

# ASHLAND PUBLIC SCHOOLS

JACKSON COUNTY SCHOOL DISTRICT #5

Samuel Bogdanove  
*Superintendent*

## BOARD OF DIRECTORS

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## Bond Oversight Committee

Virtual Meeting via Zoom

September 16, 2020 4:00 pm – 5:30 pm

### Attendance

Curtis Bacon, Secretary  
Samuel Bogdanove, ASD  
Jill Franko, Vice-Chair  
Shane Hunter  
Kathleen Kane  
Chris McKay, HMK  
David McKay, HMK

Steve Mitzel, ASD  
Ryan Schnobrich, Chair  
Alana Valencia, ASD  
Dustin Way  
Jim Westrick, ASD School Board  
ASD District Staff: Kristi Nelson

### Meeting Minutes

- **Call meeting to order:** Ryan Schnobrich called the meeting to order at 4:05 pm.
- **Review and approval of previous meeting minutes:** A motion to approve the 7/15/2020 DBOC minutes, as presented, was made by Kathy Kane. Dustin Way seconded the motion and it was unanimously approved by the committee.
  - Kathy wanted to give a 'shout out' to Gerry Glynn of Ameresco. Gerry has gathered and delivered donations of money, gift cards and a moving truck full of supplies in response to the recent local fires. Steve Mitzel added that the donations showed generosity above and beyond anything that was expected, with the greater part of those donations being funneled to Phoenix and Talent who have been hit the hardest.
- **Review End of Month (EOM) reports:** presented by Chris McKay
  - **EOM June 2020:**
    - Ameresco HVAC reports were received, consisting of systems and energy audit with recommendations for improvement. The reports were presented to the School Board in August.
    - Thirty four contracts have been issued, with a value totaling just under \$10.6 M.

- Over 41 thousand social media impressions during the month of June.
  - 100% contractors have been local contractors; 70-80% vendors/consultants are local. Chris will get that information to the group at the next Oversight Committee meeting, and begin adding it to the monthly Board reports.
  - AMS/JMOS – Design Team is on target, hitting deadlines. Temporary modular units are being rented and teachers are occupying them currently for distance learning.
  - Helman Elementary – Completed 50% Construction Documents (CD) phase. ASD, HMK & BBT are working with MRC, a playground consultant, to design a new playground and submit applications for matching grants.
  - AHS – Design Team is currently working through several separate scopes of work: seismic/ADA/restrooms/science/elevator. With a variety of elevation changes, the campus is very challenging to navigate.
  - Walker – Core Team met twice in June for Schematic Design (SD). Worked with various consultants, starting early with seismic upgrades and mechanical systems. Systems must be durable and long lasting as decisions can drive the architecture.
- **EOM July 2020:**
- There are now two construction contracts, both are for Adroit Construction. In addition, four local area contractors on board for projects: Adroit Construction, Infinity Electric, Van Row Mechanical and Dobrin Construction.
  - Once again, over 41 thousand social media impressions during the month of July.
  - AMS/JMOS – Broke ground for the modular units to be installed and renovations to Lincoln Elementary were made in preparation for JMOS to temporarily relocate there. First permit documents were submitted to the City of Ashland. Worked to complete final phase of Construction Documents (CD), which went out to bid during the first week of August, with bids due on September 24.
  - Helman Elementary – Continued to meet with consultants in July. MRC, the playground consultant, completed the playground design. This project also went out to bid for an early site package with bids due in October.
  - AHS – Two AHS students were added to core team and thus far they have offered valuable, insightful input about their school. One of the students coined the term universal access, meaning that *everybody* could get to *anywhere* on the campus with ease and *nobody* would have to take an alternate path. Samuel Bogdanove commented that universal access will make a huge difference for a number of kids. Chris stated that technically the campus meets ADA requirements, but we want to be equitable for all. He described path improvements, elevator additions and renovations, along with restroom improvements throughout that will help AHS exceed ADA requirements and attain universal access. Ryan remarked that is seemed small changes were made in a way to create a huge impact. Jill Franko commented that it is great to have students on the Core Team and wondered if it was intentional. Steve replied it was always the intent to have AHS students on the team, with a voice at the table. They are currently looking for an additional AHS student to volunteer that has a sustainability lens. Kathy knows several students who may be interested in joining the team, and she will pass the names on to Steve.
  - Walker Elementary – Continued to meet on site with consultants in July, which is critical due to major renovations combined with seismic improvements that will be happening there.

- **Program Implementation Plan (PIP) Revision #2:**
  - Chris outlined the most recent changes to the PIP; revisions are usually done twice annually.
    - Updates were made to the budget and the schedule. All budgets were incorporated, prior to this revision it was only a budget summary.
    - Update to District Bond Oversight Committee, it was originally drafted to be an advisory committee to the School Board; however, the Board stated they would like this to be a committee of the superintendent. This revision cleaned up wording remnants; the committee will be an advisory committee to the superintendent.
    - Personnel changes were made to staff at ASD and HMK.
    - Bond Premium construction cost control change order process was outlined including who can approve those change orders.
  
- **Annual Report to the School Board:**

Ryan recognized and thanked Curt Bacon and Jill Franko for the hard work and effort put into the annual report. Ryan asked the group for feedback/comments. Jim Westrick commented that the report was very thorough and well done, and requested his name be listed in the report as the appointed Board liaison. Jim also referred to a bullet point regarding Bond Premium, and felt his quote in that bullet point is not relevant to the Bond Premium discussion. Curt agreed and will eliminate that from the report. Ryan suggested a revision in the report regarding the bond sale to say ‘the rate of tax is unaffected’ versus stating ‘this does not affect what tax payers will repay.’ Jim asked to expand explanation regarding the money silos of the Bond projects, to help alleviate concerns that all the money will be spent on the first projects with nothing left for later projects. Curt asked for help in drafting comments regarding this topic. Ryan will complete this and send it to Curt and Jill for the report. Chris recommended adding clarification of timing to the statements ‘currently allocated \$13M of premium to projects’ and ‘HMK does not recommend allocating Bond Premium to projects.’ Chris has drafted comments regarding allocating premium contingency which he will send Kristi to distribute to Curt and Jill. Curt and Jill will make the changes to the report as discussed above, and Curt proposed that the revised draft be sent to Ryan for final approval. Dustin made a motion to accept the report and the proposed revisions, Kathy seconded the motion, and it was unanimously approved by the committee.
  
- **Budget:**
  - Current budget through July.
  - Chris reported that there were no budget allocation changes in June or July. Only the “Paid to Date” has been updated with each month.
  - Ryan questioned why the investment interest received to date was not being allocated over the Bond Premium. David McKay answered that they typically wait to receive Bond interest before it is allocated; however, the School Board can direct HMK to utilize the interest prior to the Premium. Currently, the Bond Premium is only reserved for the AMS and Walker projects meaning that until the bids come in, it won’t be known if the full amount will be needed. The investment interest is typically utilized last when allocating funds. Ryan asked if the budgets will incorporate updated projections on investment interest. Alana Valencia answered she would be updating the projections, working with HMK to complete them. David added that when we update the interest forecast, it will also be updated in the revised budget column.

- Alana shared that, as the spenddown schedule changes, she has been working with Piper Sandler (formerly Piper Jaffray), to review Bond investments and will provide an update to the group on that when completed.
- **Questions and Comments:**
  - Kathy expressed concerns over the exterior materials for structures and utilizing nonflammable materials. David responded that given recent events of the local fire, they are reevaluating the exteriors of the buildings, and he will report back on this. He also suggested that changes to the landscape may also be considered, and Kathy, who participated on the Ashland Firewise Commission for five years, agreed with this strategy.
  - Kathy asked HMK if they have concerns over the availability and spiking costs of construction materials, due to the wildfires up and down the west coast. David and Chris responded that the GMP has been reached on AMS and Helman projects, so costs should not be affected. However, Walker and AHS projects may both be a concern. Dustin shared similar concerns over the supply of skilled laborers for the Bond projects due to the fact that two local communities essentially need to be rebuilt. David commented that Adroit is expanding north to reach a variety of contractors if needed and that different contractors work on large contracts (prevailing wage jobs) from those that work on residences.
  - Samuel shared that there has been recent fraudulent activity related to the Bond. Alana expanded that an email was received from well-known vendor to modify contract payment information, and unfortunately protocols were not followed. The money was not recovered, just over \$20,000, however the bank has closed the fraudulent account and a report was placed with the FBI. Alana stated that since this incident occurred, internal controls have been strengthened adding layers of verification, and operating procedures in accounting have been reviewed and changed. Both she and Samuel noted an increase in fraudulent emails since the emergency closure. Ryan commented that fraud is a reality and though this has been an unfortunate event, it sounds as though things are now well in hand.
- **Next Meeting:** Wednesday, November 11, 2020.
- **Adjourn:** The meeting was adjourned by Ryan at 5:38 pm.