

ASHLAND PUBLIC SCHOOLS

JACKSON COUNTY SCHOOL DISTRICT #5

Kelly Raymond
Superintendent



Inspiring Learning for Life

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Bond Oversight Committee

Ashland School District Office Boardroom
885 Siskiyou Boulevard
Ashland, Oregon 97520
August 26, 2019 4:00 – 5:30 pm

Attendance:

Curtis Bacon
Jill Franko
Shane Hunter
Kathleen Kane
Chris McKay
David McKay
Steve Mitzel
Kelly Raymond
~~Ryan Schnobrich~~
Alana Valencia
Dustin Way
District Staff: Kristi Nelson

Introductions:

Round table introductions of committee members, HMK and District staff.

Discuss Roles and Responsibilities of HMK:

HMK was hired by the District to oversee the Bond Program as a whole. HMK specializes in Oregon K-12 project management, offering support in managing large capital projects.

Discuss Roles and Responsibilities of Oversight Committee:

The School Board has named Superintendent Kelly Raymond as the designee of the Bond Oversight Committee. This committee will report to the Superintendent, not the School Board, thus Oregon Public Meeting laws do not apply. David will look into correcting that verbiage in the Program Implementation Plan (2.1.5). Steve Mitzel is the Program Executive for the Bond, the liaison between HMK and the District, and Alana Valencia is the Director of Finance.

- **SEL 803:** This document is referred to as the “Bond Promise,” and is essentially the job description for the members of the Bond Oversight Committee. The committee is a citizen group which affirms or directs the district back to spending bond funds to do that which was promised.

Projects included in the SEL 803:

-Replace, upgrade, or provide new:

- HVAC systems to improve air quality and efficiency,
- Utility systems to improve efficiency,
- Safety infrastructure to enhance student and staff well-being
- Technology infrastructure to modernize student learning,

-Renovate or replace aging schools,

-Strengthen schools against earthquakes

-Increase accessibility to schools for people with disabilities.

- **Program Implementation Plan (PIP):** This document was drafted by HMK, who worked with district staff and the School Board to adopt, it is the foundation for the bond. The PIP lays out roles, responsibilities, timelines and budgets for the Bond program. The PIP gives an overall understanding of what HMK is trying to accomplish, it is the outline to implement the Bond Program.
 - **Draft Schedule:** David shared the Bond Program Draft Schedule in the PIP detailing the logic behind the decisions of how the Bond Projects were scheduled. A lot of work will be completed in existing buildings, and students will be displaced. The PIP Schedule allows for student flex or swing space, as students will be displaced to other schools as projects progress. HMK has done this with other districts and in trying to be good stewards of funds, if possible does not want to spend the funds on temporary classroom pods. Adjustments to schedule will happen, and it will be a priority to avoid temporary classrooms, but it won't drive design decisions or stop the building process when it comes down to it. HVAC will be completed during the summer, while students are out of class. District-wide restrooms will be completed over two summer building seasons as well. Cyber security upgrades are already underway, and District safety upgrades still need to be defined. The schedule was created aggressively to meet a Federal IRS law that states 85% of Bond proceeds must be spent in 36 months, which includes the Bond premium. Also, 5% of Bond proceeds must be committed in 6 months, and that has been met. HMK will constantly update the spend-down to show progress.

- **Draft Program Budget:** David detailed the structure of the budget in the PIP derived from the Pre-Bond Committee; surveys, architects, consultants, legal fees, criminal background checks, contingency, etc. There are two types of costs: hard costs consist of the actual cost to construct a project, and soft costs such as design and planning costs. Oregon green energy requirement for any state building: 1.5% of overall budget must be for green energy technology. HMK will report budget updates on a monthly basis, and all adjustments are shown along the way to be able to compare and contrast.

Discuss Key Features of the Program:

- **Sustainability Standards:** HMK has partnered with Brightworks to create a Sustainability Standard using the Ashland Climate Action Plan as a model. HMK will re-evaluate at each design phase to ensure creative implementation of sustainability strategies (design phases: preliminary, schematic, design development, construction documents). Brightworks will continue to work with HMK to oversee all Bond Projects with check-ins at each phase of design and construction and will submit a Final Report to the District on how well the strategies were implemented. Chris shared several of the strategies on the overhead as examples, and David will provide a copy of the Sustainability Standards to committee members.
- **Building Standards:** Building Standards are the products that go into the buildings. The Bond is an opportunity for the District to standardize the building products that are used. Using multiple products create a strain on District resources and staff. HMK will be looking for products that are durable, easy to maintain and long lasting. David will provide a copy of the Building Standards to committee members.

Review Board Reports:

HMK creates a monthly report to submit to the School Board. The structure of the report covers a calendar month and consists of a General Program Update, Activities, Design, Procurements, Project Administration, and Communication Plan to be as transparent to the community as possible (using social media, newsletters, videos). As projects come online, reports will also contain a project specifics page which will contain Project Description, Milestones, Highlights and Challenges, Budget and how the money is being spent with local vendors/contractors. Adding photos gives a visual of the process and progress of the projects.

Bond Sale:

Ashland School District presented a \$108 MM Bond budget to the voters. The District consulted with DA Davidson as underwriter and Hawkins for Bond compliance. They advised the School Board on the best time to sell the bonds and therefore the Bonds were sold at a premium. Including the bond par amount (\$108 MM) plus the premium, the District received over \$129 MM from the Bond sale. This does not affect what taxpayers will repay and the District will use the extra funds as contingency dollars. David reported that all districts they are currently working with are receiving about a 20% premium on Bond sales.

Schedule Recurring Oversight Committee Meetings:

David recommended meeting within the next 30 days, to allow members time to review the documents that were discussed today and bring back any questions. Subsequent meetings were scheduled as follows:

- Wednesday September 11, 2019, 4:00-5:30 pm, Ashland School District Board Room
- Wednesday November 13, 2019, 4:00-5:30 pm, Ashland School District Board Room
- Wednesday January 15, 2020, 4:00-5:30 pm, Ashland School District Board Room