Alsea School Board Meeting

Monday, August 1, 2022 Board and BOC Joint work session
Alsea School Library, 301 South 3rd Street, Alsea, OR 97324

1. **Call to Order**
2. **Bond Project Update**

District Administration Office
Mr. Sean Gallagher – Acting Superintendent
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Alsea Bond Project Update 8/1/2022

- Please refer to the April 12, 2022 Bond Re-Prioritized Project list from Scott Marshall
  - This list depicts where estimated scope of the bond project was at that date and time
- Problem:
  - Bids are coming in much higher than expected, squeezing available bond & district dollars
    - Panel & Hallway $298K -> $675K ($820/ft^2)
    - VOC Center $1.5M -> $2M
  - Difficulties trying to find sub-contractors still exists
  - Building permits have passed all channels of Benton County except for one, Benton County Public Works associated with the completion of handicapped safety crosswalks for the Pre-School.
- Options:
  - **Reduce the scope again of the project by prioritizing what the bond can afford**
  - **Cancel the project and send the money back to the voters**
    - This would constitute Legal Defeance
    - Bond have already been sold to investors
    - The district is on the hook for a return of investment over the life of the bonds sold
    - District would create an escrow account
    - District would have to cover the bond investment interest by either:
      - Contributing district dollars, or
      - Approving a new tax levy to cover the costs
      - According to DA Davidson, this total cost would be:

"Given the low interest rate on the bonds (i.e. 3%) and the now elevated rate of investment in Treasury bonds (2.60%), the cost of defeasing the District's GO bonds maturing 2023 to 2030 and prepaying the 2031 to 2045 bonds on 6/15/2030 would be ***$2,157,040.*** *This cost would not include the legal and verification costs of executing the defeasance."*

  - **What about constructing a metal pole building for the VOC center?**
    - According to Scott Marshall, public school building have to be constructed with some of the highest safety ratings according to building standards
    - A good source of reference is:

https://codes.iccsafe.org/content/OSSC2019P1/chapter-16-structural-design

Other safety standards to reference include:

2021 Oregon Plumbing Specialty Code
2019 Oregon Mechanical Specialty Code

2019 Oregon Fire Code
2021 Oregon Electrical Specialty Code
2021 Oregon Energy Specialty Code (2019 ASHREA 90.1)

- Once a pole building is built in accordance to the above safety standards, the cost is about the same with lesser of a product

What about the district acquiring their own sub-contractors?

- The district most certainly could, but then the district would have to initiate their own RFP process and take over managing the project. The district is in the business of educating students, not negotiating the contractor-build world

- Budget:
  - $4.3M of both bond and OSCIM state matching grant dollars available
  - Spent >$368K already as of 4/12/2022
  - Board approved $474K of unappropriated dollars to be dedicated to the bond project
  - ESSER III dollars can provide $163K to air quality enhancement (i.e. HVAC)
- Budget Timeline:
  - State matching OSCIM grant dollars must be 100% spent by March 2024, else the district loses those dollars
  - Bond levy dollars must be 85% spent by April 2024 unless there are special circumstances. An extension is not guaranteed.
- **Superintendent Recommendations:**
  - The district needs to re-prioritize the 4/12/22 list as recommended by Scott Marshall and approved by the Bond Oversight Committee (BOC) and the Board of Directors.
  - This needs to be a joint team decision by BOC and Board of Director members, and then approved by the Board of Directors
  - Difficult decisions will have to be made
  - Sacrifices have to be carefully weighed
  - The district is under a timeline
  - Both Scott Marshall and CB Construction need detailed directions on how to proceed. The district is on the eve of moving dirt, materials, and crews. Without a clear direction the district risks unnecessary costs & work being performed.

ALSEA SCHOOL DISTRICT BOND PROJECT RE-PRIORITIZED LIST OF PROJECTS (PRELIMINARY)

Date: April 12, 2022

To: Sean Gallagher – Superintendent

From: Scott Marshall, AIA - NCARB

Hi Sean,

My records indicate that the district has a total of $4.3M for bond projects and have spent $363,832.00 to date on bond related work including soft costs (fees, testing, etc.) & new construction (Phase 1b4 – Student toilet remodels).

Upon review of the memo sent on 3/31/22, our subsequent discussions regarding district needs, professional input, and overall general direction please consider the following revised project prioritization;

(Listed from most important to least important items with the same priority number must be done together due to phasing dependency. It is understood that priority projects listed below exceed available bond monies and should be open for further discussion and decision.)

Priority	Projects:		Status:	Estimated Cost as of (4/1/22):
1	1a2:	Power Service Upgrade	Utility Engineering	$ 500,000
	1b7:	New Panel Room & hallway	In for Building Permit	$ 298,800
2	1c9:	HVAC upgrade at Classrooms	Construction Drawings	$ 350,000
	2c22:	HVAC at Gymnasium	Construction Drawings	$ 250,000
4	2a14:	Boiler Room Asbestos Abatement	Report Completed	$ 100,000
	2b15:	Cafeteria & Kitchen Repurpose	Design Development	$ 950,000
	1a3:	New VOC Shop	Ready to Permit	$ 1,500,000
	Project Soft Costs		Ongoing	$ 400,000
	Total Priority Project costs above (estimated)			**$ 4.34M**
	Bond Funds available to date			$ 3.93M

Alternate Projects:

3	2c23:	Metal Building Toilet Repurpose	Design Development	$ 60,000
5	2c19:	Select window replacement	Design Development	$ 65,000
6	1c9:	New Classroom Building	In for Building Permit	$ 1,200,000
	2c26:	Old Kitchen into Classroom	Construction Drawings	$ 25,000
	Project Soft Costs		Ongoing	$ 100,000
	Total Alternate Project costs above (estimated)			$ 1.45M

ALSEA SCHOOL DISTRICT BOND PROCESS REVIEW

DATE OF ISSUE: August 1, 2022

SCOTT MARSHALL / STRAIGHTLNE INFORMATIONAL RE-INTRODUCTION:

EDUCATION:
University of Idaho 1998
Masters of Architecture

PROFESSIONAL AFFILIATIONS:

ODE	Certified Facilities Assessor
NCARB	Certified, 59,657
AIA	American Institute of Architects

CAREER PRACTICE:

Straightline – Principal	2013
LKV – Partner (Resigned)	1996
Williams & Associates	1994
Myers Anderson Architects	1991
Walt Wilderman, Architect	1990

AWARDS & ACCOMPLISHMENTS:

Arthur Troutner Scholarship	1995 & 1996
Dean's List	1993 – 1998

EXPERIENCE:
20 Years Registered Architect

CURRENT PROFESSIONAL LICENSURE:
Idaho & Oregon

CAREER CONSTRUCTION VALUATION:
$382M – Lifetime project valuation

CAREER LARGEST PROJECT:
$22M – Boise State University Nursing Building
Roll as Project Architect

K-12 SCHOOL EXPERIENCE:
Alsea School District
Pilot Rock School District
South Wasco School District
Dufur School District
North Powder School District
Frank Church Alternative High School
Crossroads Middle School
Galileo Math & Science Magnet School
Van Buren Elementary
Washington Elementary
Existing Washington Elementary Remodel
Imbler Elementary K-6 Building, Imbler
Willow creek Elementary School
Whitney Elementary School

PROFESSIONAL LIABILITY INSURANCE:
$4M Lloyds of London

ALSEA BOND HISTORY:

2018

MAY	Long Range & Facility Study begins

2019

DECEMBER 2019	Study Completed

2020

JANUARY thru APRIL	Bond Scope Approach
MAY thru SEPTEMBER 2020	Bond Campaign

2021

FEBRUARY	CM/GC selected
MARCH	Topographical survey
APRIL	Geotechnical report
AUGUST	Toilet project design completed
NOVEMBER	Toilet room project completed

2022

JANUARY	Power upgrade to cpi for coordination
FEBRUARY	Temporary office building permit submittal
MARCH	Hallway & panel room design completed
MARCH	Classroom design completed
APRIL	VOC building design completed
JULY	Intersection Improvements (Pre-School Project)

PROJECT PRIORITIES & DEPENDENCY'S:

1. Power Upgrade:

- Existing Service over capacity
- New Panel room must be completed prior to upgrade being complete
- Required for HVAC Upgrade, Kitchen / Cafeteria & VOC Shop (due to new power requirements)

2. Panel Room / Hall:

- Required for placement of new Panels & switchgears for power upgrade
- Sand & Grease trap required for Kitchen re-purpose

3. HVAC Upgrade:

- Power Upgrade required prior to HVAC functionality

3. VOC Building:

- Required for Cafeteria / Kitchen repurpose (existing space is currently the VOC program)

4. Cafeteria & Kitchen Repurpose:

- VOC Building, Power upgrade, Panel Room / Hall, HVAC upgrade, & Boiler Demolition must be completed prior to start of Cafeteria & Kitchen Project.
- New space occupies Existing Boiler Room, Shop, and Technology Classroom, requires sand and Grease Trap installation.

DEPENDENCY METRIC:

IF WANTED: / MUST COMPLETE:	POWER UPGRADE	PANEL ROOM	HVAC UPGRADE	VOC BUILDING	CAFETERIA & KITCHEN
POWER UPGRADE	-	**YES**	NO	NO	NO
PANEL ROOM	**YES**	-	NO	NO	NO
HVAC	**YES**	**YES**	-	NO	NO
VOC BUILDING	**YES**	**YES**	NO	-	NO
CAFETERIA & KITCHEN	**YES**	**YES**	**YES**	**YES**	-

SCOPE MODIFICATIONS TO CONSIDER:

POWER UPGRADE:

- Remove 700KW Sled Generator from project and maintain required infrastructure for future installation.
  Estimated Cost Savings $275K.

PANEL ROOM & HALLWAY:

- Remove the hallway addition portion and replace it with a covered walkway / egress path. Maintain & Reconfigure the new panel room to incorporate into future kitchen walk-in freezers and coolers.
  Estimated Cost Savings $250K

HVAC:

- As designed, the gymnasium HVAC is interconnected with natural ventilation fans and automated controls to provide a 'night flush' approach for cooling in lieu of traditional Air Conditioning. (Classrooms would maintain new Heating & Air conditioning). Addition of Air Conditioning would be more costly.

VOC BUILDING:

- Remove front canopy and reconfigure main entrance sidewalk to extend to the south to remove the exterior ADA ramp from the project scope. This would meet code, but would require accessibility from the road to the east rather than from the backside of the existing parking lot and may pose a safety concern. Estimated cost savings $30K

CAFETERIA & KITCHEN:

- Construct the new kitchen area with bond monies.
- Remodel cafeteria space using district funds / forces (if necessary).
- Keep all new finishes in the cafeteria and kitchen to the code required bare minimum.

3. **Bond Project Direction**
4. **Adjoun**
5. **The next regular meeting is August 11, 2022.**