

BOARD OF EDUCATION

Portland Public Schools
REGULAR MEETING
June 20, 2017

Board Auditorium

Blanchard Education Service Center
501 N. Dixon Street
Portland, Oregon 97227

Note: Those wishing to speak before the School Board should sign the public comment sheet prior to the start of the meeting. No additional speakers will be accepted after the sign-in sheet is removed, but testifiers are welcome to sign up for the next meeting. While the School Board wants to hear from the public, comments must be limited to three minutes. All those testifying must abide by the Board's Rules of Conduct for Board meetings.

Public comment related to an action item on the agenda will be heard immediately following staff presentation on that issue. Public comment on all other matters will be heard during the "Public Comment" time.

This meeting may be taped and televised by the media.

AGENDA

1. **STUDENT TESTIMONY** 6:00 pm
2. **PUBLIC COMMENT** 6:15 pm
3. **SUPERINTENDENT'S REPORT** 6:35 pm
4. **2016-17 FISCAL YEAR BOND PERFORMANCE AUDIT** 6:50 pm
5. **QUARTERLY UPDATE: BOND ACCOUNTABILITY COMMITTEE** 7:15 pm
6. **QUARTERLY UPDATE: OFFICE OF SCHOOL MODERNIZATION** 7:30 pm
7. **BUSINESS AGENDA** 7:45 pm
8. **ADJOURN** 8:00 pm

Portland Public Schools Nondiscrimination Statement

Portland Public Schools recognizes the diversity and worth of all individuals and groups and their roles in society. The District is committed to equal opportunity and nondiscrimination based on race; national or ethnic origin; color; sex; religion; age; sexual orientation; gender expression or identity; pregnancy; marital status; familial status; economic status or source of income; mental or physical disability or perceived disability; or military service.

MEMORANDUM

Date: June 13, 2017

To: Members of the Board of Education

From: Bond Accountability Committee (BAC)

Subject: 17th BAC Report to the Board

Background

In November 2012, voters approved a \$482M capital improvement bond for Portland Public Schools. The PPS Board appointed a Citizen Bond Accountability Committee to monitor the planning and progress of the bond program relative to voter-approved work scope, schedule and budget objectives.

In May 2017, voters approved a \$790M capital improvement bond measure that also provided for oversight by the BAC.

Recent Activities

The BAC met on April 18 at the District office and we were pleased to have Directors Anthony, Knowles, and Rosen in attendance. As is the case with all regular BAC meetings, it was publicly noticed and open to the public. Office of School Modernization staff continues to be very helpful and supportive of the process, and demonstrates a consistent commitment to transparency and clarity in its dealings with the BAC.

The Committee received updates from staff that included the Balanced Scorecard report with supporting data on program budget and other metrics, as well as reports on each of the current bond projects. Staff presentation materials and meeting minutes, along with BAC reports, are regularly posted on the District website.

The BAC heard public comment from a subcontractor on one of the major projects. He raised questions about site security protocols, as well as identifying effective techniques for the inclusion of certified businesses and appropriate accountability. We will work with staff to be sure that lessons learned are incorporated into the planning of the remaining 2012 work and the 2017 bond.

The BAC also met on June 7 for an update on construction progress as we close in on summer completion, and for an initial briefing on the scope of the 2017 bond program. This report, rather than only presenting two-month-old information on the 2012 bond, will incorporate some schedule and budget updates from the June 7 meeting.

As this report is written, PPS staff is managing the following work:

- Construction at Roosevelt High School.
- Construction at Franklin High School.
- Construction at Faubion PK-8 School.
- Subcontractor buy out and development of the Guaranteed Maximum Price for Grant High School.
- Closeout on Improvement Projects (IP) 2016 (elevator work at Chavez and Scott continues).

While the program has passed the 2016 peak of construction activity, work continues at a rapid pace to ensure the timely opening of Franklin and Faubion as well as the third phase at Roosevelt.

Current Issues on the 2012 Bond Program

Program Budget. Staff has continued to provide budget information to us in a transparent format.

The total Bond Program now stands at \$557 million, of which \$344 million (62%) had been spent as of April 1.

As we have discussed during each of our recent reports to the Board, remaining contingencies/reserves at the program level are very limited and, during the remainder of the program, staff will be focused on balancing these reserves (along with IP budgets) with the budgets of the high school projects as they reach completion. We do expect the reserves to be augmented by some amount of additional bond premium from the next bond sale, but the Board has already committed \$2.8 million of any such premium.

Staff continues to work with contractors on the cost ramifications of this winter's severe weather events at Franklin, Roosevelt, and Faubion and those discussions are close to conclusion. However, substantial risks still exist in the program as three major projects are still to close out and one not yet in construction, so we remain anxious about the current level of contingency/reserves.

Project Budgets and Schedules. Significant construction progress has been made in the past few months, and some of the effects of winter weather events have been mitigated. Franklin, Faubion, and Phase 2 of Roosevelt will all be open for the new school year.

The logistical challenges during the summer arising from opening the three schools, plus relocating Grant to Marshall during the same window are significant and will put great stress on PPS staff. Furniture, IT, etc. will all have to be coordinated for a successful operation. Nevertheless, patience will be required of school staffs and administrators.

Each of the schools is closing in on Substantial Completion and approval to occupy. The buildings at Franklin are set to achieve occupancy by the end of June, and the fields (except for the covered walkway and additional bleachers – value engineered items that have been added back) by mid-July.

Faubion is also set for Substantial Completion by the end of June, except for the field (planting delayed by weather) and four rooms that have been delayed by the late confirmation of Kaiser Permanente's addition to the school service team.

Building construction at Roosevelt is set for Substantial Completion by the end of July and you will recall that the plan always called for much of the sitework to become Phase 3 and be completed after school opens. The Roosevelt site will be very active all summer, particularly considering the amount of demolition that needs to be completed after school gets out.

Project budgets continue to be pressured and staff is continuing to quantify the costs related to weather delays and other changes. By far the largest exposure at this point is on the Grant project as the Guaranteed Maximum Price is developed. The construction market, if anything, is even more stretched than it has been resulting in challenges to every element of the budget. The budget pressure has been eased somewhat by two recent Seismic Rehabilitation Grant Program awards from the State amounting to \$3 million, but much uncertainty remains.

Design work for IP17 is complete but, as discussed during our last report, construction has been deferred until all of the major project budget realities are completely understood. (The seismic work at Lewis will proceed to construction in the summer of 2018 now that an SRGP award of \$1.5 million has been made.) Other plans for IP18 and IP19 are entirely dependent on budget availability.

Equity. Staff reports on student involvement remain positive. Tiers 2 and 3 on the Balanced Scorecard show red, but plans are in place for job shadows, internships, etc. over the summer. Efforts are being made to integrate existing student programs; for instance, we were told about the Marketing CTE students from Wilson working on a communications plan covering the openings of the new schools.

The employment of apprentices through the Workforce Hiring program is at 26%, well ahead of the 20% goal.

Certified business involvement is more challenging but remains a priority. We have asked staff for a report of the efforts made on both the Franklin and Roosevelt projects in the spirit of lessons learned, particularly as the results on each were so starkly different. We anticipate solid results at Grant, and certainly want to carry lessons into the 2017 bond program.

Safety. Faubion has experienced its first recordable accident but thankfully, it was minor with the worker returning to work the next day. There were no accidents at any of the other sites during the quarter. Overall, the program's safety record remains outstanding.

Audits. Auditors have commenced a review of the construction expenditures on the Franklin and Roosevelt contracts; this is standard practice on CM/GC contracts, and we support the process. The final report from your current Performance Auditors is expected momentarily; unlike previous years, the BAC has not yet had the opportunity to review the report but will certainly work with staff on any recommendations and will track progress accordingly. An RFP for the next phase of performance audits is currently under development and should be issued shortly.

2017 Bond Program

The passage of the 2017 \$790 million bond measure obviously presents a terrific opportunity for the District, but raises enormous challenges as well.

As noted above, the BAC met with staff on June 7 for a first briefing on the scope of the program, and to hear some initial thoughts on the work. At our next regular meeting in July, we will consider how to best organize ourselves to perform our oversight duties on the new bond while always maintaining vigilance on the 2012 program. We welcome any input from the Board.

Summary

It is an exciting time for the 2012 bond program as three schools proceed towards opening. While challenges have arisen and many remain, we believe the taxpayers will be very pleased with the end products, as will staff and students at these facilities.

We remain impressed by the quality and professionalism of OSM staff as well as the design and construction teams, and thank the Board for this opportunity to serve and play a small part in the continued success of your bond program.



PORTLAND PUBLIC SCHOOLS

Office of School Modernization

Quarterly Update to School Board

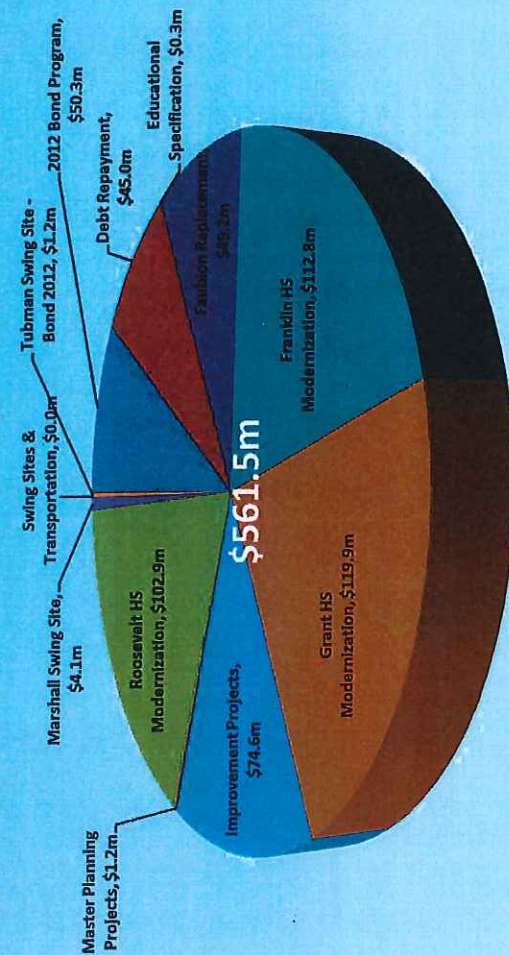
June 20, 2017





2012 School Building Improvement Bond Program Update

Program Projected Budget Break-Down



Balanced Scorecard Program Status

Perspective	Last Meeting	Current
Overall	Green	Green
Budget	Yellow	Yellow
Schedule	Green	Green
Stakeholder	Green	Green
Equity	Green	Green

Comments

1. Franklin HS is in the Construction Phase
2. Roosevelt HS in the Construction Phases 2
3. Faubion PK-8 is in the Construction Phase
4. Grant HS is in the Construction Documents Phase
5. IP15 is in the Close-Out Phase
6. IP16 is in Close-Out and Construction Phases
7. IP17 is deferred

Anticipated Progress Next Period

1. Franklin HS will be open with walkway work ongoing
2. Roosevelt HS will be open with ongoing landscape work
3. Faubion PK-8 will be open
4. Grant will be in the Demo & Construction Document Phase
5. IP15 will be Closed-Out
6. IP16 will be in Close-Out except the elevator at Chavez

Schedule

Projects	2014		2015		2016		2017		2018	
	1 Qtr	2 Qtr	3 Qtr	4 Qtr	1 Qtr	2 Qtr	3 Qtr	4 Qtr	1 Qtr	2 Qtr
Franklin HS	1.0	2.0	3.0	4.0	1.0	2.0	3.0	4.0	1.0	2.0
Roosevelt HS										
Grant HS										
Faubion PK-8										
IP14										
IP15										
IP15-54000										
IP15-Maplewood										
Tubman Improve										
IP16										
IP17										

Planning & Design
 Construction and Post-Construction Activities
 Above In - Close-out - Warranty



PORTLAND PUBLIC SCHOOLS

2017 PPS Planned Grand Openings and Ground Breakings

Date	Event	Time
Saturday, June, 3rd	Grant Groundbreaking (Completed)	10:00-1:00 pm
Tuesday, August 29	Faubion/Concordia University Grand Opening	3:00-5:00 pm
Friday, September 1	Franklin Football Field & Track Opening	6:00-7:00 pm (Start of Football Game)
Saturday, September 2	Franklin Grand Opening	10:45-2:00 pm
Friday, September 29	Roosevelt Grand Opening	TBD



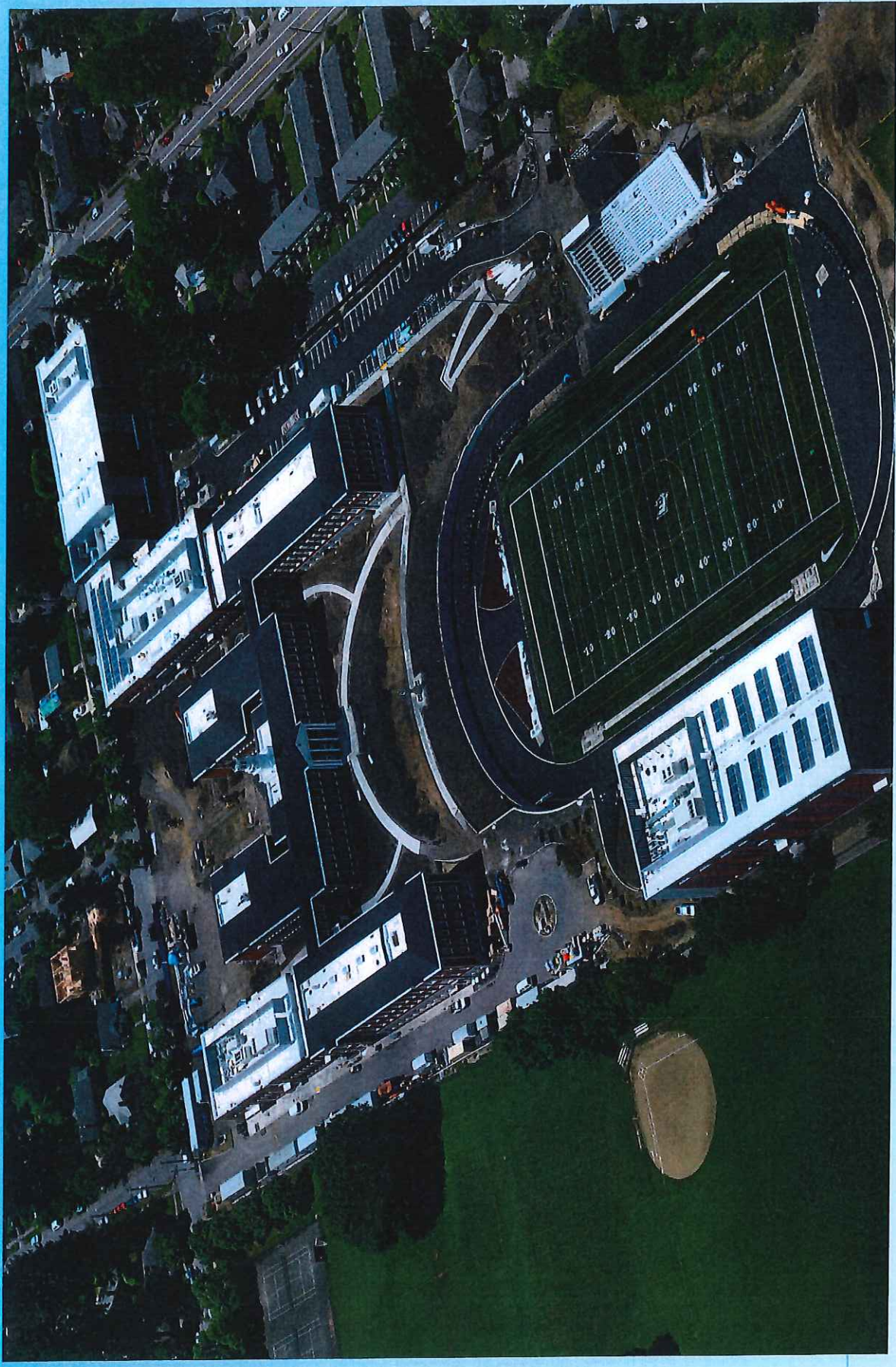


PORTLAND PUBLIC SCHOOLS

Franklin HS Modernization

SKANSKA

June 2, 2017





PORTLAND PUBLIC SCHOOLS

Franklin HS Modernization



Wooden Ben Franklin in Auditorium Lobby



Auditorium Entrance Being Completed



Dance Class



A view from the 50 Yard Line





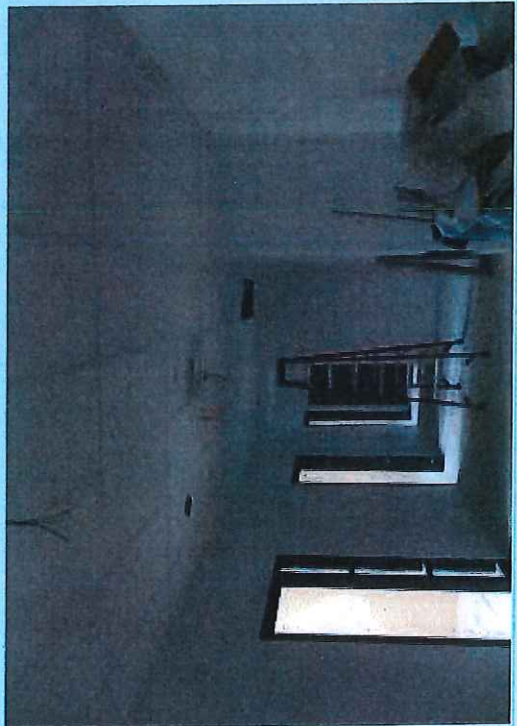
Roosevelt HS Modernization



Commons being completed



West Wing 2nd Floor Cabinet Installation



South Wing Admin Offices



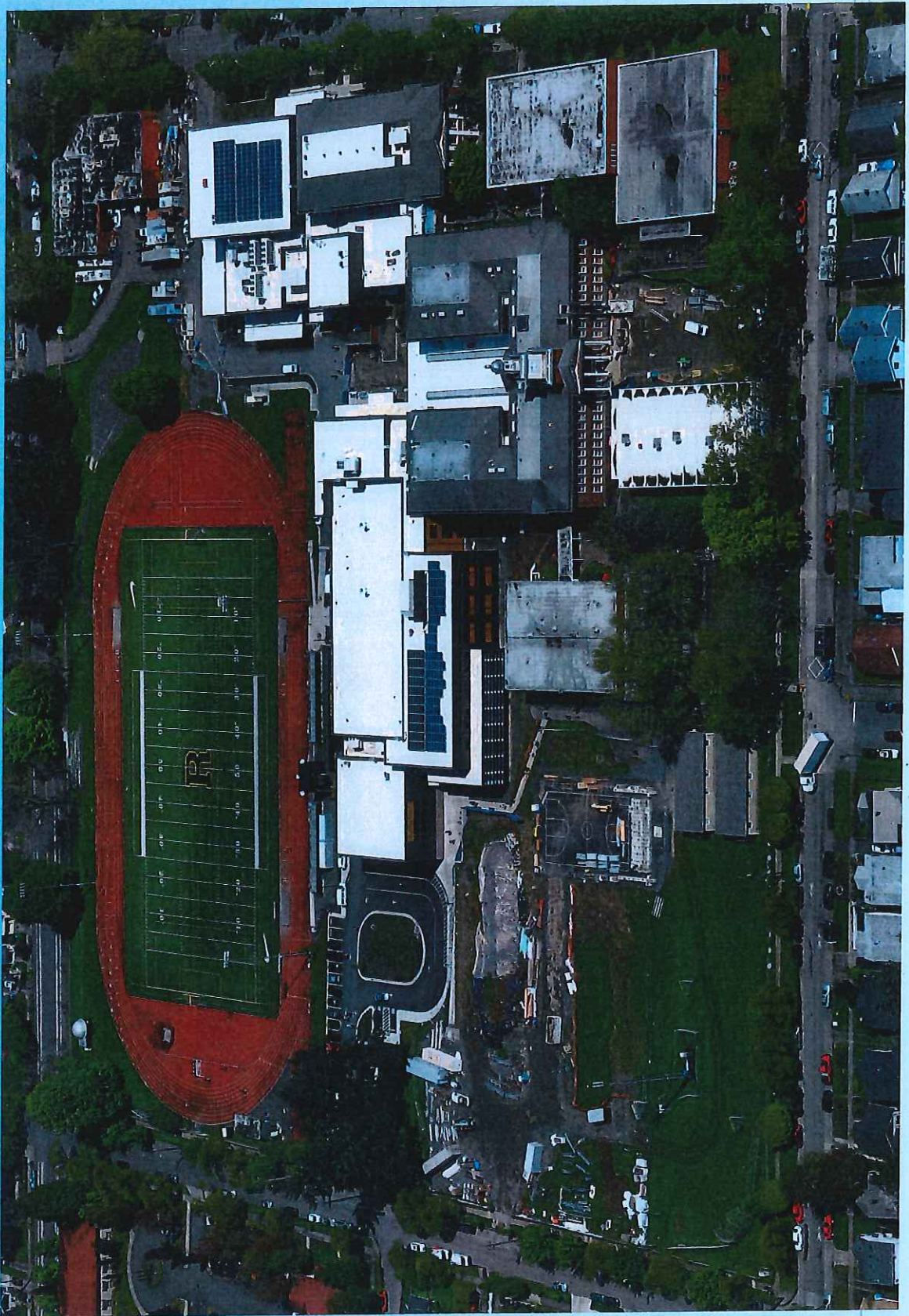
East Wing 2nd Floor Tape and Finish



Roosevelt HS Modernization

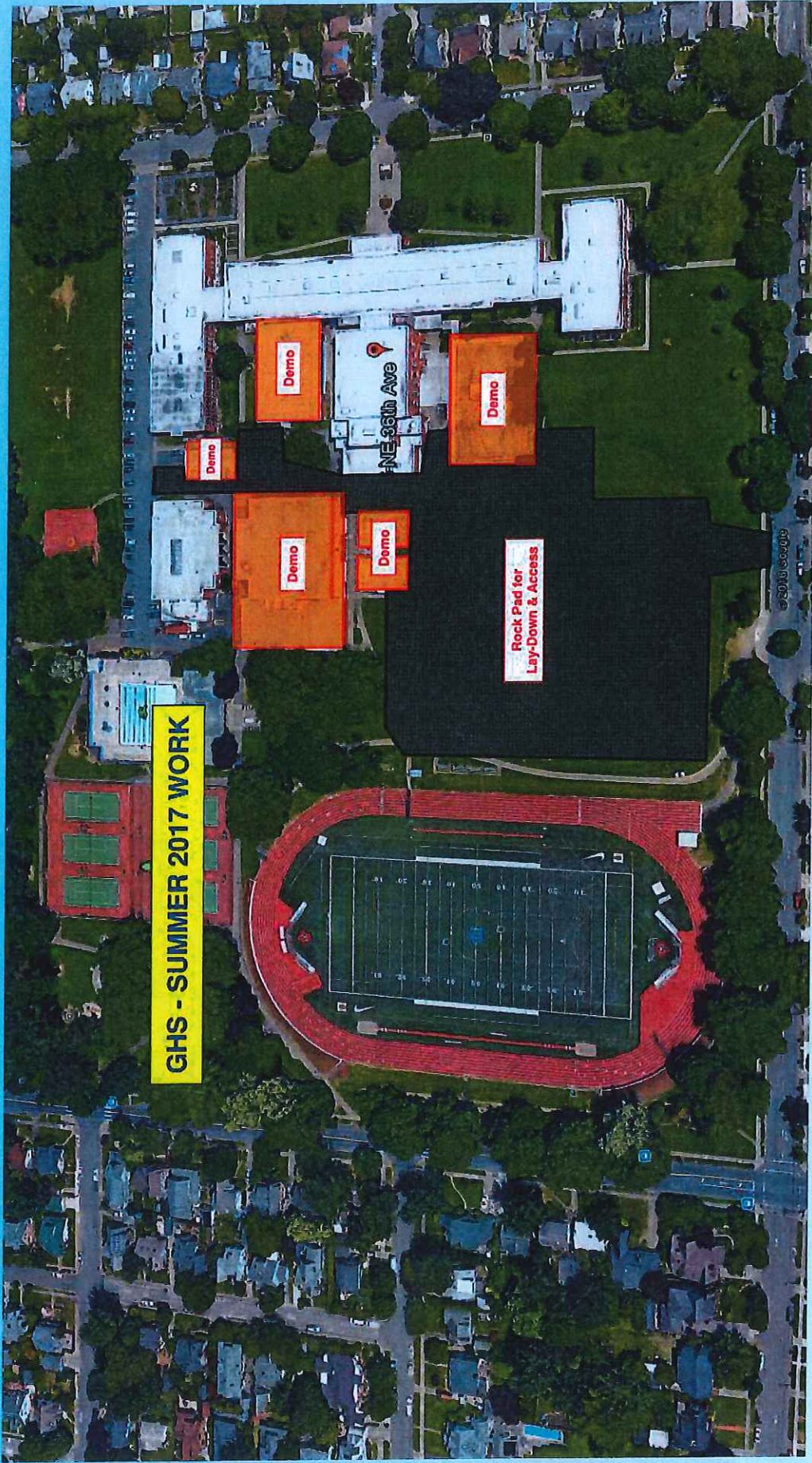
PORTLAND PUBLIC SCHOOLS

May 3, 2017



Grant HS Modernization

PORTLAND PUBLIC SCHOOLS





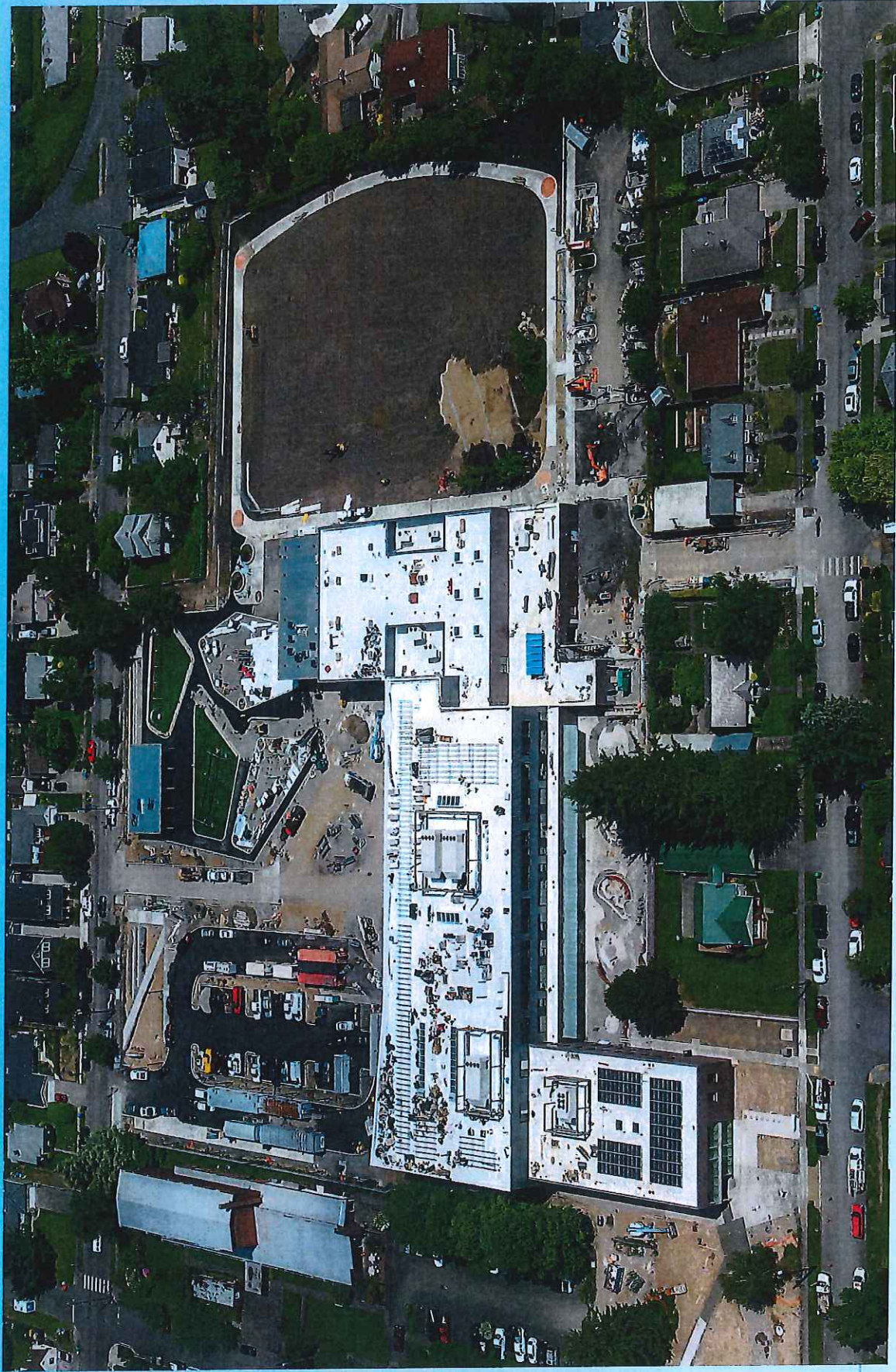
PORTLAND PUBLIC SCHOOLS

Faubion K-8 Replacement

May 31, 2017

TODD Construction Inc.

BORA





PORTLAND PUBLIC SCHOOLS

Faubion K-8 Replacement



Gym Center Court



Playground Equipment



Solar Panels



Welcome Hall





Board of Education Informational Report

MEMORANDUM

Date: June 15, 2017

To: Members of the Board of Education

From: Yousef Awwad, Interim Superintendent & Deputy Chief Executive Officer

Subject: Resolution to accept the May 16, 2017 election results;
Resolution to authorize the sale of general obligation bonds

This Memorandum provides information on two separate resolutions to be presented for Board of Education approval at the Tuesday, June 20, 2017 meeting. Approval is sought and required in the order presented.

The resolution to accept the May 16, 2017 election results (attached) is recognition of the authorization by voters of the District to issue and sale up to \$790 million in general obligation bonds.

The resolution to authorize the sale of general obligation bonds provides the authorization for the issuance and sale of up to \$62,160,000 in principal amount of general obligation bonds to pay for 2012 Capital Costs and costs related to those bonds (the "2012 Authority Bonds") and up to \$790,000,000 in principal amount of general obligation bonds to pay for 2017 Capital Costs and costs related to those bonds (the "2017 Authority Bonds").



Board of Education

Staff Report to the Board

Board Meeting Date: June, 20, 2017

Executive Committee Lead: Jerry Vincent,
Chief Operating Officer

Department: Facilities and Asset Management

Presenter/Staff Lead: Sara King,
Director of Planning and Asset Management

<p>SUBJECT: AUTHORIZING THE SUPERINTENDENT TO ENTER INTO A LEASE WITH CONCORDIA UNIVERSITY REGARDING FAUBION PRE-K SCHOOL</p>
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BACKGROUND

This Memorandum provides the major terms negotiated between Portland Public Schools (PPS) and Concordia University (CU) for CU's ground lease at Faubion K-8 school.

For many years, Portland Public Schools (PPS) and Concordia University (CU) have had a longstanding programmatic partnership for the benefit of students of both institutions. The partnership has advanced the academic success of Faubion students and allowed CU students opportunities for in-classroom experience.

In 2012, voters approved a capital improvement bond which included the rebuilding of Faubion Prek-8 school. Since that time, both parties have been working diligently to build a new facility co-locating the public school with CU's College of Education on the Faubion campus. Wrap around services such as a wellness center to serve both the physical and mental health needs of both institutions and a "food club" offering health food at a discounted rate to the Faubion and Concordia community will also be included in the building.

In 2015, both parties signed a Disposition and Development Agreement (DDA) for the development of Faubion School. The DDA states that the parties will enter into a lease for the Concordia Premises located in the project and outlines several terms to be included in that lease. The lease must be signed before school starts in 2017; lease negotiations have been complex and lengthy due to unusual nature of partnership and the length of the lease.

Exhibit A illustrates the floor plans of the school and delineates the PPS premises, the CU Premises and shared spaces.

An Operating Agreement between parties is in development and will govern day to day responsibilities of the two parties. It is intended to be signed in tandem with the lease.

BOARD COMMITTEE REVIEW (IF APPLICABLE)

Not applicable.

RELATED POLICIES / BOARD GOALS AND PRIORITIES

1. Resolution 4608 - Long Range Facility Plan Guiding Principles - Pursue partnerships with other public and or private entities to leverage public resources to maximize efficiency, economies of scale and innovation.
 2. Resolution 4650 – Memorandum of Understanding with Concordia University for master planning and replacement of Faubion K-8 School.
 3. Resolution 4807 – Authorizing the Superintendent to Enter into a Predevelopment Agreement with Concordia University for Master Planning and Replacement of Faubion K-8 School.
 4. Resolution 4901 – Authorizing Faubion PK-8 Master Plan with Concordia College of Education as part of the 2012 Capital Bond Program.
 5. Resolution 5025 - Authorizing the Superintendent to enter into a Disposition and Development Agreement with Concordia University for replacement of Faubion PK-8 School.
-

PROCESS / COMMUNITY ENGAGEMENT

This partnership has been discussed in testimony before the Board during adoption of the Long Range Facility Plan process as well as the 2012 Bond Development Committee.

There has been extensive internal and external collaborative design processes through Master Plan and Design Development phases of the project.

ALIGNMENT WITH EQUITY POLICY IMPLEMENTATION PLAN

The Faubion School is a Title 1 school and has a high percentage of students who qualify for free and reduced lunch as well as high percentage of students of color. The selection of this school as the first Pre-K-8 school for complete replacement is a showcase example of the Equity Policy. This collaborative effort will result in the creation of a model modern learning environment that is the center of the community and an example for other public schools across the state and nation.

BUDGET / RESOURCE IMPLICATIONS

In November 2012, Portland voters approved an 8-year, \$482 million school improvement bond which featured the modernization of three high schools as well as the rebuilding of Faubion Pre-K-8. This projected cost of this project includes \$35 million in bond proceeds and \$15.5 million in funds from Concordia University.

NEXT STEPS / TIMELINE / COMMUNICATION PLAN

Not applicable.

QUESTIONS FOR BOARD DISCUSSION

Not applicable.

ATTACHMENTS

Attachment A: Concordia Premises

Attachment B: Lease Terms

Attachment C: Resolution

Exhibit A: Concordia Premises

Level 1



Bora Architects
04.27.2017

Level 1 Area (\$/)	
PPS	38,711
PPS	37,275
PPS Shared Space	1,436
Concordia University (CU)	9,975
CU	5,217
CU Shared Space	4,757
Common Areas:	16,806
Amenity & Support	3,475
Circulation	11,438
Vertical Penetration (Stairs, Shafts)	1,899
	7

Level 2



Bora Architects
04.27.2017

Level 2 Area (SF)	
PPS	21,125
PPS	18,856
PPS Shared Space	2,269
Concordia University (CU)	8,361
CU	8,361
CU Shared Space	-
Common Areas:	
Amenity & Support	1,557
Circulation	6,713
Vertical Penetration (Stairs, Shafts)	2,512

Level 3



Bora Architects
04.27.2017

Level 3 Areas (SF)	
PPS	38,116
PPS Shared Space	15,477
Concordia University (CU)	2,639
CU	1,675
CU Shared Space	1,675
Common Areas:	8,566
Amenity & Support	780
Circulation	5,791
Vertical Penetration (Stairs, Shafts)	1,995

Exhibit B: Lease Terms

General:

The Faubion Development DDA contemplated a ninety-year (99) year \$1.00/year lease. This lease structure was a condition of several CU foundation donors who funded CU's \$15.51M portion of the Faubion Project (Project) costs and required a "fee simple like" ownership.

CU will pay its proportionate share of the building operating and maintenance costs and set aside reserves to cover its proportionate share of required capital improvements over the term of the lease.

Building SF:

134,187 SF Total (PPS 77,952 SF, Concordia 20,011, Common Area 36,224 SF)

Tenant:

Concordia University (CU).

Premises:

20,011 SF. CU shall have the exclusive use of Premises (including rooms within Faubion School proper) as shown and indicated on the attached Exhibit A.

PPS shall have "shared use" of the Health and Wellness Center, the Food Club, and the Community Child Program and Partner Rooms within the CU Premises.

CU shall have "shared use" of the L1 Reception, the L1 Conference Rooms, the L2 and L3 STEAM Classrooms, and the L2 Staff Lounge and Workroom within PPS Premises.

Term of Lease:

Ninety-nine (99) years, with one option to extend the lease an additional twenty-five (25) years at a market value rent.

Base Rent :

The \$14.7M (total contribution less furniture, fixtures and equipment as of May 23, 2017) contribution to the Project's total cost of approximately \$48M will be considered prepaid rent. This contribution will be amortized over the 50 year useful life of the improvements. The final cost and contribution figures will be known in fall, 2017, after this lease is signed and will be reflected in a lease amendment.

Permitted Use:

The Premises and the Shared Spaces, shall be used for classrooms, educational purposes, and other related uses, such as health and wellness center, wrap around services (including but not limited to social services, parent education, and related services), food distribution center (free pantry and at-cost food club) and faculty offices, and for no other purpose without District's written consent. Those portions of the Premises that are embedded within PPS's portion of the Building shall not be used for any purpose other than for purposes directly pertaining to CU's School of Education.

Parking: The parking lots during the lease term at the Property shall be used jointly by PPS and CU on a nonexclusive, unreserved, shared basis; provided that CU's use of the parking lots at the Property shall not unreasonably interfere with PPS's use thereof.

Operating Costs: It is estimated that CU will pay approximately 20% of building operating costs depending on the intensity of use of shared spaces. Intensity of use calculations will be further clarified in the Operating Agreement.

Major Repairs: It is estimated that CU will pay approximately 20% of major repairs.

Building Reserves Per the DDA, PPS does not set aside building reserves, but this building will qualify for the CAR fund. CU is required to set aside funds for its portion of building reserves.

Subletting: CU shall be allowed to sub-let its Premises to the service provider for the health and wellness center and the food club. It is anticipated that the initial service provide shall be Kaiser Permanente.

Termination of Lease Prior to 99 Years: Should the Lease be terminated for any reason other than termination by CU prior to the end of the 99 year term, CU shall be entitled to the unamortized portion of its contribution to the Project construction costs. Amortization will be based on a 50 year schedule.

CU and PPS Board Approval: The lease is contingent upon approval from the CU Board of Directors and PPS Board. The operating agreement will be approved by the Superintendent of his/her designee.

Condominium Conversion: CU also retains the right, at its sole cost, to initiate a condominium conversion of the Project within fifty (50) years of the completion of the Project.



Board of Education Informational Report

MEMORANDUM

Date: June 20, 2017

To: Members of the Board of Education

From: Jerry Vincent, Chief Operating Officer
Sara King, Director of Planning and Asset Management

Subject: Authorizing the Superintendent to Appoint Board of Directors for the New Columbia Youth Center Condominium.

PURPOSE

The New Columbia Youth Center Condominium Owners Association (Association) is controlled by a Board of Directors, appointed by the Board. One of those Directors left the District in 2016 the vacancy must be filled. Previously, board members were appointed directly by the Board. However, given that both staff as well as position titles change over time, the Superintendent is recommending the Board authorize him or her to appoint the Association's Board of Directors to represent the interests of the District. Authorization by the Superintendent to directly appoint the Board of Directors will ensure timely appointments and smooth transitions.

BACKGROUND

Rosa Parks School was constructed in 2005 utilizing New Market Tax Credits and other resources. The New Markets Tax Credits financial structure required that the school be owned by the New Columbia Community Campus Corporation (N4C). In 2012, N4C sold the school to the New Columbia Youth Center Condominium, to be jointly owned by PPS and the Boys and Girls Club. The condominium includes three units: Unit One is the Boys and Girls Club; Unit Two is the Ancillary School Unit and Unit Three is the School Unit. PPS owns both Units Two and Three.

The condominium is controlled by the New Columbia Youth Center Condominium Owners Association (Association). The Association is controlled by a Board of Directors, with each unit entitled to a board member. Therefore, PPS has two director positions appointed by the Board: one, which was held by David Wynde, Deputy Chief Finance Officer and is currently vacant and another by Sara King, Director of Planning and Asset Management.

RELATED POLICIES / BOARD GOALS AND PRIORITIES

The development of the Rosa Parks School is considered to be a model of creative partnerships, leveraging limited district dollars to build a quality school in a cooperative environment. The adopted Long Range Facility Plan encourages developing partnerships, particularly those which support enhanced community uses.

ALIGNMENT WITH EQUITY POLICY IMPLEMENTATION PLAN

The Rosa Parks School incorporated the latest educational philosophy when it was constructed in 2006. Such philosophy included co-locating community services with a school, a philosophy

which is being replicated in the Faubion/Concordia school partnership. Rosa Parks School population includes 96.6% combined underserved students.

ATTACHMENTS

A. Resolution

RESOLUTION No.

Authorizing the Superintendent to appoint Board of Directors for the New Columbia Youth Center Condominium Association (Rosa Parks School)

RECITALS

- A. Portland Public Schools ("PPS") entered into a lease/option to purchase agreement pursuant to Board of Education Resolution No. 3566, October 10, 2005, which provided for construction of Rosa Parks School utilizing New Market Tax Credits and other resources.
- B. As part of the New Markets Tax Credits financial structure, the school was owned by the New Columbia Community Campus Corporation (N4C).
- C. N4C sold the school to the New Columbia Youth Center Condominium (Condominium), to be jointly owned by PPS and the Boys & Girls Club (B&G Club) pursuant to Board of Education Resolution No. 4657, October 15, 2012.
- D. The Condominium Declaration and Plat details three units: Unit One is the B&G Club, Unit Two is the Ancillary School Unit and Unit Three is the School Unit. PPS owns both Units Two and Three.
- F. The financial management and operation of the Condominium is controlled by the New Columbia Youth Center Condominium Association (Association) and managed by a Board of Directors, which allows one director per Unit.
- G. PPS became a member of the Association and the Board of Education appointed David Wynde, Deputy Chief Financial Officer and Sara King, Director of Planning and Asset Management to serve on the Board of Directors of the Association and granted them authority to take action in such capacity as they deem prudent to accomplish the goals of PPS.
- H. Mr. Wynde's seat is currently vacant and as staff and positions change over time, thereby creating potential delay in Condominium board business, the Superintendent is requesting authorization to appoint board directors for the Condominium Association.

RESOLUTION

- 1. The Board of Education authorizes the Superintendent to appoint the Board of Directors of the New Columbia Youth Center Condominium Association to represent the interests of Portland Public Schools.

J. Vincent/S. King



Board of Education Staff Report to the Board

Board Meeting Date: June 20, 2017

Executive Lead: Jerry Vincent, COO

Department: Office of School Modernization

Department Lead: Dan Jung, Director Capital Operations

SUBJECT: Capital Construction Bond Citizen Accountability Committee Charter Amendment 1

BACKGROUND

This staff report is complementary to the report on September 24th, 2012 where the Board approved the proposed 2012 Portland Public Schools Capital Construction Bond Citizen Accountability Committee Charter ("Charter") and its membership. This committee was a specific requirement which was identified in the summary statement for the bond measure 26-144 election on November 6th, 2012. The measure's summary statement identifies the requirement for PPS to provide citizen accountability and oversight, and annual audits of bond projects and expenditures. Staff developed a committee charter which incorporated Board input from the September 10th, 2012 work session, to address this requirement. Membership of the committee includes six committee members and a chairperson comprising a mix of individuals with a good reputation in the community for fairness and transparency and people with a combination of experience in building design; construction; construction financing; public contracting, budgeting and/or auditing.

With the passage of Bond Measure ___ on May __, 2017, the charter must now be amended to reflect the continuation of the committee's charge to provide oversight for both the 2012 and 2017 capital bond programs.

The original passage in the Portland Public Schools Capital Construction Bond Citizen Accountability Committee Charter is written as:

Background:

Portland Public Schools (PPS) has referred a Capital Construction Bond Measure for voter approval on the November 6, 2012, ballot. The Superintendent and School Board desire to establish a citizen accountability committee to assist in monitoring the planning and progress of the bond program.

Staff is recommending the passage be amended to state:

Background:

Portland Public Schools (PPS) has referred two Capital Construction Bond Measures which were approved by voters in the November 2012 and May 2017 elections. The Superintendent and the School Board desire to continue with a citizen accountability committee to assist in monitoring the planning and progress of the bond programs.

Staff further recommends the remaining language in the charter to be unchanged.

**Reviewed and Approved by
Executive Committee Lead**

RELATED POLICIES / BOARD GOALS AND PRIORITIES

- Board Resolution No. _____ (May ____, 2017) calling a Measure Election to Submit to the Electors of the District the Question of Authorizing \$_____
- Long Range Facility Plan Guiding Principle C: Demonstrate Fiscal Responsibility which identifies best fiscal practices as including credible forecasts, rigorous cost-benefit analysis, transparent budgets, responsible expenditures and audited financial statements.

PROCESS / COMMUNITY ENGAGEMENT

ALIGNMENT WITH EQUITY POLICY IMPLEMENTATION PLAN

BUDGET / RESOURCE IMPLICATIONS

None

NEXT STEPS / TIMELINE / COMMUNICATION PLAN

Staff recommends the Board approve the attached resolution and amended Charter and instruct staff to officially inform Committee members.

QUESTIONS FOR BOARD DISCUSSION

None

ATTACHMENTS

- A. Amended Portland Public Schools Capital Construction Bond Citizen Accountability Committee Charter
- B. Resolution calling for adoption of Amended Capital Construction Bond Citizen Accountability Committee.



Portland Public Schools Capital Construction Bond

Citizen Accountability Committee

Charter

Amendment 1

Background:

Portland Public Schools (PPS) has successfully referred Capital Construction Bond Measures for voter approval in November 2012 and May 2017. Both Bonds were approved and the Superintendent and the School Board desire to continue with a citizen accountability committee to assist in monitoring the planning and progress of the bond programs.

Committee Charge:

In response to the need for accountability regarding the District's effective use of capital construction bond funds, the PPS School Board will appoint a Citizen Accountability Committee ("Committee") whose charge will be to monitor the planning and progress of the bond programs relative to voter-approved work scope, schedule and budget objectives. The Superintendent has overall responsibility for performance of staff engaged in the implementation of the bond programs.

The Committee will actively review the bond programs, and provide advice to the Board of Education on:

- Whether the school district bond revenues are expended only for the purposes for which the bonds were approved, and that bond revenues are not used for any purpose prohibited by law;
- Alignment with the goals and principles of the Long Range Plan;
- Alignment with the goals of the Business Equity Policy;
- District standards and innovative practices for achieving lower maintenance and construction costs while improving operating efficiency and increasing building longevity;
- Historic preservation and school renovation opportunities compatible with the architecture of surrounding Portland neighborhoods;
- Potential capital partnerships for joint and shared use of PPS facilities;
- Implementation of appropriate ways to address seismic issues;
- Compliance with ADA; and

- Communicating key information related to the bonds to the School Board, public groups, organizations and stakeholders.

The Committee will receive and review copies of annual performance audits and financial audits, and has the option to inspect school facilities and grounds to ensure Bond revenues are expended in compliance with state law and the ballot measure language.

The Committee will review quarterly reports produced by the District each year the bond proceeds are being spent in order to verify general compliance with the purposes set forth in the capital improvement programs as approved by the voters.

The Committee will perform other reasonable duties requested by the School Board.

Committee Membership:

The Committee shall consist of seven members. The School Board will appoint six committee members and a chairperson.

The Committee shall be comprised of a mix of individuals with a good reputation in the community for fairness and transparency and a majority of the committee will be people with a combination of experience in building design; construction; construction financing; public contracting, budgeting, and/or auditing.

- a) The Committee members shall receive no direct or indirect compensation from the District for their services as members of the Committee.
- b) The Committee members may not have an active or pending contract with the District, nor enter into a contract during their term on the Committee.
- c) The Committee may not include any employee or official of the District, or any vendor, contractor or consultant of the District.
- d) A Committee member serves to advise the School Board. If a Committee member resigns, violates the Ethics Policy contained herein (see attachment), fails to attend two consecutive Committee meetings without reasonable excuse, or otherwise becomes unable to serve on the Committee, the Board may declare the position on the Committee to be vacant and appoint another qualified person to the Committee.
- e) Members are appointed to staggered 2, 3 and 4-year terms and may reapply for consideration to serve additional terms. A member may not serve more than eight consecutive years.

Committee Operations:

The charge to the Committee does not include:

- a. Approval of construction contracts;
- b. Approval of construction change orders;
- c. Appropriation of construction funds;
- d. Handling of legal matters;
- e. Approval of construction plans and schedules;
- f. Approval of the sale of bonds;
- g. Priorities and order of construction for the bond projects;
- h. Selection of architects, engineers, construction managers, project managers, and such other professional service firms;
- i. The approval of the design for any project;
- j. The selection of independent audit firm(s), performance audit consultants and such other consultants as are necessary to support the performance of the Bond Program;
- k. Setting or approving schedules of design and construction activities; or
- l. Activities, roles or responsibilities that have been designated by the Superintendent or her designee to staff or consultants, or any policy-making responsibilities.

Committee Meetings:

- a) The Committee will meet quarterly or as requested by the Superintendent, District staff or the Committee chair.
- b) Committee meetings are advisory and not related to formal decision-making by the PPS School Board. Committee meetings shall include opportunity for public comments.
- c) The Chief Operating Officer, Chief Financial Officer, and Director of the Office of School Modernization will provide support and staffing to the Committee.
- d) PPS staff will provide necessary technical and administrative assistance as follows:
 - (1) A meeting room, including any necessary audio/visual equipment;

- (2) Preparation and copies of any documentary meeting materials, such as agendas and reports; and distribution of those materials to the committee in a timely manner.
- (3) Provision of reports covering the School Bond Programs.
- (4) Preparation of Committee meeting minutes and posting for public viewing and use on the PPS web site.
- (5) PPS staff will attend Committee meetings in order to report on the status of capital improvement projects, to respond to questions, and to receive advice and counsel on the overall bond programs or any of their component parts. PPS project consultants may attend Committee meetings at the discretion of PPS staff.

Attachment

Portland Public Schools Capital Construction Bond Citizen Accountability Committee: Ethics Considerations

An ethics policy provides general guidelines for Committee members to follow in carrying out their roles. Not all ethical issues that Committee members face are covered in this Policy. However, this Policy captures some of the critical areas that help define ethical and professional conduct for Committee members. Committee members are expected to strictly adhere to the provisions of this Ethics Policy.

Policy:

CONFLICT OF INTEREST. A Committee member shall not make or influence a District decision related to:

1. any contract funded by bond proceeds; or
2. any construction project which will benefit the Committee member's outside employment, business, or provide a financial benefit to a family member, such as a spouse, child, parent or sibling.

OUTSIDE EMPLOYMENT. A Committee member shall not use his or her authority over a particular matter to negotiate future employment with any person or organization that relates to:

1. any contract funded by bond proceeds; or
2. any construction project. A Committee member shall not make or influence a District decision related to any construction project involving the interest of a person with whom the member has an agreement concerning current or future employment, or remuneration of any kind.

For a period of one (1) year after leaving the Committee, a former Committee member may not represent any person or organization for compensation in connection with any matter pending before the District that, as a Committee member, he or she participated in personally and substantially. Specifically, for a period of one (1) year after leaving the Committee, a former Committee member and the companies and businesses for which the member works shall be prohibited from contracting with the District with respect to:

1. bidding or proposing to provide services on projects funded by the bond proceeds; and/or
2. any construction project funded by the District.

COMMITMENT TO UPHOLD LAW. A Committee member shall uphold the federal and Oregon Constitutions, the laws and regulations of the United States and the State of Oregon, and the policies, procedures, rules and regulations of the Portland Public School District.

COMMITMENT TO THE PUBLIC. A Committee member shall place the interests of the public above any personal or business interest of the member.

BOARD OF EDUCATION
SCHOOL DISTRICT NO. 1J, MULTNOMAH COUNTY, OREGON

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June 20, 2017

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Purchases, Bids, Contracts

The Interim Superintendent RECOMMENDS adoption of the following item:

Numbers 5470

RESOLUTION No. 5470

Expenditure Contracts that Exceed \$150,000 for Delegation of Authority

RECITAL

Portland Public Schools (“District”) Public Contracting Rules PPS-45-0200 (“Authority to Approve District Contracts; Delegation of Authority to Superintendent”) requires the Board of Education (“Board”) enter into contracts and approve payment for products, materials, supplies, capital outlay, equipment, and services whenever the total amount exceeds \$150,000 per contract, excepting settlement or real property agreements. Contracts meeting this criterion are listed below.

RESOLUTION

The Superintendent recommends that the Board approve these contracts. The Board accepts this recommendation and by this resolution authorizes the Deputy Clerk to enter into the following agreements.

NEW CONTRACTS

Contractor	Contract Term	Contract Type	Description of Services	Contract Amount	Responsible Administrator, Funding Source
EC Company	6/21/2017 through 03/31/2018 Option to renew annually through 3/31/2023	Cooperative Agreement COA 64407	Purchase of low voltage electrical services, including installation and repair of security controls, on an as-needed basis for District facilities. Administering Contracting Agency: State of Oregon Cooperative Procurement Group: Oregon Cooperative Procurement Program	Original Term \$150,000 \$750,000 over maximum contract term	J. Vincent Fund 101 Dept. 5597
Open School	7/1/2017 through 6/30/2018	Personal Services PS 64701	Provide Open School’s Step Up program, designed to help students successfully transition from middle school and develop skills for high school success, to incoming freshman and sophomore academic priority students. Direct Negotiation PPS-46-0525 (4)	\$1,265,000	L. Poe Fund 101 Dept. 5431
Self Enhancement Inc.	7/1/2017 through 6/30/2018	Personal Services PS 64703	Provide support, advocacy services, and family outreach designed to assist in raising achievement, on-time grade promotion, and on-time graduation to students at Jefferson High School. Direct Negotiation PPS-46-0525 (4)	\$1,473,500	L. Poe Fund 101 Dept. 5431
Third Sector New England Inc.	6/21/2017 through 6/30/2020	Digital Resources DR 64731	Provide Pre-K iScaffold licenses, eTools access, and professional development for District staff. Copyrighted Materials and Creative Works PPS-47-0288 (4)	\$250,000	C. Russo Fund 191 Dept. 5446 Project B1001

Bake Works Inc.	7/1/2017 through 6/30/2018 Option to renew annually through 6/30/2022	Materials Requirements MR 64710	Provide District nutrition services program with USDA foods processing on a requirements basis. RFP 2017-2204	Original Term \$200,000 \$1,000,000 over maximum contract term	J. Vincent Fund 202 Dept. 5570
Apple & Eve LLC	7/1/2017 through 6/30/2018 Option to renew annually through 6/30/2022	Materials Requirements MR 64709	Provide District nutrition services program with USDA foods processing on a requirements basis. RFP 2017-2204	Original Term \$290,000 \$1,250,000 over maximum contract term	J. Vincent Fund 202 Dept. 5570
Dave's Baking Co.	7/1/2017 through 6/30/2018 Option to renew annually through 6/30/2022	Materials Requirements MR 64724	Provide District nutrition services program with USDA foods processing on a requirements basis. RFP 2017-2204	Original Term \$160,000 \$800,000 over maximum contract term	J. Vincent Fund 202 Dept. 5570
ES Foods	7/1/2017 through 6/30/2018 Option to renew annually through 6/30/2022	Materials Requirements MR 64725	Provide District nutrition services program with USDA foods processing on a requirements basis. RFP 2017-2204	Original Term \$200,000 \$1,000,000 over maximum contract term	J. Vincent Fund 202 Dept. 5570
Piper Jaffray & Co.	7/1/2017 through 6/30/2020	Personal Services PS 64702	Provide advice to the District about capital and/or non-capital financing options, the amount(s) and type of debt to issue, and other matters related to capital and/or non-capital budgeting and finance. Direct Negotiation PPS-46-0525 (4)	\$300,000	Y. Awwad Fund 451 Dept. 5511 Project: DE420

NEW INTERGOVERNMENTAL AGREEMENTS ("IGAs")

Contractor	Contract Term	Contract Type	Description of Services	Contract Amount	Responsible Administrator, Funding Source
Portland State University	8/25/2017 through 6/30/2018	Intergovernmental Agreement IGA 64694	PSU: Senior Inquiry with Jefferson, Roosevelt, & Madison. Provide rigorous, college-level courses to seniors at Jefferson, Roosevelt, and Madison high schools. PSU Contract # 446474	\$212,000	O. Gilson Fund 101 Dept. 5438

Multnomah Education Service District	7/1/2015 through 6/30/2018	Intergovernmental Agreement IGA 64711	Perform all functions of Medicaid administrative claiming processes for the District. Data processing, coordination with District coordinator, processing results, collecting funds and remitting the District's share of revenue by the activity. MESD contract # C02333	\$200,000	Y. Awwad Fund 101 Dept. 6299
Portland State University	6/20/17 through 9/30/18	Intergovernmental Agreement IGA 64718	PSU and PPS will partner to expand PSU's Transformative Data Inquiry Project (TDIP) to include a growing number of CAP cohort educators and other staff in professional development around holistic data collection, synthesis, and reporting systems.	\$230,000	A. Lopez Fund 205 Dept. 5438 Grant G1188

AMENDMENTS TO EXISTING CONTRACTS

Contractor	Contract Amendment Term	Contract Type	Description of Services	Amendment Amount, Contract Total	Responsible Administrator, Funding Source
ART Public Affairs	7/1/2017 through 12/31/2017	Personal Services PS 64062 Amendment 1	Provide communications support while Chief of Community Involvement & Public Affairs position is vacant. Direct Negotiation PPS-46-0525 (4)	\$90,000 \$180,000	Y. Awwad Fund 101 Dept. 5406

Y. Awwad

Other Matters Requiring Board Approval

The Interim Superintendent RECOMMENDS adoption of the following items:

Numbers 5471 through 5479

RESOLUTION No. 5471

Resolution Accepting Certification from Multnomah, Clackamas, and Washington Counties for May 16, 2017 Voter Approval of Authorizing Portland Public Schools to Issue up to \$790 million of General Obligation Bonds to Improve Health, Safety, Learning by Modernization, Repair Schools

RECITALS

The District has canvassed results of the Election held May 16, 2017, received from Tim Scott, Director of Elections, Multnomah County; Sherry Hall, County Clerk, Clackamas County Elections Division; and Board of Commissioners, Washington County Elections Division.

Which read as follows:

26-193				
Portland Public Schools Bond Measure				
County	Yes	No	Over Votes	Under Votes
Multnomah County	79,536	40972	11	1186
Clackamas County	39	43	0	0
Washington County	536	239	1	18
TOTAL	80,111	41,254	12	1,204

RESOLUTION

Pursuant to ORS 255.295, the Board of Education for School District No. 1J, Multnomah County, Oregon (Portland Public Schools) accepts the certification from the abstract of votes prepared and furnished by the Elections Officers of Multnomah, Clackamas, and Washington Counties, and hereby determines that the voters of the District authorized Portland Public Schools to issue up to \$790 million of general obligation bonds to improve health, safety, learning by modernization, repair schools.

Y. Awwad

RESOLUTION No. 5472

Resolution Authorizing the Sale of General Obligation Bonds and Related Matters

RECITALS

- A. On February 28, 2017, the Board of Portland Public Schools, Multnomah County, Oregon also known as Multnomah County School District 1J ("PPS" or the "District") adopted a resolution authorizing submission to the voters of PPS on May 16, 2017, of a ballot measure authorizing PPS to issue general obligation bonds not exceeding \$790,000,000 to finance capital costs to improve health, safety, learning by modernizing, repairing schools, as described in the 2017 ballot measure. This resolution refers to costs that are eligible to be financed with bonds authorized by the 2017 ballot measure as "2017 Capital Costs."
- B. The election was duly and legally held on May 16, 2017 (the "2017 Bond Election") and the general obligation bonds were approved by a majority of the qualified voters of PPS voting at the election.
- C. In November of 2012 the voters of the District approved a ballot measure authorizing PPS to issue up to \$482 million of general obligation bonds to finance capital costs to improve schools, as described in the 2012 ballot measure. This resolution refers to costs that are eligible to be financed with bonds authorized by the 2012 ballot measure as "2012 Capital Costs."
- D. The Board adopted Resolution No. 4745 on April 1, 2013 to authorize the issuance of up to \$165 million in principal amount of general obligation bonds under the 2012 Bond Election.
- E. On May 1, 2013 the District issued \$144,840,000 in general obligation bonds pursuant to the authority of the 2012 Bond Election and Resolution No. 4745, leaving \$337,160,000 of authority under the 2012 Bond Election and \$20,160,000 of authority under Resolution No. 4745.
- F. The Board adopted Resolution No. 5041 on March 9, 2015 to authorize the issuance of up to \$275 million in principal amount of general obligation bonds under the 2012 Bond Election.
- G. On April 30, 2015 the District issued \$275 million in general obligation bonds pursuant to the authority of the 2012 Bond Election and Resolution No. 5041 leaving \$62,160,000 of authority under the 2012 Bond Election.
- H. It is now desirable to authorize the sale of the remaining general obligation bonds authorized by the 2012 ballot measure in a principal amount up to \$62,160,000, and general obligation bonds authorized by the 2017 ballot measure in a principal amount up to \$790,000,000.

RESOLUTION

- 1. The Board hereby authorizes the issuance and sale of up to \$62,160,000 in principal amount of general obligation bonds to pay for 2012 Capital Costs and costs related to those bonds (the "2012 Authority Bonds") and up to \$790,000,000 in principal amount of general obligation bonds to pay for 2017 Capital Costs and costs related to those bonds (the "2017 Authority Bonds").
- 2. The District's Deputy Chief Executive Officer, Chief Financial Officer or the person designated by the Deputy Chief Executive Officer or Chief Financial Officer to act under this resolution (each of whom is referred to in this resolution as a "District Official") may, on behalf of the District and without further action by the Board:
 - a. Sell and issue the 2012 Authority Bonds and the 2017 Authority Bonds (collectively, the "Bonds") in one or more series which may be sold at different times.

- b. Participate in the preparation of, authorize the distribution of, and deem final any official statement or other disclosure documents relating to each series of the Bonds.
- c. Establish the form, final principal amount, maturity schedule, interest rates, sale prices and discount, prepayment terms, and other terms of each series of Bonds.
- d. Execute and deliver a bond declaration for each series of Bonds. The bond declaration for each series may specify the terms under which the series is issued, and may contain covenants for the benefit of Bond owners and any providers of credit enhancement for the Bonds.
- e. Publish a notice of sale, receive bids and award the sale of each series of Bonds to the bidder complying with the notice and offering the most favorable terms to the District, or select one or more underwriters, commercial banks or other investors and negotiate the sale of any series of the Bonds with those underwriters, commercial banks or investors.
- f. Undertake to provide continuing disclosure for each series of Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission.
- g. Apply for ratings for each series of Bonds, determine whether to purchase municipal bond insurance or obtain other forms of credit enhancement (such as the Oregon School Bond Guaranty Program) for each series of Bonds, enter into agreements with the providers of credit enhancement, and execute and deliver related documents.
- h. Appoint paying agents and other service providers for the Bonds and negotiate the terms of and execute agreements with those service providers.
- i. Take all action and execute all documents necessary to obtain a grant under the Oregon Department of Education's Oregon School Capital Improvement Matching Program.
- j. Determine whether each series of Bonds will bear interest that is excludable from gross income under the Internal Revenue Code of 1986, as amended, or is includable in gross income under that code. If a series bears interest that is excludable from gross income under that code, the District Official may enter into covenants to maintain the excludability of interest on that series of the Bonds from gross income.
- k. If permitted by federal law, issue any series of Bonds as taxable bonds that are eligible for federal interest subsidies or tax credits, and enter into related covenants.
- l. Sell and issue one or more series of the Bonds to provide interim financing for 2012 Capital Costs or 2017 Capital Costs, enter into lines of credit or similar documents which permit the District to draw Bond proceeds over time, and issue Bonds to refund the Bonds that provide interim financing for those capital costs. Bonds that are issued to refund interim financing Bonds are not be subject to the limit in Section 1 on the principal amount of Bonds that may be issued.
- m. Execute any documents and take any other action in connection with the Bonds which the District Official finds will be advantageous to the District.

Y. Awwad

RESOLUTION No. 5473

Authorizing the Superintendent to Enter into a Lease Agreement with Concordia University regarding Faubion PK-8 School

RECITALS

- A. Concordia University and Portland Public Schools have a long-standing relationship which has mutually benefited students of each institution, with ongoing tutoring and mentoring at several schools and specifically at Faubion PK-8 School.
- B. Portland Public Schools and Concordia University have jointly used each other's facilities to expand and enrich the program offerings of each institution including PPS' play fields as well as Concordia's new library and sports complex.
- C. Concordia University students, particularly through their Student Service Corps, have donated hours of assistance to Faubion students to improve their academic success, while allowing Concordia students to receive valuable hands-on teaching experience.
- D. There are significant needs within the Cully-Concordia neighborhoods which a new Faubion PreK-8 school will help address including a health clinic, early learner center, family resource center, and other wrap around services.
- E. In November 2012, voters approved a school building improvement bond which featured the rebuilding of Faubion PreK-8 school in partnership with Concordia University.
- F. Concordia University and Portland Public Schools entered into a Memorandum of Understanding in September 2012 and a Predevelopment Agreement in September 2013 delineating the responsibilities of the parties to guide master planning and partnership development for school replacement. The Predevelopment Agreement anticipated a Development Agreement to guide school funding and construction.
- G. Portland Public Schools and Concordia University entered into a Development Agreement in February 2015 which included a provisions for real estate transactions, leasing and funding obligations for the development of a new, combined Faubion Pk-8 School and Concordia University College of Education.
- H. In compliance with the Development Agreement, Portland Public Schools and Concordia University have agreed upon lease terms and intend to execute a lease and a related operating agreement by August 1, 2017.

RESOLUTION

- 1. The Board hereby authorizes the Superintendent or her designee to enter into a Lease Agreement with Concordia University for the replacement of a new Faubion PreK-8 school including attendant wrap-around services in compliance with the terms included in Attachment A.

J. Vincent / S. King

Attachment A
Lease Terms between Portland Public Schools and Concordia University for Fabuion School

- General: The Fabuion Development DDA contemplated a ninety-year (99) year \$1.00/year lease. This lease structure was a condition of several CU foundation donors who funded CU's \$15.51M portion of the Fabuion Project (Project) costs and required a "fee simple like" ownership.
- CU will pay its proportionate share of the building operating and maintenance costs and set aside reserves to cover its proportionate share of required capital improvements over the term of the lease.
- Building SF: 134,187 SF Total (PPS 77,952 SF, Concordia 20,011, Common Area 36,224 SF)
- Tenant: Concordia University (CU).
- Premises: 20,011 SF. CU shall have the exclusive use of Premises (including rooms within Fabuion School proper) as shown and indicated on the attached Exhibit A.
- PPS shall have "shared use" of the Health and Wellness Center, the Food Club, and the Community Child Program and Partner Rooms within the CU Premises.
- CU shall have "shared use" of the L1 Reception, the L1 Conference Rooms, the L2 and L3 STEAM Classrooms, and the L2 Staff Lounge and Workroom within PPS Premises.
- Term of Lease: Ninety-nine (99) years, with one option to extend the lease an additional twenty-five 25 years at a market value rent.
- Base Rent : The \$14.7M (total contribution less furniture, fixtures and equipment as of May 23, 2017) contribution to the Project's total cost of approximately \$48M will be considered prepaid rent. This contribution will be amortized over the 50 year useful life of the improvements. The final cost and contribution figures will be known in fall, 2017, after this lease is signed and will be reflected in a lease amendment.
- Permitted Use: The Premises and the Shared Spaces, shall be used for classrooms, educational purposes, and other related uses, such as health and wellness center, wrap around services (including but not limited to social services, parent education, and related services), food distribution center (free pantry and at-cost food club) and faculty offices, and for no other purpose without District's written consent. Those portions of the Premises that are embedded within PPS's portion of the Building shall not be used for any purpose other than for purposes directly pertaining to CU's School of Education.

Parking: The parking lots during the lease term at the Property shall be used jointly by PPS and CU on a nonexclusive, unreserved, shared basis; provided that CU's use of the parking lots at the Property shall not unreasonably interfere with PPS's use thereof.

Operating Costs: It is estimated that CU will pay approximately 20% of building operating costs depending on the intensity of use of shared spaces. Intensity of use calculations will be further clarified in the Operating Agreement.

Major Repairs: It is estimated that CU will pay approximately 20% of major repairs.

Building Reserves: Per the DDA, PPS does not set aside building reserves, but this building will qualify for the CAR fund. CU is required to set aside funds for its portion of building reserves.

Subletting: CU shall be allowed to sub-let its Premises to the service provider for the health and wellness center and the food club. It is anticipated that the initial service provide shall be Kaiser Permanente.

Termination of Lease Prior to 99 Years: Should the Lease be terminated for any reason other than termination by CU prior to the end of the 99 year term, CU shall be entitled to the unamortized portion of its contribution to the Project construction costs. Amortization will be based on a 50 year schedule.

CU and PPS Board Approval: The lease is contingent upon approval from the CU Board of Directors and PPS Board. The operating agreement will be approved by the Superintendent of his/her designee.

Condominium Conversion: CU also retains the right, at its sole cost, to initiate a condominium conversion of the Project within fifty (50) years of the completion of the Project.

RESOLUTION No. 5474

Authorizing the Superintendent to appoint Board of Directors for the New Columbia Youth Center Condominium Association (Rosa Parks School)

RECITALS

- A. Portland Public Schools ("PPS") entered into a lease/option to purchase agreement pursuant to Board of Education Resolution No. 3566, October 10, 2005, which provided for construction of Rosa Parks School utilizing New Market Tax Credits and other resources.
- B. As part of the New Markets Tax Credits financial structure, the school was owned by the New Columbia Community Campus Corporation (N4C).
- C. N4C sold the school to the New Columbia Youth Center Condominium (Condominium), to be jointly owned by PPS and the Boys & Girls Club (B&G Club) pursuant to Board of Education Resolution No. 4657, October 15, 2012.
- D. The Condominium Declaration and Plat details three units: Unit One is the B&G Club, Unit Two is the Ancillary School Unit and Unit Three is the School Unit. PPS owns both Units Two and Three.
- E. The financial management and operation of the Condominium is controlled by the New Columbia Youth Center Condominium Association (Association) and managed by a Board of Directors, which allows one director per Unit.
- F. PPS became a member of the Association and the Board of Education appointed David Wynde, Deputy Chief Financial Officer and Sara King, Director of Planning and Asset Management to serve on the Board of Directors of the Association and granted them authority to take action in such capacity as they deem prudent to accomplish the goals of PPS.
- G. Mr. Wynde's seat is currently vacant and as staff and positions change over time, thereby creating potential delay in Condominium board business, the Superintendent is requesting authorization to appoint board directors for the Condominium Association.

RESOLUTION

- 1. The Board of Education authorizes the Superintendent to appoint the Board of Directors of the New Columbia Youth Center Condominium Association to represent the interests of Portland Public Schools.

J. Vincent/S. King

RESOLUTION No. 5475

A Resolution of Multnomah County School District No. 1J, Multnomah County, Oregon, Calling for Amending Portland Public Schools Capital Construction Bond Citizen Accountability Committee

RECITALS

- A. On February 28th, 2017 the Board resolved to refer a bond ballot measure for the May 16th, 2017, general election.
- B. The Superintendent filed the proposed ballot measure (Measure 26-193) and explanatory statement to the Multnomah County Elections Office on March 9, 2017.
- C. Measure 26-193 requires citizen accountability, oversight, and annual audits of bond projects and expenditures. As such, the Board authorized the Superintendent to
 - 1. Amend the current Portland Public Schools Capital Construction Bond Citizen Accountability Committee Charter (“Charter”) to include language regarding the 2017 Capital Construction Bond program, and
 - 2. Empower the Committee to assist the Board in monitoring the planning and progress of the 2017 Capital Construction Bond program.

RESOLUTION

- 1. The Board hereby adopts the amended Charter to establish the Committee and its charge for the 2017 Capital Construction Bond program.
- 2. The Committee is comprised of six members and a chairperson as described in the Charter.
- 3. The Board directs the Superintendent, staff, and designated project consultants to provide support to the Committee as described in its Charter.

J. Vincent / D. Jung

RESOLUTION No. 5476

Tentative Calendar of Regular Board Meetings
School Year 2017-2018

RESOLUTION

The Board of Education hereby adopts the below tentative calendar as its schedule of Regular Board Meetings for the upcoming 2017-2018 school year.

This calendar will be reviewed with the new Board of Education after July 1, 2017.

**Portland Public Schools
BOARD OF EDUCATION
Schedule of Regular Meetings
2017-2018 School Year**

Board meetings are held at 501 North Dixon Street, Portland, Oregon, 97227, and begin at 6:00pm on Tuesdays unless otherwise noted.

July 11, 2017	January 9, 2018
August 1, 2017	January 23, 2018
August 29, 2017	February 13, 2018
September 12, 2017	February 27, 2018
September 26, 2017	March 6, 2018
October 3, 2017	March 20, 2018
October 24, 2017	April 10, 2018
November 14, 2017	April 24, 2018
November 28, 2017	May 8, 2018
December 5, 2017	May 22, 2018
December 19, 2017	June 19, 2018
	June 26, 2018

RESOLUTION No. 5477

Approval of Head Start Recommendations and Reports Process

RECITALS

- A. Federal requirements call for the Governing Board of a Head Start Program to approve recommendations and reports for the Program.
- B. The Board of Directors for Portland Public Schools serves as the Governing Board for the PPS Head Start Program.

RESOLUTION

The Board of Directors for Portland Public Schools, School District No. 1J, Multnomah County, Oregon, approves the following Head Start recommendations and reports:

- Results and Benefits of Self-Assessment Recommendations, 2016-17
- Self-Assessment and Recommendations 2017-18
- Community Needs Assessment, May 2017
- School Readiness Goals
- 5-Year Program Goals, 2017-18
- Budget Planning and Recommendations
- Selection Criteria for Head Start Enrollment 2017-18
- PPS Head Start Program Options 2017-18
- Internal Dispute Resolution Policy and Procedure
- Corrective Action Plan in response to District Single Audit

D. Berry

RESOLUTION No. 5478

Service Payments

The Board of Education approves the following service payments:

<i>Payee</i>	<i>Description</i>	<i>Period</i>	<i>Amount</i>
Council of Great City Schools	Annual Dues	2017-2018	\$37,868.00

S.Perrins

RESOLUTION No. 5479

Minutes

The following minutes are offered for adoption:

June 13, 2017