



Bond Oversight Committee Meeting Notes October 19, 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
	Amy Crump, Committee member		Kim Patten, Director of Facilities & Transportation, Oversight Committee Staff Liaison
x	Brad Hamlin, Chair	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
x	Gordon Zimmerman, Committee member	x	Julie Haymart, Wenaha Group
x	Jay Conroy, School Board Liaison		

1. Welcome

Superintendent Noss welcomed committee members and shared online meeting norms. He also reminded committee members that following the discussion from the last meeting, the virtual meetings are now open to the public to observe. Members of the public will have access to the meeting agenda approximately one week prior to the meeting and will be instructed to request login information if they wish to observe the meeting. Julie Haymart is handling requests and she will provide a link for those who wish to watch the meeting.

Committee members were asked to share what they are hearing from the community. Brad Hamlin received an email request about fiscal responsibility and the use of bond premium and interest, and the remaining bond sale. The email will be forwarded to Kim Patten for a formal response. Other community queries include asking for an update if there is any indication of the district not being able to pay off the loan due to economic downturn. Olivia Meyers Buch addressed this question later in the meeting.

2. Schedule Impacts

Dale Kuykendall from Wenaha Group reported that September wildfires and air quality have had an impact on bond projects. Lincoln and Husky Elementary Schools both had a roughly 2 week delay due to air quality. Fortis is trying to regain schedule and is expending some overtime to help accomplish this. Dale noted that it is better to make up the time early in the project rather than wait until the end. Garfield has also had a delay.

Due to Pacific Power’s need to prioritize power in the areas of the wildfires, the September power reconnection at Garfield has been delayed. They are now scheduled to connect power this week which will allow the temporary administration office, west wing classrooms and the library to open in November. We are aware of some slower material deliveries, but the contractors are working to order early to minimize schedule impacts. Unlike residential material cost increases that are expected due to the fires, we do not anticipate material cost increases for commercial projects such as ours.

3. Project Updates

Dale Kuykendall reviewed the [monthly summary report that will be shared with the Corvallis School Board](#) at their October 22, 2020 meeting. It includes an overview and images of all school projects. A few of the other highlights that were shared and are included below.

Crescent Valley HS: We plan to install the new electrical service and complete the seismic upgrade in building F which will shut the science lab until February.

Mt. View Elementary School: A new solar array is planned for the lower field that isn't used by students. It is located close to the well and is part of the Corvallis School District resiliency plan.

Adams, Jaguar, Wildcat Elementary Schools: Fortis is working on phasing plans at all three schools to mitigate disruption for student and staff.

Harding, Mt. View, Franklin K-8 will all start the design process with Core Teams and Design Advisory Committees in early 2021.

4. Bond Promise Tracking

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

5. Financial Update

The committee had time to review the bond program financial reports included in the October 22, 2020 board report.

Olivia Meyers Buch discussed bond program reserves. She explained the allocation strategy followed by bond leadership noting that the District needs to be mindful of all projects to make certain the bond promises are met and the program doesn't run out of money. (Jay asked what ROM meant on the spreadsheet and it is Rough Order of Magnitude). It was noted that the additional budget allocation for Jaguar/Adams/Wildcat schools are so exact because they are based on actual estimates. The other pending projects were calculated based on where similar sized projects have come in.

Olivia discussed the second bond sale that will take place at the end of 2020 or early 2021. To ensure that all bonds remain tax-exempt, the district developed an issuance plan that allowed for two separate issuances, one in 2018 for \$160,000 and the second in 2021 for the remaining authorized amount. This second issuance is necessary to complete all promised bond projects and is planned to take place in December 2020 or early 2021 depending on market conditions. Olivia noted that the tax rates for Corvallis residents have been below what was estimated (\$1.95/\$1,000 in 2018, \$1.86/\$1,000 in 2019 and \$1.81/\$1,000 for 2020.)

Olivia provided an explanation of the bond premium and the fact that it is not an additional cost to taxpayers. Taxpayers will still be paying less than the voter-approved rate of \$1.98/\$1,000.

She noted that the District doesn't tend to see fluctuation in tax collection rates and assessed values tend to increase each year at rates higher than expected. Addressing the question at the beginning of the meeting, she shared that the District doesn't expect to see a downturn in property tax collection or an ability to repay bond loans.

Committee members suggested that the district should remind the general public of the announcement in July 2018 regarding the second bond sale and should also provide a reminder that this was the original bond commitment and the district is not selling anything above what voters approved.

6. Communications

Brenda Downum, district Communications Coordinator shared the District has been working to make the bond website more accessible and informative. They have also been sharing bond reports with City Councilors and other communication channels in addition to neighborhood associations via the City of Corvallis Housing and Neighborhood coordinator.

Key Messages

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:

- Construction is on schedule even with all the potential delays (impacts from wildfires, air quality, COVID-19). Design is moving forward on all remaining projects-Franklin, Harding, Mt. View.
- Voters approved the bond measure in 2018. On the ballot measure, we estimated a tax rate of \$1.98 per \$1,000 of assessed value. The actual rate has been lower and is currently at \$1.81 per \$1,000 of assessed value.
- Voters approved the issuance of \$199 million in bonds to improve school facilities. To ensure that all bonds remain tax-exempt, the district developed an issuance plan that allowed for two separate issuances, one in 2018 and the second in 2021. This second issuance is necessary to complete all promised bond projects and is planned to take place in December 2020 or early 2021 depending on market conditions.

7. Committee Business

Chair Hamlin reviewed the meeting dates for the remainder of 2020-21. Meeting time are 5:30 – 7:30 pm and the meeting location will be virtual until further notice.

January 19, 2021 (Tuesday)

April 19, 2021

July 19, 2021

Meeting adjourned at 7:10 pm