



School Construction Aid Task Force
December 20, 2023, 1:00 p.m.– 4:00 p.m.

Per [Act 78 of 2023, section E131.1](#) (see page 196), a School Construction Aid Task Force is created to examine, evaluate, and report on issues relating to school construction aid.

Draft Meeting Minutes

Task Force Members Present:

Heather Bouchey, Secretary of Education
Mike Pieciak, State Treasurer
Bruce MacIntire, Vermont School Custodians and Maintenance Association
David Epstein, Gubernatorial Appointee
Chris Young, Vermont Principals' Association Designee
Jon Wilkinson, Gubernatorial Appointee
Jeff Francis, Vermont Superintendents Association
Sue Ceglowski, Vermont School Boards Association
Martine Gulick, Senator
Michael Gaughan, Vermont Bond Bank
Eric Lafayette, EEI Services
Jeff Fannon, VT NEA
Ben Doyle, Preservation Trust
Peter Conlon, Chair, House Education Committee

Also Attending:

Ashlynn Doyon, Treasurer's Office
Jill Briggs Campbell, Agency of Education
Scott Baker, Treasurer's Office
Jeremiah Breer, Treasurer's Office
Bob Donohue, Agency of Education
Steve Wisloski, PRAG
Tom Huestis, PRAG
Julia Richter, Joint Fiscal Office
K Fountain, VT Digger

Call to Order and Opening Remarks:

Secretary Bouchey called the meeting to order at 1:03 p.m. There were no proposed additions or changes to the agenda. Mr. Wilkinson moved to approve the agenda. Mr. MacIntire seconded the motion and the vote was unanimous.

Approval of November 29, 2023 Meeting Minutes:

Mr. Wilkinson moved to approve the meeting minutes from November 29, 2023. Ms. Ceglowski seconded the motion. The Task Force approved the minutes unanimously with no additions or changes. Mr. Doyle abstained.

Public to Be Heard (Public Comment):

There were no public comments entered.

Review of Working Group Draft for Whole Task Force Feedback:

For this portion of the meeting, different working group members were assigned to review parts of the draft report for the full Task Force's comments.

Jeff Francis and Peter Conlon provided an overview of the working group membership and progress on the draft report so far. They articulated consensus points for the recommendations including:

- Funding should follow state priorities as identified through policies like Acts 46, 72, 127 (District Quality Standards), etc.;
- Use eligibility criteria, incentives and assurances as mechanisms to align decision-making in districts with state priorities;
- Recognition of need to maintain some momentum in school facilities and construction space during this legislative session; and
- An effective school construction aid program will act as a policy lever so that we can make smart decisions about how money is spent.

David Epstein detailed the approach for the report, which includes a three part plan:

- 1) Why/articulating the scope of need via the facilities assessment.
- 2) Framework for a new construction aid program based on the principles of an independent authority and a stable source of funding.
- 3) Specific asks for this session include a Joint Fiscal Office (JFC) analysis, outlining of eligibility requirements, and funding for planning grants.

Mr. Gaughan asked a question about the independent authority piece. Ms. Doyon clarified that the working group is suggesting an independent body for the programmatic piece, and not a new financing authority that would be redundant to the Vermont Bond Bank.

Mr. Young asked a question about how the weighting study factors into these policy goals – he also stated that many of the tough policy decisions belong in the venue of the General Assembly.

Mr. Lafayette asked a questions about incentives.

Mr. Wilkinson asked about the timeline for the report. Ms. Doyon replied that the co-chairs had requested an extension from the General Assembly until February 1, 2024.

Mr. Lafayette noted that there are lot of bond votes coming out in 2024 and that school boards are looking for information and direction.

Mr. Donohue discussed the results of the facilities assessment in terms of programmatic, health, and safety needs.

Mr. Francis articulated his view that we need a focused and energized and disciplined approach to addressing these issues, in a place where the work does not have to compete for attention.

Secretary Bouchey added that looking at these numbers, she sees that we need to have some really tough conversations about how many schools we really need in Vermont and what those should look like.

Mr. Doyle commented that he is hearing from the group that we need to incentivize fewer schools and he worries there are unintended consequences associated with those outcomes and that the viability of rural communities is a much larger conversation that warrants real deliberation by the legislature.

Mr. Wilkinson highlighted again that the Task Force should be focused on providing a framework.

Ms. Doyon detailed the funding/financing section of the draft report, which includes a discussion of the state debt landscape, a brief history of the moratorium on state school construction aid, the Rhode Island model of using a state subsidy for debt service payments, the need for an ongoing revenue source and request for Joint Fiscal Office modeling, and other critical conditions for state aid.

Mr. Lafayette asked a question about whether or not a subsidy from a new state aid program would be made available to districts retroactively.

Mr. Gaughan noted that he also felt that signaling to districts would be beneficial and fair. He noted that the Bond Bank has submitted a memo, some of which might be incorporated into this section.

Mr. Wilkinson added that there is also federal money available and that it would be helpful if Vermont was able to benefit from it.

Mr. Gaughan added that because of these other sources of funding available, it will be important to keep any subsidy award at the aggregate level.

Mr. Huestis provided further clarification on the Rhode Island model.

Chair Conlon and Jeff Francis detailed the governance section of the report, including the following points and considerations:

- Question of whether the entity or body making decisions on the actual funding of projects should be independent should be independent of any agency/department of SOV? Should be consideration for the Treasurer or Sec of Education to serve in an ex officio position (particularly if there is bonding involved).
- Does a state construction aid program needs dedicated staff?
 - Need for a technical review of projects as part of application process
 - Need for support staff to aid in development of projects and build community support for projects, navigate the process
 - Questions for legislative counsel: How do we go about creating a state construction aid program?

Mr. Doyle added that we should also be having conversations about how to best help communities transition buildings for new adaptive reuse. Mr. Gaughan reiterated this point.

Mr. Young asserted that if newer and fewer is the policy goal, that it should be an up front and open conversation.

Ms. Briggs Campbell noted that If we are looking at \$8 billion plus of need to simply maintain the existing schools, then we have to fundamentally shift what we are doing here and that we are probably not talking about maintaining 290 schools.

Mr. Young added that we may be looking at more new schools than we otherwise would have were it not for the PCB mitigation requirements.

Chair Conlon reviewed the PCB section of the draft report.

Mr. Wilkinson suggested that if the task is really to review and come up with a more appropriate action level than we need to hire somebody that has the capacity to do that. He also suggested that the Task Force recommend a pause on air testing and that a field portable testing device is being developed that could help to expedite testing results.

Mr. Lafayette assert that the Task Force should make some kind of a recommendation on PCBs, because the issue is “the killer of all projects”.

Ms. Ceglowski suggested that the Task Force should make a recommendation consisted with the pause directive that passed the House.

Senator Gulick suggested that the Senate might have more of an appetite for a pause if the PCB program is somehow enveloped into a more comprehensive plan.

Mr. MacIntire agreed that the Task Force should make a recommendation with respect to PCBs if it can. Mr. Young reiterated this.

Mr. Epstein suggested that if there is a moratorium on testing than districts will stop projects and wait for the state to pay for the testing, because they will not want to pay for it themselves. Mr. Lafayette seconded this point.

Ms. Doyon reviewed the working group’s plan for next steps before the next full Task Force meeting.

Chair Conlon asked if the Task Force had consensus around a recommendation to the General Assembly around the PCB issue. There were a few points of additional discussion and it was determined that the Task Force does not yet have consensus on this point.

Adjournment:

Mr. MacIntire moved to adjourn. Mr. Wilkinson seconded the motion. The Task Force voted unanimously to adjourn at 3:44 p.m.