

# Bond Oversight Committee

Minutes: January 23, 2019 | First Meeting

## Committee

- Liz Keeler
- Frank King, Sr.
- Caitlin Woelfel
- Don Wheeler
- Robert Camarillo
- Eileen Creelman
- Earl Curtis
- Dick Dato
- Kim Egan
- Katrina Gustafson
- Ben Schneider
- Echo Seaman
- William Gifford [absent]

## Staff

- Larry Didway, Superintendent
- Dick Withycomb, Facilitator
- Susan Dodd, Chief Financial Officer
- Michael Clark, Communications
- Leslie Robinette, Communications
- Stephen Wassererger, Project Manager
- Wes Rogers, Director of Operations/Bond Program Manager

## Welcome

Facilitator Dick Withycombe asked Bond Oversight Committee [BOC] members and staff to introduce themselves.

Superintendent Larry Didway defined the role of the group as an advisory committee to the Superintendent, charged with ensuring that the district spends bond funds on voter-approved projects. The group will track bond projects and finances, ask questions on behalf of the community, share their views, and weigh in at decision points as needed.

He walked the group through ballot measure 3-545, which explains the projects voters approved in November 2018. [This document can be found in the Background section of the BOC binder.]

The district had fortunate timing with this bond because construction cost escalations happened **before** the measure went on the ballot. This allowed the district to recalculate project costs and change the plan before the measure went on the ballot with the goal of ensuring that all voter approved projects would be fully funded. Other school districts were not so lucky in their timing.

Attorneys carefully reviewed all ballot measure language. There are legal constraints on the language used and word count limits for each section. The shaded box is the language we are legally bound by.

## Meeting Norms

Dick Withycombe discussed group norms, which include respecting different viewpoints and maintaining the confidentiality of group recommendations until the BOC has achieved consensus and heard all perspectives.

### **Dick Withycombe governance and role clarity:**

- The BOC advises the Superintendent
- BOC members can choose to elect a chair and vice chair at the February meeting. This person could act as a spokesperson for the group and convene a subcommittee to create an annual bond report to the community, written with assistance from the communications team.
- The BOC may be invited to additional, optional events pertinent to bond projects, including site visits, project tours, learning walks, school board meetings, public forums, grand openings, etc.
- The plan is to have four meetings a year. This winter and spring we have three meetings planned with the goal of getting the committee up to speed on the planning process. However, starting next fall, it is likely meetings will spread more evenly across the school year.
- If the committee decides more meetings should be added, we can accommodate that.

## Questions and Answers

### **How can we communicate with the group?**

A contact list of BOC members and staff is in the Contacts section of the BOC binder. This includes phone numbers and email contacts.

### **Will committee members receive information in advance of the meeting?**

Most information will be provided at the meeting. Minutes for each meeting will be provided to remind the group what was discussed. Meeting reminders will be sent by email.

### **Where can we ask questions?**

Please send any questions to Leslie or Michael. They will get the answer from the appropriate staff member and get back to you. If the question would benefit the whole group, we will add it to the next meeting agenda.

Leslie.Robinette@ocsd62.org

Michael.Clark@ocsd62.org

### **What if I miss a meeting?**

No worries! We will provide minutes for each meeting, and all handouts will be available in our online bond binder. [Watch for an invitation to access this via email]

### **Will we follow parliamentary procedure?**

Under the facilitation of Dick Withycombe, the group will use a discussion process that considers all views.

### **Key Objectives and Projects**

Director of Operations Wes Rogers explained that the goals of the bond are:

- Safety and security for each school
- Expand middle school capacity
- Expand career/technical facilities at middle school and high school
- Provide building renovations
- Purchase of land for the future rebuild of Ogden Middle School

We promised the community:

- State matching funds [\$7.8 million]
- Citizens Bond Oversight Committee will track spending and projects
- Estimated tax rate of \$1.24 per \$1,000 of assessed property value

### **Questions and Answers:**

#### **Where will Gardiner be rebuilt?**

Gardiner will be rebuilt on same property so we can run school in the old building while the new building is built beside it.

#### **Does the district have plans for a third middle school?**

Student population forecasts do not show the need for a third middle school. However, the Clackamas Academy of Industrial Sciences [CAIS] will expand to include grades 6 to 8, allowing a different education option for middle schoolers.

#### **What was the vote on the bond?**

62% was the rate of voter approval.

### **Have we been monitoring the construction workforce given low turnout on bids?**

Yes, both the district and BRIC architecture are keeping a close eye on the local labor pool and considering ways to stagger projects to ensure worker availability.

### **How does this bond fit into long-term planning?**

This is phase 2 of a 3-phase plan.

- Phase 1 built Oregon City High School [2000 bond]
- Phase 2 is this bond. [November 2018 bond]
- Phase 3 will rebuild Ogden Middle School [with a future bond]

### **Master budget for bond program [handout]**

The budget is a plan. The plan will change over time as cost estimates come in and surprises are discovered during construction

### **The district will use two contracting methods:**

- CMGC [Construction Manager/General Contractor] contracting process
- Bid process

Most of the bond is about middle schools.

We are using a cost escalator of 8%.

BRIC is the architecture firm. They specialize in Northwest school design.

Given a volatile economy, we have two contingency funds:

Project contingency = 13.2%

Market conditions contingency [e.g. increased costs due to a labor shortage] = 13.2%

Bond revenue has been invested safely until the funds are needed for projects.

### **Combining added revenue sources with bond funds gives us more bang for our buck.**

#### **Besides bond funds, additional project funding sources include:**

- Bond premium funds -- \$17.8 million
- State matching funds [OSCIM] -- \$7.7 million
- Interest earnings -- \$6 million
- Federal technology infrastructure funds [E-Rate] -- \$640,010
- SB1149 state funds -- \$500,000
- State transportation grant funds -- \$195,000

### **What is included in Career-Technical [CTE] projects?**

- Visioning to transform CTE to a K-12 program.
- Launch of prototype projects that could include renovation of school spaces. [secondary schools]

This line item is mostly for the high school.  
Middle school totals include CTE facilities as part of the project package.

1.5% spending for renewable energy is built into projects.

## Design Process

Bond Project Manager Stephan Wasserberger explained that architects are engaging middle school students from Gardiner and Ogden in the design process. We could consider inviting the middle school students and their teachers to meet with this group.

Architects are beginning the programming phase of design. They are taking in all input from students and staff to build a framework for designing.

The new Gardiner Middle School should be complete by 2021.  
Ogden Middle School will celebrate a significant construction milestone when Gardiner opens.  
The Ogden project will be complete in 2022.

A lot of construction work happens in the summers. The team is considering what makes sense for summer projects in 2020, 2021, and 2022. We want to do something this summer despite the tight planning timeline.

The construction schedule is a work in progress.

The Federal government requires that we spend 85% of bond funds in the first 3 years. That is why the Gardiner project needs to move forward.

The middle school design committee includes 20 people: administrators, principals, teachers, counselors, special education, plus a 5<sup>th</sup> grade teacher.

Project scheduling ties to the ability to batch buy to save on costs. The district is also tying batch buys to neighboring district bonds to maximize savings.

## Financial update [handout]

Handouts were shared, and are available on the [Google Drive](#).  
Chief Financial Officer Susan Dodd provided a budget handout.

The School Board passed a new investment policy to invest bond funds until we are ready to spend them.

By law, some project expenses for work up to 60 days prior to the election could be covered by bond funds.

## Communications

Communications Coordinator Michael Clark shared that when the district took its first poll on the proposed bond there was a 37% voter approval rating. To build voter support, the district launched an extensive listening campaign and used public priorities to shape the final bond proposal and set the amount based on what the community was willing to pay. This work paid off with nearly 63% voter support in the November election.

The communications team will form a Google Drive “electronic binder” for questions and answers and handouts. The bond website will be updated to reflect progress on bond projects. This will include an FAQ section that can be continually updated.

Communications Coordinator Leslie Robinette shared that the BOC is part of the district’s two-way communications effort to share bond information. Committee members are encouraged to share with the district any questions they hear from community members. They are also urged to share what they learn about the bond with friends, family, neighbors, community groups, and coworkers.

Leslie will work with the BOC to produce their annual report to the community, which could be included in an issue of the district’s UpFront community newsletter. However, district communications about the bond will be continuous, delivered via UpFront, the bond website, social media, email updates to parents, and news releases to the Oregon City News. She provided an example report from a nearby district. [handout]

A group photo of the BOC was taken for use in an upcoming news story.

## Next Meetings

Upcoming BOC meetings, all on **Wednesdays from 6 to 8 p.m.**

Location will be downstairs at the School District Office unless otherwise announced:

1417 12<sup>th</sup> Street, Oregon City.

- **February 20**
- **April 24**
- **September 25**