

CDE MEETING AGENDA



VISION
All students graduate ready for college and careers, and prepared to be productive citizens of Colorado.

MISSION
Ensuring equity and opportunity for every student, every step of the way.



Public School Capital Construction Assistance Board Agenda

Date & Time: Wednesday, October 12, 2022 – 2:00pm-4:30pm

Location: The Hythe, 715 West Lionshead Circle, Vail CO

Capital Construction Assistance Board Members:

Jane Crisler - Chair	Kevin Haas	Brett Ridgway
Wendy Wyman – Vice Chair	Allison Pearlman	Matt Samelson
Brian Amack	Vaishali McCarthy	Michael Wailes

- I. Call to Order
- II. Roll Call
- III. Approve Agenda
- IV. Approve Previous Meeting Minutes from:
 - September 15, 2022
- V. Board Report
- VI. Staff Report
- VII. Action Items:
 - A. Backup Project Award Process
- VIII. Discussion Items:
 - A. Review of Budget
 - B. Joint Budget Committee Response
 - C. Supplemental Grant Agreements
 - D. Match Committee Update
- IX. Future Meetings:
 - November 17, 2022 – Microsoft Teams
 - December 15, 2022 – Microsoft Teams (Possibly Co Springs)
- X. Public Comment
- XI. Adjournment

CDE MEETING MINUTES



VISION
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Public School Capital Construction Assistance Board Meeting Minutes

Date & Time: Thursday, September 15, 2022 – 1:00pm – 3:30pm

Location: Virtual – Microsoft Teams

Capital Construction Assistance Board Members:

Jane Crisler – Chair	Kevin Haas	Brett Ridgway
Wendy Wyman – Vice Chair	Vaishali McCarthy	Matt Samelson
Brian Amack	Allison Pearlman	Michael Wailes

- I. **Call to Order:** Meeting called to order by Jane Crisler at 1:03pm
- II. **Roll Call:**
Members Present: Brian Amack, Kevin Haas, Vaishali McCarthy, Allison Pearlman, Matt Samelson, Michael Wailes, Brett Ridgway, Wendy Wyman, Jane Crisler
Guests: Joe Peters, AG's Office
- III. **Approve Agenda:**
Motion moved: Brian Amack
Second by: Wendy Wyman
All for: Brian Amack, Kevin Haas, Vaishali McCarthy, Allison Pearlman, Matt Samelson, Michael Wailes, Brett Ridgway, Wendy Wyman, Jane Crisler
All opposed: None
Motion passed
- IV. **Approve Minutes:** September 15, 2022
Motion moved: Brian Amack - *Approve minutes with changes discussed*
Second by: Michael Wailes
All for: Brian Amack, Kevin Haas, Vaishali McCarthy, Allison Pearlman, Matt Samelson, Michael Wailes, Brett Ridgway, Wendy Wyman, Jane Crisler
All opposed: None
Motion passed
- V. **Board Report:**
 - Allison Pearlman: Aurora Public Schools East MS will be holding their ribbon cutting on October 6th celebrating the completion of their new school. Allison also updated the group on the Green Schools Summit which will be held December 1st-2nd and will be virtual.
 - Michael Wailes: Johnstown Milliken SD opened their new elementary, a BEST project. The community loves the new facility. An official ribbon cutting celebration will be held next month.

VI. **Staff Report:**

- Global Village Academy and Huerfano School District both recently held their groundbreaking ceremonies.
- Fowler will have theirs on September 8th and Johnstown Milliken will have a ribbon cutting ceremony on October 19th.
- Andy shared updates and photos from the assessment team in the field.

VII. **Action Items:**

A. CCAB Officer Elections:

Motion moved: Michael Wailes – *I nominate Jane Crisler and Wendy Wyman as chair and vice chair of the CCAB.*

Second by: Vaishali McCarthy

All for: Brian Amack, Kevin Haas, Vaishali McCarthy, Allison Pearlman, Matt Samelson, Michael Wailes, Brett Ridgway, Wendy Wyman, Jane Crisler

All opposed: None

Motion passed

B. Rule Change to Eliminate Annual Grant Reserve Set Aside:

Motion moved: Matt Samelson – *Per CRS 22-43.7-106 I move to remove Rule 8.1.5 from the Capital Construction Assistance Board rules pertaining to the Building Excellent Schools Today grant program, per the language on the September 15, 2022 Agenda Sheet.*

Second by: Wendy Wyman

All for: Brian Amack, Kevin Haas, Vaishali McCarthy, Allison Pearlman, Matt Samelson, Michael Wailes, Brett Ridgway, Wendy Wyman, Jane Crisler

All opposed: None

Motion passed

C. Rule Change to Set Backup Project Award Process/Policy:

Motion moved: Vaishali McCarthy – *Per CRS 22-43.7-106 I move to revise rules 6.3 and 6.4 of the Capital Construction Assistance Board rules pertaining to the Building Excellent Schools Today grant program, per the language on the September 15, 2022 Agenda Sheet.*

Second by: Kevin Haas

All for: Brian Amack, Kevin Haas, Vaishali McCarthy, Allison Pearlman, Matt Samelson, Michael Wailes, Brett Ridgway, Wendy Wyman, Jane Crisler

All opposed: None

Motion passed

VIII. **Discussion Items:**

A. Board Training and CCAB Responsibilities:

- Joe Peter's, AG's Office, reviewed legal requirements, guidelines and best practices related to the CCAB.
- Andy reviewed the responsibilities and expectations of the CCAB.

B. Review Priorities from Retreat:

- Andy went over topics and feedback discussed at the August retreat and how those will be prioritized moving forward.

IX. **Future Meetings:**

- October 12, 2022 (CASBO, Vail CO)
- November 17, 2022 – Microsoft Teams
- December 15, 2022 – Microsoft Teams

X. **Public Comment:** None

XI. **Adjourn:** Meeting Adjourned by Jane Crisler at 4:11pm



Public School Capital Construction Assistance Board
Meeting Agenda Sheet

MEETING DATE: October 12, 2022

SUBJECT: Backup Project Award Process

ITEM TYPE: Action Item

BACKGROUND:

In September of 2022, the CCAB started a Rule Change to codify and clarify process focused on awarding all appropriated funds available each fiscal year.

- Award letter states:
 - Please note that if the contract is not finalized by November 8, 2022, excepting projects contingent on a bond election per above, in the interests of the fair and orderly administration of the Building Excellent Schools Today grant program, this offer may be rescinded unless it is agreed to, in writing, that you have made good faith efforts to meet the deadline.
- Establish CCAB final deadlines:
 - FY24 Timeline adopted in August states:
 - Final FY22-23 project list is established based upon November election results.
 - December 30, 2022 FY22-23 Grant Agreements not fully executed may be rescinded in order to fund backup projects.
- Proposed process to award backup projects:
 - 1st backup is offered an award.
 - Scope cannot be reduced.
 - Rule states that CCAB “may” award partial funding but does not require it.
 - 1st backup must turn down offer in writing. Then move on to next.
 - Establish amount of time we will wait for response.

STAFF RECOMMENDATION:

Review theoretical outcomes of November election and make determination on whether or not partial awards will be offered. Help establish an amount of time staff will wait for a response.

STAFF RECOMMENDED MOTION:

N/A

DOCUMENTATION:

FY23 BEST Prioritized List

BEST FY22-23 List of Recommended Projects in Priority Order

Priority Order	County	Applicant Name	Project Title	BEST Request Amount	Applicant Contribution	Total Request & Matching Contribution	Recommended for BEST Cash Grant	
1	EL PASO	WIDEFIELD 3	Watson JRH Boiler Replacement	\$ 253,341.60	\$ 274,453.40	\$ 527,795.00	YES	
2	OTERO	SWINK 33	Swink Campus Life Safety Upgrades	\$ 466,247.25	\$ 273,827.75	\$ 740,075.00	YES	
3	EL PASO	MANITOU SPRINGS 14	Manitou Multiple ES Entry Remodel/Roof Replacement	\$ 1,115,366.62	\$ 2,868,085.59	\$ 3,983,452.21	YES	
4	SEDGWICK	JULESBURG RE-1	Supplemental FY22 Julesburg PK12 Replacement	\$ 2,301,866.15	\$ 121,150.85	\$ 2,423,017.00	YES	
5	ARAPAHOE	ADAMS-ARAPAHOE 28J	Supplemental FY22 Adams Arapahoe DW Fire Alarm Upgrade	\$ 1,356,894.00	\$ 796,906.00	\$ 2,153,800.00	YES	
6	Pueblo	PUEBLO CITY 60	Supplemental FY21 Sunset ES Replacement	\$ 2,826,628.35	\$ 1,522,030.65	\$ 4,348,659.00	YES	
7	ARAPAHOE	ADAMS-ARAPAHOE 28J	North MS Gym Floor	\$ 412,442.10	\$ 242,227.90	\$ 654,670.00	YES	
8	WASHINGTON	AKRON R-1	Akron PK12 HVAC Renovations	\$ 2,391,328.16	\$ 884,463.84	\$ 3,275,792.00	YES	
9	KIT CARSON	BETHUNE R-5	Bethune ES Classroom HVAC/HS Gym HVAC	\$ 413,149.44	\$ 212,834.56	\$ 625,984.00	YES	
10	MONTROSE	MONTROSE COUNTY RE-1J	Montrose Multiple ES Security Upgrades	\$ 1,093,344.81	\$ 1,093,344.81	\$ 2,186,689.62	YES	
11	OTERO	FOWLER R-4J	Supplemental FY22 Fowler MS HS Addition/Renovation	\$ 2,339,022.72	\$ 97,459.28	\$ 2,436,482.00	YES	
12	GRAND	EAST GRAND 2	East Grand MS Roof/Fire Alarm/Boiler Replacement	\$ 907,274.76	\$ 3,037,398.12	\$ 3,944,672.88	YES	
13	El Paso	Colorado Early Colleges - Colorado Springs	CEC HS Water Main/Restroom Improvement	\$ 842,337.65	\$ 251,607.35	\$ 1,093,945.00	YES	
14	Pueblo	PUEBLO CITY 60	Supplemental FY21 Franklin ES Replacement	\$ 2,038,541.70	\$ 1,097,676.30	\$ 3,136,218.00	YES	
15	WELD	GREELEY 6	Greeley Central HS Roof Replace & Envelope	\$ 1,478,981.76	\$ 831,927.24	\$ 2,310,909.00	YES	
16	ALAMOSA	ALAMOSA RE-11J	Alamosa DW HVAC Upgrades & MS Asbestos Abatement	\$ 7,576,600.36	\$ 2,392,610.64	\$ 9,969,211.00	YES	
17	ROUTT	SOUTH ROUTT RE 3	South Routt ES HS Geothermal HVAC Repairs	\$ 473,029.48	\$ 602,037.52	\$ 1,075,067.00	YES	
18	MONTROSE	MONTROSE COUNTY RE-1J	Montrose Multiple Schools HVAC Upgrades	\$ 2,399,577.50	\$ 2,399,577.50	\$ 4,799,155.00	YES	
19	LOGAN	*PLATEAU RE-5	Plateau PK12 Addition/Renovation	\$ 23,196,639.00	\$ 11,844,142.00	\$ 35,040,781.00	YES	
20	FREMONT	FREMONT RE-2	Fremont ES Air Quality and Ventilation Upgrades	\$ 3,782,769.64	\$ 3,491,787.36	\$ 7,274,557.00	YES	
21	CLEAR CREEK	CLEAR CREEK RE-1	Georgetown Community School Roof Replacement	\$ 174,594.96	\$ 472,053.04	\$ 646,648.00	YES	
22	RIO GRANDE	MONTE VISTA C-8	Monte Vista MS Roof/HVAC Replacement	\$ 650,675.91	\$ 205,476.60	\$ 856,152.51	YES	
23	Dolores	*DOLORES COUNTY RE NO.2	Seventh Street ES Replacement	\$ 12,648,692.65	\$ 10,348,930.35	\$ 22,997,623.00	YES	
24	OTERO	ROCKY FORD R-2	Supplemental FY22 Rocky Ford HS Addition/PK8 Renovation	\$ 3,375,990.00	\$ 288,003.00	\$ 3,663,993.00	YES	
25	ARAPAHOE	ADAMS-ARAPAHOE 28J	Adams Arapahoe DW Security Upgrades	\$ 1,929,316.41	\$ 1,133,090.59	\$ 3,062,407.00	YES	
26	La Plata	Animas High School	Supplemental FY21 Animas HS Replacement	\$ 282,962.44	\$ 89,356.56	\$ 372,319.00	YES	
27	LA PLATA	DURANGO 9-R	Durango Multiple Security Upgrades	\$ 563,531.92	\$ 1,449,082.08	\$ 2,012,614.00	YES	
28	KIT CARSON	BURLINGTON RE-6J	Burlington DW Safety/Security/Health Upgrades	\$ 475,708.66	\$ 495,125.34	\$ 970,834.00	YES	
29	HUERFANO	HUERFANO RE-1	Supplemental FY22 John Mall HS Replacement	\$ 2,177,935.44	\$ 765,220.56	\$ 2,943,156.00	YES	
30	FREMONT	CANON CITY RE-1	Canon Exploratory School HVAC Upgrades	\$ 2,489,779.63	\$ 1,226,309.37	\$ 3,716,089.00	YES	
31	BACA	SPRINGFIELD RE-4	Supplemental FY21 Springfield Addition/Renovation	\$ 2,580,260.37	\$ 100,529.63	\$ 2,680,790.00	YES	
32	WELD	JOHNSTOWN-MILLIKEN RE-5J	Milliken ES Renovation	\$ 4,828,081.50	\$ 5,900,988.50	\$ 10,729,070.00	YES	
33	Larimer	Liberty Common School	Liberty Common ES Playground Safety Upgrades	\$ 102,340.00	\$ 198,660.00	\$ 301,000.00	YES	
34	OTERO	FOWLER R-4J	Fowler HS Gym Roof Replacement	\$ 619,183.19	\$ 154,795.79	\$ 773,979.00	YES	
35	MOFFAT	MOFFAT COUNTY RE:NO 1	Sandrock ES Security Upgrades	\$ 51,068.56	\$ 64,996.34	\$ 116,064.90	YES	
36	GUNNISON	GUNNISON WATERSHED RE1J	Crested Butte Community School Roof Replacement	\$ 714,370.40	\$ 1,590,050.26	\$ 2,304,420.66	YES	
37	BACA	VILLAS RE-5	Supplemental FY22 Vilas Security/HVAC Upgrades	\$ 635,517.69	\$ 33,448.30	\$ 668,966.00	YES	
38	WELD	GREELEY 6	Jefferson HS Roof Replacement	\$ 396,954.24	\$ 223,286.76	\$ 620,241.00	YES	
39	MOFFAT	MOFFAT COUNTY RE:NO 1	Moffat County HS Heating Controls and Wiring	\$ 278,408.42	\$ 354,337.98	\$ 632,746.40	YES	
40	GARFIELD	GARFIELD 16	Garfield HS MS Roof Replacement/HVAC	\$ 3,522,989.75	\$ 3,666,785.25	\$ 7,189,775.00	YES	
* Grants are contingent upon a November 2022 Bond Election				Total Recommended BEST Grants	\$ 96,163,745.18	\$ 63,096,074.97	\$ 159,259,820.18	40
				Total Recommended for Lease/Purchase Grants	\$ -	\$ -	\$ -	
				Total Recommended for Cash Grants	\$ 96,163,745.18	\$ 63,096,074.97	\$ 159,259,820.18	

Backup Projects in Prioritized Order (in the event an awarded project fails to secure matching funds)

BEST FY22-23 List of Recommended Projects in Priority Order

Priority Order	County	Applicant Name	Project Title	BEST Request Amount	Applicant Contribution	Total Request & Matching Contribution	Recommended for BEST Cash Grant
41	MESA	*PLATEAU VALLEY 50	Plateau Valley PK12 Addition/Renovation	\$ 29,388,231.00	\$ 27,037,280.00	\$ 56,425,511.00	BACKUP**
42	ADAMS	*MAPLETON 1	Meadow Comm School PK8 School Replacement	\$ 23,464,706.56	\$ 13,198,897.44	\$ 36,663,604.00	BACKUP**
43	LAKE	*LAKE COUNTY R-1	Lake County ES 3-6 Addition Phase 2	\$ 17,165,020.38	\$ 10,520,496.36	\$ 27,685,516.74	BACKUP**
44	COSTILLA	CENTENNIAL R-1	Centennial K12 Roof Replacement	\$ 658,793.07	\$ 208,039.92	\$ 866,833.00	BACKUP**
45	DELTA	DELTA COUNTY 50(J)	Delta HS Safety/Mechanical Upgrades	\$ 7,135,182.05	\$ 5,606,214.47	\$ 12,741,396.52	BACKUP**
46	RIO BLANCO	*RANGELY RE-4	Rangely DW Roof/HVAC/Electrical/Security	\$ 5,268,348.00	\$ 14,244,052.00	\$ 19,512,400.00	BACKUP**
47	BACA	WALSH RE-1	Supplemental FY22 Walsh PK12 School Replacement	\$ 2,715,509.00	\$ 282,216.00	\$ 2,997,725.00	BACKUP**
48	JEFFERSON	JEFFERSON COUNTY R-1	Jeffco Multiple JeffcoNet Phase 2	\$ 289,643.76	\$ 1,319,488.24	\$ 1,609,132.00	BACKUP**
49	SAGUACHE	MOFFAT 2	Moffat 2 PK12 Septic System Upgrade	\$ 749,055.60	\$ 92,579.91	\$ 841,635.50	BACKUP**
50	ADAMS	ADAMS COUNTY 14	Adams Multiple Roof Replacement	\$ 756,515.04	\$ 698,041.86	\$ 1,454,556.90	BACKUP**
51	CLEAR CREEK	CLEAR CREEK RE-1	Carlson ES Replacement	\$ 9,192,466.17	\$ 24,853,704.83	\$ 34,046,171.00	BACKUP**
52	PARK	*PLATTE CANYON 1	Platte Canyon PK12 Addition/Renovation	\$ 22,575,256.60	\$ 34,720,020.40	\$ 57,295,277.00	BACKUP**
53	CROWLEY	*CROWLEY COUNTY RE-1-J	Crowley K12 Replacement	\$ 50,273,755.14	\$ 10,833,706.00	\$ 61,107,461.14	BACKUP**
54	SAN MIGUEL	TELLURIDE R-1	Telluride DW Roof/HVAC Replacement	\$ 1,628,132.52	\$ 6,124,879.48	\$ 7,753,012.00	BACKUP**
55	EL PASO	HANOVER 28	Hanover HVAC/Health/Safety/Security Upgrades	\$ 1,989,285.48	\$ 196,742.52	\$ 2,186,028.00	BACKUP**
56	BENT	*MC CLAVE RE-2	McClave PK12 School Replacement	\$ 41,470,378.00	\$ 5,512,634.00	\$ 46,983,012.00	BACKUP**
57	El Paso	Community Prep Charter School	Community Prep Charter Health/Safety Upgrades	\$ 5,929,089.05	\$ 862,536.44	\$ 6,791,625.49	BACKUP**
58	ALAMOSA	SANGRE DE CRISTO RE-22J	Sangre de Cristo PK12 HVAC Replacement	\$ 771,474.83	\$ 397,426.43	\$ 1,168,901.25	BACKUP**
59	PUEBLO	PUEBLO COUNTY 70	Pueblo West HS Civil Improvements	\$ 5,610,425.26	\$ 4,062,721.74	\$ 9,673,147.00	BACKUP**
60	Adams	The Academy of Charter Schools	Academy Charter HVAC Replace	\$ 998,588.62	\$ 219,202.38	\$ 1,217,791.00	BACKUP**
61	Chaffee	Salida Montessori	Salida Montessori PK8 School Replacement	\$ 10,668,171.89	\$ 3,556,057.30	\$ 14,224,229.19	BACKUP**
62	YUMA	YUMA 1	Yuma DW Mascot Change Assistance	\$ 207,828.00	\$ 80,822.00	\$ 288,650.00	BACKUP**
63	BOULDER	ST VRAIN VALLEY RE 1J	Frederick HS Mascot Change	\$ 148,873.54	\$ 95,181.45	\$ 244,055.00	BACKUP**
Total Recommended as Backup				\$ 239,054,729.56	\$ 164,722,941.17	\$ 403,777,670.73	23



Public School Capital Construction Assistance Board
Meeting Agenda Sheet

MEETING DATE: October 12, 2022

SUBJECT: Review of Budget

ITEM TYPE: Discussion Item

BACKGROUND:

In December of 2021, CDE's Budget Office and the CCAB discussed and agreed to a forward-funded model for future cash grant appropriation requests. The FY24 budget request will be established by calculating the following:

FY22 End of Year balance,
Plus FY23 revenues projections,
Less all current grant obligations,
Less FY23 expenditures projections

CDE Budget Director, Wayne Peel, will walk the CCAB through current estimates for available cash grant appropriations for the FY24 grant round.

STAFF RECOMMENDATION:

N/A

STAFF RECOMMENDED MOTION:

N/A

DOCUMENTATION:

Materials may be shared at the meeting.



Public School Capital Construction Assistance Board
Meeting Agenda Sheet

MEETING DATE: October 12, 2022

SUBJECT: Review of Draft Response to JBC Request (BEST Outlays)

ITEM TYPE: Discussion Item

BACKGROUND:

In light of the small amount of funding available in the context of statewide public school capital construction needs, the Department of Education and the Capital Construction Assistance Board are requested to provide analysis and proposals, by November 1, 2022, regarding how to ensure B.E.S.T. funding is used as efficiently and effectively as possible. This includes steps that could help reduce B.E.S.T. outlays per student served. The report is requested to discuss options for changes to guidelines, processes, procedures, and statutes and identify any of these options that the Department and Board recommend. Options may include but need not be limited to new incentives, such as additional points in scoring projects, to encourage school districts to collaborate in submitting capital construction project requests. Could incentives for collaboration or shared facilities support efficiencies of scale, including lower construction prices and lower costs per student served?

STAFF RECOMMENDATION:

Review draft response and associated slides and provide comment to help finalize the response.

STAFF RECOMMENDED MOTION:

N/A

DOCUMENTATION:

- Draft response
- BEST 101 informational slides

Pursuant to statute, the priorities for the Building Excellent Schools Today (BEST) grant program are: 1) health, safety, security and technology, 2) overcrowding, 3) career and technical education programs, 4) projects to remove American Indian Mascots, and 5) all other projects. The overwhelming majority of grant requests are to address individual health, safety, and security issues, or possible “deferred maintenance” issues.

Grant requests are prioritized by the Capital Construction Assistance Board based upon several factors including a facility assessment, or Facility Condition Index. This information helps to illustrate the cost of replacing critical systems versus replacing an entire facility and to ensure that board members can compare needs of each facility during the annual grant review.

There is no one-size-fits-all solution for public school facility needs. Determining a dollar amount per student that constitutes an adequate investment level to provide a safe educational environment is complex. For example, construction costs vary by region and typically increase in rural/low-enrollment districts. Reducing the cost per student outlay for BEST grants could have an outsized impact on these districts.

It is also important to keep in mind that these investments go beyond the student count at the time of construction. These facilities are meant to last 50+ years and will serve generations of students. Schools are also a part of essential infrastructure and community resiliency. They serve as gathering places for community events and in emergency situations. Lastly, school construction contributes to the economy and in rural communities this impact is likely felt more acutely. The State Demographer estimates the \$545 million in BEST projects funded in FY22 directly supports or creates 4,900 jobs. If indirect and induced impacts are included, these projects support or create an estimated 9,700 jobs.

Given the required matching percentages as defined by statute, the impact of these grants is much greater in small districts (with smaller student populations) that have less ability to fund construction projects. Thus, the current prioritization structure is designed to directly fund school buildings with the highest health, safety and security needs first, and then to incentivize districts with less ability to fund projects.

POSSIBLE CHANGES/RECOMMENDATIONS

- Engage with and educate applicants and vendors:
 - Highlight good project examples – including renovations, modest new schools, and maintenance
 - Tours of nice schools!
 - Conference roundtables on lessons learned by superintendents and boards
 - Mentorships for superintendents and boards
 - Annual conference of vendors (Owners Reps, architects, project managers, etc.)

- Possible changes to processes/rules/procedures:
 - Add BEST Specifications to limit embellishment of architecture
 - Emphasis on maintenance requirements
 - Stronger justification/metrics for new school vs. renovation
 - Possible questions added to application:
 - Regarding ability to complete project without a BEST grant
 - Illustrate ways the project efficiently uses local and state resources
 - Highlight utilization rates of facility and collaborative/shared community use

DRAFT



Public School Capital Construction Assistance Board
Meeting Agenda Sheet

MEETING DATE: October 12, 2022

SUBJECT: Supplemental Grants Discussion with Rural Alliance

ITEM TYPE: Discussion Item

BACKGROUND:

Since at least September 2021, staff and board have been discussing cost escalation concerns for BEST projects related to COVID and supply chain disruptions. A few key conversations and decisions are highlighted below:

- In January 2022, the Association of General Contractors presented on cost escalations and staff shared revised BEST application requirements for supplemental grants.
- In May 2022, the CCAB reviewed, discussed, and prioritized a number of supplemental requests for BEST funding.
- In August of 2022, Michelle Murphy, Executive Director of the Rural Schools Alliance spoke to the board about continued escalation concerns. Additionally, staff and board reviewed the supplemental grant process again, discussed a number of BEST projects intending to request supplemental grants, and developed a process by which reduced scopes can be acknowledged and approved prior to a potential a supplemental grant request in a future grant round.

Ms. Murphy and some affected BEST grantees will share perspectives on the impacts of this unprecedented cost escalation, the inherent challenges of the BEST process to help solve these issues, and possible solutions.

The discussion will include the nature and type of cost escalations on projects; challenges with the supplemental grant process; difficulties in determining an appropriate amount for a supplemental grant request; what aspects of projects will be cut without additional funding; and local capacity to generate additional funds.

STAFF RECOMMENDATION:

Review attached materials and be prepared to discuss.

STAFF RECOMMENDED MOTION:

N/A

DOCUMENTATION:

- January 2022 CCAB Agenda Sheet
- AGC 2021 Inflation Report
- August 2022 CCAB Retreat Slides Related to Supplementals



Public School Capital Construction Assistance Board
Meeting Agenda Sheet

MEETING DATE: January 20, 2022

SUBJECT: Supplemental Grant Criteria

ITEM TYPE: Discussion Item

BACKGROUND:

Supplemental grants have always been a possible avenue for awarded grantees to address unforeseen circumstances through the request of additional grant funds. However, the grant application didn't provide any specific guidance for what documentation should be presented with a supplemental grant request. Given the unprecedented escalation in the past year or so, several applicants have expressed interest in submitting supplemental requests, so we have added some guidance.

This year's grant application added the following to the Submittal Requirements Based on Project Scope. As a reminder, these submittals are backup documents provided for staff review, which staff will provide comment in the evaluation tool. Applicants may also summarize these findings in the narratives of their grant application:

Supplemental Grant Requests (requests for additional funding for a previously awarded grant)

- Itemized list of value engineering and/or cost reduction efforts made to bring project into budget prior to requesting additional funds. Identify any items to be added back into project if awarded
- Comparative budget showing original grant detailed budget and current proposed total detailed budget, line by line
- If unprecedented escalation is claimed, line item escalation calculations for each affected CSI division with supporting material price comparison backup and/or third party price index data identifying the actual escalation experienced from time of original submission to supplemental grant submission. The percentage of escalation identified in the original budget must be deducted from escalation claims
- Program plan submitted with original application and current program plan for the project, side-by-side and including the delta between each
- Detailed project schedule showing schedule/time impact of added funds

Additionally, staff has added a FAQ section on Supplemental grants with the following:

What is a supplemental grant?

- A supplemental grant is when a previously awarded project seeks additional funds within a following grant cycle. In that new cycle, the applicant will need to submit a Notice of Intent to Apply and then complete a full application and provide all required supporting documentations. That supplemental grant application will be reviewed along with all other applications submitted without preference or consideration for a higher prioritization. Supplemental grantees are encouraged to restate the primary deficiencies associated with the original application, and identify the current unresolvable deficiencies in the awarded project budget that necessitate the request for supplemental grant funds, including a summary of measures already taken to reduce cost and bring the project into budget.

Supplemental grants are subject to providing matching funds as per the new cycle's match calculations and like other grant applications, waivers may be completed by applicant to be provided for consideration by the CCAB. If the application is awarded, a new contract with CDE will need to be executed. If the application is denied, the previously awarded project must complete the original project's scope per the executed contract.

STAFF RECOMMENDATION:

N/A

STAFF RECOMMENDED MOTION:

N/A

DOCUMENTATION:

N/A



COLORADO
Department of Education

Building Excellent Schools Today

Capital Construction Assistance Board Retreat, August 2022

Supplementals and Cost Escalations

Supplementals and Cost Escalations – Recap

- By statute, BEST awards grants on an annual basis with funds available in July. This is not conducive to a design and construction process with critical timelines
- For the FY23 grant round, we received 11 grant requests for supplemental dollars (totaling \$21.5M). Ultimately, we awarded 10 of the supplemental requests
- By late May we were informed that some of the projects that were awarded supplemental grants were already concerned that they will need further funding to complete their projects.

Supplementals and Cost Escalations – Current Situation

- We have discussed with the Rural Alliance, the Association of General Contractors, the Governor's Office, and shared information with the Capital Development Committee
- No solutions have been presented other than making supplemental requests available again next grant round
- As many as three projects that were awarded supplementals in FY23 may come back for a second, another that was not funded in FY23, and two other projects that have not yet asked for supplemental funds are planning to in this next grant round
- Some projects have experienced escalation but have been able to address without asking for additional funds.

Supplementals and Cost Escalations – FY23 Grant Requirements

FY23 Supplemental Grant Request Requirements:

- Itemized list of value engineering and/or cost reduction effort made to bring project into budget prior to requesting additional funds. Identify any items to be added back into project if awarded.
- Comparative budget showing original grant detailed budget and current proposed total detailed budget, line by line.
- If unprecedented escalation is claimed, line-item escalation calculations for each affected CSI division with supporting material price comparison backup and/or third-party price index data identifying the actual escalation experienced from time of original submission to supplemental grant submission. The percentage of escalation identified in the original budget must be deducted from escalation claims.
- Program plan submitted with original application and current program plan for the project, side-by-side and including the delta between each
- Detailed project schedule showing schedule/time impact of added funds.

Supplementals and Cost Escalations – Board Feedback

- Board feedback on expectations/approach:
 - Should anything be removed or added from submittal requirements?
 - Second supplemental requests?
 - Complete projects? Core and shell? Phased projects? No Demo?
- Acknowledgement that unapproved supplementals will have reduced or revised scope:
 - Contract modification or letter is required
 - Accepting scope modifications prior to board vote in May.

What needs staff vs board approval?

- Reduced scope (not just for supplementals)
- What has typically gone to the board
 - Removal of demo without forfeiting demo budget
 - Significant increased scope or SF
- Recommendation going forward
 - If staff 100% agree on change, allow modification
 - Bring to CCAB if we need input
 - Reduction of SF/Program to stay within budget acceptable
 - Increasing SF/Program within approved budget not acceptable (outside of unique circumstances)
 - 5-10% or similar threshold for SF reductions for staff approval?

Supplementals and Cost Escalations – Example Projects

Fowler Example:

- Square Footage Efficiencies (-900 SF)
 - Circulation/Support Spaces
 - Reusing existing classroom spaces in the existing building in lieu of building new (music room)
- Limited Landscaping to provide required playground equipment. No new fields
- Existing utilities were adequate for the new addition
- Did not create new parking. Existing site features to remain
- Mechanical System – Gas Fired RTU's – district considers to be simple/economical
- Limited the number of exterior building materials. Exterior is brick which requires one trade
- Simplified finish materials (classrooms 2x4 suspended ceiling tile with a 2x4 LED fixture).

Johnstown/Milliken:

- Option to renovate significantly more existing and reduce addition size
- Cost would reduce to within budget, but overall square footage would increase due to less efficiency than the new addition.

Supplementals and Cost Escalations – Example Projects

West End :

Currently trying to finalize GMP to lock in pricing.

- Construct the new PK -12 building as value engineered, including removal of AV system, security cameras, playgrounds and core and shell of elementary school gym and wrestling room
- Complete Phase 1 site work, which includes all grading around the building, utilities to the building, southwest parking lot, bus drop off, west drive, northwest parking lot
 - Excludes Phase 2 including asphalt, entry drive and drop off lane, main parking lots, play areas including playgrounds and landscaping and irrigation
- Reduce the FF&E budget to \$95k, reallocate \$700,000 to Construction budget
- Utilize \$500k proceeds from sale of Naturita School and associated demolition costs in construction costs rather than demolish the structure.



COLORADO
Department of Education

Public School Capital Construction Assistance Board
Meeting Agenda Sheet

MEETING DATE: October 12, 2022

SUBJECT: Review of Matching Criteria and Weights

ITEM TYPE: Discussion Item

BACKGROUND:

The BEST Match Criteria and Weights Review Committee continues to meet. Board and staff will share outcomes from the most recent meetings.

STAFF RECOMMENDATION:

N/A

STAFF RECOMMENDED MOTION:

N/A

DOCUMENTATION:

N/A