



MINUTES

CALL MEETING TO ORDER

The Bond Oversight Committee Chair Pat Eastman called the January 24, 2018, Budget Committee Meeting to order at 6:00 p.m.

Present were:

Pat Eastman	Bond Oversight Committee Chair	
Dale DeBolt	Bond Oversight Committee Vice-Chair	
Eric Aguinaga	Bond Oversight Committee Member	
Dawn Davis	Bond Oversight Committee Member	
Rick Costain	Bond Oversight Committee Member	
Heath Kasper	Bond Oversight Committee Member	Arrived 6:04
Scott Pierson	Bond Oversight Committee Member	
Jerry Boehme	Bond Oversight Committee Member	
Russell Allen	Director of Business	
David McKay	Bond Program Director, HMK Company	

Mr. Jon Dilbone was present in the audience at the meeting.

PLEDGE OF ALLEGIANCE

Committee Chair Pat Eastman led the audience in the Pledge of Allegiance.

BOND OVERSIGHT COMMITTEE OPERATIONAL TASKS

Approval of Minutes of the November 29, 2017 Meeting

Mr. Eastman stated if everyone had an opportunity to review the minutes that were sent out and asked if there were any corrections. There were none. Mr. Costain made a motion to accept the minutes. Ms. Davis seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

BOND PROJECTS STATUS REPORT

Mr. Eastman asked Mr. McKay to provide the Committee with a bond projects update. Mr. McKay reported that December was a transition month moving from a focus on design to a focus on bidding. Most of the projects worked on were CFU projects and the transition went well with a number of projects out to bid. He stated that he was working on a master board schedule for work session action items through December of 2018 and is hoping to have more information out soon. Mr. McKay reported that there has been a good contractor turn out so far. He distributed a list of contractors and stated that he was constantly working on updating the list. He asked the Committee to review the list and e-mail him if there were any contractors that they knew of that were not showing on the list. He stated that he uses the list to send advance courtesy notices to local contractors about projects. Mr. Eastman suggested that Mr. McKay drop off a list at the Chamber office for them to review. There were several contractors mentioned by the Committee that were missing. Mr. McKay noted those on his list and stated an important question to ask contractors when members were talking with them is “do they do prevailing wage work?” Mr. Eastman thanked Mr. McKay for helping to keep our local businesses busy.

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Mr. Boehme stated that he felt that the prevailing wage question should be wordsmithed and included for Q&As..It should also include, "are we able to spend the bond money local?" Yes. Also to note that we are sending information out to local companies regularly about work associated with the bond. Mr. McKay stated that he plans to ask subs as to the number of people that they have working for them that live in the local community and who have kids in Albany schools. He stated that he was actively working with Marsha Latta to put information out on social media, Facebook, and Instagram.

Mr. McKay reported that there were some good things happening. He stated that Mr. Allen had written a very well-crafted e-mail to the local legislature regarding our wetlands issues. Because of his work, the District was able to purchase wetland credits at \$48,000/acre compared to the going rate of \$75,000/acre; purchasing the remaining credits that were available from Eugene which saved the project \$300,000. Mr. Costain asked if it would be sufficient for all the projects. Mr. Allen responded that there were 12.8 credits purchased and that our need is 11.8; the majority being needed at Timber Ridge and the rest for the new transportation facility. Ms. Davis asked about the wetlands question at West. Mr. McKay stated that he had asked if there was an ability to do a drive by and that since this property has been used since the 1950s, could there be a determination that it isn't wetlands. It was decided that the property in question was not wetlands and a formal letter was sent to us with a copy to the Corps of Engineers to be sure it was documented. He stated that he believes that the district is covered for West Albany High School.

Mr. McKay stated that he was working on the land sale agreement with the City for the property for the New Elementary School. He stated that the District would be responsible for the Santa Maria Street extension but there has been no talk about Somerset Street. Mr. Allen stated that the extension of Santa Maria would be along the northern piece of the property and then meet up with Somerset. He stated that as the developer we are responsible for to and through which includes the street, water, and sewer. It is estimated that the Santa Maria extension will cost \$2.2 million. We have worked out with the City for \$950,000 of that. It is expected that the developer of Somerset Meadows has assumed the responsibility of Somerset. Mr. Debolt asked who was responsible for the intersection lights at the corner of Clover Ridge and Hwy 20. Mr. Allen responded that it was not the District. He shared that at the pre-application there were discussions as to it having to be done, but it was not given to us. He stated that it was possible that transportation grants might cover it. Mr. McKay shared that when the conditional use was approved by the City it contained verbiage of to and thru. He stated that there is a remote possibility for the District to have to pick up the development of Somerset if the developer of Somerset Meadows does not proceed with their construction however; the City feels that building there is imminent. Mr. Boehme commented that he thought that the \$950,000 was taking care of the liability for the roads. Mr. Allen responded that even though assumption and expectations, there has been no time that the City has told us that we would be off the hook if the construction didn't move forward. Discussion ensued. Mr. Costain asked where the \$2 million comes from if construction on the Somerset property doesn't start. Mr. Allen stated that he was not sure; the District would have to go to City Council to see if there was a work through. If not, it might require cutting other projects, using interest earned, etc. Mr. Kasper asked if we would get the funds back when the property was developed. Mr. Allen responded that it is much more expensive for the first one in. More discussion ensued.

Mr. McKay stated that there was a question asked of the Board in regards to naming the new elementary school. He shared that the Superintendent was tasked with setting up a Committee to come up with suggestions that Mr. Golden could provide to the Board. Mr. Boehme asked if there was any problem with using Clover Ridge again. Mr. Allen stated that the name could be moved to the new building, however then we would need to rename the old building. Mr. Richards stated that at some point there may be a need for a new high school in that area also. Ms. Davis asked what the timeline was. Mr. McKay responded 1-3 months more or less. Mr. Allen shared that the initial push for a name was coming from the designers to help with the design. He asked that if anyone on the Committee had any ideas to send them to Jim Golden.

Mr. McKay began reviewing the projects that was provided as a Board Report at the Board's last meeting.

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New Elementary School

Mr. McKay stated that the new elementary school is getting close to having construction documents ready and is scheduled to go out to bid at the beginning of February. He reported that the cost estimates were going well. He shared that there were four great pre-qualified contractors for the project. He shared that they were: Gerding, John Hyland out of Eugene, Triplette Wellman out of Woodburn, and Todd Construction out of Tualatin. Mr. Aguinaga asked when it would be known if the bond premium was approved for the new elementary school. Mr. Allen stated that it would be found out when the contract was approved and awarded by the Board on April 9 and the bond premium would show up as a bid alternate as part of the contract. Mr. McKay reiterated that most of the large projects have bid alternates associated with them.

Oak Grove

Mr. McKay reported that the schematic design was just completed for Oak Grove. He stated that there were some budget challenges that were being worked through. He shared that the project has moved on to design development and that he has met with the Envelope Commissioning Agent that is looking at how windows are installed, the weather and vapor barriers, and flashings. He shared that they were brought on board to be a second set of eyes and to do construction inspections and observations so we don't have some of the same challenges we had at Timber Ridge with the envelope.

Mr. McKay reported that Oak Grove would be having two bid packages. He stated that there would be site package in late April that will allow Gerding to get in to build the pad and do site work including entrances, parking lots, and utilities. He then stated that there will then be a building completion package that will go out in May and that will be basically the building from the foundation up. He shared that it will be the exact same process for West.

Middle School Projects

Mr. McKay reported that the middle school projects have been advertised, staff has notified contractors, and the documents were posted to HMK's website on Friday. He stated that there is a pre-bid scheduled on the 29th for Calapooia, Memorial, and Timber Ridge. He explained that NAMS has been taken off the list and put on hold until next year. Ms. Davis asked about the work for the Art Room at NAMS and the possible use of NAMS for the Oak Grove Transition. Mr. Allen responded that the District is dealing with that project.

South Albany High School

Mr. McKay stated that there was a progress update presented at the last Board Meeting. He stated that he sent the information provided by DLR to Kathie who would send it out to the Committee. He stated that the project looked really good with a good use of space with creative solutions. He stated that Mr. Belveal had a concern as to whether the storage on the East side of the building was going to be built. Mr. McKay commented that based upon the cost estimate does not believe there is any problem because the base bid and alternates are all within budget. Mr. Eastman asked if there was any way to stay flexible enough to make a heroic effort in making sure those alternates get done at South. Mr. McKay responded yes. Mr. Allen commented that the nice thing at South is that the ones on your list it is the last one and that there is an awful lot of funds accounted for before that. If for some reason all bids were coming in over budget and have had to jump to cover them, then it could be a problem. He stated that he understood the desire but South is last which is good and bad, probably good because if there are any savings generated on projects ahead of it, those savings can be applied to South if necessary.

Mr. McKay stated that he was hopeful that with all of the good contractors in the valley that these projects are attractive. He added that if we were in Portland, he may have a greater concern, there is a lot more work up there and hopes that local contractors may feel that this could be good to keep their staff local instead of driving distances to get to their jobs. Ms. Davis stated she had a question about South regarding the drawings looked at on Monday, there was some additional storage looked at and she wasn't sure if that was a base or alternative bid. Mr. Allen responded that the Alternative bumped it out 5 to 8 feet. Ms. Davis asked if it was within the original roof line. Mr.

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McKay stated that currently the storage wasn't covered storage but was under the mansard. He stated that the new storage has a metal awning which goes much farther out. Ms. Davis then asked if parking space would be lost. The answer was affirmative, 13 spaces. Discussion ensued.

West Albany High School

Mr. McKay reported that they had just sent the schematic design to the cost estimators and are waiting for their response. He shared that he is expecting some challenges; he stated he looks at it as a reality check, and expects to have to make some changes. Mr. Eastman asked if there was any progress on the location of the physical plant. Mr. McKay stated that there is a meeting tomorrow to talk about it. He shared that there are some "competing program requirements." He stated that the school believes they have some program needs for the space that the physical plant wants for the boiler room. He reported that he has tasked DLR to see if there is another place for the boiler room to make it a win win. Mr. Allen responded that the superintendent has stated that we cannot have an inefficient physical plant location, we can't pipe heat 3 miles through a pipe, so we are trying to find a win win. Mr. Boehme asked how the insertion of the gym into the plan worked. Mr. Allen stated that the Board had a work session and debated about it in a Board meeting. He shared that they were given two alternatives of how the additional money could be spent. Ultimately, in a unanimous vote, they felt it made the most sense and logical progression of projects and program to do the one with the gymnasium. Mr. Boehme commented that this would be another good addition for the Q&A because the perception was an auditorium at west and gym at south, and the next bond gym at west and auditorium at south, the perception is "there goes the auditorium."

Mr. Boehme stated that another thing for the Q&A is to include what the projections are for the next bond. He stated that it is important to start having that conversation about finishing West, expanding Takena, replacing NAE and other things that are being discussed to keep the conversation going for the next 10 years. Mr. Allen responded that it would have to be pretty nebulous but he understood. Discussion ensued.

CFU Projects

Mr. McKay shared that he gave an update at the Board Work Session. Mr. Costain stated that on the paving list Liberty was on hold and asked if that was correct. Mr. McKay responded yes it was postponed a year because it was part of the project structure. Mr. DeBolt asked about the updates on Calapooia Middle School, he commented that the picture showed wires coming through the ceiling tiles and wondered why that particular picture was chosen to put in the report because it looked like it wasn't finished. Discussion ensued. Mr. Aguinaga stated that he and Mr. Eastman had visited Lafayette and there were all kinds of buckets throughout the school catching water. He stated that he understands that it will be fixed during the summer, but the parents at that school aren't going to know that. Mr. McKay stated that Mr. Aguinaga had a good idea and he would work on that to put on Facebook. Mr. Allen shared that he had been involved in a meeting to set up sheets to say "What is going on at your School" so that type of thing is currently being worked on.

Mr. Boehme stated that early on there had been discussions about bus loops at liberty and wanted to know what had been decided. Mr. Allen responded that the bus loop was dropped before the bond. He shared that it was determined that the parent drop was more important than the bus loop and that is what was put into the bond and that is where the issues are in coming up with a plan that everyone is happy with. Mr. McKay asked if there were any more questions on the CFU projects. Mr. Eastman asked if Mr. Pigman was staffed up for his projects. Mr. McKay responded that he was staffed up and they are currently working on the Mechanical Control projects at Calapooia, Memorial, and West; and beginning work on the weld shop.

Bond FAQ

Mr. McKay stated that he was working on putting together information for a FAQ for the Bond and stated there were some comments provided at the meeting but asked if there was anything else that should be put on the Web Site for the public to access and try to answer some of the questions that people would want to ask. Mr. Costain stated that there are some hot buttons with the increased population in North Albany area with drop-off and pickup times and it

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will get worse when adding more students next year. Mr. Allen stated that it has been talked about and from a transportation standpoint we can't change the times it. He stated that yes, we are taking a bad situation and making it worse. Ms. Davis asked if the start and stop times couldn't be offset. Mr. Allen responded that the problem is that the buses all have to come at the same time and that the arrival and departure times of the buses couldn't be changed. Discussion ensued.

Mr. Aguinaga stated that it would be helpful to have another explanation as to why we need another gym at South. Mr. Eastman suggested sending any comments or suggested changes to Mr. Allen. Mr. Costain stated that another thought to include would be how the two new elementary schools affect Clover Ridge and Fir Grove. Mr. Pierson stated that the FAQs are a great idea but is only one element as a public relations campaign. He suggested thinking about today's millennials who will be the parents in the schools in 10 years and to think in terms of who will be voting at that time. He stated that the marketing and the public relations campaign that you get out in front of now will set the foundation for the next bond proposal. Mr. Pierson stated that it is an incredible marketing opportunity now in how communication is shared with all the teachers, parents, chamber, rotary, downtown association, visitors association, and everyone needs to be on top of everything is what is going on, not just a FAQ. He suggested wordsmithing the comments in the FAQs putting a positive spin on the projects with a positive statement with follow up information, submitting press releases, editorials to the paper, and Facebook keeping it light and informative. He felt this would then seal the deal for the next bond. He stated that every project and every group has questions. He suggested that because the district already has the answers and decisions, justify the decisions by proposing a question.

Mr. Eastman asked if Marcia was still on the payroll. Mr. Allen confirmed that her contract runs through the end of June and that she was involved in the meeting that took place yesterday. Mr. Pierson stated that he sees people from the district, like Jim Golden, going out and presenting to teachers and parents and having groups of parents come in on parent night and share what great things that are going on at their schools and what they can expect in the next year. Mr. Eastman asked if Marcia could come to the next meeting to give an overview of how she envisions all of this and to give her some of our comments. Mr. Allen responded affirmatively. He added that the "Road Show #1" would be occurring at the end of February.

Mr. Eastman stated that he assumed that groundbreaking ceremonies are going to happen. Mr. Allen shared that groundbreaking ceremonies were also part of yesterday's conversations including the purchasing of shovels to be painted gold. Mr. Eastman stated that the School District is on the Chamber's program for their luncheon on February 28th at the fairgrounds and asked if there was anyone else interested in attending. Discussion ensued.

Mr. Eastman commented that he had attended many of the progress meetings and was very impressed and thankful for HMK Company. He stated that they are doing a great job. They run the meeting efficiently and allow people time to share and discuss their concerns. He then thanked Mr. McKay directly. Mr. Eastman then asked if there were any other questions or comments. There were none.

Mr. Eastman shared that the next meeting would take place on Wednesday, February 28 at 6:00 p.m. here at the district office. He then adjourned the meeting at 7:17 p.m.

Pat Eastman
Bond Oversight Committee Chair

Recorded by Kathie Vosper