

AGENDA	CORBETT SCHOOL DISTRICT BOND OVERSIGHT COMMITTEE MEETING ZOOM virtual 35800 E Historic Columbia River Highway Corbett, Oregon 97019	7:00 PM Tuesday, November 30, 2021
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1. Preliminary

You are invited to a Zoom webinar.

When: Nov 30, 2021 07:00 PM Pacific Time (US and Canada)

Topic: CSD Bond Oversight Committee

Please click the link below to join the webinar:

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| 2. Minutes/Notes of the August 31, 2021 Committee Meeting for Approval | 2 |
| Action Item | |
| 3. Progress Report and Timeline | Information/Discussion Item |
| 4. Accounting - Funds Analysis | Information Item |
| 5. Budget and Recent Estimates | Information Item |
| 6. Next Bond Oversight Committee meeting date / place | Information/Discussion |
| Item | |

August 31, 2021 Bond Oversight Committee Meeting Minutes

The third meeting of the Corbett Bond Oversight Committee was held via Zoom on August 31, 2021. BoardBook Premier was used to organize the agenda and meeting materials.

Committee members in attendance:

1. Stayce Blume (Vice Chair) SB
2. Bob Buttke BB
3. Liz Conner LC
4. Cindy Duley (non-voting member) CD
5. Robert Hattan RH
6. Tamie Tlustos-Arnold (Chair) TTA
7. Michelle Vo MV
8. Dan Wold DW

Not in attendance: Todd Redfern, Steve Salisbury (non-voting member)

Representing Soderstrom Architects was Ian Mickelson. Also in attendance was Holly Dearixon, providing technical assistance.

There were no public audience member in attendance.

1. The meeting was called to order by TTA at 7:02 pm.
2. MV moved and BB seconded approval of the May minutes. TTA noted no objections.
3. Progress Report from Ian Mickelson

Ian expects Soderstrom to complete construction documents in September for permit (after land use), and bid. So there will be a lag, December expected. Gives time for Board to review, hardware requirements review.

TTA asked where the land use permit comes from. Ian said Multnomah County, on a 120 day clock.

TTA asked when it was submitted. Ian will get that information.

TTA asked how far we are into the land use permit process, 30 days? 90 days?

Ian and BB: 2-3 weeks into it.

TTA asked Is there someone who works with you? Is it submitted and done, or is there back and forth?

Ian said in 120 days, they will issue comments. Land use planner reviews the docs, goes through process to make sure all is in place to submit. The only comments that came back were about traffic on entrance to site, the three entrances currently requested were accepted.

TTA: So land use permits has to be submitted first, then out for bids, you think process will be complete by early Dec?

Yes, Ian replied. We want to finish the review early if possible. Submitting for building permit in December. Expect four week process City of Gresham.

BB said email was Dec 9 date.

TTA asked about bid process, union contracts? MV: Prevailing wage applies.

TTA: Ian, when do we anticipate breaking ground?

Ian: January at the earliest. Bid time four weeks. Selection takes a week, contract and negotiation takes 1-2 weeks. Final contract must be Board approved.

DW: Can it go to bid before permit?

Ian: Certainly. Risk that comments that require changes that impact costs. Can mitigate but city always comments. Preliminary review requested but they are busy and wouldn't do a pre-app meeting. But we will need to have some overlap. Ideally if we submit two weeks into building review we could issue an addendum before bids are due. That's the ideal overlap.

TTA: Curious, early Jan start date, pushes timeline for completion?

Ian: Yes. Planning timeline of 8 months for construction, pushes it into August/September completion. Contractor might be able to do it in 7 months. PEMB gets it going as soon as possible.

BB: Weather for septic and drain field slab an issue with freezing in January.

MV: Can discuss phase in site work and district office after classrooms.

Ian: Want it done at end of July but many projects don't have perfect timelines.

BB: Nice to get a jump on the slab or at least footings, but Multnomah County not ready to sign off.

Ian: City of Gresham and Multnomah County both have review processes we need to complete.

TTA: Anything else on progress?

Ian: No, schedule and document status most important. Construction documents published some time ago. Estimate will be reported on by Michelle. No interior images available tonight. Board has been commenting on what they've seen.

TTA requested Ian send interior documents. Ian agreed.

MV: Involvement of user group?

DW: Group meeting with MS staff on design concept, walked the grounds. Suggestions and asks taken.

TTA: What ideas?

DW: more shared spaces for pull outs. No room in the existing envelope. Wanted to set tables or shelves and artwork out – flexible, not fixed. Liked idea of a maker space in an undeveloped building.

Ian: There's also art space at another undeveloped building.

TTA: It can be used as is?

Ian: Yes, up to code, nothing from ADA standpoint. Structurally adequate. Defects noted on siding dry rot, roof needs repair.

TTA: Will we be budgeting to make this happen?

MV: Don't know if it can happen at the same time, no budget identified. Needs figuring out.

Ian: District building no budget for science classroom but vacant space can be adapted later if budget allotted in the future.

RH: Is there a contingency fund for maintenance outside scope of project?

MV: Contingencies are project related, not for maintenance outside of project.

4. TTA introduced Agenda Item 4 Accounting

CD presented the Report of Financial Activity, the Fund 8 and Fund 9 spending reports. Report includes the ballot title purposes and focuses only on bond and matching grant.

BB asked for a non-fund accounting report showing the running totals for the project. The missing piece in terms of the overall project is the full faith and credit borrowing balance.

MV asked that amount: CD replied \$2,281,023.

MV stated both kinds of reporting are needed.

TA requested the Financial Activity report also include percentages of budget spent.

CD informed committee about general parameters for bond spenddown requirements, will provide more information in the next report, as bond spending ramps up. In the future, arbitrage rebate consultant to be hired to perform necessary calculations. MV asked the cost of the consultant: CD estimates \$500 per year.

RH asked about ADA. DW replied regarding the ramp at the gym.

5. TTA called for Agenda Item 5: Budget and recent estimates

MV detailed where cost estimates have increased and become more realistic. Design team fee increases as a % of total project. No longer budgeting to close the MS. Woodard purchase payoff more than originally budgeted. \$327K differential in soft costs. Contingency remains about the same; it is percentage based. This covers surprises when construction starts. We are good with 8%. Contingency on soft cost is low because most costs are known now. Helps offset some higher actual fees. 10% contingency on main campus soft cost and FFE. Added Septic contingency on advice of contractor. Bond issuance costs lower than originally budgeted.

We've used the high range. Currently \$1,522,217 over budget, but all numbers are high end of range. Expect it to be \$711K less, so \$804K short. But we have work to do to make these projects happen or cut costs. Site improvements includes landscaping. Already pulled out irrigation from that. Can the district do it in another way? Seismic improvements and ADA; are there other sources that can support the district?

RH: Can existing furnishings be moved to Woodard?

MV: Yes, except multipurpose room, and technology.

SB: % Increase is that lumber costs? No cap?

MV: Several things based on percentages. Woodard soft costs: pretty common to do on % fee, usually not with a cap. Owner changes are built into the fee.

SB: Was there a drastic redesign that resulted in the big increase?

MV: More like we didn't budget well.

Ian: We should have covered civil and land use but Soderstrom did, and green energy. That changed it from 9.5% to 11%.

MV: Contingency on soft cost not enough to cover change we actually saw.

So the thing to know is we are honestly showing you where we are and how we are basing the numbers. Questions? Ideas? Hard decisions to make along the way to get it done.

Ian: Number in from estimator for new construction is at \$300 per square foot. And remodel is \$138 per square foot. \$300 is rather low; good numbers. To try to whittle it down not in the current market.

MV: our numbers show \$156 for remodel because it includes demo.

MV: Team has been working it. Bob, Todd, Michelle.

Ian: We appreciate that! Interior finishes such as carpet choice is a fantastic reduction. PEMB is a cost saver. Not sure how much can be whittled out.

TTA: Feeling stunned and sad.

SB: Community could help with landscaping but hardly a dent in \$800K.

MV: Hopefully all contingency won't be needed.

BB: Wise to keep contingencies in place.

MV: Got these estimates on Friday, so project team is delivering this information in real time. We need to brainstorm other ways to support the projects.

TH: GS roof cost finalized?

MV: Not yet, Steve getting bids.

BB: Estimate \$300K a couple years ago.

TTA: Any additional questions?

MV: Format clear? General agreement it is.

TTA: Last point of business is setting next meeting.

DW: November 30 at 7:00? There was general agreement. Likely virtual.

Ian: Interiors team is out. Interior rendering change needs to be done. OK to hold off sending interiors until done?

TTA: When?

Ian: One week.

TTA: Group preference okay to wait for update? Yes, general consensus.

TTA: Meeting adjourned at 8:21 pm.