

SENATE FINANCE COMMITTEE
March 14, 2025
9:02 a.m.

[9:02:41 AM](#)

CALL TO ORDER

Co-Chair Hoffman called the Senate Finance Committee meeting to order at 9:02 a.m.

MEMBERS PRESENT

Senator Lyman Hoffman, Co-Chair
Senator Bert Stedman, Co-Chair
Senator Mike Cronk
Senator James Kaufman
Senator Jesse Kiehl
Senator Kelly Merrick

MEMBERS ABSENT

Senator Donny Olson, Co-Chair

ALSO PRESENT

Michael Butifoker, Facilities Manager, Department of Education and Early Development; Lori Weed, School Finance Manager, Department of Education and Early Development; Dr. Lisa Parady, Executive Director, Alaska Council of School Administrators; Rod Morrison, Superintendent, Southeast Island School District.

PRESENT VIA TELECONFERENCE

Jim Anderson, Chief Operating Officer, Anchorage School District.

SUMMARY

^MAJOR MAINTENANCE AND SCHOOL CONSTRUCTION

[9:04:17 AM](#)

MICHAEL BUTIFOKER, FACILITIES MANAGER, DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT, (DEED)

9:04:25 AM

LORI WEED, SCHOOL FINANCE MANAGER, DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT, discussed "Capital Needs for School Facilities, Senate Finance Committee" (copy on file).

9:05:05 AM

Ms. Weed looked at slide 2, "Mission, Vision, and Purpose":

Mission

An excellent education for every student every day.

Vision

All students will succeed in their education and work, shape worthwhile and satisfying lives for themselves, exemplify the best values of society, and be effective in improving the character and quality of the world about them.

-Alaska Statute 14.03.015

Purpose

DEED exists to provide information, resources, and leadership to support an excellent education for every student every day.

9:05:13 AM

Ms. Weed addressed slide 3, "Strategic Priorities: Alaska's Education Challenge":

Five Shared Priorities:

1. Support all students to read at grade level by the end of third grade.
2. Increase career, technical, and culturally relevant education to meet student and workforce needs.
3. Close the achievement gap by ensuring equitable educational rigor and resources.
4. Prepare, attract, and retain effective education professionals.
5. Improve the safety and well-being of students through school partnerships with families, communities, and tribes.

[9:05:33 AM](#)

Ms. Weed pointed to slide 4, "Current Funding Mechanisms":

1. School Construction Grant Fund (1990) AS 14.11.005
2. Major Maintenance Grant Fund (1993) AS 14.11.007
3. Regional Educational Attendance Area (REAA) and Small Municipal School District School Fund (2010) AS 14.11.030
 - Indexed Fund
 - DR Funding divided by percent of municipal schools multiplied by 0.244 AS 14.11.025
4. School Debt Reimbursement (DR) Funding AS 14.11.102

Ms. Weed addressed slide 5, "Current Project Categories (AS 14.11.013) (School Construction and Major Maintenance)":

- (A) Avert imminent danger or correct life-threatening situations;
- (B) House students who would otherwise be unhoused; for purposes of this subparagraph, students are considered unhoused if the students attend school in temporary facilities;
- (C) Protect the structure of existing school facilities;
- (D) Correct building code deficiencies that require major repair or rehabilitation in order for the facility to continue to be used for the educational program;
- (E) Achieve an operating cost savings;
- (F) Modify or rehabilitate facilities for the purpose of improving the instructional program;
- (G) Meet an educational need not specified in (A) – (F) of this paragraph, identified by the department

Ms. Weed looked at slide 6, "Capital Improvement Project (CIP) Eligibility":

1. Six-year capital improvement plan
2. Functioning fixed asset inventory system (FAIS)
3. Proof of required property insurance
4. Certified preventive maintenance and facility management program
5. Capital project and not routine maintenance
6. Participating share

[9:10:43 AM](#)

Ms. Weed discussed slide 7, "Grant Participation and Eligibility":

- Capital Improvement Project (CIP) Grant Application
 - Due from school districts on or before September 1 (annually)
 - CIP Application materials are posted on our website
 - (<https://education.alaska.gov/facilities/facilitiescip>)
- Project Ranking
 - Ranked in accordance with criteria in AS 14.11 and 4 AAC 31
- Eligibility
 - Districts must have a six-year plan, a fixed asset inventory system, adequate
 - property loss insurance, and a preventive maintenance and facility
 - management program certified by the department
- CIP Priority Lists
 - Initial lists are released on November 5
 - Final lists are released after any appeals for reconsideration are finalized

Ms. Weed pointed to slide 8, "What does it take to fill out an application?"

Project Justification: Clearly articulate the need for the project, including factors like facility age, condition, and enrollment projections.

Scope of Work: Provide a detailed description of the proposed work, including preliminary designs or schematics.

Budget: Present a comprehensive budget outlining all project costs and the district's participating share.

Supporting Documentation: Include educational specifications, facility condition surveys, and any other relevant assessments.

[9:13:39 AM](#)

Senator Kiehl asked whether an architect and engineer needed to be hired to submit a successful application.

Ms. Weed replied not necessarily. She said that she had seen successful applications that had not hired a professional engineer.

[9:14:08 AM](#)

Senator Kiehl asked whether it would depend on the scope of the work needed.

[9:14:10 AM](#)

Ms. Weed replied that it was possible and explained that districts performed conditional surveys with their own staff. She said that the best practice would be to get a professional opinion to ensure safety.

[9:15:06 AM](#)

Ms. Weed discussed slide 9, "Grant Participation and Eligibility FY2016 - FY2026." The slide contained the FY2016 through FY2026 total CIP grant applications. She noted a drop in FY2019 and FY2020 projects due to the first uses of departmental authority to reallocate funds. She said that over the last decade there had been approximately 117 applications submitted annually, or a 60 percent participation rate. She said that during the first decade of the program there had been an average of 176 applications submitted annually, with an 83 percent participation rate, which were 25 percent funded between the grant and the debt programs. That percentage was currently at 16 percent.

Ms. Weed addressed slide 10, "Total Eligible Grant Projects and Actual Grant Funding by Fiscal Year (whole dollars)." The slide listed, in whole dollars, for school construction grants and major maintenance grants. She noted that the years that showed requests with zero funded amounts were the years that the department used their fund balance allocation authority.

Ms. Weed looked at slide 11, "School Construction and Major Maintenance Requests - FY 2026 (whole dollars)."

Ms. Weed displayed slide 12, "Total Six-Year Plan Requests by FY (whole dollars)." She said that the slide provided a snapshot of districts current needs.

[9:18:41 AM](#)

Co-Chair Hoffman wondered, given the magnitude of the requests, whether the department evaluated the compliance of the 2011 Kasayulie consent decree.

[9:18:59 AM](#)

Ms. Weed replied that the department did not evaluate specifically for the settlement but that the list rated rural districts as top priority.

[9:19:11 AM](#)

Co-Chair Hoffman felt that the department should take the decree into consideration. He noted a recent report that showed deplorable conditions in St. Paul where students had become ill because of a faulty HVAC system. He thought the department should be proactive ahead of another lawsuit.

[9:20:48 AM](#)

Ms. Weed replied that the department worked to provide safe and healthy environments for students and noted that the school the senator spoke of was 6th on the list.

[9:21:15 AM](#)

Mr. Botifoker agreed.

[9:21:17 AM](#)

Co-Chair Hoffman argued that the request from the department did not reflect the response Ms. Weed was offering the committee.

[9:22:12 AM](#)

Co-Chair Stedman asked whether funding for an airplane had been requested in the governor's capital budget.

[9:22:23 AM](#)

Co-Chair Hoffman confirmed.

[9:22:26 AM](#)

Co-Chair Stedman expressed concern that the administration has requested zero funds for major maintenance yet had requested funding for an airplane. He thought that HVAC systems for students were more of a priority than an airplane. He asked whether the department had requested, through OMB, to be included in the Capital Budget.

[9:23:10 AM](#)

Ms. Weed replied that the department annually put forth a list tot the governor as part of the statutory process.

[9:23:25 AM](#)

Ms. Weed spoke to slide 13, "Recent Funding (SB 237 Report)":

- SB 237 (Chapter 93 SLA 2010) - AS 14.11.035
 - Annual report on school construction and major maintenance funding
 - First report completed in February 2013
- \$1,749,967,541 in project funding 7/1/2010-12/3/2024
 - Total project value for Debt projects
 - State share value for Grant projects
- February 2025 School Capital Project Funding Under SB237 Report
 - Project Funding by District (report Appendix A)
 - Project Listing by District (report Appendix B)

[9:24:03 AM](#)

Senator Kiehl asked whether the \$1.75 billion was all state funds or if it included municipal tax dollars as well.

[9:24:25 AM](#)

Ms. Weed responded that the number did not include local contributions.

[9:24:46 AM](#)

Senator Kiehl thought that the total project value would include local contributions.

[9:24:52 AM](#)

Ms. Weed explained that the department tracked state share for the grant project and the approved principal, but not the state share of the approved principal.

[9:25:28 AM](#)

Senator Kiehl requested that the breakout of local and state projects for municipalities be provided to the committee. He understood that schools not in municipalities were owned by the state.

[9:25:44 AM](#)

Ms. Weed replied that according to AS 14.08.151 the REAA and education attendance areas could request by resolution the titles to their buildings. She believed there were currently 66 state owned schools.

[9:26:21 AM](#)

Ms. Weed looked at slide 14, "Recommended and Funded Capital Renewal by FY." She noted the marked shift in percentage of capital funding over the years due to the state budget crisis. She added that there continued to be significant reduction in capital spending on school projects both through the grant program and by instituting the moratorium on the debt reimbursement program.

[9:27:02 AM](#)

Co-Chair Hoffman asked whether the department recommended and extension to the moratorium for an additional 5 years.

[9:27:08 AM](#)

Ms. Weed said that the department would follow statute.

[9:27:17 AM](#)

Co-Chair Hoffman interjected that the department had proposed extending the moratorium another 5 years.

[9:27:20 AM](#)

Ms. Weed agreed that the moratorium had been recommended due to the fiscal climate.

[9:27:34 AM](#)

Senator Kiehl asked about the recommended 3 percent capital renewal and whether the condition of rural schools in Alaska could be categorized as having been maintained.

Ms. Weed replied that schools throughout the state, regardless of whether they were rural or urban, were likely not in a properly maintained state.

[9:28:32 AM](#)

Senator Kiehl asked about the percentage of the value of the significantly deteriorated Alaska school facilities.

[9:28:49 AM](#)

Ms. Weed Asked for clarification of the question.

[9:28:59 AM](#)

Senator Kiehl wanted to know the industry standard for owning a group of buildings and the percentage of capital renewal for maintaining those buildings. He argued that if the buildings were older and in poor condition the percentage would not be 3 percent.

[9:29:29 AM](#)

Ms. Weed responded that she did not have numbers in front of her. She agreed that the industry standard for maintaining older and crumbling buildings would be higher than 3 percent.

[9:29:40 AM](#)

Senator Kiehl contended that he had never once heard the observation that the way to deal with dilapidated buildings was not to maintain them and let them deteriorate.

Co-Chair Hoffman agreed.

[9:30:05 AM](#)

Ms. Weed discussed slide 15, "Mt. Edgumbe High School Deferred Maintenance (MEHS) (whole dollars)":

- Current projects funded \$11,424,000
- FY2026 deferred maintenance request \$22,842,000

Ms. Weed shared that MEHS did not fall under the AS 1411 grant program and received direct funding from the legislature and could received money from the Department of Transportation and Public Facilities deferred maintenance list.

[9:30:53 AM](#)

Co-Chair Stedman expressed concern that lumping MEHS in with all the buildings owned by the state would be a disadvantage to the school. He asked who requested the \$22 million in funds and how the funds would be used.

[9:31:29 AM](#)

Ms. Weed replied that the request was submitted by DOT&PF on the deferred maintenance list.

[9:31:35 AM](#)

Co-Chair Stedman wondered how the funds would get to MEHS from DOT&PF.

[9:31:54 AM](#)

Ms. Weed replied that she did not know.

[9:32:03 AM](#)

Co-Chair Hoffman thought that it was an educational need, and that the department should follow up with the distribution of the funds so that the school was properly maintained. He surmised that DEED had let the funds "slip through the cracks." He believed that the management of MEHS should be reevaluated. He spoke to previous legislation that made MEHS part of the educational system and not managed by DOT&PF.

[9:33:21 AM](#)

Co-Chair Stedman argued that MEHS did not have a proper advocate. He expressed dismay with the lack of advocacy by DOT&PF for MEHS. He felt that MEHS was treated unfairly when compared to other schools in the state. He lamented

that the only way to fund the deferred maintenance of MEHS was to put a line item in the budget, which the governor would ultimately veto, which he described as unfair and unequitable. He hoped that the committee would look to legislation that would give MEHS parity with other schools in the state.

[9:36:34 AM](#)

Co-Chair Hoffman believed that staff was currently working on legislation.

[9:36:52 AM](#)

Senator Kaufman asked whether the department had a mechanism for ranking "preservative maintenance" of buildings to avoid the premature deterioration of systems.

Ms. Weed replied that part of the requirements for eligibility was that the districts have an operational preventative maintenance program. She said that preventative maintenance was an important part of keeping buildings in good condition.

[9:38:38 AM](#)

Senator Kaufman thought that maintaining buildings regularly helped in the overall life of the building.

[9:39:57 AM](#)

Ms. Weed responded that many school districts in the last decade had faced financial challenges and that funds had been stretched between funding classrooms and building maintenance.

[9:40:37 AM](#)

Senator Kaufman expounded on potential risks and potential returns and the "efficient frontier" in terms of building maintenance.

[9:41:11 AM](#)

Ms. Weed addressed slide 6, "Additional Resources."

[9:41:25 AM](#)

Senator Kiehl noted that the administration had not sent departmental leadership to the hearing. He highlighted the inadequate level of capital renewal funding. He stressed that the governor had requested no funding for school maintenance in the budget. He hypothesized that the plan for funding was to burn down schools and collect the insurance money.

[9:42:54 AM](#)

Co-Chair Hoffman thought that the state was in danger of facing further litigation due to the condition of the schools. He contended that the quality of education that schools provided directly correlated to the condition of the buildings. He cited the Kasayulie case where snow was coming into schools and toilets were backing up. He argued that the state should not wait to end up in the same legal position that led to that court decision.

[9:44:23 AM](#)

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DR. LISA PARADY, EXECUTIVE DIRECTOR, ALASKA COUNCIL OF SCHOOL ADMINISTRATORS, discussed the presentation, "School District Major Maintenance Sleetmute School Foundation, Kuspuk School District" (copy on file). She detailed her qualifications on slide 2.

Dr. Parady looked at slide 3, "ACSA Joint Position Statements - Major Maintenance":

ACSA advocates for a thorough review and updated process of the Department of Education and Early Development's (DEED) Major Maintenance application process.

In order to provide students and staff a safe and healthy environment, we must ensure reliable, adequate, and equitable funding through the DEED school construction process for capital projects and major maintenance to existing district facilities.

Dr. Parady pointed to slide 4, "Alaska Schools - by the numbers":

129,903 students

53 school districts. In business terms, largest employer in most communities

444 school facilities, 63 percent are greater than 40 years old

Dr. Parady addressed slide 5, "Ongoing Challenges: Deferred maintenance":

Growing maintenance needs, limited state funding

- Average building age: 45 years

- 83 buildings are over 60 years old

Current backlog: Over \$330 million and growing

[9:49:29 AM](#)

Dr. Parady discussed slide 6, "School District Major Maintenance":

- Alaska's schools are facing a critical infrastructure crisis.
- Years of underfunding and deferred maintenance have left schools in poor condition.

Dr. Parady noted the photo of Homer High School on the right hand of the slide, which showed a rotting roof. She lamented that many of the schools on the major maintenance list had been on the list for many years, with no action taken, which caused the buildings to further deteriorate.

Dr. Parady looked at slide 7, "Recommended and Funded Capital Renewal by Fiscal Year - DEED 2024." She said that since 2014, the legislature had not funded half of the recommended amount, that coupled with the moratorium on school bond debt had left boroughs and municipalities to pay for projects and had left REAA districts to use flat or underfunded general funds. She stressed that the moratorium on school bond debt reimbursement had forced many districts to defer school construction projects that resulted in further deterioration and long-term damage, resulting in unsafe conditions and higher costs for districts.

Dr. Parady addressed slide 8, "Projects on the DEED Major Maintenance List." The slide listed projects that had been on the DEED Major Maintenance list since 2018. She pointed out the projects in Yupiit and Kake that had been moved down the priority list over the years. She said that there were 84 total projects on this year's list but that many schools had not applied due to the cost of the application process and that projects were not prioritized on the list.

[9:52:34 AM](#)

Dr. Parady looked at slide 9, "Current State of Alaska Schools":

- Structural damage, mold, failing heating systems.
- Unsafe learning environments.
- Impact on student health and academic performance.

Dr. Parady exclaimed that the maintenance issues made teacher recruitment and retention challenging. She noted that the conditions were not conducive to learning. The picture on the slide showed the attic of the school in McGrath; a tarp filled with ice and catching water from a leaking roof. She related that this was an example of a maintenance need that was not on the list from DEED but was impacting students.

Dr. Parady addressed slide 10, "Effects of Deferred maintenance":

Galena School Splitting due to foundation failures -
Galena School District

Elevator out of service since 2004 - Kuspuk School
District

Kenny Lake Boilers - Copper River School District

Dr. Parady said that none of the schools pictured were on the DEED Major Maintenance list.

Dr. Parady discussed slide 11, "Effects of Deferred maintenance":

Bathroom Floor in Nikolai School - Iditarod School
District

Soldotna High School Siding - Kenai School District -
Project 4

Standing water under Chevak
School - Kashunamiut School
District - Project 24

Dr. Parady revealed that two of the schools pictured were on the DEED Major Maintenance List at number 4 and number 24.

Dr. Parady highlighted slide 12, "Proposed Solutions":

- Increase state capital funding.
- Develop a long-term maintenance strategy.
- Ensure equitable resource distribution.
- Review and update the application process
 - Separate lists for REAA districts and Municipal/Borough districts

Dr. Parady stated that DEED should provide engineer and architectural support to districts that did not have the resources to complete the applications. She stressed that the lack of maintenance on Alaska's school was impacting every area of the state.

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Dr. Parady thanked the committee.

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[9:59:41 AM](#)

ROD MORRISON, SUPERINTENDENT, SOUTHEAST ISLAND SCHOOL DISTRICT (via teleconference), discussed the presentation, "School District Major Maintenance Rod Morrison Superintendent, Southeast Island School District" (copy on file).

[10:01:52 AM](#)

Mr. Morrison addressed slide 2, "Southeast Island School District (2577 sq. miles)":

REAA - Rural Education Attendance Area

1. Kasaan School - 1982 (temporary portable modular - 20 yr)
2. Whale Pass School - 1985 (temporary portable modular - former logging camp community hub - 20 yr)
3. Port Alexander School - 1982 / 1985
4. Thorne Bay School - 1989
5. Naukati School - 2005
6. Coffman Cove School - 2009
7. Hollis School - 2023

Mr. Morrison relayed that all the campuses in the district had greenhouses that grew food for lunch programs and local food banks.

Mr. Morrison discussed slide 3, "THORNE BAY SCHOOL UNDERGROUND STORAGE TANK REPLACEMENTS:"

CIP: Major Maintenance application submitted for 18 years.

FY26 rank: 75th

Requested in 2008: \$152,686

Sediment from degrading tank and pipes clogged safety devices and flooded Thorne Bay Gym Boiler 2 and boiler room with over 150 gallons of diesel.

Diesel completely filled boiler combustion chamber and ran out front boiler door. Had this ignited, it could have destroyed the building and harmed the patrons in it (October 9, 2024)

The tank and or lines have clearly failed.

Amount Requested: \$1,182,737

[10:04:54 AM](#)

Mr. Morrison pointed to slide 4, "Thorne Bay K-12 Fire Suppression":

CIP: Major Maintenance application submitted for 17 years.

FY26 rank: 38

Requested in 2009: \$1,014,255

THORNE BAY K-12 SCHOOL FIRE SUPPRESSION SYSTEM REPLACEMENT

Gym System completely inoperable since March 12, 2024

During a gym light replacement project, we found multiple lights that almost caught fire without the fire suppression system working.

Fire system is beyond repair, and they no longer make parts to fix it.

Amount Requested: \$1,375,904

Mr. Morrison presented a light bulb from the gymnasium that had nearly caught fire. The fire suppression system had been inoperable. Replacement of the lights was expected to be \$29,0000.

Mr. Morrison pointed to slide 5, "Thorne Bay K-12 School HVAC Mechanical Control":

CIP: Major Maintenance application submitted for 18 years.

FY26 rank: 22

Requested in 2011: \$877,083

This project will replace the failing 35-year-old pneumatic HVAC controls at the school with modern DDC control system for greater reliability and energy efficiency.

Water main leak. Parts to fix it were discontinued 15 years ago.

Amount Requested: \$1,496,950

10:07:10 AM

Mr. Morrison discussed slide 6, "SISD HVAC Mechanical Controls":

FY 2008-2025: THORNE BAY K-12 SCHOOL MECHANICAL CONTROL UPGRADES

HVAC System failure - 36 yrs old, the F1 Supply Fan for Secondary Wing was completely destroyed when it wore out. (Installed June 24, 1988, inoperable on July 29, 2024)

Mr. Morrison noted that he had never seen a fan in such deplorable condition.

Mr. Morrison addressed slide 7, "SISD Thorne Bay School - Boiler Room":

FY 2008-2025: THORNE BAY K-12 SCHOOL MECHANICAL CONTROL UPGRADES

Burst water fitting, only caught by happenstance. Flooded boiler room to school and boiler electrical was underwater. Clogged floor drains from pipe degradation and scaling.

Mr. Morrison said that during a walk through in December 2024 the boiler room had been flooded. He said that outdated equipment made regular maintenance challenging.

Mr. Morrison spoke to slide 8, "Barry Craig Stewart Kasaan K-12 and Whale Pass K-12 School Renovation":

Capital Improvement Project: Major Maintenance application submitted for 18 years.

FY26 rank: 26

Requested in 2008: \$558,615

Furnace deteriorated to the point that flame burned through burn chamber at the Kasaan School.

Multiple school furnace failures

Amount Requested: \$1,496,950

Mr. Morrison pointed to slide 9, "Thorne Bay K-12 School Campus Roof Replacement":

CIP: Major Maintenance application submitted for 14 years.

FY26 rank: 81

Requested in 2014: \$228,406

The roofing at the school and gym buildings has reached the end of its life span and is leaking.

The roof leaks in several areas.

We often have to put garbage cans in classroom to catch the water. This is a major roof problem that recently flooded the concession stand and the room. This leak was discovered on a weekend.

Amount Requested: \$4,020,847

Mr. Morrison looked at slide 10, "Port Alexander K-12 School Upgrades":

Capital Improvement Project: Major Maintenance application submitted for 18 years.

FY26 rank: 60

Requested in 2008: \$110,152

PORT ALEXANDER K-12 SCHOOL DOMESTIC WATER SYSTEM PIPE REPLACEMENT

Laundry Room floor has rotted out and has been repaired several times. As a result, multiple widespread plumbing leaks have occurred inside the insulated floor structure, soaking main beams, and causing structural integrity issues. (June 7, 2024, and more October 10, 2024)

Mr. Morrison shared that the replacement of two doors at the school had cost \$50,000 in general fund dollars.

Mr. Morrison displayed slide 11, "All of our schools also serve the communities as gathering spots and emergency shelters." He said that parents in his communities had

pulled their children out of school citing safety hazards. He related that in their current budget there was no funding for activity travel, school counselors, CTE teachers, and one principal oversaw eight different sites.

[10:12:20 AM](#)

Co-Chair Hoffman thanked Mr. Morrison for the presentation. He lamented that there was no representative from DEED present at the meeting to take questions from the committee on the conditions of the schools. He said that the conditions in Mr. Morrison's district mirrored conditions in many rural areas of the state.

[10:13:09 AM](#)

Co-Chair Stedman spoke of previous funding for playground fencing at Jack Egnaty School. He asked whether the fencing was still functional.

[10:13:34 AM](#)

Mr. Morrison replied that the fencing was still functional was regularly maintained. He added that several other schools did not have playgrounds or gymnasiums.

[10:14:06 AM](#)

Co-Chair Stedman appreciated the response.

[10:14:30 AM](#)

Mr. Morrison argued that the CIP application was near impossible for smaller schools to complete. He said that his district could not afford to hire professionals to help complete the application. He contended that the CIP system was broken.

[10:15:18 AM](#)

Co-Chair Hoffman thought that the Capital Budget chairs in both bodies could request that the administration streamline and revamp the CIP application system before January 2026.

[10:15:49 AM](#)

Mr. Morrison shared the successes of his school district. He noted that the attendance rate in this district was the third highest in the state. He shared that the students worked hard, and that staff retention and hiring had been successful in the recent school year. He relayed that eight new CTE classes had been added to the curriculum - without adding to the budget.

[10:18:03 AM](#)

AT EASE

[10:19:18 AM](#)

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[10:19:52 AM](#)

JIM ANDERSON, CHIEF OPERATING OFFICER, ANCHORAGE SCHOOL DISTRICT, discussed, "School District Major Maintenance Jim Anderson, Anchorage School District" (copy on file).

Mr. Anderson looked at slide 2, "Anchorage School District -by the numbers":

42,638 students

7.8 Million Sq. Ft. of facilities

84 school facilities + 6 support facilities Avg Age:
39 years 42 percent are greater than 50 years old

[10:20:55 AM](#)

Mr. Anderson addressed slide 3, "Ongoing Challenges: Deferred maintenance." The slide showed that State Bond Debt Reimbursement had ended in 2015, resulting in an increase in the facility maintenance backlog as the total bond debt funding decreased. He said that putting the 3 percent annual maintenance and operations costs of the replacement value of facilities into building maintenance would have significantly reduced current problems. He expounded on the challenges of keeping up with Best Practices and maintaining facilities.

Mr. Anderson discussed slide 4, "Prioritizing Infrastructure Requirements."

Life Safety & Emergencies

Security Vestibules
Roof & protection of structure
Heat plant
Intercom/fire
Detection/security
Building Deterioration
Structural/seismic

Facility Condition Improvements

Condition and expected life of systems
Systems that are high demand for frequent corrective maintenance

Educational Improvements

Address missing educational spaces
Address deficient educational spaces

Cost Savings

Energy savings
Reduce/eliminate costs for outdated systems

[10:25:35 AM](#)

Mr. Anderson highlighted slide 5, "FY26 Major Maintenance Project List." The slide listed 8 of the Anchorage district projects in the top 25 on the state's Major Maintenance Project List.

Mr. Anderson discussed slide 6, "Component Life Cycle Replacement":

- Roofs (3 Roofs per year to maintain) = Avg. of \$15 Million/Year
- Boilers (Avg. 3 Boilers/School, or replace 9 Boilers/year) = Avg. of \$10 Million/Year
- Flooring/Carpeting (3 Schools/year to maintain) = Avg. of \$6 Million/Year
- Lighting and Energy Efficiency -Requires up-front funding but reduces long-term costs. Frequently this item is low on priority but high in long-term savings

Mr. Anderson pointed to slide 7, "Facility Condition Impacts Education." The slide contained photos of depicting deterioration and maintenance issues in several schools.

[10:28:26 AM](#)

Mr. Anderson thanked the committee and offered to answer questions.

Co-Chair Hoffman discussed housekeeping.

#

ADJOURNMENT

10:29:17 AM

The meeting was adjourned at 10:29 a.m.