



**PROCESS FOR BOND PREMIUM
ADDITIONAL PROJECT AND CONTRACT APPROVAL TIMING**

POLICY ISSUE / SITUATION:

The School Board passed a Resolution Authorizing Bond Election and Adopting Ballot Title on February 24, 2014. This included a list of projects totaling \$680 million to address repairs, provide new capacity, modernize and renovate all facilities, improve safety and replace outdated learning technology, curriculum and equipment, over an eight-year period.

BACKGROUND INFORMATION:

The authority to sell bonds was approved by local voters in May 2014. The District issued \$382 million worth of bonds in July 2014, realizing a net original purchase premium totaling \$63 million. Bond proceeds have been invested and interest earnings will accrue during the eight-year life of the projects. The premium and interest earnings were not allocated to specific projects in the original plan taken to voters. The attached document outlines the approval process for projects and contracts that are:

1. Funded by bond premium and interest earnings allocations – this is current practice for clarification purposes
2. Not specified in the 2014 Bond Program Project List – this outlines a new process
3. Time sensitive – this outlines a new process
4. Emergencies over \$150,000 – this is current practice for clarification purposes

RECOMMENDATION:

The Board discusses the Approval Process for Projects and Contracts.

District Goal: All students will show continuous progress toward their personal learning goals, developed in collaboration with teachers and parents, and will be prepared for post-secondary education and career success.

The Beaverton School District recognizes the diversity and worth of all individuals and groups. It is the policy of the Beaverton School District that there will be no discrimination or harassment of individuals or groups based on race, color, religion, gender, sexual orientation, gender identity, gender expression, national origin, marital status, age, veterans' status, genetic information or disability in any educational programs, activities or employment.

Board Approval Process for Projects and Contracts

1. Bond premium and interest earnings allocations

- All bond premium and interest earnings allocations will be approved by the board
- Senior Leadership reviews request for bond premium allocation
- Staff reviews need with Bond Accountability Committee and asks for recommendation for bond premium allocation
- Bond Accountability Committee recommends allocation to board for approval

2. Process for approving projects not included in the 2014 Bond Program Project List

- All projects not included in the 2014 Bond Program Project List will be approved by the board
- Senior Leadership reviews request for additional project
- Staff reviews need with Bond Accountability Committee and asks for recommendation for approval of additional project
- Bond Accountability Committee recommends additional project to board for approval
- All contracts submitted for board approval will reference the 2014 Bond Program Project List line item
- If there are time constraints on project approval:
 - Senior Leadership reviews request for additional project
 - Superintendent will notify board chair
 - Project will be submitted for board approval at next scheduled or special business meeting

3. Process for contract approval timing

- All contracts over \$150,000 will be approved by the Board
- Staff will submit contracts to a Board business meeting for approval including vendor name and dollar amount
- Contracts may be submitted with estimated costs and actual award amounts will be presented at the Board meeting
- If there are time constraints on a contract's approval:
 - Board will approve at a work session
 - Board will hold a short business meeting for contract approval via telephone conference
 - During bond program years, Board will hold one business meeting in July to provide Board contract approvals

4. Emergency

- Defined as not reasonably foreseen, creates risk of loss, damage or interruption of services or a threat to property, public health, welfare or safety, and requires prompt execution of a contract to remedy the condition
- Memo written to Superintendent declaring emergency and public contract
- Emergency contract that exceed \$150,000 are reported to the board at the earliest opportunity

Proposed 2014 Bond Program

Project	Cost Estimate (\$M)
Modernization Replacement Projects	
Arts and Communication Magnet Academy (ACMA)	\$28.3
Hazeldale K-5	\$24.6
Vose K-5	\$24.8
William Walker K-5	\$24.6
Replacement Project Program Contingency	\$9.8
Replacement Project Program Inflation Cost	\$11.4
Modernization Renovation Projects	
Capital Center Building Improvements	\$5.0
Critical Equipment Purchases	\$24.0
Five Oaks Middle School	\$21.1
Maintenance Facility Improvements	\$10.0
District-wide Repairs to Schools and Facilities	\$98.0
Raleigh Hills K-8	\$9.7
School Kitchen Improvements	\$0.8
Springville K-8	\$2.0
Renovation Project Program Contingency	\$14.0
Renovation Project Program Inflation Cost	\$16.3
Modernization Regulatory Compliance	
District-wide ADA Compliance	\$2.0
Domestic and Fire Protection Separation at Schools	\$0.8
Green Energy Technology	\$5.0
High School Title IX Compliance; Sunset & Aloha HS	\$4.0
McKay K-5 ADA Upgrades	\$0.4
Security Upgrades	\$10.0
Seismic Upgrades	\$4.2
Regulatory Compliance Program Contingency	\$2.5
Regulatory Compliance Program Inflation Cost	\$2.9
New Capacity	
New Elementary School Site, Land Acquisition	\$3.0
New High School	\$109.0
New K-5 in North Bethany	\$25.0
New Middle School on Timberland Site	\$51.6
New Capacity Program Contingency	\$18.1
New Capacity Program Inflation Cost	\$21.0
Technology	
HVAC Control System Upgrade	\$0.8
IT Data Center at Capital Center	\$2.9
Unified Communication System	\$7.2
Learning Technology: Classroom Systems	\$56.0
Technology Program Contingency	\$1.0
Technology Program Inflation Cost	\$1.2
Program Implementation Requirements	
Prebond planning reimbursement	\$1.0
Bond Implementation/Management Costs @ \$2.5 million/year	\$20.0
Bond Issuance Services @ 1% of Bond Value	\$6.0
Grand Total	\$ 680.0