

To: Senate Education Committee Members and Jeannie Lowell, Committee Assistant

From: Norm Etkind, Etkind Consulting LLC, Former Director, School Energy Management Program at Vermont Superintendents Association

Date: May 14, 2020

RE: H 209 and Corvid-19 Response

Thank you for inviting me to give testimony on school facility issues.

You asked for some follow-up on the issue of Covid-19 ventilation requirements and more detail on the alternative funding of construction aid that I put forth.

### **Covid-19**

As I mentioned, in my opinion, proper ventilation in our school buildings before children return is not just desirable, it **MUST** be in place if we are to keep our children safe.

Over the years, when serving as Director of the School Energy Management Program at the Vermont Superintendents Association, I always checked for adequacy of ventilation. Those schools that had problems and corrected them saw a significant decline in absenteeism. Studies have also shown this to be true. The stakes are higher with Covid-19.

Health Commissioner Dr. Levine at the press conference on Wednesday mentioned a recent study at a restaurant that tracked people that got infected with Covid. Many in the room became infected but not the ones in the area that was ventilated, underscoring the importance of ventilation.

I believe the following steps should be taken:

1. A task force should be convened to help determine how operating protocols for our school ventilation systems should be modified in response to Covid-19. Guidance can then be sent to schools state-wide to help them adjust their systems accordingly. This group would ideally include HVAC design engineers, control engineers, commissioning agents, facility directors, and health department representatives. This group could be formed quickly and get the advice out in short order.
2. All schools need to have their systems inspected and maintained prior to student arrival. Most schools typically have this work performed over the summer months. Some do not due to funding constraints. In addition to typical maintenance, implementation of the task force's recommendations should take place.
3. Schools that have problems with their installed ventilation systems and controls often have already received proposals on how to address the shortcomings. They should proceed to have any additional design work performed.

4. Funding should be provided to ensure that all systems become operational and effective. Perhaps CARE \$\$ can be used for this purpose. School facility managers can move quickly to implement these projects. There may need to be some modification of bidding requirements to facilitate this process.

### **Construction Aid**

The availability of construction aid helped get some schools over the difficult road to funding approval. The end of the main part of the program in 2007 had a serious impact, especially on poorer school districts still recovering from the pre-Act 60 funding problems. Local districts need this incentive to help them.

There are clearly problems with schools competing with all the other needs in the capital bill. Therefore, I suggested a different way of getting this aid to local districts.

While the exact process is complicated, basically, the local tax rate is determined by the per student cost. Amortization of debt service used to pay off a construction bond is included in this cost (it is deducted out for the penalty calculation). I am suggesting instead of including 100% of the debt service as part of that calculation, deduct the construction aid percentage - 30% of the debt service number (if that is the percentage decided upon). So, the local tax rate will be based on a calculation that included 70% of that amortization cost instead of 100%. This would provide a similar incentive as the former construction aid grant. Of course, the rest of the expense doesn't disappear, it is picked up by the rest of the Ed fund. This helps by providing the local incentive to proceed.

As with the former program, involvement, and approval by AOE based on their standards would be required.

I will add a spreadsheet that the schools use for this calculation to show exactly how this fits into their calculation.

Please contact me if I can be of any further assistance. Thanks again for inviting me to give my input on these very important issues.

Next:

Below is a portion of the spreadsheet used by school business managers to calculate the "per pupil figure used for calculating District Equalized Tax Rate" (line 27). Line 17 delineates eligible construction costs or P&I per equalized pupil. That factors into whether the school district is subject to the excess spending threshold (lines 25 and 26). I am suggesting taking 30% of that cost (line 17 \*.3) and deducting it from line 27 to create a new line which would then be the per pupil figure used for calculating District Equalized Tax Rate. The upper spreadsheet is the unmodified one. The lower one shows how this calculation takes place (in between line 26 and 27).

16.		<b>Education Spending per Equalized Pupil</b>		<b>\$ 15,573</b>
17.	<i>minus</i>	Less ALL net eligible construction costs (or P&I) per equalized pupil	-	\$ 539
18.	<i>minus</i>	Less share of SpEd costs in excess of \$50,000 for an individual (per eqpup)	-	\$ 39
				threshold = \$17,103
25.		Excess spending threshold		\$ 17,103
26.	<i>plus</i>	Excess Spending per Equalized Pupil over threshold (if any)	+	\$ -
27.		Per pupil figure used for calculating District Equalized Tax Rate		\$ 15,573

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17.	<i>minus</i>	Less ALL net eligible construction costs (or P&I) per equalized pupil	-	\$ 539
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				threshold = \$17,103
25.		Excess spending threshold		\$ 17,103
26.	<i>plus</i>	Excess Spending per Equalized Pupil over threshold (if any)	+	\$ -
		Construction aid deduct 30% of line 17		\$ 162
27.		Per pupil figure used for calculating District Equalized Tax Rate		\$ 15,411