



Bond Oversight Committee Meeting

July 18, 2018, 6:00 – 7:30 p.m.

Agenda

- A. CALL MEETING TO ORDER – Pat Eastman**
 - B. COMMITTEE OPERATIONAL TASKS – Pat Eastman**
 - 1. Approve Minutes of the June 27, 2018 Meeting
 - C. BOND PROJECTS STATUS REPORT – Pat Eastman**
 - D. BOND PROJECTS COMMITTEE DISCUSSION – Pat Eastman**
 - E. QUESTIONS AND COMMENTS – Pat Eastman**
 - F. NEXT MEETING – Pat Eastman**
 - G. ADJOURN – Pat Eastman**
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DATES OF INTEREST TO THE COMMITTEE

July 12	Special Board Meeting, 5:30 p.m. District Office
July 16	Regular Board Meeting, 7:00 p.m. District Office
July 18	Bond Oversight Committee Meeting, 6:00 p.m. District Office
August 1	Principals and Office Managers Return
August 13	Regular Board Meeting, 7:00 p.m. District Office
August 27	Teachers Return
August 27	Regular Board Meeting, 7:00 p.m. District Office
August 29	Bond Oversight Committee Meeting, 6:00 p.m. District Office
September 4	First Day of School, Grades 1-6, 9
September 5	First Day of School, Grades 7, 8, 10, 11, 12
September 10	Regular Board Meeting, 7:00 p.m. District Office

The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before this meeting to the Greater Albany Public School District, Kathie Vosper 541/967-4505.



MINUTES

CALL MEETING TO ORDER

Bond Oversight Committee Chair Pat Eastman called the June 27, 2018, Budget Committee Meeting to order at 6:01 p.m.

Present were:

Pat Eastman	Bond Oversight Committee Chair	
Dale Debolt	Bond Oversight Committee Vice-Chair	
Eric Aguinaga	Bond Oversight Committee Member	
Scott Pierson	Bond Oversight Committee Member	
Rick Costain	Bond Oversight Committee Member	
Heath Kasper	Bond Oversight Committee Member	
Dawn Davis	Bond Oversight Committee Member	Arrived 6:10 pm
Russell Allen	Director of Business and Operations	
David McKay	Bond Program Director, HMK Company	

Committee Member Jerry Boehme was absent from the meeting.

PLEDGE OF ALLEGIANCE

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

BOND OVERSIGHT COMMITTEE OPERATIONAL TASKS

Mr. Eastman stated that the minutes had been sent out and asked if there were any questions. Committee Member Scott Pierson stated that he had not received a packet. A packet was provided for him. There were no other questions. Mr. Eastman asked for discussion on the minutes. There was none. He then asked for a motion to approve the minutes. Committee Member Dale Debolt made a motion to approve the minutes as submitted. **MOTION CARRIED UNANIMOUSLY.**

BOND PROJECTS STATUS REPORT

Meadow Ridge Elementary School

Project Manager David McKay stated he had a few things to discuss in regards to Meadow Ridge wetlands. He reported that he had provided an update to the Board Monday night where he shared that the DEQ was ready to issue their permit but not until the Corps of Engineers are ready to release theirs. He stated that Tim Acker has been working with the Corps of Engineers and Brian Vendetta has been working with DEQ to come up with resolutions to their concerns. Mr. Acker was going to suggest that the Board send letters to our Legislators to see if they could help with the situation. However, after Mr. Acker reached out to the Corps of Engineers, he got them to agree to meet with the DEQ to go over the issues so it was decided to pull the letters to the legislators and send a revised letter, under Mr. Smith's signature to the Interim Regional Director of the Corps of Engineers. That letter is ready and awaiting Mr. Smith's signature. Mr. McKay stated that although

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they have made a commitment, staff is hoping that the letter will encourage the Regional Director to do what he can to make sure that the Corps reviewer moves us forward on the priority list to get the items resolved sooner than later.

Mr. McKay commented that if asked the question: "Should we have bid the project when we did, knowing what we know now?" He stated that the Corps would say not to go out to bid before getting permits; however, he reminded the Committee that staff had weighed the risk and felt it was better to go to bid in early spring and based on the DSL findings and issuance of their permit, he felt that the other two would have come before now. He stated that he stood by the decision, even with what is known today, and commented that if the district hadn't moved forward when it did, the next window would have been in the Fall with 3% to 4% inflation and unknown market saturation.

Ms. Davis arrived at 6:10 p.m.

Mr. McKay shared that there will be some type of claim by the contractor for extended general conditions and costs associated with the delay. He commented that there was one subcontractor lost from Philomath because they had to go on to other projects so we will have to be rebid for the excavation. This will be done after the permits go through. Discussion ensued. The group emphasized that they hoped the letter explains about the resulting delays for the schools, the kids, the extra cost and the impacts of not being able to move in on time.

Committee Member Eric Aguinaga stated with the strange requests from the Corps of Engineers to Mr. Acker, he was concerned that we may have been at the top of the pile and were shuffled down to the bottom and now back at the top? He wanted to know if it could be kicked back again. Mr. Allen commented that it was Mr. Acker's belief at the time that even though what he was doing was time consuming and annoying, it was not a true concern that she had but a check box that she needed taken care of. Yes it is possible that the result will be declaration that the application is not yet complete. If that is the case, we then talk to Mr. Acker again and then call out the big guns. Mr. Eastman commented that he hoped that it was not getting snarled up in the housing construction to the North. Mr. Allen responded that he had heard that they were finding resolution as well and don't think there are any more issues with them either. He commented that there were some changes that were required in the field that were not asked for in the past which is part of the delay.

Committee Member Heath Kasper asked about the schedule and asked for clarification that we will miss opening in the Fall of 2019. Mr. McKay responded that he doesn't want to give in yet but will assess things once they get started to see if the escalation costs and overtime efforts would pay off to finish on time. Committee Member Rick Costain asked about the wetlands on the property for the Transportation Facility. Mr. Allen stated that it is held up at the Corps of Engineers also, where the district has other agency concurrence and are waiting on the Corps of Engineers. He commented that he has not said anything to the Corps of Engineers about that project because we don't want them to get angry or somehow get confused that it would be a higher priority than Meadow Ridge. Mr. DeBolt commented that he had seen that the temporary power had been moved in and when the job trailer was moved apparently there were some neighbors concerned about the cleanliness of the job site. Mr. McKay stated that he would take care of it.

Calapooia Middle School

Mr. McKay stated that Baldwin Contractors were released today to start construction at Calapooia Middle School. He shared that the roof materials and roofer have been approved. Committee Member Dawn Davis asked if this was a new roofer or one that had been recertified. Mr. McKay responded that it was a new roofer and the correct product. He shared that the final item that was needed was a critical path schedule that could prove that they could get this job done by August 17 because there is no more time to give them. They will

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start tearing off the B and D roofs tomorrow because that is the location for the significant seismic upgrade work. Then they will start on the rest of the building. Discussion ensued. Mr. Eastman asked who was doing the abatement, the roofer or the contractor. Mr. McKay responded that it is the roofer doing that work. Mr. Allen stated staff believes they are the right people to do the work. Mr. McKay shared that the District has a roofing consultant who will be watching to be sure it is all done well.

Mr. Kasper asked what impact it has on the budget. Mr. McKay responded nothing. He shared that it is Baldwin's responsibility to make a claim for the asbestos abatement in the roofing material in the amount of \$250,000 which was denied by the District. Mr. McKay added that he feels the specs were clear and it should be covered by Baldwin. Ms. Davis asked if this was what was referenced in the Bond Update material provided. Mr. McKay responded affirmatively and stated that it is something we will have to work through. Mr. Eastman asked who makes the determination if the contract was correct. Mr. McKay responded that if an agreement cannot be made through the regular change order process, then dispute resolution is non-binding mediation before an agreed-upon mediator where each party bears their own cost; then litigation without recovery of attorney fees. Mr. McKay commented that he likes to think about the positive impact this will have on the students at Calapooia. Ms. Davis asked about an e-mail that was sent out regarding the number of lockers available. Mr. McKay responded that there was nothing he could do about it this year. He stated that staff was going to have to work it out. Mr. Allen stated that because the order was already in the district was going to take a stance on wait and see; for two reasons, one is not knowing what enrollment is and second is that checking with another Middle School Principal and at their particular school, they wouldn't anticipate problem because there is a number of students that opt out of PE or take an alternative to PE. Mr. McKay added that it is an easy job that could be done during winter or Spring break and there is room to add the lockers if needed. Ms. Davis commented that it struck her as being a concern but she also felt that enrollments were not in yet and don't know how many are opting out. Discussion ensued.

Oak Grove

Mr. McKay reported that there was considerable time spent over the last couple of days with Gerding and going through the final building completion package. Because it is a CMGC there are two bid packages built into this project. One was the site package which was the mass excavation and site work and the other is the building completion package. He stated that at that time he was confident that we are within budget to do the base bid project of 16 classrooms. He shared that they are looking at some value engineering ideas because he would like to bump the contingency up a bit because he was not as comfortable as he would like to be. Mr. McKay stated that he would have a recommendation for the GMP building completion package to the Board on the 16th and to see if they want to accept the bid alternate of 4 classrooms to bring the building up to 20 classrooms. He shared that the cost was significantly under budget and felt that it would be possible that they might be able to return \$200,000 to use elsewhere. Ms. Davis asked about the status of the asbestos abatement in the old portion. Mr. McKay responded that it is scheduled to be done Friday.

West Albany

Mr. McKay reported that they are out to cost estimate for the design development phase at West Albany High School. He stated that there is a reconciliation meeting scheduled for the 3rd week of July. He stated that he is waiting for the cost estimates to be completed so he can report it to the Board. He stated that the plan is to have DLR give a full update to the Board at their August 13 meeting on design and cost. Mr. Eastman stated that one of the sticking points was the makeup of the physical construction of the new building, and asked where that finally ended up. Mr. McKay responded that it stayed structural steel and that savings will have to be found elsewhere.

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South Albany, NAMS, and Memorial Middle

Mr. McKay stated that they are working with DLR to rebid those projects in October. He shared that there is a number of value engineering items to consider. He stated that Doug and his team have gone through the drawings, contractor feedback on the bidding has been received, and value engineering is taking place. He emphasized that value engineering does not mean cost cutting. Mr. McKay gave an example where he believes that the gym/multipurpose building is more expensive than it should be because of the walls. He shared that these walls are a pre-cast concrete wall system that is similar to the rest of the campus but built in a factory and shipped in. He commented that he had seen the prices increase by \$15 to \$20 per square foot. In addition, they are backlogged for 9 months. Mr. McKay reported they are working with the contractors to determine that going to a concrete masonry unit exterior wall is our most cost effective way to do it. He believes it is as durable as the precast or tilt panels. He commented that it will look different than the existing campus, however, it was going to look different regardless. He shared that Brent didn't want the rock facade because it causes problems. To get back to his point of value engineering, the system is an equal system that is equal to a precast concrete panel or tilt up concrete panel, it is just a more cost effective way of doing it. He stated that they are working with staff to make sure that they are ok with it and have given it to DLR and they are updating their drawings. This is the same for NAMS and Memorial.

Mr. Costain asked what the challenges where rebidding was not expected to address. Mr. McKay responded that South was over budget and he believes that with everything they are doing he believes that it could still be \$1.5 million over budget so they are looking at options that could be bidding alternates. He stated that they are doing everything they can to bring to the Board an option to be able to award a base bid and be within budget and then some options they could add to the project if they wanted to bring more money to it. Mr. Eastman asked what other issues were there other than the tilt-up walls at South. Mr. McKay responded that he believes there were mechanical and control issues. Mr. Eastman then asked if the steel work with the elevated roofing between the two buildings came in at cost? Mr. McKay responded that they don't get that level of detail from the contractors to understand that. He explained that they looked at the debrief of the contractors as to where there was only one bid for subcontractors. As a result mechanical and plumbing came back as having only one bid so it is unknown if the bid for that one was in line or not. He stated that they are doing everything they can to make the documents as clean as possible.

Mr. Allen stated that the next steps for South is we are planning to have DLR provide a report to the Board, before it goes out to bid, to explain where we are, the numbers, the value engineering, and ensuring we are not exceeding scope in any areas. Then the recommendation to the Board will be that they do not necessarily have to make those decisions now, but those parts can be put in as bid alternates, they may be things that we absolutely really want to have, but will put them in as bid alternates so that when the bids come in the Board will then be in a position to decide whether to stay with the original bid, or to have a conversation as to how to pay for the extras. Mr. Eastman commented that there didn't seem to be any delving into what particular aspects of the project are seemingly out of wack, even though you have cost reconciliation, one should know which aspect of the project might be too expensive so the value engineering can be done accordingly. Mr. McKay responded that they are confident that everything is done well but plain jane. He stated that they are troubled that some of the areas are far more expensive than we would think, for instance the two classrooms were \$450 per square foot when we were expecting \$275. Mr. Allen emphasized that the contractors are be questioned as to why the costs are so high to see what is wrong and when we get that information we are doing our best to get rid of the issues.

Ms Davis asked about the fencing issue that was discussed at a Board meeting. Mr. McKay responded that they are working hard to do the project this summer for South but are unsure if they can make it happen. Discussion ensued. Mr. Allen clarified that it is decorative fencing on everything except the north side. He

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commented that the budget buster was on the north side which is impacted by the bus lanes and gates. He shared that that was being bid with black vinyl coated cyclone fencing. He stated that the Board was given the numbers and they did not instruct staff to make any changes so they are moving forward with the cyclone fencing on the north side. Ms. Davis asked if the decorative fencing was similar to the fence at Periwinkle. Mr. McKay responded that it was. Discussion ensued. Mr. Allen stated that the fencing was pulled out of the bid package to try to see if we can do it self-performed by itself this summer.

Mr. Allen commented that the gym now has its new floor with the new red hawk logo on it. Mr. Aguinaga stated that the logo was backwards. Mr. Allen responded that it was coordinated between the school administration and the vendor. He added that the football field end zones will be done this summer. Mr. Eastman asked how the community funding on it was coming. Mr. Allen commented that he was unaware of any donations that have materialized other than that of Tonja Everest which will be matched from her husband's employer. He shared that Brent Belveal has been talking to Nike and others. He added that Field Turf is changing out the end zones at their costs, about an \$8,000 savings. Mr. Costain commented that Brent had given a presentation at Kiwanis about the process and he said he was talking to Nike and was optimistic that something is going to happen there. Mr. Allen commented that the District's website is set up to accept donations for that purpose.

Mr. McKay asked if there were any questions on the Update so far. Mr. Kasper stated that he didn't have a good feeling on the budget and asked where we are at on that project and overall on what we have done so far. Mr. McKay stated that for Sunrise, the original budget was \$183,000 and because of contract value we are now projecting it to be \$721,000. Mr. Kasper asked where the revised budget number went from 3 months ago. Mr. McKay commented that there were some adjustments made as to how the information was reported. He stated that the revised budget column created confusion so it was removed. He stated that there were some errors in the way it was reported, so they are trying to simplify it by removing areas of confusion. He shared that what they are trying to report is where we are based upon the award of the contract and whether it is over or under budget. Mr. Allen stated that he and Mr. McKay had worked on this prior to this update going to press and made some changes so you can see how much was budgeted for a project, how much do we expect to pay, how much we have paid to date, how much is remaining, and where do we stand; then cumulatively where they fall. Because the changes were made at the last minute, he stated that he was not surprised that there are a couple of concerns that we need to clear up.

Mr. Allen asked the group in regards to the anticipated over or under budget column, which should be negative? Discussion ensued. To make it consistent, the group determined that it would be budget minus amount paid, minus anticipated costs to date, and if those numbers are bigger than the budget then it results in a negative number; therefore a negative number means it is over budget. Mr. Allen stated that staff will review the document and make it consistent. Discussion ensued. It was determined to add a net at the bottom of the summary page. Mr. Pearson stated then at what point do the tough decisions get made on future projects if there are significant overages. Mr. McKay responded that the Critical Facility Upgrades are being done in order of priority. Mr. Allen commented that we haven't had to cross that bridge yet with large projects because bids that have been accepted have been at or under budget. He added that this question had been asked by the Board.

Mr. Allen stated that CFU projects are over budget but they are looked at as their own grouping and at this point there would be only \$399,000 in CFUs that wouldn't happen. He stated that the other middle school projects are small, and the large projects left are South and West. He commented that if these projects end up over budget, and the Board wants to maintain the scope of each project, they have a couple of options. Mr. Allen stated that one would be to access additional funds by levying the remainder of the dollars that it can from the voters (which is not likely) or utilize other funding like Construction Excise Tax dollars or funds

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generated by interest over the course of the Bond. He shared that decisions on the South and West projects will need to be made within the next 6 months so at that point the Board will consider their options and/or may choose to say that they like the CFU projects but could direct staff to cut funds there to make the larger projects happen but we haven't had to cross that bridge yet. He shared that the Board is not unified as to importance of each project at this time.

Mr. Aguinaga commented that there was negative post on Facebook asking about why Timber Ridge was getting anything done because it is a new school. He stated that after researching the post, he found that she works for GAPS and it is this type of post we don't need. He stated that Lafayette looks great and the students and staff are going to be very happy when they go back in the fall. He suggested inviting Jennifer Moody to walk around to show her the upgrades. Mr. Allen responded that he was sure they would be interested in seeing the projects when they are completed. He then commented that staff has done an ok job of communicating within on the Bond Projects but it has probably been too long since but we are waiting on getting resolution on some of the issues so we have the correct information to share. It is concerning when we have staff members make those kinds of comments, it does indicate that it we need to send out an update. Mr. Pierson suggested sending update sooner than later because lack of communication seems to be at the heart of any problem there is. The sooner an update goes out, even if minimal, it is an opportunity to talk about the great things going on. Discussion ensued. The group suggested holding off on using acronyms.

Mr. Eastman asked if there were any more questions regarding the Construction Update. There were none.

FUTURE MEETINGS

Mr. Eastman asked about dates for future meetings. Mr. McKay stated that the Bond Oversight Committee Meetings have been set up so that the meeting follows the Board Meeting in which they are given the Bond Update Report which is typically at the Board's second meeting of the month. The Committee decided on the following dates: July 18, August 29, September 26, October 24, and November 28. Mr. McKay commented that after that the Committee could determine whether they wanted to continue monthly meetings or go to a bi-monthly meeting. Discussion ensued. Mr. Pearson encouraged members to remain focused in their meetings as to the charter of their Committee and how they add value to difficult decisions that the Board will be faced with. Mr. Allen responded that he didn't disagree, but he believes that the first charge is to ensure that the work being done is what was promised to the voters and the second is that you are in a unique position to be able to be far more informed about these things than the average person and can provide input if there are difficult decisions that have to be made. Mr. Pearson stated that he just wanted to remain focused on that.

ADJOURN

Mr. Eastman adjourned the meeting at 7:30 p.m.

Pat Eastman
Bond Oversight Committee Chair

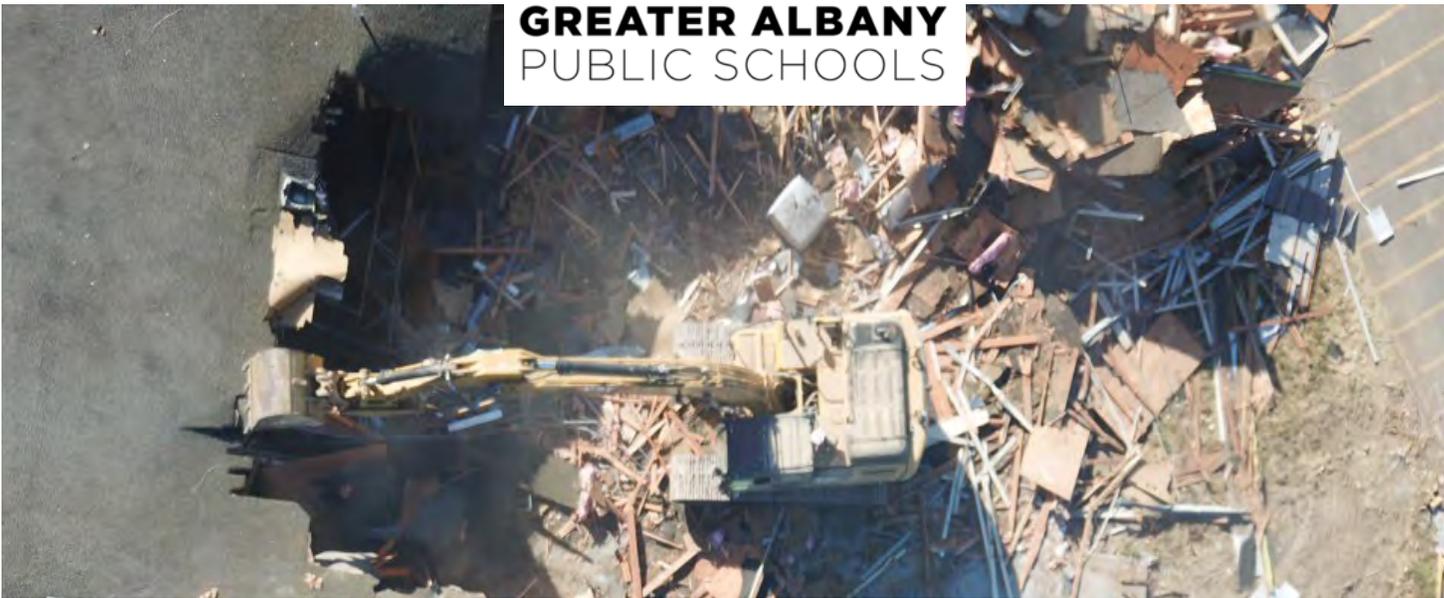
Recorded by Kathie Vosper

GREATER ALBANY PUBLIC SCHOOLS CAPITAL BOND PROGRAM

END OF MONTH REPORT - JUNE 2018



GREATER ALBANY
PUBLIC SCHOOLS



HMK
COMPANY



GENERAL PROGRAM UPDATE

Oak Grove Elementary School has been a focus of the project teams this month with the planning and execution of packing up and moving out in preparation for asbestos abatement and demolition. It is amazing to think that in 2 weeks the Building staff and Facilities team packed up and moved out all items. Demolition began on June 25, 2018 and was completed on July 3, 2018. The front and back covers of this report shows aerial photos taken of the demolition.

Regional construction costs continue to experience unprecedented inflation and market volatility. Included at the end of the board report is an article from the July 9, 2018 OSBA briefing discussing the experiences of other districts in the region. The project team is pleased that we have been successful in delivering the two elementary schools at budget without compromising educational program or building material standards.

Another project success was commencement of the Calapooia Middle School Project on June 28, 2018. HMK, Facilities, DLR, A-Tech and Baldwin General Contracting were able to work through the roofing challenges. The project is progressing based upon the updated schedule provided by the contractor meeting the contractual substantial completion date of August 17, 2018.

Special acknowledgement needs to be extended to three individuals who played a significant roll in leading the effort to pack and move out of Oak Grove Elementary School. They are Jeri Matuzak, Gary Dahlquist, and Joann Filice. These three led teams of people who all contributed to meeting the very aggressive goal of being out of the building by end of day Monday, June 18, 2018, 4 days following the last day of school. Their contributions were a significant accomplishment without missing the critical milestone enabling commencement of the project on schedule.

FOUR MAJOR BUILDING PROJECTS

Oak Grove Elementary School building completion package bid at budget which was welcome news in the current construction market. We will be asking the Board to take action to award the GMP Building Completion amendment at the July 16, 2018 Board meeting. In addition, we will ask for direction on whether the 4 additional classroom alternate is awarded which is approximately \$250,000 under budget.

We believe that Meadow Ridge is very close to having the Wetland Permit issued, hopeful that it will occur prior to the Board meeting. Once the permit is in hand the contractor will mobilize commencing work.

Working with the South Albany High School team we have been able to successfully Value Engineer the project reducing the estimated project cost by \$1M. This was achieved without compromising program and has the endorsement of Nate Munoz and Chad Angel. As we have worked through this process we have concluded that based upon the overall CTE program the 2 classroom alternate needs to be included in the Base Bid. The 2 classrooms placement adjacent to the Metal Lab, Fabrication Lab, and centrally located Maker Lab. Additionally, we believe that by incorporating the classrooms into the base bid project cost for the work will be reduced and we will eliminate a bidding complexity making the project more attractive to contractors.



West Albany High School is currently be estimated. Estimates will be reconciled mid-July. We are requesting a 90 minute Board Workshop for WAHS on Monday, July 30, 2018. The update will review the current design and cost.

PROJECT ADMINISTRATION

Project administration and accounting support are two key areas critical to Program success. This is a combined effort of HMK Company and GAPS Accounting. In the month of June, we have processed 209 background checks, requested 28 purchase orders and processed 45 invoices.

Contract Type	Number of Contracts	Value
Professional Service Agreements / Design Contracts	106	\$ 11,107,272
Construction Contracts	23	\$ 42,291,752

GREATER ALBANY CAPITAL PROGRAM SOCIAL MEDIA ANALYTICS

Last month our Social Media activity reached over 6,300 people in the Albany area with them linking project posts 3,800 times. Twenty five posts to Facebook, 15 LinkedIn posts, 14 Instagram posts and 16 stories were featured. Two posts in particular generated interest, Oak Grove Ground Breaking and the 360° photo of the Lafayette Cafeteria. With the 360° camera and a Drone we are adding additional images to the social media posts.

LOCAL VENDORS AND CONTRACTORS

We are pleased with the number of local contractors that have bid the projects and the report we are receiving from the prime contractors that many of the firms supplying materials and labor are from the local area. We will report the specifics once we receive sub-contractor and material supplier lists.

The following list of local vendors who are currently working on the projects.

ALBANY AREA CONTRACTORS

- | | |
|--------------------------------|-------------------------------------|
| Reece & Associates | 321 1st Ave. East, Suite 3A, Albany |
| K & D Engineering, Inc. | 276 N.W. Hickory Street, Albany |
| Udell Engineers | 63 East Ash Street, Lebanon |
| Buckmaster Plumbing/Heating/AC | 3620 Santiam Hwy, Lebanon |
| The Acker Group, LLC | 38863 Scrael Hill Road NE, Albany |
| Pacific Environmental Group | 2282 Three Lakes Road SE, Albany |
| Gerding Builders | 200 SW Airport Road, Corvallis |
| Civil West Engineering | 945 Geary Street SE, Albany |



Knife River	32260 Old Highway 34, Tangent
WL Thomas	1170 Anderson Place SE, Albany
Baldwin General Contracting Inc	1124 Santiam Road SE, Albany
Hammerquist Inc.	249 SW Avery Avenue, Corvallis
Forslund Crane Service	3001 SW Ferry Street, Albany

Calapooia Middle School - Baldwin General Contracting Sub-Contractors and Material Suppliers

Axis Electric	1981 Fescue Street SE, Albany
Complete Plumbing	422 Cleveland St. SE, Albany
Home Insulation Contractors	34155 OR-99E, Tangent
May or May Not Construction	2920 20 th Avenue SE, Albany
Mikes Heating and Air Conditioning	113 41 st Avenue SE, Albany

Lafayette Elementary School – Dorman Construction Sub-Contractors and Material Suppliers

AC & E Electric Company	3535 Del Webb Ave. NE, #100, Salem
Complete Plumbing	422 Cleveland St. SE, Albany
HR Mechanical	42556 Island Inn Dr. Lebanon, OR 97355
Mikes Heating and Air Conditioning	113 41 st Avenue SE, Albany
Oregon Art Tile	12592 Centerwood Road South, Jefferson

Meadow Ridge Elementary School - Todd Construction Sub-Contractors and Material Suppliers

Dakota Construction Services	36845 Crackerneck Drive, Scio
Island Fence Inc	931 14 Highway 99 S, Junction City
Knife River	32260 Old Highway 34, Tangent
L.P. Company	1780 23 rd Street SE, Salem
Northside Electric	2920 22 nd Street SE, Salem
Oregon Art Tile	12592 Centerwood Road South, Jefferson
South Town Glass	2324 12 th Street South, Salem
Thomas Kay Textiles	2744 Pence Loop SE, Salem
Valley Floors	2794 Vitae Springs Road, Salem

Oak Grove Elementary School – Gerding Builders Sub-Contractors and Material Suppliers

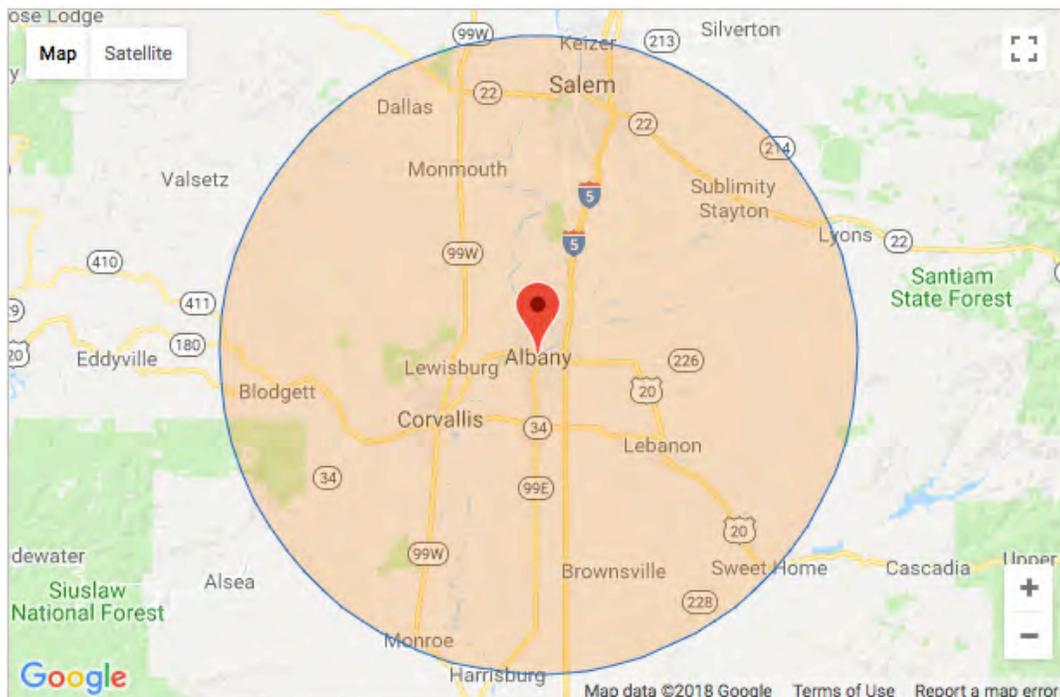
Cascade Casework	33431 Brewster Road, Lebanon
DSL Builders	195 Pine Street NE, Salem
F & W Fence Company	2220 16 th Street NE, Salem
Il-S Mechanical Plumbing & Heating	520 Willamette Ave., Stayton
Kraft Masonry	3661 Kashmir Way SE, Salem
McGovern Maintenance	PO Box 1025, Lebanon

Mikes Heating and Air Conditioning	113 41 st Avenue SE, Albany
Smith Glass	133 Lyon Street N, Albany
Stom Painting	1208 SE 29 th Ave., Albany

ALBANY AREA VENDORS

SP&B Reprographics	252 SW Jefferson Ave, Corvallis
Art Plus Signs & Designs	1701 Geary Street SE, Albany
Hart's Janitorial	PO Box 1263, Albany
Larry O. Heer & Associates	404 SE 1st Avenue, Albany
Platt Electric	191 34th Avenue SW, Albany
Home Depot	3500 Spicer Dr. SE, Albany
Industrial Pipe & Supply	2990 Ferry Street SE, Albany
Paramount Supply	3200 Ferry Street SW, Albany
Fastenal Manufacturing & Supply	2475 Ferry Street SW, Albany
MacDonald Industrial Supply	725 SE 1st Avenue, Albany
Sherwin-Williams Paint Store	2945 Santiam Hwy SE, Albany
Albany Lock & Key	217 Main Street SE, Alban

25 Mile Radius around Albany, Oregon





LOCAL CONTRACTOR BIDDING OUTREACH

We continue to encourage the project teams to utilize whenever possible companies within the local area. To the greatest extent possible we believe this is occurring. As we plan bidding this fall we will utilize the same outreach methods as we did in spring.

BIDDING (OVER) UNDER SUMMARY

Middle School CTE Projects (CMS and TRS)	\$195,875
Meadow Ridge Elementary School	\$180,363
Oak Grove Elementary School	
South Albany High School	
West Albany High School	
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Critical Facility Upgrades (\$8.5M of \$50M Awarded)	\$(389,165)
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<i>Bids Rejected (Fire Doors, MMS, SAHS)</i>	<i>\$(10,698,312)</i>
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MEADOW RIDGE ELEMENTARY SCHOOL

PROJECT NEW SCHOOL

PROJECT DESCRIPTION

New School ~90,000 Sq. Ft. Elementary School

SCHEDULE & KEY MILESTONES	START	COMPLETION	% CPL	COMMENT
Pre-Design & Schematics	6/6/17	7/31/17	100%	
Design Development	8/1/17	10/3/17	100%	
Construction Documents	10/10/17	2/1/18	100%	
Bid and Award	2/21/18	3/14/18	100%	
Construction	4/15/18	TBD	1%	
Building Commissioning	6/15/19	TBD	0%	
Owner Occupancy	8/1/19	TBD	0%	Likely Dec. 2019
Post Occupancy Evaluation	9/1/19	TBD	0%	
Warranty Period	8/1/19	TBD	0%	
Other			0%	

CURRENT ACTIVITIES

Construction is on hold until the Corp of Engineers issues the wetland permits. The project team (HMK, Soderstrom and Todd Construction), continue to review submittals, submit RFIs (Request for Information) in preparation for the work to begin. Tim Acker the Wetland Consultant and Brian Vandetta, Udell Engineering continue to work with the Authorities Having Jurisdiction (AHJ) seeking a quick resolution and issuance of the permits.

Due to the wetland permit delay, Todd Construction has informed the project team that a 2019/2020 school year opening will not be achieved. The project schedule has slipped too far, without work occurring. Additionally, the potential cost to the district, for the delay, is greater than \$500,000.

ACTIVITIES SCHEDULED FOR NEXT PERIOD

Until the permit is issued, work cannot begin.



HIGHLIGHTS, CHALLENGES, SOLUTIONS

HIGHLIGHTS

None

CHALLENGES

Our greatest challenge is understanding how to motivate the AHJs to finalize Wetland permit review.

SOLUTIONS

The project team has requested assistance from the School Board to leverage relationship with elected officials. At this time, the project team has not received an update from either the Corps of Engineers or DEQ.

ADDITIONAL INFORMATION

For questions, comments or additional information, please contact:

Chris McKay

chris@hmkco.org

Phone: 971-304-0668

Project Description	Budget	Paid to Date	Balance to Complete	Anticipated (Over)/Under
MRES	\$40,050,000.00	\$5,154,180.00	\$35,386,582.00	\$180,363.00

Bond premium added to the project is included in the revised budget value.



OAK GROVE ELEMENTARY SCHOOL

PROJECT NEW SCHOOL

PROJECT DESCRIPTION

Construct new elementary school ~60,405 Sq. Ft.

SCHEDULE & KEY MILESTONES	START	COMPLETION	% CPL	COMMENT
Pre-Design & Initial Schematic Design	05/18/17	09/18/2017	100%	
Schematic Design Current Plan	11/6/17	1/18/18	100%	
Design Development	12/26/17	03/08/18	100%	
Construction Documents	02/26/18	05/18/18	35%	
Bid and Award Site Package	04/05/18	05/08/18	0%	
Construction Site Package	05/21/18	08/01/18	0%	
Bid and Award Building Package	05/08/18	06/09/18	0%	
Construction Building Package	08/12/19	09/02/19	0%	
Building Commissioning	07/08/19	08/09/19	0%	
Owner Occupancy	08/01/19	08/21/19	0%	
Post Occupancy Evaluation	09/01/19	09/30/19	0%	
Warranty Period	08/09/19	08/07/20	0%	

CURRENT ACTIVITIES

The OGES ground breaking ceremony was held on June 1, 2018 with the OGES choir performing. Acting Superintendent Tonja Everest presided over the ceremony. The Oak Grove Elementary and Facilities staff combined efforts and vacated OGES in four days. Following the move out, Performance Abatement Services removed the hazard waste from the building making way for the demolition process. Demolition is scheduled to be complete in July. Gerding Builders received bid results for the building portion of the project and delivered the GMP Amendment to HMK on June 27, 2018.

ACTIVITIES SCHEDULED FOR NEXT PERIOD

GMP Amendment approval by Board. Site survey and clearing followed by building pad grading, rock placement, and compaction.



HIGHLIGHTS, CHALLENGES, SOLUTION

All site work related permitting is complete and site work is in full progress.

ADDITIONAL INFORMATION

For questions, comments or additional information, please contact:

Steve Earle

steve@hmkco.org

Phone: 971-304-0010

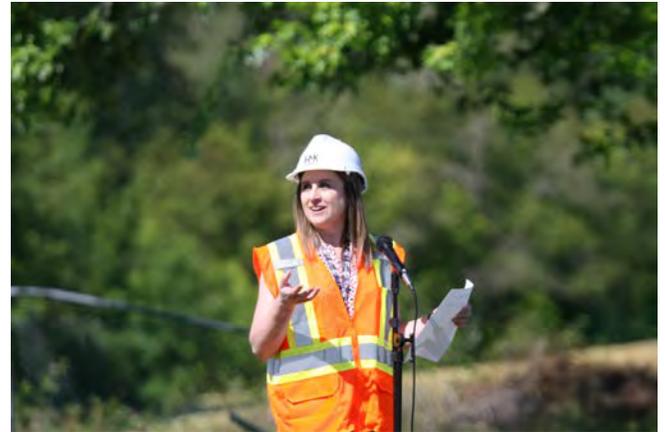
Project Description	Budget	Paid to Date	Balance to Complete	Anticipated (Over)/Under
OGES	\$26,000,000.00	\$1,726,000.00	\$24,274,000.00	

JUNE PROJECT PHOTO GALLERY

Photos on the cover of this month's Bond Program update highlight demolition of Oak Grove.



OGES Gym Demolition



Acting Superintendent Tonja Everest Welcomes Students, Staff and Community for the ground breaking



OGES Student Choir



Students and Dignitaries prepare for ground breaking



CALAPOOIA MIDDLE SCHOOL

PROJECT CTE UPGRADES AND RENOVATIONS

PROJECT DESCRIPTION

Renovation of five (5) spaces to include Woodshop, Maker Lab, Digital Lab, Classroom 15 and Food Science. Renovation of library to connect with an Applied Learning space is shown as a Bond Premium Additive Alternate as well as renovation work to the Clothing Lab. Misc. CFU projects include seismic upgrades, Locker Room and Restroom Updates, Food Science upgrades, and replacing plumbing fixtures and piping.

SCHEDULE & KEY MILESTONES	START	COMPLETION	% CPL	COMMENT
Pre-Design & Schematics	05/09/17	08/25/17	100%	
Design Development	08/28/17	10/20/17	100%	
Construction Documents	10/16/17	1/2/18	100%	
Bid and Award	01/26/18	03/12/18	100%	
Construction	06/18/18	08/17/18	5%	
Building Commissioning	08/17/18	09/17/18	0%	
Owner Occupancy	08/20/18	8/31/18	0%	
Post Occupancy Evaluation	09/01/18	09/30/18	0%	
Warranty Period	08/17/18	08/17/19	0%	
Other			0%	

CURRENT ACTIVITIES

Abatement of plumbing hard fittings is fully complete which includes both locker rooms and the new rest room. Saw cutting in the locker rooms is 50% complete. Abatement for flooring in Food Science and Maker Lab, as well as isolated tiles in the Locker Rooms is complete. Interior demolition is underway and 75% complete. The Small Gym roof work started in support of the seismic work there. All interior material is on site except long lead items.

ACTIVITIES SCHEDULED FOR NEXT PERIOD

Abatement for flooring in Media Lab (#15) and Library Complex (#3), as well as shear walls.



Small Gym seismic upgrade; Shear wall demo and construction; Non-asbestos related roof work; Locker room concrete pads; Framing and utilities for new rooms.

Shop lighting installation by the District.

HIGHLIGHTS, CHALLENGES, SOLUTIONS

The project started with substantial roof process failures and a dispute with the general contractor (BGC). Their selected roofing subcontractor attempted to provide roofing materials and processes that deviated from the contract documents. That roofing subcontractor was eventually replaced by one that could meet most of the requirements. In an effort to enable the contractor to execute his work, we made a concession to them on approximately 20% of the roofs. This deviation will not compromise the function or longevity of the roof.

We calculate that the contractor lost several weeks of roofing time as a result of their failure to comply with the contractual specifications. However, they are now roofing in earnest, but we have concerns they can finish on time, and we are developing contingency plans.

During the May 24, 2018 Roofing Pre-installation Meeting with representatives of GAPS, HMK Company ("HMK"), BGC, Weather Roofing, and A-Tech Northwest, Inc., HMK provided BGC a marked copy of the as-built roofing plan as a courtesy to summarize those roofs in which asbestos was identified, per the Asbestos Analyses in the roofing specifications. BGC asserted that they did not believe that roofing asbestos abatement was part of their contractual requirement. We disagreed and affirmed that roof abatement was a contractual requirement. BGC filed notice of claim dated May 30, 2018. HMK responded on June 15, 2018, rejecting the basis of the claim and articulated our position that BGC was obligated under the contract to abate the roof, and that this does not constitute extra work. BGC is now making efforts to proceed with the work and filed a compensation request dated June 30, 2018 for \$205,770.00 and fifteen days of time resulting from the alleged change.

ADDITIONAL INFORMATION

For questions, comments or additional information, please contact:

Skip Hamilton
skip@hmkco.org
Phone: 971-238-1366

Project Description	Budget	Paid to Date	Balance to Complete	Anticipated (Over)/Under
CMS	\$4,426,733.00	\$446,887.00	\$3,979,846.00	

Bond premium and a number of CFU projects have been added to this project and are included in the revised budget value.



JUNE PROJECT PHOTO GALLERY



Lockers all demolished and saw cutting equipment in operation for the locker rooms.



Lockers all demolished and saw cutting equipment in operation for the locker rooms.



Following abatement demolition is almost complete in preparation for the new Food Science Lab.



Following abatement demolition is almost complete in preparation for the new Food Science Lab.



MEMORIAL MIDDLE SCHOOL

PROJECT CTE UPGRADES AND RENOVATIONS

PROJECT DESCRIPTION

Modification of the existing Science Classroom, Leadership Classroom, Food Science & Communications Classroom into a new Science Lab, Fabrication Lab, Maker Space, and Digital Lab; CFU projects include seismic upgrades, Locker Room and Restroom Updates, Food Science upgrades, roof replacement and replacing plumbing fixtures and piping.

SCHEDULE & KEY MILESTONES	START	COMPLETION	% CPL	COMMENT
Pre-Design & Schematics	05/09/17	08/25/17	100%	
Design Development	08/28/17	10/20/17	100%	
Construction Documents	10/16/17	1/2/18	100%	
Re-Bid and Award	10/01/18	10/30/18	10%	
Construction	06/17/19	08/17/19	0%	
Building Commissioning	TBD	TBD	0%	
Owner Occupancy	08/20/19	8/31/19	0%	
Post Occupancy Evaluation	08/20/19	09/30/19	0%	
Warranty Period	08/17/19	08/17/20	0%	
Other			0%	

CURRENT ACTIVITIES

Met with school administration and District Technology to capture any changes and identify Paxton Patterson room location.

ACTIVITIES SCHEDULED FOR NEXT PERIOD

DLR is ready to start on finalized set of Construction Documents for bidding in the fall.



HIGHLIGHTS, CHALLENGES, SOLUTIONS

Reconfiguring the MAC to properly accommodate the roofing costs expected in the fall.

ADDITIONAL INFORMATION

For questions, comments or additional information, please contact:

Skip Hamilton

skip@hmkco.org

Phone: 971-238-1366

Project Description	Budget	Paid to Date	Balance to Complete	Anticipated (Over)/Under
MMS	\$2,779,776.00	\$238,123.00	\$2,541,653.00	

Bond premium and a number of CFU projects have been added to this project and are included in the revised budget value.



NORTH ALBANY MIDDLE SCHOOL

PROJECT CTE UPGRADES AND RENOVATIONS

PROJECT DESCRIPTION

Modify existing Art Classroom, Four Classrooms into CTE Labs and Classroom; Critical Facility Upgrades.

SCHEDULE & KEY MILESTONES	START	COMPLETION	% CPL	COMMENT
Pre-Design & Schematics	05/09/17	08/25/17	100%	
Design Development	08/28/17	10/20/17	100%	
Construction Documents	10/16/17	09/15/18	50%	
Bid and Award	10/01/18	10/30/18	0%	
Construction	06/17/19	08/17/19	0%	
Building Commissioning	TBD	TBD	0%	
Owner Occupancy	08/20/19	08/31/19	0%	
Post Occupancy Evaluation	08/20/19	08/31/19	0%	
Warranty Period	08/17/19	08/17/20	0%	
Other			0%	

CURRENT ACTIVITIES

Met with school administration and District Technology to capture any changes and identify Paxton Patterson room location.

ACTIVITIES SCHEDULED FOR NEXT PERIOD

DLR is ready to start on finalized set of Construction Documents for bidding in the fall.

HIGHLIGHTS, CHALLENGES, SOLUTIONS

There had been some considerations of changing the floor plan, but we are back to the original concept.



ADDITIONAL INFORMATION

For questions, comments or additional information, please contact:

Skip Hamilton

skip@hmkco.org

Phone: 971-238-1366

Project Description	Budget	Paid to Date	Balance to Complete	Anticipated (Over)/Under
NAMS	\$3,780,538.00	\$246,419.00	\$3,534,119.00	

Bond premium added to the project is included in the revised budget value.



TIMBER RIDGE SCHOOL

PROJECT CTE UPGRADES AND RENOVATIONS, NEW OUTDOOR CLASSROOM

PROJECT DESCRIPTION

The project includes the modification of two Computer Labs on the first floor into Maker Space and Classroom. A concrete slab outside of the Maker Lab will also be added. Two bond premium alternates are included in the project, renovation of the existing Computer Lab on the second floor into a Classroom and an adjacent Classroom will be renovated to a Science Lab.

SCHEDULE & KEY MILESTONES	START	COMPLETION	% CPL	COMMENT
Pre-Design & Schematics	05/09/17	08/25/17	100%	
Design Development	08/28/17	10/20/17	100%	
Construction Documents	10/16/17	1/2/18	100%	
Bid and Award	01/26/18	03/12/18	100%	
Construction	06/18/18	08/17/18	15%	
Building Commissioning	08/17/18	09/17/18	0%	
Owner Occupancy	08/20/18	8/31/18	0%	
Post Occupancy Evaluation	09/01/18	09/30/18	0%	
Warranty Period	08/17/18	08/17/19	0%	
Other			0%	

CURRENT ACTIVITIES

With a great start to the project, we have completed demolition and are now in the process of completing the plumbing and electrical rough in.

ACTIVITIES SCHEDULED FOR NEXT PERIOD

Over the next month we will begin to see framing go up followed by insulation and Drywall.

HIGHLIGHTS, CHALLENGES, SOLUTIONS

We have been able to keep existing floor power and data boxes to ensure future use if ever needed.



ADDITIONAL INFORMATION

For questions, comments or additional information, please contact:

Paul Chamberlin

Paul@hmkco.org

Phone: 971-304-0671

Project Description	Budget	Paid to Date	Balance to Complete	Anticipated (Over)/Under
TRS	\$1,050,000.00	\$130,179.00	\$919,821.00	\$170,075.00

Bond premium added to the project is included in the revised budget value.

JUNE PROJECT PHOTO GALLERY



Demolition in progress.



Negative air Machine, to keep the dust out of the HVAC system.



Demolition has been completed.



Connecting the new food science room to the sewer line.



SOUTH ALBANY HIGH SCHOOL

PROJECT New Multi-Purpose/Auxiliary Gym, Theatre Upgrades, And Renovation for New CTE Space

PROJECT DESCRIPTION

New Multi-Purpose/Auxiliary Gym with 1 CTE classroom, Lobby, Concessions, Elevator addition, and Restroom expansion, also includes a 2nd floor All Gender Bathroom and renovation of existing space into a 2nd CTE Classroom. Theatre Building Updates. Remodel of existing CTE building to include new roof over outdoor fabrication area, minor wood shop updates, 3 classrooms and 2 applied learning labs. Includes Critical Facilities Upgrades – Improved safety through fencing and Key Scan System and Restroom Upgrades at Buildings 1 and 2. Bond premium alternates include two new CTE classrooms connected to existing CTE building, covered outdoor storage area for industry donated materials, Woods classroom expansion/remodel, and Building 3 Drafting Lab renovations.

SCHEDULE & KEY MILESTONES	START	COMPLETION	% CPL	COMMENT
Pre-Design & Schematics	05/22/17	10/12/17	100%	
Design Development	10/12/17	1/10/18	100%	
Construction Documents	1/10/18	4/16/18	100%	
Bid and Award	4/16/18	5/21/18	0%	Delayed.
Construction	06/15/18	07/31/19	0%	New Plan Coming.
Building Commissioning	06/31/19	07/31/19	0%	
Owner Occupancy	08/01/19	8/30/19	0%	
Post Occupancy Evaluation	06/24/20	06/31/20	0%	
Warranty Period	07/31/19	07/31/20	0%	
Other			0%	

CURRENT ACTIVITIES

Reviewed list of summer construction activities and pursued outdoor fencing only. After further design review for bus gate controls, as well as other perimeter changes, it is unlikely this will begin before the rest of the project.

Reviewed MEP Facilities comments with the DLR design team. Also reviewed DLR Value Engineering proposals with school administrators.



ACTIVITIES SCHEDULED FOR NEXT PERIOD

DLR will be kicking off a refresh bid package effort once District input is obtained.

HIGHLIGHTS, CHALLENGES, SOLUTIONS

We realized that the fencing project had enough complexities to make summer construction more of a challenge than initially thought. Now that it is confirmed, final design is completing for a likely Summer 2019 installation.

After an extensive review, the project team working with Nate Munoz and Chad Angel have found ways to reduce the project cost by approximately \$1M without compromising the Bond Plan, education program, or building standards.

Re-bid plans for the fall include the following:

- Make the bid package attractive for bidders by simplifying where possible, ensuring a quality set of documents and more aggressive subcontractor recruitment. We hope to see a \$1.5M drop in bid numbers from the spring bids.
- Reduce scope where possible to close the remaining projected gap of \$1.5M. Alternatively the District could supplement the budget as the District deems appropriate.

With these reductions we are optimistic to significantly reduce the cost for construction but believe when the project bids we will still be over budget by \$500K - \$750K.

ADDITIONAL INFORMATION

For questions, comments or additional information, please contact:

Skip Hamilton
skip@hmkco.org
Phone: 971-238-1366

Project Description	Budget	Paid to Date	Balance to Complete	Anticipated (Over)/Under
SAHS	\$11,479,002.00	\$967,172.00	\$10,511,830.00	

Bond premium added to the project is included in the revised budget value.

JUNE PROJECT PHOTO GALLERY



Planning ornamental fencing between Gym and VTE with school administration and Facilities.



Likely revised fencing location to allow student access to painted rock after hours.



WEST ALBANY HIGH SCHOOL

PROJECT NEW CONSTRUCTION

PROJECT DESCRIPTION

Additions to the school ~91,000 Sq. Ft.

SCHEDULE & KEY MILESTONES	START	COMPLETION	% CPL	COMMENT
Pre-Design & Schematics	05/22/17	10/20/17	100%	
Master Planning	08/22/17	11/20/17	100%	
Design Development	01/15/17	04/30/18	10%	
Construction Documents	04/30/18	08/20/18	0%	
Bid and Award	09/28/18	01/15/19	0%	
Construction	02/01/19	06/15/20	0%	
Building Commissioning	05/15/20	06/14/20	0%	
Owner Occupancy	06/01/20	06/30/20	0%	
Post Occupancy Evaluation	06/01/20	07/30/20	0%	
Warranty Period	06/01/21	07/01/22	0%	
Interior Renovations Existing Building	06/01/20	08/31/20	0%	

CURRENT ACTIVITIES

The design process progressed to the completion of the 100% DD design phase. The completion of the DD phase was followed by a MEP/Low Volt and building exterior review. The 100% DD cost estimate is in process and will be complete in the month of July. As a means of aligning program with budget, the DD cost estimate will break out options and alternates that can be considered for removal from the program. The Pricing options that are being considered are: warming kitchen instead of full kitchen, no administration wing, as well as a reduced second floor balcony and teaching stair. The alternates that are being considered are: replace 12" tilt up concrete with 12" CMU, Hardi Panel in lieu of Aluminum Siding, and Punched Windows in lieu of stick built Storefront systems at classrooms and administration.



ACTIVITIES SCHEDULED FOR NEXT PERIOD

Cost estimates are due for 100% DD design phase. The CD design phase will begin upon alignment of design with budget.

HIGHLIGHTS, CHALLENGES, SOLUTIONS

Our current challenge is to bring design into alignment with budget.

ADDITIONAL INFORMATION

For questions, comments or additional information, please contact:

David McKay
david@hmkco.org
Phone: 971-304-0677

Project Description	Budget	Paid to Date	Balance to Complete	Anticipated (Over)/Under
WAHS	\$53,069,000.00	\$1,537,178.00	\$51,531,822.00	

Bond premium added to the project is included in the revised budget value.

JUNE PROJECT PHOTO GALLERY



MEP/Low Volt and Exteriors Review.



CRITICAL FACILITY UPGRADE PROJECT – 2018 PAVING PROJECT

PROJECT SITE

Calapooia Middle School
 Central Elementary School
 District Office
 Oak Elementary
 South Albany High School

PROJECT SITE

South Shore Elementary
 Sunrise Elementary School
 Tadena Elementary School
 Waverly Elementary School

PROJECT DESCRIPTION

Paving and concrete upgrades throughout the District. Replacement, Coatings, New areas, Striping.

SCHEDULE & KEY MILESTONES	START	COMPLETION	% CPL	COMMENT
Design	8/15/17	12/18/17	100%	
Construction Documents	12/18/17	12/18/17	100%	
Bid and Award	12/27/17	2/12/18	100%	
Construction	6/18/18	8/24/18	40%	
Closeout	9/15/18	10/15/18	0%	

CURRENT ACTIVITIES

Construction is in full swing. Knife River is working at 6 of 8 sites. Oak Elementary is complete except striping. At all sites sidewalks, curbs, and ADA concrete work is nearly complete. Structural base removal and replacement is being completed. Paving and seal coating will follow at the beginning of July.

ACTIVITIES SCHEDULED FOR NEXT PERIOD

South Shore Elementary playground removal and replacement. Paving, sealing and striping of remaining schools. Calapooia concrete sidewalks and ADA work.



ADDITIONAL INFORMATION

For questions, comments or additional information, please contact:

Ken Gruenwald

ken@hmkco.org

Phone: 971-304-0014

Project Description	Budget	Paid to Date	Balance to Complete	Anticipated (Over)/Under
2018 Paving Projects	\$2,338,002.00	\$39,992.00	\$2,799,804.00	\$501,794.00

JUNE PROJECT PHOTO GALLERY



Oak Elementary cutout, compacted, & ready for paving.



Oak Elementary. Cutout, tree roots removed & compacted.



Oak Elementary paving completed.



South High East side. Sidewalk replacement and ADA Compliance.



South High East side. Cutouts done and being Compacted for paving.



South High student parking. New base being laid After dig out.



Sunrise Elementary after dig out. Fabric being laid Before new base installation and compaction.



Sunrise new base installation.



CRITICAL FACILITY UPGRADE PROJECT – 2018 ROOFING PROJECT

PROJECT SITE

Albany Community Pool
Calapooia Middle School
Facilities Building

PROJECT SITE

Lafayette Elementary School
North Albany Elementary School

PROJECT DESCRIPTION

Roofing restoration or replacement

SCHEDULE & KEY MILESTONES	START	COMPLETION	% CPL	COMMENT
Design	8/29/17	12/15/17	100%	
Construction Documents	12/15/17	12/15/17	100%	
Bid and Award	12/27/17	1/30/18	100%	
Construction	5/13/18	8/24/18	40%	
Closeout	9/15/18	10/15/18	0%	

CURRENT ACTIVITIES

Lafayette and North Elementary are in full construction, both projects are moving nicely. Contractor coordination between the two projects at Lafayette will make a great finished product. The Facilities Building is complete and working on punch list items. The Community Pool is nearly complete, a small amount of metal trim remains to be installed.

ACTIVITIES SCHEDULED FOR NEXT PERIOD

Day by day continuance of work. Old roof removal, insulation installation and new built up roof material installation.

ADDITIONAL INFORMATION

For questions, comments or additional information, please contact:

Ken Gruenwald
ken@hmkco.org
Phone: 971-304-0014

Project Description	Budget	Paid to Date	Balance to Complete	Anticipated (Over)/Under
2018 Roofing Projects	\$4,883,006.00	\$583,457.00	\$4,299,549.00	\$229,488.00

JUNE PROJECT PHOTO GALLERY



North Elementary gym roof membrane application.



North Elementary gym roof recover and membrane Startup.



North Elementary breezeway. New drains being installed.



North Elementary insulation, coverboard and roofing material being installed.



Lafayette north wing connection to next wing south.



Lafayette old roofing at new installation. Insulation and coverboard being installed.



Lafayette section ready for new roof material. Each section done daily and sealed nightly for moisture protection.



Lafayette redone sealed in from the old to the new each night.



CRITICAL FACILITY UPGRADE PROJECT – ADA RESTROOM REMODEL PROJECT

PROJECT SITE SUNRISE ELEMENTARY SCHOOL

PROJECT DESCRIPTION

Remodel Restrooms for ADA and Replace Old Drinking Water Pipes

SCHEDULE & KEY MILESTONES	START	COMPLETION	% CPL	COMMENT
Design	10/6/17	1/17/18	100%	
Construction Documents	1/17/18	1/17/18	100%	
Bid and Award	1/31/18	3/12/18	100%	
Construction	6/18/18	8/24/18	10%	
Closeout	9/15/18	9/15/18	0%	

CURRENT ACTIVITIES

Demolition and hazmat abatement in full swing. Restrooms abated and finishes being removed as needed. Plumbing being removed and reinstalled.

ACTIVITIES SCHEDULED FOR NEXT PERIOD

More demolition and rebuild. New piping to be installed along with restroom fixtures. Wall finishes have been replaced and the plumbing is completed.

ADDITIONAL INFORMATION

For questions, comments or additional information, please contact:

Ken Gruenwald
ken@hmkco.org
 Phone: 971-304-0014

Project Description	Budget	Paid to Date	Balance to Complete	Anticipated (Over)/Under
Sunrise ADA Modernization	\$183,000.00	\$59,888.00	\$721,843.00	\$592,000.00

JUNE PROJECT PHOTO GALLERY



Restroom demolition.



CRITICAL FACILITY UPGRADE PROJECT – ALBANY COMMUNITY POOL PROJECT

PROJECT SITE ALBANY COMMUNITY POOL

PROJECT DESCRIPTION

Demolition of existing mechanical system, installation of new mechanical system with digital controls, demolition of existing fire alarm system, installation of new fire alarm system, electrical demolition and upgrades as needed

SCHEDULE & KEY MILESTONES	START	COMPLETION	% CPL	COMMENT
Design	8/15/17	12/19/17	100%	
Construction Documents	12/19/17	12/19/17	100%	
Bid and Award	1/19/18	3/12/18	100%	
Construction	5/3/18	8/31/18	40%	
Closeout	9/15/18	10/15/18	0%	

CURRENT ACTIVITIES

The temporary pool water heating and ventilation system is up and running. Demolition of boiler room equipment and mechanical room equipment is in full swing.

ACTIVITIES SCHEDULED FOR NEXT PERIOD

New equipment arrival expected soon with installation following.

ADDITIONAL INFORMATION

For questions, comments or additional information, please contact:

Ken Gruenwald
ken@hmkco.org
 Phone: 971-304-0014

Project Description	Budget	Paid to Date	Balance to Complete	Anticipated (Over)/Under
Albany Community Pool	\$1,061,000.00	\$287,873.00	\$773,127.00	\$379,000.00

JUNE PROJECT PHOTO GALLERY



Temporary boiler for pool water heating.



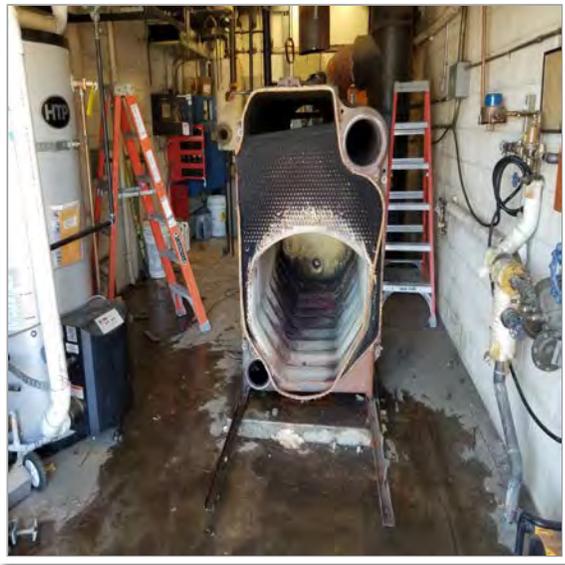
Temporary Gas heating units for pool air.



New ducting with manual damper in for balancing in women's locker room.



New branch ducting in men's locker room.



Old sectional boiler being removed.



Second boiler disconnected and ready to be removed.



CRITICAL FACILITY UPGRADE PROJECT – OVERHEAD FIRE DOORS PROJECT

PROJECT SITE

Liberty Elementary School
 Oak Elementary School
 South Shore Elementary School

PROJECT SITE

Sunrise Elementary School
 Takena Elementary School
 Waverly Elementary School

PROJECT DESCRIPTION

Removal of existing rolling fire separation doors. Installation of new fire rated corridor double doors or more if needed.

SCHEDULE & KEY MILESTONES	START	COMPLETION	% CPL	COMMENT
Design	10/19/17	1/25/18	100%	
Construction Documents	1/25/18	1/25/18	100%	
Bid and Award	1/24/18	2/28/18	50%	
Construction	6/13/18	8/24/18	0%	
Closeout	9/30/18	10/30/18	0%	

CURRENT ACTIVITIES

Project bid was rejected. Facilities Department is working on researching a more cost-effective way to complete the project.

ACTIVITIES SCHEDULED FOR NEXT PERIOD

ADDITIONAL INFORMATION

For questions, comments or additional information, please contact:

Ken Gruenwald
ken@hmkco.org
 Phone: 971-304-0014

Project Description	Budget	Paid to Date	Balance to Complete	Anticipated (Over)/Under
Fire Doors	\$37,000.00	\$29,079.00	\$7,921.00	



CRITICAL FACILITY UPGRADE PROJECT – 2018 GENERATOR PROJECT

PROJECT SITE

Calapooia Middle School
Memorial Middle School

PROJECT DESCRIPTION

Installation of 1 generator at each school to run storm water pumps and provide emergency lighting during a power-outage.

SCHEDULE & KEY MILESTONES	START	COMPLETION	% CPL	COMMENT
Design	9/19/17	1/2/18	100%	
Construction Documents	1/2/18	1/2/18	100%	
Bid and Award	2/5/18	3/12/18	100%	
Construction	6/18/18	8/24/18	10%	
Closeout	9/30/18	10/30/18	0%	

CURRENT ACTIVITIES

Cutouts and asphalt removal for pads complete. Concrete forms placed, and concrete being poured.

ACTIVITIES SCHEDULED FOR NEXT PERIOD

Electrical panel and conduit installation from boiler room to storm water pumps. Installation of natural gas and propane piping to generator. Installation of propane tank and generator at each site.

ADDITIONAL INFORMATION

For questions, comments or additional information, please contact:

Ken Gruenwald
ken@hmkco.org
 Phone: 971-304-0014

Project Description	Budget	Paid to Date	Balance to Complete	Anticipated (Over)/Under
Generators	\$53,622.00	\$37,278.00	\$16,344.00	\$236,765.00

JUNE PROJECT PHOTO GALLERY



Calapooia generator pad location.



Calapooia propane tank location with generator location behind.



Memorial generator pad location formed for concrete.



Memorial propane tank location formed for concrete.



Calapooia generator pad ready for concrete.



Calapooia propane tank pad ready for concrete.



Memorial generator pad ready for concrete.



Memorial propane tank pad ready for concrete.



CRITICAL FACILITY UPGRADE PROJECT – KITCHEN HOODS PROJECT

PROJECT SITE

Calapooia Elementary School
Takena Elementary School
Tangent Elementary School

PROJECT DESCRIPTION

Replace or install exhaust hoods over kitchen equipment as needed.

PROJECT STATUS

This project has been moved to a Facilities Department as a self-perform project.



CRITICAL FACILITY UPGRADE PROJECT – CENTRAL ELEMENTARY ELEVATOR

PROJECT SITE CENTRAL ELEMENTARY SCHOOL

PROJECT DESCRIPTION

Installation of an elevator for ADA access to all 3 floors

SCHEDULE & KEY MILESTONES	START	COMPLETION	% CPL	COMMENT
Design	11/28/17	3/5/18	100%	
Construction Documents	3/5/18	3/18/18	100%	
Bid and Award	12/1/18	1/4/19	0%	
Construction	6/15/19	8/24/19	0%	
Closeout	10/1/19	11/1/19	0%	

CURRENT ACTIVITIES

Bid documents are ready. Project to be bid in November 2018.

ACTIVITIES SCHEDULED FOR NEXT PERIOD

Awaiting rebidding later in the year.

ADDITIONAL INFORMATION

For questions, comments or additional information, please contact:

Ken Gruenwald
ken@hmkco.org
 Phone: 971-304-0014

Project Description	Budget	Paid to Date	Balance to Complete	Anticipated (Over)/Under
Central Elementary School Elevator	\$364,000.00	\$14,112.00	\$349,888.00	



CRITICAL FACILITY UPGRADE PROJECT – HAZMAT

PROJECT SITE

Calapooia Middle School
 Memorial Middle School
 North Albany Middle School

PROJECT SITE

Oak Grove Elementary School
 South Albany High School
 Sunrise Elementary

PROJECT DESCRIPTION

Hazardous material removal before actual construction or demolition

SCHEDULE & KEY MILESTONES	START	COMPLETION	% CPL	COMMENT
Design	11/28/17	Ongoing	100%	
Construction Documents	As Needed	As Needed	100%	
Bid and Award	TBD	TBD	100%	
Construction	6/18/18	6/29/18	75%	
Closeout	TBD	TBD	0%	

CURRENT ACTIVITIES

Oak Grove abatement is 90% complete. Sunrise abatement is 75% complete with more asbestos being found than anticipated in ceiling spaces. Calapooia abatement is 90% complete. At Calapooia there is some unanticipated abatement for shear wall construction.

ACTIVITIES SCHEDULED FOR NEXT PERIOD

Oak Grove clearance for demolition on July 13, 2018. Sunrise abatement completion expected July 12, 2018. Calapooia completion expected July 21, 2018.

ADDITIONAL INFORMATION

For questions, comments or additional information, please contact:

Ken Gruenwald
ken@hmkco.org
 Phone: 971-304-0014



CRITICAL FACILITY UPGRADE PROJECT – SOUTH ALBANY HIGH SCHOOL FIRE ALARM

PROJECT SITE SOUTH ALBANY HIGH SCHOOL

PROJECT DESCRIPTION

Full replacement of fire alarm system

PROJECT STATUS

This project has been moved to a Facilities Department as an in-house project.



CRITICAL FACILITY UPGRADE PROJECT – LAFAYETTE ELEMENTARY 2018 PROJECT

PROJECT SITE LAFAYETTE ELEMENTARY SCHOOL

PROJECT DESCRIPTION

Remodel Restrooms for ADA, Remodel Cafeteria, Mechanical Replacement and Domestic Water Lines

SCHEDULE & KEY MILESTONES	START	COMPLETION	% CPL	COMMENT
Design	10/1/17	4/1/18	100%	
Construction Documents	2/1/18	4/1/19	100%	
Bid and Award	4/1/18	4/24/18	100%	
Construction	6/14/18	9/1/18	20%	
Closeout	9/1/18	10/1/18	0%	

CURRENT ACTIVITIES

Performance Abatement Services began abatement in the cafeteria and restrooms, immediately following the release of school. They then proceeded to abatement in classrooms and hallway, allowing openings for new mechanical piping and domestic water piping. Dorman Construction and sub-contractors began working on a new mechanical room, in the courtyard. This new mechanical room will house two air handlers for the cafeteria and gymnasium.

ACTIVITIES SCHEDULED FOR NEXT PERIOD

Dorman and Sub-Contractors will continue renovation work in cafeteria and restrooms. Additionally, the mechanical and plumbing contractors will run new piping to the mechanical units and replace the galvanized pipes to all the sinks and drinking fountains.

ADDITIONAL INFORMATION

For questions, comments or additional information, please contact:

Chris McKay

chris@hmkco.org

Phone: 971-304-0668

Project Description	Budget	Paid to Date	Balance to Complete	Anticipated (Over)/Under
Lafayette Elementary School	\$1,913,887.00	\$152,111.00	\$1,761,776.00	

JUNE PROJECT PHOTO GALLERY



Cafeteria demolition. Above the stage was a mechanical mezzanine. These units will be replaced with new AHUs located in a new mechanical room. The new units will be tied to the building's existing hydronic loop.



Demolition of the stage area.



Dorman setting forms for the new mechanical room slab.



A chaise in a classroom that was opened up for the new hydronic lines. Each classroom in wing 2 was heated with closet heat pumps. The new system will tie into the building's hydronic loop.



Facilities In-House Projects

Bond Funded



PROJECT UPDATE

School:	Calapooia Middle School	Category	MEP
Bond Project Type:	Critical Facilities Upgrade	Percentage of Completion	75 Percent
Type of Work:	Mechanical	Report Date:	6/30/18
Project No:	801	Google Map Link:	Google Map Link
Project Description:	Remove all existing pneumatic controllers, actuators and thermostats if existing systems remain. Install all electronic devices. If new HVAC systems are installed, new digital controls to be provided.		
Project Progress Description:	<p>Replacement of classroom pneumatic steam valves with new electronic valves has begun. New digital thermostats are being installed in classrooms and hallways. Occupant feedback form has been deployed to provide a way for staff to inform us of issues that may have resulted from the work being performed in their building. https://app.smartsheet.com/b/form/4bcf1de540854858967c6eb9eae54ebe</p> <p>12/17 Installation of Valves and Thermostats is still in process.</p> <p>1/18 All coils cleaned over winter break. Commissioning has begun. Minor alterations to existing systems</p> <p>2/16/17 Waiting for Graphical user interface migration</p> <p>4/16/18 No major updates.</p> <p>5/14/18 No major updates all project resources have been shifted to outdoor projects with favorable weather conditions.</p> <p>6/18/18 No major updates all project resources have been shifted to outdoor projects with favorable weather conditions.</p> <p>7/16/18 No major updates</p>		

Percentage Complete	75.00%
Original Budget	\$319,442
Paid to Date	\$135,708
Estimated Remaining	\$79,861
Projected Under/(Over) Budget	\$103,874



PROJECT UPDATE

School:	Memorial Middle School	Category	MEP
Bond Project Type:	Critical Facilities Upgrade	Percentage of Completion	85 Percent
Type of Work:	Mechanical	Report Date:	6/30/18
Project No.:	802	Google Map Link:	Google Map Link
Project Description:	Remove all existing pneumatic controllers, actuators and thermostats if existing systems remain. Install all electronic devices. If new HVAC systems are installed, new digital controls to be provided.		
Project Progress Description:	<p>All Classroom Pneumatic steam valves removed and replaced with new electronic valves. New digital thermostats installed in all classrooms and hallways. Point to point verification is planned to start as soon as WAHS point to point is complete. Occupant feedback form has been deployed to provide a way for staff to inform us of issues that may have resulted from the work being performed in their building.</p> <p>https://app.smartsheet.com/b/form/4bcf1de540854858967c6eb9eae54ebe</p> <p>12/17 Currently in graphic design, programing and commissioning stages. 1/18 Still in graphic design, programing and commissioning stages. All coils cleaned over winter break. Minor alterations to existing systems 2/16/18 Waiting for Graphical user interface migration 4/16/18 No major update 5/14/18 No major updates all project resources have been shifted to outdoor projects with favorable weather conditions. 6/18/18 No major updates all project resources have been shifted to outdoor projects with favorable weather conditions. 7/16/18 No major updates</p>		

Percentage Complete	85.00%
Original Budget	\$326,211
Paid to Date	\$121,259
Estimated Remaining	\$48,932
Projected Under/(Over) Budget	\$156,020



PROJECT UPDATE

School:	West Albany High School	Category	MEP
Bond Project Type:	Critical Facilities Upgrade	Percentage of Completion	95 Percent
Type of Work:	Mechanical	Report Date:	6/30/18
Project No.:	803	Google Map Link:	Google Map Link
Project Description:	Remove all existing pneumatic controllers, actuators and thermostats if existing systems remain. Install all electronic devices. If new HVAC systems are installed, new digital controls to be provided.		
Project Progress Description:	<p>All Classroom Pneumatic steam valves removed and replaced with new electronic valves. New digital thermostats installed in all classrooms and hallways. Point to point verification is still in process, and we have begun the programing and integration phase of the project. Occupant feedback form has been deployed to provide a way for staff to inform us of issues that may have resulted from the work being performed in their building.</p> <p>https://app.smartsheet.com/b/form/4bcf1de540854858967c6eb9eae54ebe</p> <p>12/17 Currently in graphic design, programing and commissioning stages. 1/18 Still in graphic design, programing and commissioning stages. All coils cleaned over winter break. Minor alterations to existing systems 2/16/18 Graphical user interface migration has begun. 3/6/18 Finishing up the insulation and building automation system 4/16/18 New Jace installed. Graphics converted to N-4 platform. 5/14/18 Functional performance testing of the Graphics is schedule for 5/8/18-5/11/18 6/18/18 No major updates all project resources have been shifted to outdoor projects with favorable weather conditions. 7/16/18 No major updates</p>		

Percentage Complete	95.00%
Original Budget	\$368,510
Paid to Date	\$163,088
Estimated Remaining	\$18,426
Projected Under/(Over) Budget	\$186,997

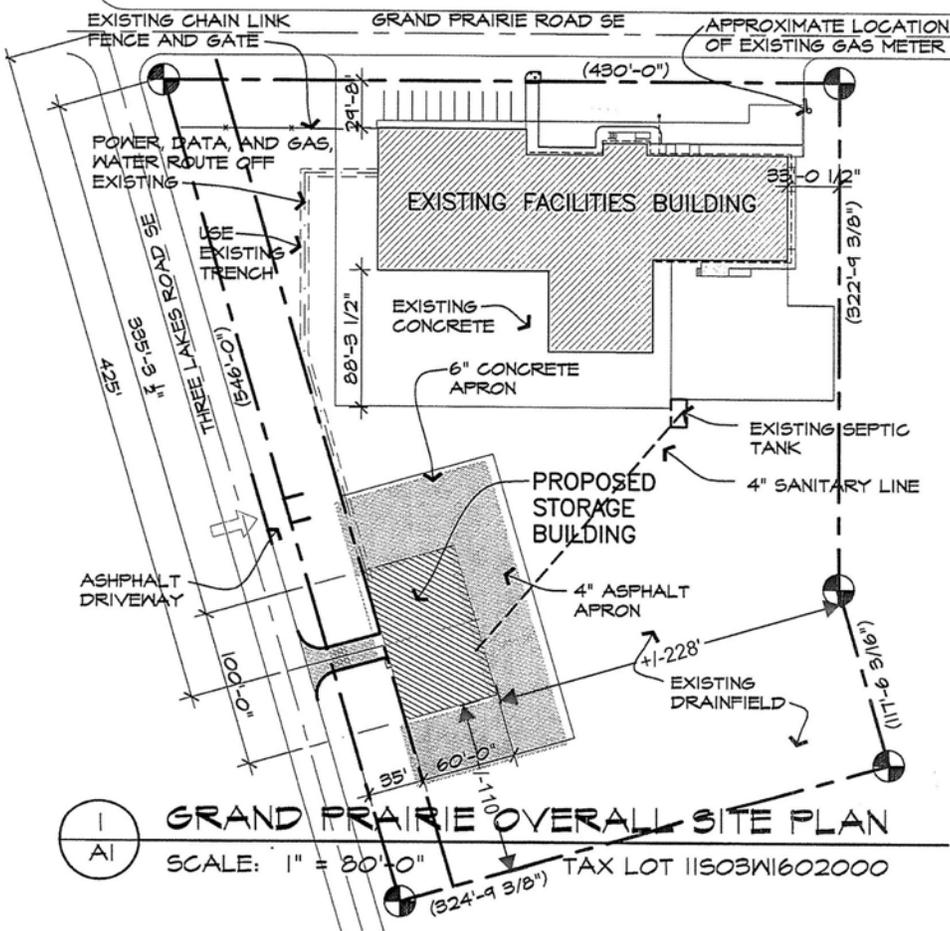


PROJECT UPDATE

School:	Facilities	Category	AI
Bond Project Type:	Critical Facilities Upgrade	Percentage of Completion	12 Percent
Type of Work:	Addition	Report Date:	6/30/18
Project No:	806	Google Map Link:	Google Map Link
Project Description:	Replacement Weld shop and storage (meet OSHA Requirement)		
Project Progress Description:	<p>2/16/18: Conditional Use, Building and Mechanical Permits have been approved by the county. Waiting for Electrical and Plumbing Permits.</p> <p>4/16/18 Bids in on materials. In the process of evaluating bids.</p> <p>5/14/18 Site survey work is complete</p> <p>6/18/18 Site work has begun</p> <p>7/16/18 Excavation and infill 60% complete</p>		

Percentage Complete	12.00%
Original Budget	\$632,086
Paid to Date	\$36,233
Estimated Remaining	\$556,236
Projected Under/(Over) Budget	\$39,617

GRAND PRAIRIE - CONDITIONAL USE SUBMITTAL



LOT COVERAGE

GROSS LAND:
177,148 SF/4.07 ACRES

EX-COVERAGE (BUILDING + PAVING):
61,835 SF

NEW COVERAGE (BUILDING + PAVING):
16,636 SF

TOTAL COVERAGE (EXISTING + PROPOSED):
78,471 SF



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LLC

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PROJECT UPDATE

School:	Periwinkle Elementary School	Category	MEP
Bond Project Type:	Critical Facilities Upgrade	Percentage of Completion	55 Percent
Type of Work:	Mechanical	Report Date:	6/30/18
Project No:	807	Google Map Link:	Google Map Link
Project Description:	<i>Replace (19) Trane units (2) 1-1/2 Ton, (7) 3 Ton, (3) 4 Ton, (3) 5 Ton, (4) 7-1/2 Ton) and (1) makeup air unit with new package rooftop units. Mixing boxes and ductwork for heating two classrooms without RTU</i>		
Project Progress Description:	<p>2/16/18 Equipment ordered, Structural engineering in progress.</p> <p>4/16/18 Waiting for permits to be approved</p> <p>5/14/18 Permits approved, equipment has arrived, and preparation for installation has begun</p> <p>6/18/18 Replacement of the rooftop units is in process</p> <p>7/16/18 All roof top units replaced except for the gym unit. Ductwork and controls modifications have begun.</p>		

Percentage Complete	55.00%
Original Budget	\$870,000
Paid to Date	\$167,894
Estimated Remaining	\$391,500
Projected Under/(Over) Budget	\$310,606



These are the Rooftop units that will be replaced



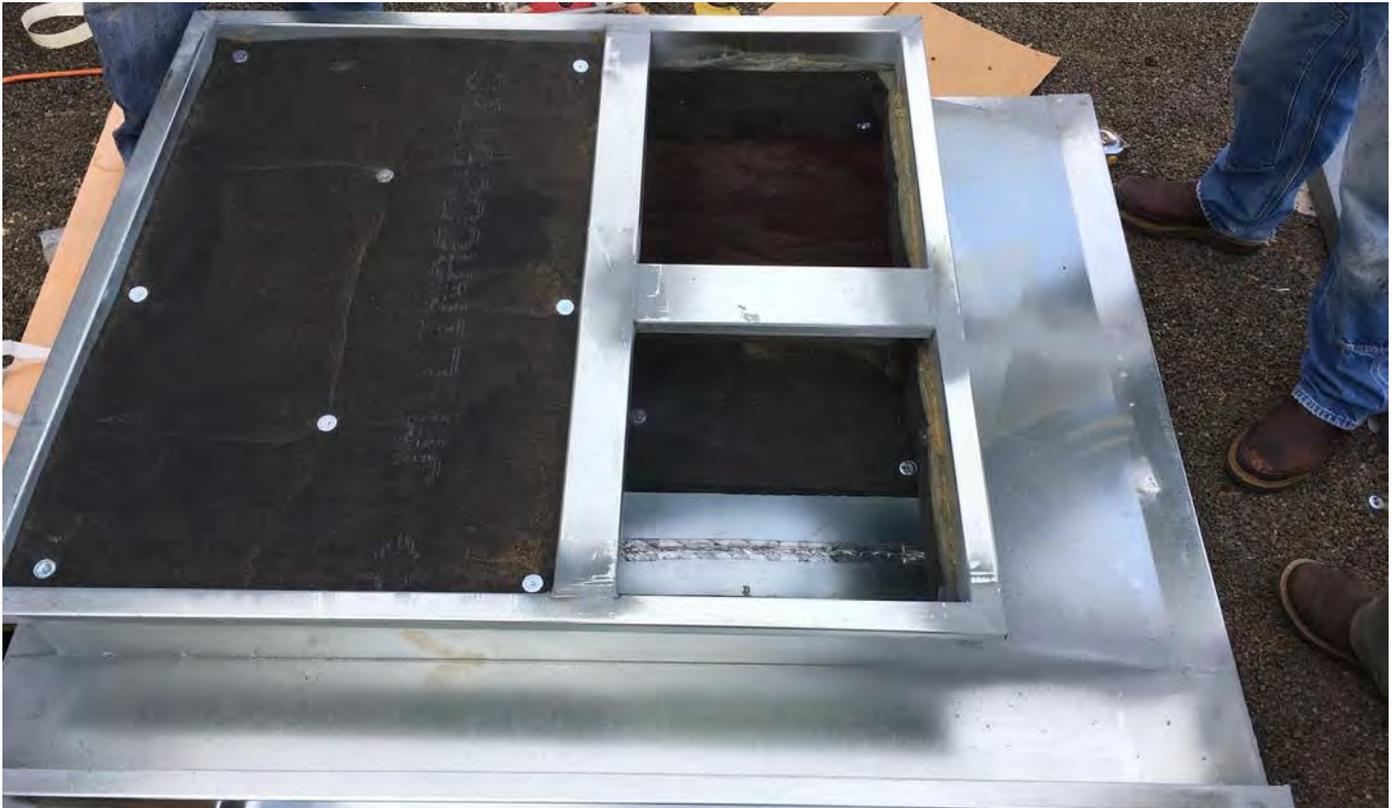
Units lifted onto the roof ready to install



New vs. existing



Electrical connection



Roof curb adapter in place



New unit installed



PROJECT UPDATE

School:	Fairmount	Category	MEP
Bond Project Type:	Critical Facilities Upgrade	Percentage of Completion	90 Percent
Type of Work:	Mechanical	Report Date:	6/30/18
Project No:	800	Google Map Link:	Google Map Link
Project Description:	Replace older classroom unit ventilators with new roof top gas furnaces.		
Project Progress Description:	<p>4/16/18 New units have been installed. Ductwork, controls, and removal of the old existing units is in process.</p> <p>5/14/18 Duct work has been installed and insulated units have been fired off and are currently heating and cooling the space.</p> <p>6/18/18 Point to point verification and system check out is in process.</p> <p>7/16/18 No major updates</p>		

Percentage Complete	90.00%
Original Budget	\$62,730
Paid to Date	\$63,034
Estimated Remaining	\$6,273
Projected Under/(Over) Budget	-\$6,577



This is the crane that lifted the units to the roof



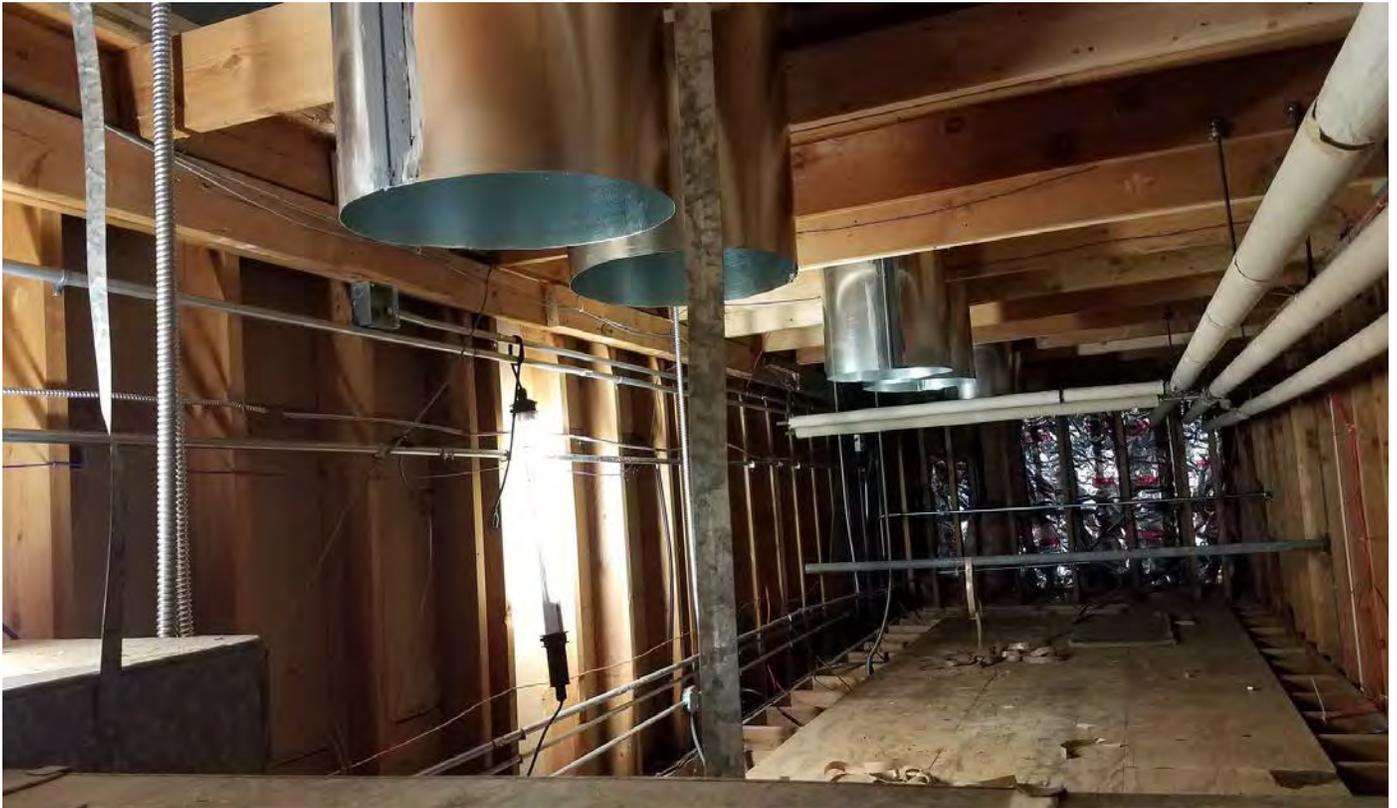
New roof penetrations to install new roof top units



New units placed on roof curbs



These four units replace the old 100% electric classroom ventilators with gas Rooftop Units



These are the drops from the units for the new ductwork to attach to



Old classroom ventilators to be removed after the new units are up and running



New supply grills being installed in the ceiling



New ductwork to new rooftop unit



New Duct Work



New electrical disconnect for each unit



Transportation Project

Non-Bond Funded



TRANSPORTATION FACILITY PROJECT – NON-BOND

PROJECT SITE TRANSPORTATION FACILITY

PROJECT DESCRIPTION

A new transportation center, located at 2201 SW Ferry Street. The proposed project includes a new building of approximately 43,000 square feet which contains 32 bus parking spaces, 8 vehicle repair bays, an administration area, a driver’s support area and miscellaneous other support spaces.

SCHEDULE & KEY MILESTONES	START	COMPLETION	% CPL	COMMENT
Pre-Design & Schematics	4/2/18	6/1/18	10%	
Design Development	6/4/18	8/31/18	0%	
Construction Documents	9/3/18	4/4/19	0%	
Bid and Award	11/8/18	12/4/19	0%	
Construction	6/10/19	1/17/20	0%	
Building Commissioning	12/17/19	1/17/20	0%	
Owner Occupancy	1/23/20	1/23/20	0%	
Post Occupancy Evaluation	1/23/20	1/23/20	0%	
Warranty Period	1/23/20	1/23/21	0%	
Other			0%	

CURRENT ACTIVITIES

A design concept estimate is currently being prepared by cost estimators. The removal/fill permit has been issued by the Department of State Lands, Erosion Prevention and Sediment Control permit has been issued by the DEQ, the wetlands approval from the Corps of Engineers is pending.

ACTIVITIES SCHEDULED FOR NEXT PERIOD

Completion of design concept estimate.

HIGHLIGHTS, CHALLENGES, SOLUTION

The current challenge is gaining approval from the Corps of Engineers. All requested information from the Corps has been provided.



ADDITIONAL INFORMATION

For questions, comments or additional information, please contact:

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SUPPLEMENTAL INFORMATION

Unexpectedly steep increases in construction expenses strain bond plans

Monday, July 9, 2018



TS Gray Construction workers build classroom space in early July next to the Tigard-Tualatin School District's 1920 Durham Education Center building. The 2016 bond project will allow the district to serve all its alternative program students at one site. (Photo by Jake Arnold, OSBA)

An unexpectedly sharp rise in construction costs is straining school bond campaign plans made just a few years ago.

School districts typically build inflation into their construction estimates and set aside contingency funds, but the run-up in costs this year is outstripping even cautious estimates.

Pent-up demand following the recession, low interest rates and a recovering economy have fueled a construction boom across Oregon. Capable contractors, skilled labor and many building materials are in short supply, driving up costs. Recent tariff fights, especially with steel, have further pushed up prices.

The effects are amplified in rural Oregon, according to construction project managers. Few regional contractors have the capacity for major construction jobs, and it costs a premium to draw contractors away from the Interstate 5 corridor where there is more than enough work.

Ideally, a district receives at least three bids for a project, so it can triangulate the most reasonable cost for high-quality work. Right now, districts often get no bids or districts get highly inflated bids from contractors unconcerned whether they get the job because they already have full work schedules, according to Joshua Dodson, vice president of project management company DAY CPM.

Scott Rogers, Wenaha Group senior project manager, said a recent bid for an education- related project in eastern Oregon came in about 25 percent over budget. Some construction bid areas — including plumbing, electrical, concrete, masonry and steel — were twice the cost per square foot as for a similar project a year ago, he said. Rogers said tariffs are wreaking havoc, particularly with steel-related costs. He said a contractor told him that the market is so volatile that an estimate older than 45 days is already obsolete. He said contractors are bidding overtime-equivalent rates for regular labor.

“Subcontractors are not hungry,” he said.

Rogers, who is the Athena-Weston School Board chair and an OSBA Board member, said a school built in Umatilla County in 2015 cost about \$225 per square foot. By 2017 such a project had risen to about \$255 per square foot. A similar project Rogers is working on now received bids of \$318 per square foot.

Rogers said the recession postponed districts' ability to build but not their need. With low interest rates and more state support, schools started building again. Eastern Oregon, with its smaller contractor base, has had to pay extra to lure more builders, according to Rogers.

Districts are deeply reluctant, though, to scale back projects.

“The community has long memories on what you tell them you are going to build for a certain cost,” said Rob Wagner, a Lake Oswego School Board member who is also a state senator. Voters approved a \$187 million Lake Oswego School District bond in May 2017.

Wagner said the district has seen some cost overruns, particularly on materials, but the board was judicious in its planning so that the district can still fulfill its bond pledges.

Project managers are encouraging districts to set aside money beyond the usual contingency funds. Bigger safety margins reduce what a bond campaign can promise, but a conservative approach prevents painful decisions down the road.

“You don't want any surprises,” Rogers said. “You don't want any false expectations.”



An excavator tears down a wing of the James Templeton Elementary School in July. The Tigard-Tualatin School District will build a new school on the site. (Photo by Jake Arnold, OSBA)

The Tigard-Tualatin School District, which passed a \$291 million bond in November 2016, is facing cost increases related to materials and labor, as well as competition in the K-12 marketplace as more districts pass bonds, according to Ernie Brown, the recently retired Tigard-Tualatin superintendent.

Work that was estimated a year ago to cost \$260 per square foot is being bid at upward of \$350 per square foot, Brown said.

Brown credits the district's Bond Oversight Committee and its project management team with holding costs down through careful decisions. Brown said the district has identified some smaller projects that can be deferred while still delivering on the major projects associated with the bond.

Project managers such as Rogers and Dodson suggest districts identify top priorities and then add second-tier projects dependent on favorable markets. They said the key is to be clear with constituents about finances and project scopes.

Districts are considering different construction methods to save money, such as using lumber rather than steel frames or on-site masonry instead of pre-fabricated slabs. Districts can also trim costs with subtle changes, such as less fencing or cheaper flooring options.



"It's always a balance between budget and scope," said Jim Rose, Sherwood School District chief operations officer. Sherwood voters passed a \$247.5 million bond in November 2016.

Rose said one way the district is dealing with soaring costs is by seeking bids for the basic job and then alternative bids for upgraded materials, finishes or design. The district then considers factors such as maintenance, material life and energy efficiency to find the best long-term value. Rose said district leaders try to balance between what they want and what their budgets allow.

The drawback is the district must do additional design work to give contractors a basis for bids.

The Bend-La Pine School District passed a \$268 million bond in May 2017, and bids are coming in higher than projected on many projects.

"It's painful," said Mike Tiller, facilities director.

Tiller said Bend-La Pine is using in-house staff to manage some projects and maintenance staff to do some work. Using district staff saves money on contractors, but it increases staff workloads and takes focus off other projects.

Dodson, of DAY CPM, said construction costs have gone up at the steepest rate in his 20 years of experience. He said the boom in construction has outpaced the market's ability to provide labor and materials.

DAY CPM works extensively with Oregon school districts. Dodson said districts need to be attractive clients, particularly if they are farther from Portland. Timely actions and easy working relationships are appealing to busy contractors.

"The labor market gets to pick and choose," he said. "You have to be known as a client that makes good decisions."

Dodson stresses the need for realistic front-end planning, managing expectations in the face of rising costs and delayed timelines.

Low interest rates fuel construction by making borrowing easier, but the historically low rates also have offered districts some relief. School bonds are selling at premiums, earning schools more than expected from bond sales. Districts can't count on low rates, though. The Federal Reserve raised interest rates in June and expects to keep raising them.

The Beaverton School District passed a \$680 million bond in 2014, based on estimates done in 2012. According to a May status report, the total estimated cost for bond-related projects has risen to \$753 million. Fortunately for Beaverton, bond sale premiums let the district collect \$802 million.

Maureen Wheeler, Beaverton public communications officer, said the construction boom in the Portland area has led to material and labor shortages that increase costs.



Beaverton has made some adjustments to rein in expenses. Paul Odenthal, Beaverton School District executive administrator for facilities, said some projects have flexibility. For instance, repairs on roofs and pavement can be delayed.

The district is also saving money by building slower. It had originally planned to replace a school in about 14 months, so only one school year would be disrupted. It extended the timeline to two school years to save on the extra labor necessary for quicker construction.

The fundamentals point to an ongoing construction boom, industry experts say.

"My biggest advice to other school districts is to give themselves enough time to get reasonable pricing," Odenthal said.

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