correct is that it will be another King Career Center. Rather, it may house magnet programs which might attract student population from East and Bartlett High School attendance areas.

Question: Is there a mandate which requires a certain percentage for art?

Answer: Yes there is, it is the 1% for Art.

Question: Is there a way to change that?

Answer: The Committee could take action to forward to the School Board, then to the Legislature.

Question: Does the 1% for Art apply to the entire amount of construction?

Answer: Yes, for example Eagle River High School is budgeted for a construction cost of \$37,000,000, so the art budget would be 1% of this amount.

Question: How do you prioritize the needs of the schools on the Six-Year Capital Improvement Plan?

Answer: Most of the projects that have been undertaken for a number of years have been based on the Retro-fit Study. What you see is a continuation of that process. We

are nearly through the list. It is important to note that we follow that map, due to expectations. There have been adjustments depending on critical issues.

Question: Can Clark be moved up one year on the CIP, due age, size and condition issues?

Answer: Planning for Clark is currently underway. Will develop a Conceptual Design, then an estimate of Design funding needed. Part of the evaluation will be to determine if it is feasible to renovate, or better to demolish and construct a new school. The committee could make the decision to move this project forward. It can be altered, add, delete

Question: On page 11 of the current Six-Year CIP, Priority #7 Planning, Is there funding for planning for Clark Middle School? Secondary issue is if there is enough funding for maintaining the school?

Answer: Yes, we have funding for planning. We have improvements in the 2002 Bond for restroom renovations.

George Vakalis asked the Committee if the straw man met their expectations?

Question: Is the Muldoon Middle School Site Selection Complete?

Answer: Everything appears to going as scheduled. The closing is anticipated to be on or before December 31, 2002. This project is going to be interesting at best. It is being planned as a Middle School with a Community Center, and a branch library for the Municipality. The school will need to open by September 2007. The challenge is getting the funding source from the Municipality. The city has not developed a scope for its portion of the project. They have appropriated \$30,000 for planning fees. Our design efforts should start in December. We are taking the lead in doing this project. Typically we do not build branch libraries and community centers. There will be a Memorandum of Understanding (MOU) between the District and Municipality as to who maintains the facilities. The District has a similar agreement with regards to the pools.

Question: Eagle River High School, why build when the enrollment shows declining?

Answer: We will need an Eagle River High School. Chugiak High School is operating at an enrollment level greatly exceeding its capacity. If we can get reimbursed 60 – 70% it behooves us to take advantage of the opportunity.

Question: Should construction funding for Muldoon Middle School be added?

Answer: Not at this time, we have Design funding, we will need to request construction funding in 2004.

Question: Why do we have \$42,000,000 for an Administrative Building, if the process is design, then build?

Answer: We have had a consultant working on this project, and the process for an Administrative Building is different than a school. We have the opportunity to get state reimbursement during the 2- year window. The District is also faced with leases running out. It makes economic sense to build a facility. It really

hinges on what decision the School Board makes. One option calls for MOA owning the land, doing a design- build project, in which case we will all the money upfront. If we do not have a new building by Summer 2005, we are locked into another 5 year lease. There are two options for most of the leases: up to 2 years extension or an additional 5 years. There is a master plan for Tudor Road, and this is a possibility that this facility will go there.

Question: What is the lease payment on the Administration Building?

Answer: We have 5 leases totaling \$1,650,000 per year, and we are presently below market. When the acceleration kicks in, Summer 2005, will have to negotiate new leases. Consultant suggested the best option is to have our own facility instead of lease, bond while the interest rates are low. In the long term it is more beneficial for the District to bond and own.

Question: Is the Site Acquisition included in the Administrative Facility Building?

Answer: No it is not. Separate.

Question: Why is there maintenance for the Charter School?

Answer: Part of the School Board feels that we should keep this school going, and part says enough is enough, get rid of it. Policy decision is out of our hands right now.

Question: Why is there \$90,000 for band lockers at Mirror Lake Middle School? Why would a school that new need band lockers?

Answer: It was a product that was substituted during the project which has not held up.

Question: There was a massive renovation at Government Hill Elementary School, why is there a project for \$185, 000?

Answer: The steam line has failed; the galvanized water pipe is being fixed every day by maintenance. This was not included as part of the renovation.

Question: How big will the Administrative Facility be?

Answer: 160,000 square feet. We presently lease a little less, but with the new facility it would include other programs. The School Board Room is maxed out. We do not have an adequate place for training to take place. We are scattered through out the city, this would be centrally located, and there will be savings in travel. The life cycle cost was based on a new facility. Opportunity that are available now, may not be available later. Our annual leases are \$1,650,000 per year out of general fund. If we bond for this, it frees up this amount that can go into school programs or reduce the budget.

Question: Why is there is a project in the amount of \$3.7 million to install emergency generators?

Answer: All schools have some sort of backup lighting system, generation systems do not exist in the older schools, they do in the newer schools. We are in the process of

designating schools that would serve as Emergency Shelters. Also included in this project is a 25,000 gallon water filtration system and tank. There will be 55 gallon potable tanks for water transportation to the shelters. Benny Benson was not included in the shelter study. They currently do not have a generator. The consultant went to all the schools, and interviewed staff. This results in 18 schools which would be used as shelters.

Question: What do we want to do with “straw man”?

Kitte’ Miller Moved to approve the “straw man” as presented.  
Crystal Kennedy seconded.

The floor was opened for discussion.

There was a suggestion to package into two bonds, Major Maintenance and Capital bond. The \$207,286 is inclusive of Major Maintenance.

There was a suggestion to package into three bonds, Maintenance, Capital and the Administrative Facility.

Question: What is the total amount of actual indebtedness?

Answer; There is \$608 million in principal, \$309 million in interest. There is over \$40 million in annual debt service payments.

Question: When will we know what will be reimbursed?

Answer: We apply for those projects. For \$90 million in projects already funded by bonds, the District would realize an annual amount of \$4.5 million in tax savings, assuming a 60% reimbursement. Most of the 2003 bond projects will be eligible for reimbursement, at either 60% or 70% rate.

There were concerns from committee members that the total dollar amount for a single bond is too high, the range of \$140 – \$150 million bond is more feasible. Some committee members do not agree with this, they believe that they can get as good as an explanation out to the public to support a single bond.

Dianne Etter made a motion to amend the motion: to package as three separate bonds, Major Maintenance, Capital and the Administrative Facility.

Al Tamagni Second.

Kitte’ Miller, the maker of original motion accepted.  
Crystal Kennedy who seconded does not agree.

The floor was open to discussion.

There is a high probability that voters will not approve three bonds. It is a good idea to break into two bonds as it is easier to market.

The amended motion was placed for a vote, to approval all projects and break into three bond packages.

In Favor: 5  
Opposed: 8

The amended motion failed.

The original motion is still on the floor to approve all projects as one bond.

Joan Diamond made a friendly motion to amend, to separate the Major Maintenance and Administrative Facility into one bond, and the Capital projects into a second bond.

Kitte' Miller, the maker of original motion accepted.  
Crystal Kennedy who seconded, agreed.

The motion on the floor: to separate the Major Maintenance and Administrative Facility into one bond, and the Capital projects into a second bond.

The motion was placed for vote:

In Favor: 11  
Opposed: None

The next meeting will be held on January 21, 2003 from 1:30 – 5:00 in the ASD Board Room

Meeting adjourned 4:15 pm