

MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 671-2013

Meeting Date: December 3, 2013

From: ANCHORAGE SCHOOL DISTRICT

Subject: AO 2013-135 One Ballot Proposition to Provide
for the Issuance of General
Obligation Bonds for Educational
Capital Improvements

The ordinance will place a general obligation bond proposition for the Anchorage School District on the ballot for the regular Municipal election to be held on April 1, 2014.

The Anchorage School Board approved one ballot proposition to provide for the issuance of general obligation bonds for education-related capital projects on October 21, 2013: ASD Memorandum #47 (2013-2014), Approval of FY 2013-2014 Bond Proposal. This recommendation includes proposed Proposition I Capital Improvement and Districtwide Building Life Extension Projects in the amount of \$57,285,000.

The School Board requests the Anchorage Assembly place one proposition, as stated on AO 2013-135 on the April 1, 2014 ballot for consideration by qualified voters of the Municipality of Anchorage. The proposition will pay the cost of capital improvement projects for the Anchorage School District, including, but not limited to, the following:

Proposition I:	\$57,285,000		Estimated Annual
		Estimated	Operating and
<u>Projects</u>		<u>Cost</u>	<u>Maintenance</u>
Airport Heights Elementary School			
Addition/Renovation Design & Construction		\$22,800,000	
Capital Planning & Design Projects		5,950,000	
Capital Improvement Component			
Renewal Projects (Building Life Extension)		<u>28,535,000</u>	
Proposition I Total		<u>\$57,285,000</u>	<u>\$0</u>

This proposal provides for addition and renovation of Airport Heights Elementary School, planning and design projects and capital improvement component renewal projects, referred to as districtwide building life extension projects. The approximate annual amount of taxes on \$100,000 of assessed real and personal property value (based on the estimated 2013 assessed valuation) to retire the proposed debt is \$13.86 per year, without eligible state debt reimbursement. With eligible debt reimbursement, the proposed increase in debt is \$4.86 per year. Voters will not be asked to approve an increase in annual operating costs.

The projects are described in more detail beginning on page 4 of this memorandum.

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 \$2 billion. The District is responsible for 93 facilities, housing nearly 50,000 students (more students than the total of the next five largest Alaska districts), and over 5,500 staff members. Anchorage educates nearly 40 percent of the State's total student population. Not only is the facility inventory large, it is aging. Fifty-three schools are over 20 years old. Of these schools, 24 have had no significant renewal and 29 have had partial renewals since 1990. Of the 21 schools over 50 years old, 8 have had no significant renewal, one was partially renewed in the 1980's, and 12 have had partial renewals since 1990.

Building components wear out. Facility systems only last so long. Roofs deteriorate and leak; heating, plumbing and ventilation systems wear out, parts are no longer available to support older systems and structural systems age. Various code changes require updating electrical and mechanical systems; providing access for persons with physical disabilities; removing hazardous materials and renewing various building system components. Moreover, significant renewals often require structural upgrades to meet more stringent building codes.

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. For example, there is continual need to update the electrical distribution systems in the schools to accommodate current technology. Current educational delivery methods require physical layouts that are often different and more flexible than those of 30 to 40 years ago.

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 ASD Maintenance well-trained staff uses a computerized maintenance management program that effectively accomplishes preventive and corrective maintenance tasks necessary to maintain and extend the life of District facilities. The ASD Operations staff utilizes a Custodial Guide and ongoing staff training to maintain facilities in a safe, clean and orderly condition.

Capital Planning Management

Over the past few years, the District has implemented a Facilities Management Assessment Program (FMAP) in order to manage current facility capital needs more strategically based on quantitative data and analysis methods. A key component of an integrated FMAP is the Capital Planning Management System (CPMS). The District has integrated use of new software to assist in assessing facility conditions, maintaining the information and analyzing the information for facility capital needs planning.

The CPMS centralizes information on facilities' component and system conditions as well as remaining life expectancy. This information is collected during facility condition assessments utilizing a systematic and consistent methodology. The collected information

1 serves as a basis for determining priorities and costs of facilities' capital needs, and is used
2 for both short term and long term planning purposes.

3 4 Facility Condition Assessments

5 The District entered into a contract with a nationally recognized firm to develop CPMS and
6 FMAP to perform facility condition assessments. To date, all District-owned locations have
7 been assessed.

8
9 The assessment process includes a field assessment where building system components are
10 evaluated based on condition and age of the system. Results of the initial assessment
11 identify system requirements, along with corrective action and costs to implement. The next
12 step includes data entry into the database, and concludes with validation of the data by
13 District staff which provides quality control and incorporates institutional knowledge on the
14 collected information.

15
16 Once the site assessment process is complete, a facility condition index is calculated to
17 provide a comparison of the relative condition of a facility and/or system to others. It is a
18 ratio of the cost to correct capital needs arising within the next four years divided by the
19 replacement cost of a facility. All assessed sites have a Facility Condition Index (FCI)
20 associated with them. A site with an FCI less than .30 is generally considered in excellent,
21 good or average condition, which is the District's target in order to maintain the general
22 physical condition of the District's physical plant. A site with an FCI higher than .30 is
23 considered in poor or crisis condition. Ultimately, the index provides initial prioritization of
24 assessed buildings based on their condition. This information can be found in the
25 attachment.

26
27 Some facility systems identified as problems in this process do not require immediate
28 replacement. Just because a key building component like a roof or boiler has reached the
29 end of its anticipated useful life does not necessarily mean they have failed. In some cases,
30 those systems can continue to function for many additional years.

31
32 The FCI cannot be used as the sole determinant of capital project prioritization. Other
33 factors such as educational functionality and attendance projections must also be included.

34 35 Educational Adequacy Assessments

36 Educational program requirements are defined by districtwide educational specifications
37 for elementary, middle and high school levels, which were approved by the School Board
38 on September 6, 2012. Educational adequacy (EA) assessments determine the ability of a
39 school to meet educational program requirements by evaluating the quantity, configuration,
40 size, and existence of spaces defined by educational specifications. For example, a school
41 may not have enough classrooms to offer health classes, or a gymnasium in addition to a
42 multi-purpose room in order to allow for concurrent lunches and physical activity.

43
44 To date, all district-owned school sites have been assessed for educational adequacy. In
45 2010-11, sixteen locations were assessed, nineteen sites were assessed in 2011, and the
46 remaining 50 sites were assessed in 2012. King Career Center and Aquarian Charter schools
47 are the only district-managed facilities without Educational Adequacy Assessments.
48 Assessments at these locations can be completed by district staff at a future date if required.
49

Much like the index calculated by facility condition assessment data, an index can be calculated by educational assessment data, or Educational Adequacy Index (EAI). It is a ratio of the cost to correct existing space deficiencies and missing spaces divided the replacement cost of a facility. Unlike the FCI, an EAI of 30 or higher does not necessarily mean that spaces are incapable of delivering education. At this time, an industry standard does not exist. However, a high index shows that the facility delivers education with more difficulty in comparison to a school with a smaller index.

CITIZEN'S REVIEW PROCESS

Capital Improvement Advisory Committee

The CIAC met on August 14 and August 28, 2013 to review options and develop recommendations for a 2014 bond. The committee recommended one bond proposition totaling \$59.61 million, as summarized:

Proposed Bond 1:

Airport Heights Elementary School Addition/Renovation	\$24,000,000
Capital Renewal Planning & Design Projects	6,325,000
Capital Improvement Component Renewal Projects	
Districtwide Building Life Extension	<u>29,285,000</u>
Total Proposed Bond 1	\$59,610,000

The CIAC's recommendation was carefully reviewed by Administration, and the Administration recommended a bond proposal totaling \$57.285 million. This includes the CIAC's recommended Airport Heights Elementary School Addition/Renovation project for \$24 million. Capital Renewal Planning & Design Projects were amended and total \$5.950 million. Component Renewal building life extension projects were amended and total \$27.335 million.

The school board revised and unanimously approved the 2014 bond recommendation by reducing the Airport Heights Addition/Renovation project by \$1.2 million and adding Chugiak High School HVAC Upgrades for \$1.2 million.

PROJECT DESCRIPTIONS

AIRPORT HEIGHTS ELEMENTARY SCHOOL ADDITION/RENOVATION

Airport Heights was originally constructed in 1954 with total square footage of 36,302. In 1973 a small (3,123 sf) addition that houses the library and admin area was constructed. In 1987, a small (1,143 sf) addition for mechanical and storage areas was constructed. Building current total square footage is 40,568 square feet. The school has had minor additions over the facility's life. With an 8-acre site, 20 classrooms, and a 327-student program capacity, the school is smaller than the 15-acre, 26-classroom, 550-student standard district elementary school. Three relocatables are on the site to serve its student population. Designated to serve students with special education intensive needs, the school lacks spaces to support them, as well as occupational therapy/physical therapy spaces. The school currently lacks a multi-purpose room, dedicated art, health, and music rooms. The site has poor circulation and inadequate parking. In 2005, a limited educational program analysis was carried out and master plan developed simply to coordinate direction of a life safety upgrade project. Based on recently completed condition assessments, the FCI is 0.39 and educational program index is 24.1%. Funding for completion of an in-depth analysis as well as development of a

conceptual master plan and schematic design for the school's renewal was approved through the 2012 Bond in the amount of \$500,000.

Approval of this request would renovate approximately 40,000 square feet of existing facility and add approximately 15,000 square feet to accommodate future program requirements. Project cost is estimated at \$24 million based on receiving voter approval and funding in the spring of 2014.

Programs addressed: The renewal master plan meets all the program needs identified in the Ed Specs. It reorganizes many existing interior spaces to improve educational program delivery, security and community use. The existing building is improved to be like new and to serve for the next 40 years.

- Constructs a building addition including space for Library, MPR, Music and Art classrooms, food service kitchen, boiler and fan room (11,500 sf).
- Constructs building additions to house the special programs classrooms suite and expand the kindergarten classrooms (3,800 sf).
- Includes a total renovation of existing interiors to bring all room sizes and adjacencies into alignment with the approved Education Specification for Airport Heights.
- Makes site improvements including parking and drop-offs. Improves accessibility at main entries. Expands on-site parking and reorganizes the playgrounds around new additions.
- Includes abatement of asbestos throughout the school.
- Renews or replaces all building mechanical, electrical, plumbing and controls systems.

The additional square footage being added will positively impact the utility costs associated with building operation. Recent projects, including lighting upgrades and new boilers, have already reduced operational cost. Materials used in renovated spaces along with required mechanical and electrical system modification will further reduce operational cost.

CAPITAL RENEWAL PLANNING & DESIGN PROJECTS

GLADYS WOOD ELEMENTARY SCHOOL ADDITION/RENOVATION DESIGN

This project is for design funding to address both infrastructure upgrades and building modifications to address existing educational program deficiencies. It is anticipated that some classroom areas will require significant renovations to meet current educational specification standards.

This request is for planning and design funds only. The primary focus of this project is to provide a better educational environment for our students. The final project will likely include energy efficient upgrades to the building's envelope and mechanical and electrical systems.

O'MALLEY ELEMENTARY SCHOOL MAJOR RENOVATION DESIGN

This project is for design funding to address both infrastructure upgrades and building modifications to address existing educational program deficiencies. It is anticipated that some classroom areas will require significant renovations to meet current educational specification standards.

This request is for planning and design funds only. The primary focus of this project is to provide a better educational environment for our students. The final project is expected to

1 include energy efficient upgrades to the building's envelope and mechanical and electrical
2 systems.

3 4 TURNAGAIN ELEMENTARY SCHOOL MAJOR RENOVATION DESIGN

5 This project is for design funding to address both infrastructure upgrades and building
6 modifications to address existing educational program deficiencies. It is anticipated that
7 some classroom areas will require significant renovations to meet current educational
8 specification standards.

9
10 This request is for planning and design funds only. The primary focus of this project is to
11 provide a better educational environment for our students. The final project will likely
12 include energy efficient upgrades to the building's envelope and mechanical and electrical
13 systems.

14 15 GRUENING MIDDLE SCHOOL ADDITION/RENOVATION DESIGN

16 This project is for design funding to determine the required modifications to address both
17 infrastructure upgrades and missing educational program deficiencies in meeting the
18 current middle school program delivery model.

19
20 This request is for design funds only. The primary focus of this project is to provide a better
21 educational environment for our students. The final project will likely include energy
22 efficient upgrades to the building's envelope and mechanical and electrical systems.

23 24 CAPITAL IMPROVEMENT COMPONENT RENEWAL - DISTRICTWIDE BUILDING LIFE 25 EXTENSION PROJECTS

26 BAYSHORE ELEMENTARY SCHOOL COMPONENT RENEWAL

27 The scope of work includes replacement and upgrades to the building infrastructure to
28 include replacement of the fire alarm, intercom/clock, building domestic water system,
29 direct digital controls, several roof sections and improvements to existing pavements and
30 exterior lighting.

31 Electrical Systems

- 32 • The clock and intercom system are nearly at the end of their rated life and need to be
33 replaced. The clock system was installed in 1991 and the intercom system was installed
34 in 1995. Both systems have a 15-year life. The clock system will be replaced with an
35 atomic wireless clock system. Work on the intercom system will include replacement
36 of the head end and devices but will not include wiring. The new atomic clock system
37 will be wirelessly connected to the ASD Information Technology Department.
- 38 • The existing fire alarm is 22 years old and is beyond its rated life and needs to be
39 replaced. This system will be replaced with a new addressable system that will make
40 trouble shooting problems easier as all device locations will report back to the main
41 panel. The new system will be more reliable, reduce the time and costs needed for
42 inspections and maintenance.

43 Mechanical Systems

- 44 • The domestic water distribution system that was installed in 1976 is beyond its rated
45 life and needs to be replaced. The existing system will be replaced with new PVC
46 piping from the main water connection to all plumbing fixtures in the building. This
47 will reduce future maintenance costs for repair of this aging system.
- 48 • The existing DDC system was installed in 1990. This work includes system
49 replacement of the controls for the HVAC sensors, control valves and dampers. This

will result in energy cost savings and provide accurate information to maintenance personnel who monitor and maintain the system.

Roofing

- This project will replace approximately 52,000 square feet of the existing roofing system. The existing system was last upgraded in 1991 and is a ballasted EPDM membrane system. The new system will be either a fully adhered or mechanically attached EPDM system. Tapered insulation will be installed to provide proper drainage and to increase the R-Value of the roof, to increase building energy efficiency.

Site work

- The existing light poles will remain at Bayshore and twenty-seven exterior lighting fixtures will be replaced with LED lamps. This will make the site more energy efficient, safer, and more secure.
- The asphalt pavement at Bayshore has experienced heaving and cracking. Replacement of the pavement in the parking lots, sidewalks, and play areas will increase safety and reduce the cost of maintaining the deteriorating asphalt system.

This project includes energy efficient design of upgraded equipment and systems, which anticipates energy savings at Bayshore Elementary School.

EAGLE RIVER ELEMENTARY COMPONENT RENEWAL

The scope of work includes replacement and upgrades of electrical systems, mechanical systems, and site work, at Eagle River Elementary School.

Electrical Systems

- The current main distribution panels and distribution power panel boards and feeders vary in age, ranging from 29 to 43 years, and require replacement. The expected life cycle for this system is 30 years.
- The existing emergency generator is 23 years old and the expected life cycle is 20 years. Replacement of the generator will reduce the time that ASD Maintenance staff spends on repairs to equipment that is past its expected life cycle.

Mechanical Systems

- The existing DDC system is 33 years old and is beyond its expected life cycle of 25 years. Replacement of this system will reduce the number of false calls to ASD Maintenance staff and would increase the energy efficiency of the building.
- The perimeter heating and cabinet heaters systems are 53 years old and their expected life cycle is 25 years. These systems are well beyond their expected life. Replacement of these systems will increase the energy efficiency of the building. The learning environment will also be improved by providing better heating to classrooms.
- The exhaust system and central air handler unit ages range from 25 to 29 years old, and the life expectancy cycle is 25 years. Replacement of these systems will increase the air quality in the building and may help to increase work and school performance. The existing air handling unit is loud and can create distraction during class times.

Site work

- The asphalt pavement at Eagle River has experienced heaving and cracking. Replacement of the pavement in the parking lots, sidewalks, and play areas will increase safety and reduce the cost of maintaining the deteriorating asphalt system.

This project includes energy efficient design of upgraded equipment and systems, which anticipates energy savings at Eagle River Elementary School.

HUFFMAN ELEMENTARY SCHOOL COMPONENT RENEWAL

The scope of work includes replacement of electrical and general building systems at Huffman Elementary School.

Electrical Systems

- The existing 65kW emergency generator was installed in 1987. It is currently beyond its rated life and needs to be replaced.
- Replacement of the existing main distribution panel, panel boards and feeders will extend the life of these systems by 30 years. The systems include low tension service and distribution panels, main electrical service panel, circuit breakers, conduit, switch gears, and wiring.
- The security system was installed in 1986. It is beyond its rated life and needs to be replaced. This system has a key pad, detection devices, conduit and cabling that are part of the system.
- Light poles that illuminate the hockey rink were installed in 1986 and are beyond rated life and need to be replaced. The lights are on 16-foot metal poles and each pole has three HID fixtures on the top.
- The clock system was installed in 1986, is beyond its rated life and needs to be replaced. The new clock system will be compatible with the atomic clock system that will be wirelessly connected to the ASD IT Department.

General Building

- Restrooms are beyond their rated life and need to be upgraded. This work includes new partitions, finishes, plumbing fixtures, and accessories.
- Existing flooring finishes include resilient flooring, athletic flooring, carpeting, and sheet vinyl that are beyond their rated life or close to the end of their rated life, and will be replaced in accordance with the District's flooring standards.
- Aesthetic upgrades such as paint, removal and replacement of tack boards, upgraded casework in classrooms and minor office renovation to address educational inadequacies of the current spaces will also be included in this scope of work.

This project includes energy efficient design of upgraded equipment and systems, which anticipates energy savings at Huffman Elementary School.

SUSITNA ELEMENTARY SCHOOL COMPONENT RENEWAL

The scope of work includes replacement of electrical systems, mechanical systems, doors and windows at Susitna Elementary School.

Electrical Systems

- The current main electrical service, power distribution equipment, and branch wiring is 43 years old, which is well beyond the 30-year life expectancy of the system. Replacement of the system will bring the panels up to today's standards for safety and power usage.
- The existing light fixtures in the building are 43 years old, beyond the 20-year life expectancy of the fixtures. Replacement of the lighting fixtures and associated wiring will improve the quality of light in the building, as well as provide operational cost savings through energy efficiency.
- The exit signs are 29 years old with an expected life cycle of 15 years. Replacement of this system will provide more energy efficient lighting by replacing the existing signs with LED lighted signs. The battery pack emergency lights are 12 years old and are close to the life cycle of 15 years. The existing lights will be replaced with more energy efficient LED lights.

Mechanical Systems

- Work will include replacement of the perimeter heating system and unit heater. The ages of the systems is 43 years, with a 25-year expected life cycle for the perimeter heating and 15-year expected life cycle for the unit heater. The systems have been well maintained, but due to age it is becoming more difficult to find parts and maintain. The replacement of these systems will increase the energy efficiency of the building. They will also improve the learning environment by providing better heating to classrooms.
- The heating supply circulation system is 43 years old with a life expectancy cycle of 25 years. The piping insulation is suspected to contain asbestos. Replacement of this system would improve the buildings heating and water systems, as well as reduce the amount of hazardous materials in the building.
- The exhaust system and central air handling units are 43 years old, with a life expectancy cycle of 25 years. The replacement of these systems will increase the air quality in the building and may help to increase work and school performance.

Building Improvements

- The windows and doors range in age from 19 to 43 years. The expected life cycle for exterior doors and windows is 30 years. The replacement of the doors and windows will increase the energy efficiency of the building and reduce cold areas in the building.

This project includes energy efficient design of upgraded equipment and systems, which anticipates energy savings at Susitna Elementary School.

WEST HIGH/ROMIG MIDDLE SCHOOLS PARKING & SITE IMPROVEMENTS

The scope of this project will provide upgrades to the existing site driveways and parking areas to improve the delivery of students to the school by bus and parent drop off.

Currently, West High has a dedicated parking lot that the buses use in conjunction with staff parking located on the south side of the building near the athletic fields. Romig currently has a dedicated bus loop that is accessed through the West campus located on the north side of the Romig campus. Page 17 of the 2012 - 2018 West Romig implementation plan provides a conceptual layout of the proposed modification to the site for bus and event parking to be collocated along the south side of the building between the existing building and the athletic fields. This concept would require removing the existing fire lane, relocating the existing ice rink, and developing more of the site for parking.

This project will improve site circulation both during student drop off and pick up periods and will allow for additional event parking for events held at the West/Romig campus.

UNDERGROUND STORAGE TANK REMOVAL & REPLACEMENT

This project includes removal of existing underground diesel storage tanks at Alpenglow, Gruening, Hanshew, Mirror Lake, and Northwood schools, and Student Nutrition. The tanks will be replaced with above ground storage tanks to continue to provide fuel for the emergency generators.

TURNAGAIN ELEMENTARY SCHOOL STANDBY GENERATOR

This project will replace the standby generator unit that has failed due to flooding. A new generator will be installed, along with associated wiring and electrical panel upgrades. A replacement standby generator will allow for minimal disruption to the school in the event of a power failure.

1
2 BARTLETT HIGH SCHOOL GYM ENTRY DOOR

3 The Gym at Bartlett High School was constructed in 1971. Two vestibules located in the gym
4 have seen numerous vandalisms and have exceeded their useful life expectancy. This work
5 will include replacement of interior and exterior vestibule doors, interior vestibule finishes,
6 adjusting sprinklers, and replacing the existing unit heaters that have exceeded their useful
7 life. The sidewalk and landings that are located in this area will be upgraded to comply with
8 current ADA standards. The new heaters and door systems will be more energy efficient
9 than the existing equipment.

10
11 WEST HIGH SCHOOL ROOF UPGRADES

12 Approximately 13,000 sf of the existing roof sections located above the existing math wing
13 and ROTC classroom pod area have reached the end of their useful life and are in need of
14 upgrades. These sections are currently not scheduled to be renovated as part of the
15 West/Romig Implementation Plan or in the future phases of West/Romig identified in the
16 current 6-Year Capital Improvement Plan. This project includes energy efficient design and
17 will generate energy savings at West High School.

18
19 WONDER PARK ELEMENTARY SCHOOL TRAFFIC SAFETY IMPROVEMENTS

20 Wonder Park Elementary School was originally constructed in 1978 with minor additions in
21 1995. The existing site sits on 9.4 acres of land. The scope of this project is to improve site
22 circulation for both vehicles and pedestrians, replace existing pavement parking areas,
23 sidewalks, and hard play surfaces that are failing from significant cracking and heaving
24 from differential ground movement over last 40 years.

25
26 This site currently has two parking areas located on the north and south sides of the school.
27 This project will remove and replace existing asphalt pavement, curb and gutter. The
28 parking lot will be configured to allow for improved, safer traffic flow. A new vehicular
29 drop off loop will be added on the south side. The north parking lot is shared with the
30 special education buses. The current bus loop on the east edge of this parking lot will be
31 modified to provide increased safety and separation of the vehicle and bus traffic. The
32 existing asphalt on the hard play surface will be removed and replaced. Existing site game
33 lines and amenities will be replaced.

34
35 The project also includes improvement to site drainage with additional catch basins and
36 underground pipes that will tie into the existing municipal storm water system. Landscape
37 improvements will include retaining wall benches, new trees and vegetation and other site
38 amenities to replace what is removed.

39
40 Funding to design this project was provided by the 2012 school bond.

41
42 WILLIAM TYSON ELEMENTARY SCHOOL ROOF UPGRADES

43 William Tyson Elementary School was built in 1996 and the roof system is nearing the end
44 of its useful life. Asphalt shingles and the existing EPDM membrane will be replaced for the
45 entire school. The drains and gutter system will be upgraded to ensure continued protection
46 of the existing structure, extending the building's long term use. This project will generate
47 energy savings at William Tyson Elementary School.

48
49 DISTRICTWIDE COMMUNICATION CLOSET COOLING

1 Power and data needs have increased over the past decade due to technology advances. In
2 order to support power and data in schools, IT equipment has been installed in locations
3 that were not built specifically for that purpose. The equipment generates a large amount of
4 heat and without adequate cooling systems, is susceptible to failure, data loss, and loss of
5 network communications. This project will provide upgrades to existing data
6 communication closets at multiple sites in order to prevent overheating and failure to
7 existing equipment.

8 9 CHUGIAK HIGH SCHOOL HVAC UPGRADES

10 Large sections of Chugiak High School were renewed in the late 90's and early 2000's,
11 however there are sections of the school that were not and have not been renovated. In
12 these non-renovated sections, existing HVAC systems are nearing the end of their useful
13 life. The scope of work for this project includes replacing existing fans, classroom unit
14 heaters and direct digital controls with new energy efficient systems and equipment. The
15 replacement of these systems will increase the energy efficiency, which anticipates energy
16 savings at Chugiak High School.

17 18 STATE DEBT REIMBURSEMENT

19
20 Since 1970, the State of Alaska has provided school districts up to 70 percent debt
21 reimbursement for qualified and voter-approved capital improvement school bonds. Senate
22 Bill 237, passed by the Legislature in July 2010, provides for 60 percent or 70 percent debt
23 reimbursement on school construction projects that have received local voter approval after
24 October 1, 2006, and provides no expiration date on the debt reimbursement program.

25
26 School projects that add space are been eligible for 60 percent reimbursement, and those
27 projects that do not add space are been eligible for 70 percent reimbursement by state
28 statute. The Capital improvement projects are eligible for 60 percent reimbursement. The
29 remaining Building Life Extension projects are eligible for 70 percent reimbursement. The
30 debt reimbursement projects have been reviewed by the Alaska Department of Education
31 and Early Development (DEED). Should the State choose to make full reimbursement on
32 the eligible \$57.285 million, the annual increase in taxes would be \$4.86 per year to retire the
33 proposed bonds (based on \$100,000 of 2013 real and personal property value).

34
35 The information that has been provided in this memorandum should assist the Assembly in
36 making decisions regarding placing the recommended bond propositions on the ballot for
37 the April 1, 2014 Municipal Election.

38
39 Respectfully submitted,

40
41
42 Ed Graff
43 Superintendent

44 Attachments