

STATE ALLOCATION BOARD
IMPLEMENTATION COMMITTEE MEETING
September 9, 2010

HIGH PERFORMANCE INCENTIVE GRANT FUNDING

PURPOSE OF REPORT

To provide answers to frequently asked questions (FAQ's) regarding the High Performance Incentive (HPI) grant portion of the Project Information Worksheet (PIW).

BACKGROUND

In May of 2010, the State Allocation Board (SAB) approved regulation changes that added more available credits to the High Performance Rating Criteria as well as adding more funding for each project that qualifies for the HPI grants.

At the June 3, 2010 Implementation Committee meeting there was discussion regarding how Districts should proceed in filling out the SAB approved changes to the PIW related to the new HPI grant regulation changes. Since some Committee Members and Stakeholders raised questions regarding the changes, Staff has developed the proposed FAQs that will be available to Districts for their use, as shown in the attachment. It is Staff's goal to assist Districts in filling out the PIW and making that process as simple as possible.

DISCUSSION

The SAB wanted to use the HPI grants as a starting point for collecting information on costs associated with the design and construction of high performance attributes in school facilities. Currently there is no data on costs associated with high performance building features. Staff would like to emphasize that the information on the Worksheet will not be used as part of a project audit but will be analyzed to help improve programs in the future.

Staff would like to clarify the questions and concerns brought forward at the June IMP concerning the PIW, they are as follows:

Flexibility

When creating this form, the idea that was central to the design was allowing for flexibility in reporting. Staff understood that there was no perfect way of addressing the need for data collection and that any format that was ultimately chosen would have its flaws.

As mentioned previously, there is currently a lack of information related to the differential in costs for high performance building features. By allowing flexibility in filling out this form, it is Staff's hope that districts will report differential costs and other information in a way that will illustrate exactly what benefits, savings and differential costs are associated with high performance building components.

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STAFF COMMENTS (cont.)

New projects should use “expected” benefits/savings instead of “realized” benefits.

In the “Additional High Performance Incentive Grant Information” section of the HPI page in the PIW, Districts are asked to report energy savings and student achievement, as well as any other benefits that were realized from the high performance features in the project. It was noted that often times those types of benefits take long periods of time to measure. Another comment was that, especially in new schools those benefits are impossible to determine being that the schools don’t have comparisons to make. In cases like these, Staff is asking the District report expected benefits instead of realized benefits.

Data sheets versus line-by-line entries

As the PIW is an online form with only single line entries for data, there was a request to allow Districts to submit or attach data sheets for the requested differential information in sections 5 and 6 of the “High Performance Incentive Grant Information” area of the HPI page in the PIW. This would enable more ease of reporting for large volumes of high performance component or system information as well as avoid duplication of data entry for Districts. Staff is currently exploring this option and will continue to examine this request and seek methods for collecting data in large volumes.

Modernization Projects

Typically modernization projects do not have the requirement for submitting a PIW the way that new construction projects are required to. For the purposes of the HPI grants, modernization projects that receive high performance funds are required to submit a PIW, but only for the HPI grant portion of the project and of the PIW form. This means only the header section (to indentify the project) and the last page of the form need to be filled out.

Establishing Standard Costs

The standard cost of an element or component should be the cost (or average cost if there is a variance) of what a building feature or system costs when they are standard or not high performing. An example of this would be how much the cost of a standard non high performing HVAC system is. This will be used in comparison to the cost of a similar high performing feature or system to examine the difference in costs.

One Committee Member also noted at the June 3, 2010 meeting that often architects would provide a cost estimate for standard or non high performing components as well as an augmented cost estimate showing the increase for installing high performing components. This information could be use in filling the PIW out and for establishing both the standard costs and the differential for similar, but high performing components.

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STAFF COMMENTS (cont.)

The data on the PIW that Districts provide will help to improve the program by identifying the components included in the HPI projects. Data collection is important in the effort to continue to improve the HPI program, and all other programs. By having actual data from Districts the efforts and discussions within workgroups and Staff can assist in building the programs, as recently accomplished by the HPI workgroup. The HPI workgroup identified that 16 additional points were necessary for increased participation and interest in the HPI grants. The PIW information will increase the ability to identify additional program improvements.