



## Bond Oversight Committee Meeting Notes April 20, 2020; 5:30-7:30 pm

The meeting was held online due to COVID-19. All committee members were provided with a link to participate in the meeting via “Go-To”.

x	Rich Arnold, Committee member	x	Ryan Noss, Superintendent
x	Amy Crump, Chair	x	Kim Patten, Director of Facilities & Transportation, Oversight Committee Staff Liaison
x	Brad Hamlin, Committee member	x	Olivia Meyers Buch, Director of Finance & Operations
x	Jennifer Richmond, Committee member	x	Brenda Downum, Communications Coordinator
x	Emily Barton, Committee member	x	Dale Kuykendall, Wenaha Group
x	Emily Valdez, Committee member		Dave Fishel, Wenaha Group
	Gordon Zimmerman, Committee member	x	Julie Haymart, Wenaha Group
x	Jay Conroy, School Board Liaison		

### 1. Welcome

Kim Patten welcomed committee members and shared online meeting norms.

Committee members were asked to share what they are hearing from the community. Generally, most felt that the bond projects are not a priority during the pandemic and people are aware that construction is moving ahead.

### 2. COVID-19 Impacts on CSD Bond Program

The construction management team has been developing scenarios to for safety, cost impacts, and possible scheduling delays. Plans for safe work practices and response protocols if there is exposure on a work site will be put into place. Permits are about to be issued, as soon as schools were closed by Governor Brown’s order, the district moved on getting a head start on bond projects scheduled to begin in June.

Contracts related to the bond are in review. We are looking at supply chains and labor availability with our contractor partners. Fortis and Gerding (CSD projects) and Baldwin (Muddy Creek seismic project) all have robust safety management strategies and are taking precautions. Some of the contract language may be modified to acknowledge the impact of the COVID-19 pandemic (i.e. supply chain disruption).

The district Bond Leadership team meets weekly and every week since Governor Brown’s Declaration of a State of Emergency to Address Coronavirus on March 10, 2020. Wenaha has progressively addressed concerns about the COVID-19 impacts.

A committee member raised the question about the use of bond reserves; schools at the end of the planning schedule have a greater sensitivity to the availability of bond funds at the end of the bond program. The planning for the use of bond reserves was shared at a previous BOC meeting and was reviewed as an update for new committee members.

*A portion of reserves (approximately one-third) will be set aside for scope changes or new projects. The remainder will be used to complete school renovation projects within bond scope and in alignment with core values and design guidance principles. Funds will be allocated based on a formula that acknowledges scope of work by site relative to the amount of reserves available, resulting in budget increases of approximately 20-30%.*

### **3. Project Updates**

- Garfield – Staff are boxing up and moving materials from office areas and classrooms to prepare for construction. Modular classrooms have been relocated on the Garfield site to facilitate construction.
- Hoover – Permitting is underway, sub-bidding has been intentionally delayed. There is too much work for the contracting community to absorb at this time. We plan to break ground in late summer.
- Jefferson, Adams, Wilson – These schools are grouped together for planning purposes due to the similar footprint of the buildings and similar renovations. Architects have recently completed the schematic design phase and we are now into budget and evaluation phase.
- Lincoln – Fortis submitted GMP proposals for both Lincoln Elementary and the Health Center. The estimates were within budget and approved by the school board. Site fencing and office trailers are being installed on site and salvage items from the garden was coordinated. The bicycle polo rink was removed from the site and rebuilt in a new temporary location. DLR Group has submitted the SHPO Clearance form and clearance was approved. Mitigation will not be required by the State.
- Cheldelin – We are waiting for seismic grant and work is scheduled to start this summer.
- Corvallis High- The CHS Design Advisory Committee will be formed this summer and the district plans to hold meetings virtually. The softball facilities project is completed and remaining construction is scheduled for next summer.
- Crescent Valley – Abatement work will be completed. We are in the process of evaluating guaranteed maximum price and make sure price aligns with bond promise.

A committee member raised a question about requirements/recognition related to SHPO (State Historic Preservation Office); will all schools have SHPO recognition projects? Jefferson and Garfield will have some type of recognition while Hoover is not required or planning to. Request to share with community why we are not doing SHPO recognition at all schools.

### **4. Bond Promise Tracking**

There have been no changes in scope or projects since the last Bond Oversight Committee meeting.

### **5. Financial Update**

Olivia Meyers Buch reviewed the financial statement that was included with the board report and available online: <https://v3.boardbook.org/Public/PublicItemDownload.aspx?ik=46196754>

We have not exceeded budget or allocated bond reserve. Seismic grants that funded Adams, Jefferson, and Wilson projects are completed. Crescent Valley and Cheldelin seismic grants are pending results expected in June. At the time of application, the district was required to prioritize funding and we prioritized Crescent Valley.

A committee member asked about the new Oregon Commercial Activity Tax (CAT). Funds from this tax would potentially fund the Student Investment Account. The district estimates .4% cost for the bond program.

A committee member asked what is the economic expense of downturn on the bond program? There is increased risk for contractors, work could be drawn out because of stay at home orders, there could be less labor on the market, closure of factories are a risk. Bond funds are available to us. Interest earnings are the

only economic impact. The next bond sale will likely be about one year away.

## **6. Communications**

Groundbreaking planning is on hold until we are back in school next fall, Garfield, Softball facility, Lincoln, Hoover, we do not want to have a virtual event- we want to have community present.

An important role of the BOC is to serve as liaisons to the community and share information about the bond program process. Committee members discussed the key messages from this meeting as follows:

- Bond construction activities are continuing and we are getting a head start on summer work due to the school cancellation this month. Contractors have robust management strategies to address COVID-19 health guidelines.
- Bond leadership team is focused on how funds will be available for all bond projects and considering projects at the end of the bond program. Finances for the bond are complicated. Staggered allocation of funds, appropriated on a specific timeline. Need to be sensitive to projects at end of the timeline.
- Bond program expenses – the use of reserves was reviewed last year, the board approved the first GMP (for Garfield) which included the use of reserves to meet the bond promise
- Bond revenue overtime is not anticipated to be significantly impacted by economic downturn.

## **7. Committee Business**

Next meeting date is July 20, 2020, location TBD.

Meeting adjourned at 7:30 pm

