House Appropriations Committee
Delegate Maggie McIntosh, Chair
Delegate Tawanna Gaines, Vice-Chair

Agenda
January 22, 2018
1:00 p.m.
120 House Office Building
Annapolis, Maryland

I. CALL TO ORDER AND CHAIR’S OPENING REMARKS

II. Briefing on the Findings and Recommendations of the 21st Century School Facilities Commission
   • Martin G. Knott, Jr., Chair of the 21st Century School Facilities Commission

III. CHAIR’S CLOSING REMARKS AND ADJOURNMENT
21st Century School Facilities Commission
Final Report

DRAFT

Presentation to
House Appropriations Committee
Senate Budget and Taxation Committee

January 22, 2018
Chapter 2. Findings and Recommendations

Findings

Throughout the commission's work and deliberations, members arrived at a series of conclusions that strongly influenced the final recommendations on which they reached consensus. These conclusions encompass the four themes of (1) flexibility, (2) streamlining the process, (3) providing incentives, and (4) focusing the role of the State on providing technical assistance and serving as a clearinghouse for best practices that were discussed in its 2016 interim report; and add a fifth, (5) transparency.

First, responsibility for the design, construction, and maintenance of public school facilities is best left primarily to local school systems. Local control of instructional programming is a long-standing tradition not only in Maryland, but throughout the country. Given the symbiotic relationship between instruction and structure, it is indisputable that local school boards should maintain control over designing, building, and maintaining the environments in which their students learn. This allows school systems to design and build facilities that best serve their local needs; local school systems that wish to experiment with alternative approaches to instruction can design facilities that accommodate those approaches.

Second, the State has a critical and appropriate role in overseeing the construction of public school facilities in the State, but should, within reasonable boundaries, minimize the burden on local school systems and offer flexibility to accommodate local priorities. For more than a decade, the State has contributed at least $250 million annually, and usually much more, to public school construction. Over that time, total State funding has represented nearly one-third of the State’s annual capital budget and roughly one-quarter of total expenditures on public school facilities. With that level of financial commitment, the State has a clear vested interest in ensuring that the facilities it supports meet minimum educational specifications and construction and maintenance standards. The State also brings considerable expertise in managing large capital construction projects that is lacking in some local school systems. Nevertheless, excessive oversight and bureaucracy, especially with local school systems that have the capacity to manage their own capital construction programs, has the potential to create unnecessary (and ultimately costly) delays in the construction process. Similarly, lack of flexibility to accommodate nontraditional school designs that meet a legitimate instructional purpose can hamper innovation at the local level.

Third, the State must focus its limited resources on critical areas of need, especially in low-wealth jurisdictions including those with a higher proportion of students living in poverty, and those experiencing excessive enrollment growth. State education aid for operating costs is aimed at equalizing resources across communities, and school construction funding similarly targets communities with limited resources to support a robust capital program. In recent years, the State has also focused on communities struggling to build facilities that keep up with enrollment growth that exceeds the State average. The commission finds that these are appropriate roles for the State to play.
Fourth, resource limitations at both the State and local levels mean that more needs to be done to encourage innovative strategies that either reduce capital and/or facility operating costs or use public funds to leverage private resources. The simple truth is that available State and local resources combined are not sufficient to meet the demand for modern public school facilities in Maryland. For example, local school systems submitted requests to the State totaling $703 million for fiscal 2019, and the Governor’s proposed capital budget includes $353.9 million for the State’s share of school construction. There is an imperative to find ways to stretch available dollars by using cost-effective building technologies, constructing green buildings with lower operating costs, pursuing alternative financing arrangements through public-private partnerships, and more. The IAC can play a vital role in providing technical assistance and serving as a clearinghouse in these areas, but must also be receptive to reasonable innovations introduced by local school systems that can make construction dollars go further.

Finally, the entire process of designing, funding, building, and maintaining public school facilities must be fully transparent. There is perhaps no more important function of government than educating our children, and every community in the State has an intense interest in providing the best possible educational program. In a limited resource environment, the process of allocating funds for school construction inherently creates “winners” and “losers,” and therefore has the potential to create conflict and resentment. Only through a fully transparent process based on the merits of each project can all interests be weighed, all options be discussed, and all decisions be understood.

The commission’s final recommendations are discussed below, organized by the specific charges of the commission to which they relate.

Recommendations

Funding and School Construction Needs

*Commission Charge:* Review the Kopp Commission findings and progress toward implementation.

*Commission Charge:* Identify a long-term plan for jurisdictions with growing enrollment, as well as maintaining facilities in jurisdictions with flat and declining enrollment.

*Background:* In 2003, the Task Force to Study Public School Facilities, known commonly as the Kopp Commission because it was chaired by Treasurer Nancy K. Kopp, completed a facility assessment survey that assessed the condition of every school building in the State. The Kopp Commission issued its final report in 2004, which included an estimate that it would cost $3.85 billion in 2003 dollars to bring all school buildings up to minimum standards, of which the State share was estimated to be $2.0 billion. The Kopp Commission recommended that the State commit to providing at least $250 million annually for eight years, beginning in fiscal 2006, to meet this target. The Public School Facilities Act of 2004 (Chapters 306 and 307) implemented
the Kopp Commission’s recommendations, including the $250.0 million annual funding goal. The State exceeded that goal, surpassing the $2.0 billion level after just seven years. Since then, annual State spending on school construction has continued to exceed the $250 million level, often by large margins, but the goal has not been formally adjusted to account for inflation.

The Kopp Commission also recommended that the statewide facility assessment that it conducted in 2003 be repeated every four years. However, no assessment has been completed since 2003.

The Kopp Commission also recommended a wealth equalized formula for determining the State share of school construction costs in local jurisdictions. Building on the approach used for allocating State K-12 education aid, the formula favors jurisdictions with limited resources to fund capital projects. The Public School Facilities Act requires that the data used to calculate the State share of school construction projects be updated every three years, which has been done, but the actual funding formula has remained unchanged.

Current State and local resources are insufficient to meet the needs of the State and local school systems. Despite the massive investment in school construction by State and local governments over the past decade, the average age of schools in the State actually increased by three years from 2006 to 2016. As shown above, each year, IAC receives far more funding requests than it can meet with current allocations. The shortage of funding is felt most acutely in jurisdictions with enrollment growth that exceeds the State average because their construction programs must keep pace with rapid growth, and in low-wealth counties that cannot forward fund school construction projects. Chapter 355 of 2015 provided an additional $20.0 million in State school construction funding for those jurisdictions (and/or those with a large number of relocatable classrooms), and Chapters 365 and 366 increased the dedicated amount to $40.0 million. Still, many capital projects are delayed and buildings continue to deteriorate.

**Recommendation 1**: The State should conduct a statewide facility assessment using an integrated data system that will enable local education agencies (LEAs) to regularly assess school facilities in a uniform manner statewide. The assessment and integrated data system should be done by an outside vendor initially, and, to the extent feasible, draw from existing data sources that document the condition of school facilities in the State. The State and LEAs should continually update the assessment. (Initial estimates for the cost of a one-time assessment only is $3.5 million.) The LEAs should work with the State to identify the data elements that should be maintained at the State level, utilizing existing reporting sources such as the Educational Facilities Master Plan and the Maryland Association of Boards of Education (for LEAs that participate in their insurance program) for data reporting to the extent possible. Once the initial facility assessment is completed, the results should be shared with State and local officials, including LEAs, county governments, the Interagency Committee on School Construction (IAC) members, and legislators, a group of whom should determine collaboratively how the results should be incorporated into funding decisions.
Recommendation 2: The State should provide at least $345 million for school construction in fiscal 2019, which is roughly the fiscal 2018 funding level (including supplemental funds for school systems with significant enrollment growth/relocatable classrooms but not including Aging Schools or Qualified Zone Academy Bonds). Revenues that exceed projections, particularly one-time revenues like bond premiums, should be considered to supplement school construction funding in fiscal 2019. However, the current funding level has not kept up with inflation based on the $250 million annual goal set in fiscal 2006. As soon as practicable, the State should increase funding to at least $400 million annually within current debt affordability guidelines. Recognizing fiscal constraints, this goal may be phased in over several years. Once the initial school facility assessment is completed, the new $400 million goal should be compared to the assessment results, which may result in developing a higher long-term funding goal.

Recommendation 3: The State-local cost share formula should continue to favor jurisdictions with limited resources to support school construction. After reviewing the cost share formula as revised by IAC in fall 2017, the commission does not recommend any changes to the components of the formula or their relative weighting. However, a common definition of local pay-as-you-go included in the local school construction effort calculation should be developed so that all 24 counties are reporting comparable data. In addition, the cost share formula should be updated every two years (instead of three years) to reflect changes in local conditions.

Recommendation 4: The State should continue to provide increased financial support to local school systems with increasing enrollment.

Recommendation 5: Local school systems with declining enrollment should be encouraged to consolidate buildings and/or find alternative uses for undersubscribed school buildings. However, final authority for redistricting should remain with local school boards.

Alternative Financing and P3s

Commission Charge: Identify areas where innovative financing mechanisms, including public-private partnerships (P3s), as well as alternatives to traditional general obligation debt can be used for construction and ongoing maintenance.

Background: The Kopp Commission recognized the potential of alternative financing arrangements, including P3s, to extend local capacity to build new or renovated schools. It recommended that the State should assist LEAs in developing alternative financing approaches, and the Public School Facilities Act included provisions that implemented those recommendations. However, with very few exceptions, LEAs have not availed themselves of the opportunities to use alternative financing largely because, in a low-interest rate environment, traditional general obligation debt has been affordable. Nevertheless, as interest rates begin to increase from historically low levels and the demand for school construction also grows, alternative financing may become increasingly attractive, if not necessary.
Chapter 2. Findings and Recommendations

**Recommendation 6:** The State should explore the possibility of creating a school construction authority that includes members with expertise in school construction to accelerate State school construction funding and provide more flexibility for financing school construction projects than traditional general obligation (GO) bonds. Although GO debt is typically the least expensive option for the State and moving to appropriation— or revenue-backed bonds increases the cost of debt, these higher costs may be offset by completing projects sooner and avoiding the inflationary costs. Alternative funding such as a dedicated revenue source or perhaps combining State and local revenue should be considered. The State may also wish to consider creating a revolving loan fund (similar to the Water Quality Revolving Loan Fund for local wastewater and sewer costs) to help counties fund the local share of school construction costs.

**Recommendation 7:** The State should provide technical assistance and help facilitate P3s, such as developing template lease agreements between developers and school systems. The State should encourage innovation through alternative financing by providing a financial incentive to assist one or more LEA(s) interested in pursuing alternative financing to cover the associated risks (e.g., the contingency allowance could be increased and used for a broader set of changes than are currently allowed). If an LEA undertakes a project with alternative financing, IAC and the LEA should fully document the process, expectations, and results so that other LEAs can determine whether they want to pursue alternative financing.

**Recommendation 8:** To encourage greater use of alternative financing and P3s for school facilities, the State should consider allowing school systems to enter into long-term lease agreements for school buildings that do not require the local board of education to own the building at the end of the lease term. This would enable school systems to lease commercial or other space to serve as school buildings and would also allow the P3 model whereby in addition to design-build, the developer would also maintain and operate the building for a set period of time. The legal and financial implications related to this should be examined.

**Recommendation 9:** The State should explore the feasibility of regional (multi-district) school construction projects including regional P3 zones, e.g. regional career and technical education high schools and develop mechanisms and incentives to provide State funding.

**State and Local Roles in the School Construction Process**

*Commission Charge:* Evaluate the appropriate role for State agencies, including the Maryland Department of Planning (MDP), Department of General Services (DGS), State Department of Education (MSDE), Board of Public Works, as well as the appropriate statutory structure for the Interagency Committee for Public School Construction (IAC).

*Commission Charge:* Review the relationship between State agencies and local governments on school construction projects.
Background: Chapter 1 of this report describes the basic timeline for State approval and funding of school construction projects, and within that timeline the multiple layers of review by State agencies.

During the construction process and after project completion, IAC must approve all construction contracts and payments to contractors as well as construction change orders, including those that do not affect State funding for the project. For each school construction project that receives State funding, IAC calculates 2.5% of the total project cost and then withholds the State’s share of that amount for a contingency fund to cover change orders that add to the cost of a project. If those funds are not needed, they become available for other funded projects by the same local school system. DGS advised the commission that of the thousands of change orders it has reviewed for IAC in recent years, roughly 99% did not affect State funding. Upon project completion, IAC reviews and approves the final project closeout.

The commission heard testimony from numerous local school systems that the State’s current review process is overly bureaucratic and time consuming, which can delay projects and increase costs. The process is also “one size fits all” with no flexibility for school systems that have greater capacity and a successful track record in managing projects.

Although IAC provides substantial oversight of school construction projects throughout the State, the design, construction, and maintenance of those facilities is largely managed by local school systems. The commission affirms its support for that basic framework of the school construction management landscape in the State, but also spent a great deal of time discussing and deliberating about optimal approaches to giving local school systems greater flexibility and discretion to carry out their responsibilities while ensuring that State interests are safeguarded. Throughout that process, it identified a number of requirements that, with the passage of time or seen from a new perspective, it found to be unnecessarily burdensome or obsolete.

Recommendation 10: Local school systems should have the flexibility to design schools that meet local needs and programmatic priorities.

Recommendation 11: Final project proposals should be subject to review and approval by the State. The process for evaluating school construction projects for State funding should be locally driven using a merit-based, apolitical process. Each stage of the process should include appropriate State oversight that adds value by utilizing professional expertise to build modern, efficient, and high quality public school facilities for Maryland’s students.

Recommendation 12: Although the commission recommends that the State should maintain a role in the review and approval of State-funded projects, the approval process should be streamlined to minimize unnecessary delays. Specifically, the commission recommends:

a. Maintain mandatory MSDE review and IAC approval of educational specifications and schematic designs for major construction projects, but explore the possibility of altering the two review processes to save time. A rolling deadline for submission
of each document, with schematic designs submitted following completion of educational specifications’ review, should be considered;

b. Eliminate required DGS review and IAC approval of change orders for both major construction and systemic renovation projects;

c. Eliminate required DGS review and IAC approval of design and construction documents for both major construction and systemic renovation projects for local school systems that successfully complete a voluntary certification process that demonstrates that they have the expertise and capacity in their counties to complete those reviews in-house. A State certification process should (1) be developed by DGS; (2) be reviewed and approved by IAC; and (3) result in a renewable, multi-year certification for successful school systems. The State, in consultation with local school systems, should develop a timeline for submission and review/approval of design and construction documents for those local school systems that continue to rely on DGS/IAC review and approval;

d. Eliminate MSDE review of any projects that are funded wholly with local funds unless they substantially alter or expand an existing school built in part with State funds; and

e. Maintain IAC review and approval of procurement contracts and payments/closeout.

Recommendation 13: The 2.5% withholding for contingencies from the State allocation should be eliminated, but LEAs should be required to maintain a contingency fund to address unanticipated construction costs above the State allocation.

Recommendation 14: The State should examine the potential benefits and disadvantages of (1) making project design costs eligible for State funding, and (2) reducing or eliminating State support for systemic renovations to focus available resources on major construction projects.

Background: As noted earlier, local school systems must develop 10-year Educational Facilities Master Plans (EFMPs), which provide detailed descriptions and plans for each of their school buildings. When they submit their annual requests for planning and funding approval as part of the CIP process, local school systems must also include their anticipated planning and funding requests for the next five years so that IAC can put their requests in the context of future needs. Given the availability of the EFMPs, the commission found that requirement to be redundant.

Under State law [Education §4-115], the State Superintendent of Education must approve the purchase of land, school sites, or buildings to be used for educational purposes. In addition, the Code of Maryland Regulations [COMAR 23.03.02.13] requires local school systems to submit proposed sites to MDP for the acquisition of a site for a new or replacement school. IAC may
recommend funding for a site only if it has approved the site within the preceding five years; if circumstances delay use of a new site beyond the five-year period, local school systems must go through the approval process all over again. Local school systems advised the commission that the approval process for land purchases frequently delays those purchases, making sellers reluctant to enter into sales agreements with them.

COMAR [23.03.02.29] also requires that all new and replacement schools as well as projects that include upgrades of the electrical system in a school building ensure that specified areas of the school be fully powered in the event of an emergency so they can be used as public shelters. This requirement can result in meaningful increases to the cost of a project. Although the provision requires consultation with the Maryland Emergency Management Agency prior to designation of buildings or sections of buildings as public shelters, the presumption that a new or renovated building is well-situated to serve as a shelter is not consistent with emergency management planning guidelines.

**Recommendation 15:** The requirement that LEAs submit future planning and construction project requests in the *Capital Improvement Program* beyond the upcoming fiscal year should be eliminated; LEAs should still be required to submit their 10-year Educational Facilities Master Plan each year.

**Recommendation 16:** Site approval should be required within three years of local planning submittal instead of at the time of new land purchase. This will eliminate duplicative site approval by the Maryland Department of Planning (MDP) and IAC both at the time a school system purchases land and, sometimes many years later, when the school system moves forward with the planning process to build a new school.

**Recommendation 17:** The requirement that all schools undergoing renovation qualify as emergency management shelters should be repealed; designation of schools as emergency shelters should be consistent with local emergency management plans and criteria as well as funding availability.

**Educational Specifications and Space Guidelines and Requirements**

*Commission Charge:* Review existing educational specifications for school construction projects and determine whether the existing specifications are appropriate for the needs of 21st century schools.

*Background:* Educational specifications consist of a narrative description of a proposed new or substantially renovated school building. They serve as the basis for the design of the building and include the following elements:

- descriptions of the educational program, instructional delivery methods, enrollment projections, school organization, and other factors affecting the use of the building;
Chapter 2. Findings and Recommendations

- space requirements to fulfill the building’s function;
- performance expectations for the site; and
- relationships among the spaces in the building.

Educational specifications are developed for each proposed project by local school officials and community members with assistance from an MSDE school facilities architect, who advises on issues related to State Board of Education requirements, trends in Maryland and other states, and MSDE facility guidelines. The specifications draw extensively from State Board requirements and the MSDE design standards and guidelines. For instance, the State Board requires that each new school have a separate gymnasium and a health services suite. The MSDE design standards and guidelines address space and design issues for different areas in the school, including fine arts classrooms, health suites, library media centers, and more.

During the review process, IAC calculates a State Rated Capacity (SRC) for the building based on enrollment projections provided by the Maryland Department of Planning (MDP), the number of proposed classrooms, and space guidelines for each classroom type. It also uses the educational specifications to establish a maximum gross square foot allowance for each project. That allowance forms the basis for the State’s determination of the approved funding level for the project. Local school systems may elect to build larger buildings than the maximum square footage allowance determined by the State, and they frequently do, but from a funding perspective, any square footage in excess of the State allowance is entirely the responsibility of the local school system. The State establishes a dollar per square foot funding amount annually, drawing on market data about the cost of construction. Once the maximum gross square foot allowance has been determined, IAC applies the dollar per square foot amount to that allowance, and adjusts the amount based on the State share formula. That calculation yields the maximum State funding allocation for the project.

Recommendation 18: The State should convene a stakeholder group that includes LEA facility planners and others to review the square footage allocations that are currently used to calculate the State maximum allowable square footage for a project to identify any overly restrictive requirements and to determine if alternative methodologies or allocations could result in more efficient use of space in school buildings. The stakeholder group should provide its recommendations to the IAC, including any regarding allocations for community use space including community schools, especially for schools with high proportions of students eligible for free and reduced-price meals, i.e. living in poverty.

Recommendation 19: The current space allocations have not been updated to reflect new space guidelines. If the current methodology is retained, consider using regional cost per square foot figures rather than one statewide amount.
Recommendation 20: Review MSDE-issued design standards and guidelines to ensure that they are aligned with funding allowances for each type of space (e.g., health suites, classrooms, community use areas, etc.) and are not overly specific.

Recommendation 21: Examine/update the SRC process to address special programs/adjacent schools/etc. utilizing enrollment projections provided by MDP.

Construction Efficiencies and Maintenance

Commission Charge: Identify best practices from the construction industry to determine whether there are efficiencies that can be made in the construction of public schools and public charter schools.

Commission Charge: Determine areas for efficiencies and cost-saving measures for construction and maintenance.

Background: COMAR [24.03.04.03] authorizes multiple project delivery methods for school construction projects, including several alternatives to straightforward general contracting. These include construction management agency (CMA), construction management at risk (CMR), design-build (DB), and job order contracting (JOC). Under CMA, the LEA contracts with multiple trade contractors but engages a professional construction manager to provide pre-construction consultation and construction-phase management services. This approach is widely used in Maryland. For CMR, a construction management entity offers a guaranteed maximum price before construction documents are complete and then carries all the risk associated with the construction of the facility. This has been used by a small number of local school systems in Maryland. Under DB, a single entity is responsible for both design and construction of the project; this has been used mostly for smaller (systemic) projects in Maryland. With JOC, a contractor bids only on the overhead and profit associated with an extensive fixed-price list of construction items. This has been used in only a limited number of cases in Maryland, primarily for system renovations.

Competitive sealed bidding remains the preferred method for procuring the construction of school buildings. With competitive sealed bidding, the school system develops a detailed project scope and then awards the contract to a responsible bidder who submits the lowest-price bid (assuming it is fully responsive to the project scope). Other possible methods include multi-step sealed bids, competitive negotiations, or intergovernmental purchase agreements. The first two allow greater leeway in selecting contractors based on factors other than price, while the latter allows a school system to by-pass the procurement process and "piggy-back" on contracts already awarded competitively by another governmental entity.

Some local school systems have begun using prototype school designs as a means of minimizing the costs associated with designing new school buildings. The prototypes must still be adapted to the unique dimensions and other factors associated with each building site, but their use generally reduces design costs since they can be used multiple times.
Chapter 2. Findings and Recommendations

The commission heard testimony from multiple witnesses about recent advances in building designs and technologies, construction management approaches, and procurement methods, many of which have the potential to increase efficiency and reduce costs. Many of these strategies can be accommodated within the State’s current legislative and regulatory framework for the oversight and funding of public school construction facilities, but others would require statutory or regulatory changes. For instance, the use of prototype designs, geothermal heating and cooling systems, and intergovernmental purchasing options, to name just a few strategies that were advocated, are all allowed under the existing framework. However, letting local school systems use alternative building specifications would require changes to current State guidelines.

State law requires that new and substantially renovated public school buildings be built to meet, at a minimum, the Silver standard of the Leadership in Energy and Environmental Design program (LEED Silver). Since this standard was enacted by the State a decade ago, LEED strategies have increasingly become standard practice within the construction industry, in large measure because many of them have been incorporated into building codes. This has minimized the additional cost incurred to meet the LEED Silver standard. However, LEED Silver certification requires third-party validation, which can add thousands of dollars to the cost of a new building. The commission also heard testimony advocating the use of strategies to reduce building life cycle costs, including “net-zero” or “energy-plus” designs, as described below.

State law also requires that any public school construction project valued at more than $500,000 and in which State funds make up at least 25% of the total project cost pay workers the prevailing wage. This means that the vast majority, but not all, public school construction projects in the State must pay prevailing wages. The commission heard from both opponents and proponents of the State’s prevailing wage requirement. Opponents point to some analyses that show that payment of prevailing wages can add at least 10% to the cost of a construction project, while proponents argue that research on the effects of prevailing wages on project costs has been inconclusive and that payment of prevailing wages has social and economic benefits.

Recommendation 22: IAC should be a central repository for information on the use of pre-fab and building system options, procurement methods, school facility design and construction and, generally, best practices in school construction.

Recommendation 23: The State should provide technical assistance and support to local educational agencies on the use of alternative project delivery methods.

Recommendation 24: The State and local school systems should use technological advances to the greatest extent possible to both make building design more efficient and innovative, and utilize technology to streamline compliance reviews and project deliveries.

Recommendation 25: All required documents/data should be able to be submitted electronically to IAC.
Recommendation 26: Incentives should be provided for the use of prototype school designs, including expedited State review of projects that use them, but use of prototypes should not be required.

Recommendation 27: School construction procurement should be reoriented toward obtaining best value rather than lowest price, consistent with State procurement law for State projects.

Recommendation 28: Local school systems should be allowed to bundle (for approval and procurement purposes) similar systemic renovation projects at different schools (e.g., roofs at three schools) and interrelated systemic projects at a single school (e.g., windows and HVAC at one school).

Recommendation 29: Bulk purchasing, bundling, and intergovernmental purchasing for common items (e.g., HVAC, windows) should be encouraged, consistent with competitive bidding requirements.

Recommendation 30: The State should encourage and provide technical support for agreements between and among LEAs and county governments, including regional partnerships, to improve efficiencies.

Recommendation 31: The Maryland Green Building Council should be asked to develop guidelines for achieving the equivalent of LEED Silver standards without requiring LEED certification of new school buildings, including some independent certification that school systems have achieved the required standards.

Recommendation 32: Incentives should be established for the construction of “net zero” school buildings, in which the total amount of energy used by a building on an annual basis being roughly equal to or less than the amount of renewable energy created on the site.

Recommendation 33: Local education agencies should continue to be allowed choice in construction materials but incentives for energy efficient or other preferred materials should be given.

Recommendation 34: Local school systems should be required to report annually on their preventive maintenance schedules and the preventive maintenance measures they have carried out on all major functional systems in each of their school buildings.

Recommendation 35: The effect of prevailing wage requirements on school construction costs should be further examined.