



Meeting Minutes | January 21, 2015

Portland Public Schools Bond Accountability Committee (BAC)

PORTLAND PUBLIC SCHOOLS
Office of School Modernization

501 North Dixon Street • Portland, OR 97227

Members present: Kevin Spellman, Louis Fontenot, Cheryl Twete, Steve March, Tom Peterson & Willy Paul

Board members present: Greg Belisle, Tom Koehler, Steve Buel (Board liaisons)

PPS staff present: CJ Sylvester, Jim Owens, Dan Jung, Ken Fisher, Darwin Dittmar, Sharie Lewis, Derek Henderson, Debbie Pearson, Michelle Platter, Michelle Chariton, David Mayne, Jen Sohm, Carol Campbell

Public Present: Ted Wolf (Our Portland-Our Schools)

Next meeting: Wednesday, April 15th 2015 at Tubman Elementary School

I. Welcome & Introductions

Kevin Spellman opened the meeting. Introductions of committee members, PPS Staff and public.

II. Public Comment

- No public comment offered

III. Introductions and Announcements

- Steve Buel and Tom Koehler were introduced and welcomed as new BAC Board Liaisons for 2015.
- Greg Belisle was recognized as a returning Board Liaison for 2015.
- Carol Campbell, Principal of Grant High School was recognized and welcomed. Carol gave a brief synopsis of the Grant Community at large and the current methods of outreach they utilize, including print and social media outlets.
- Derek Henderson was introduced as the new Senior Specialist for OSM.
- Michelle Chariton was introduced as the new Capital Project Director for the Grant High School Modernization Project. She starts with OSM on Jan 26th and will continue managing the 2015 Improvement Project work until a replacement is hired.

IV. Program Overview

- The 2012 Bond Program continues to grow. Budget currently exceeds \$522 million, reflecting the contribution of \$15.51 million expected from Concordia University, projected Bond sale premiums and a variety of other funding sources. Intent remains to integrate funding into the bond projects as additional sources are identified.
- The State notified PPS they will be awarding a \$1.3 million Seismic Rehabilitation Grant Program grant to Franklin High school to augment planned seismic

improvements. Paperwork is not finalized yet, the additional funding will be reflected in future budget documents.

- Jim described what to expect over the next three months. He also introduced the two documents handed out around capital partnerships and historic resources. These respond to the BAC's Charter regarding providing the School Board with advice. Kevin expects to incorporate in his quarterly report to the Board on February 10th.
- 2015 Bond performance audit work is underway with an initial draft report expected in mid April. BAC members will have an opportunity to review and comment on the report.
- Huge milestones on the horizon for Roosevelt, Franklin and Faubion as these projects move through the design phases.
- GMP (Guaranteed Maximum Price) to be set for Roosevelt and Franklin projects before the next BAC meeting
- Program currently trending to achieve all goals, within contingency forecasting.
- The capital improvements to the Marshall Campus are on track as the campus is getting ready to become the two year swing site for Franklin students, starting Fall of this year.
- Due to an immediate need, identified by PPS's maintenance staff, the Maplewood Elementary School Roof Replacement was moved forward in the Improvement Project schedule to the summer of 2015. A new project "Improvement Project 2015 – Maplewood" has been created.
- 7 construction contract solicitations are planned for the next several months to support IP15 work scopes.
- IP 14 Summer work (excluding the 3 elevators) was completed on schedule and on budget, and was consistent with IP 13 quality of contractors, design, and oversight. Work on the elevators continues on time and on budget.
- *Q: (Tom Koehler) Was seismic work added due to the grant of \$1.3 million or was the work already there? A: Seismic upgrades were part of the original scope, so the additional \$1.3 million is helping augment the project.*
- **Program Update - Balanced Scorecard**
 - Schedule Perspective
 - Changes from last meeting, Roosevelt and Franklin are in "yellow" for design phase, but confident that they will be able to course correct in construction phase to meet schedule.
 - Stakeholder Perspective
 - We continue to get largely very positive feedback from educational staff and maintenance staff. We've seen some lower numbers from a few of the DAG members. Primarily though feedback has been positive. Survey monkey is a recently added tool that staff is using for collecting and analyzing all feedback, and it is expected that respondent completion will continue to rise, as well as overall respondents.
 - Budget Perspective
 - We continue to be "green" for the overall budget perspective.

- PPS's financial team is in the process of reviewing the second bond issuance options with the District's financial advisors. Issuance is tentatively planned for late spring or early summer. We anticipate being able to provide specifics at the April BAC. PPS's financial audit was completed last month for the fiscal year 2014/15. The bond was included in the audit, and the auditor's (TKW) made no mention of any concern or negative opinion related to the bond. We will make the full audit available to the BAC.
- Main budget changes since the last BAC meeting in October 2014:
 - Maplewood Project created.
 - Budget savings from IP2013 and IP2014 was transferred to the Program Contingency.
 - The budget for the 6 high school master planning projects has been consolidated into the 3 high schools identified by the bond development committee as the likely schools for a future bond effort.
 - As anticipated, the program continues to forecast increased use of contingency as projects progress.
 - Contingencies reflect where we are currently, not how much we will save.
- Equity Perspective
 - Program exceeded all career learning goals for 2014.
 - 5,000 overall student participants, 3,000 for the career expo and 2,000 for other opportunities such as job shadow, internships, and mock interviews.
 - 1,200 overall student hours.
 - 1,500 contractor hours.
 - Workforce (apprenticable trade hours) goals were exceeded for both projects enrolled in the City of Portland's Workforce Training & Hiring Program.
 - Marshall tracked 39% relative to a 20% goal
 - IP 14 tracked 30% relative to a 20% goal
 - MWESB remaining steady at 9-10% relative to an aspirational goal of 18%
- *Q: Are we continuing to put pressure on consultants to meet equity standards? A: We encourage it and it is part of the selection process in what strategies contractors use, how they themselves talk about equity outside of working with the district.*
- *Q: Why are the stakeholder numbers lower for IP15-SCI? A: Currently all MWESB data is tracked manually by OSM, and sometimes data lags. IP15-SCI has been identified as lagging in MWESB tracking data and will be updated. Also, the district overall is moving towards an automated system to track this.*

V. Project Update

- Franklin
 - Project remains on track. Land Use Permits were modified and resubmitted.
 - Review of schedule, timeline and budgets for Franklin. No major changes from last report.
- *Q: Regarding the Seismic Upgrade for Franklin, is it a factor to design the facilities as a community emergency shelter for a seismic event? A: The program has seismic*

standards built in, but the cost for a community shelter was not factored into the original Bond measure.

- *Q: Did you check with FEMA? A: Yes, that was factored in, and after review we would still have to fund that completely.*
- *Q: The reconciliation of the GMP in the budget is normal, but how significant is the reduction in scope in product and quality? A: We are concentrating on keeping educational program intact. So, most of the VE centers on fit and finish issues. Changes since completion of schematic design include a variety of structural, MEP, geotech and market condition changes. Staff remains confident that the GMPs will align with budgets and adequate contingencies in place.*
- *Q: Are we on track for the end of February GMP? A: Yes, on track.*
- *Q: Blanks in the presentation timeline (asked by Director Buel), what is this about and are we scheduling down time? A: For the presentation, we use a summary schedule so this is a big picture representation that is showing gaps due to one phase ending and the next beginning. In this format, it does look like a pause but there is in effect no actual pause.*
- **Marshall**
 - Nearing close out on the TI work. However, expect significant effort in June moving FF&E from Franklin in preparation for students in August 2015
 - Currently reconciling issues with roof drainage, but no major hurdles. Expect to complete this Spring.
- *Q: Will there be any savings in the Marshall contingency? A: Budget remains at 4M. Due to a variety of unknowns around moving costs, remaining roof work, etc. don't expect to achieve any savings. OSM & Franklin staff have developed a good plan to ensure a smooth transition.*
- *Q: How is the outreach for Franklin, Marshall and Grant tour going? A: OSM Website includes current information for an "Open House" on March 7th. Carol Campbell is also working on Grant community channels: newsletter, social media, and community connections. Outreach to the Lents Neighborhood Association regarding using the Marshall campus again.*
- **Roosevelt**
 - Has moved into construction documents phase.
 - Still scheduled for student occupancy in fall 2017.
 - Exterior work continuing into fall 2017.
 - Staff continues to refine IT requirements and GMP details
 - Temporary structures to be used for classrooms, physical education and gymnasium type activities.
 - Detailed phasing plan has been developed. One CM/GC contractor, Lease Crutcher Lewis, is managing all early work amendment scopes and will be on site during all three phases. Emphasis on ensuring that all 3 phases are well planned and that minimal adverse impact to students.
- *Q: Can you tell us a little about the RHS reconciliation? A: We are waiting for updated estimates from the CM/GC contractor. We are also expecting a change to the budget mainly due to the temporary facilities which will be funded from the program level swing space budget. RHS's budget will be adjusted accordingly.*

- *Q: Can you tell me more about the land use issues? A: Yes, the original did not include the full extent of temporary structures, so it had to be re-worked and re-submitted.*
- *Q: What long term issues does the community have and how are they being addressed? A: Primary concerns appear to center on how the public improvements are aligned with the delivery of educational program and curriculum. OSM staff continues to work closely with educator leaders at building and District level.*
- *Q: Considering the press over the weekend about the Sellwood bridge, what about our contingencies? A: We started with a higher amount of contingencies for these large full modernization projects. Currently we're including an overall project contingency of 12% which includes both inside and outside the GMP. Part of the discipline of managing contingency is closely scrutinizing any non-discretionary changes. Staff believes the contingencies are adequate to support the work at both RHS and FHS.*
- Faubion
 - Design is proceeding smoothly.
 - 510 K budget change, bringing total contribution to 15.51 million from Concordia University for their portion of the project funding.
 - Looking at procurement strategy that lends itself to functionality.
 - Finalizing the Development and Disposition Agreement (DDA) which frames the partnership between PPS and Concordia University. The DDA will also include the design and construction cost sharing agreements which staff will use when managing the project budget.
- IP14
 - Most of this project has gone into closeout.
 - Elevator projects are still in progress at all 3 schools, James John, Beach and Hosford. Expecting completion this Spring.
 - Work at all 12 schools has gone well without any safety incidents or conflicts with the neighbors.
- IP15
 - In construction documents phase.
 - There have been no major changes to the budget. Adjusting scopes to budgets has required considerable VE effort.
 - Working from lessons learned from the previous 2 IP projects to get things done faster and refine processes.
- IP15 SCI
 - 18 schools in this package focusing on science classroom improvements for the K8 and middle schools, plus some additional ADA improvements.
 - Expect to complete this work by end of summer 2015. However, some of this work could be done during the school year if necessary.
- IP Maplewood
 - Replacing the roof due to unexpected deterioration. Originally planned for a later IP project.

- All funds for this project are in the IP program, so no additional funding required.
- 2014 Performance Audit
 - We are at 85% compliance, up from 67% last time.
- *Q: What did we learn from the RHS fiasco? (Director Buel) A: Staff followed a carefully scripted plan relative to community engagement and involvement of the Design Advisory Group (DAG). There were many challenges presented to both the community and District. Overall, staff believes the public engagement was very successful and community input was provided and considered. We've conducted a series of lessons learned discussions which will be applied to future projects and public engagement.*
- *Q: What are 2 things that we are doing, specifically (Director Buel)? A: Getting a better sense of community, revising the DAG Charter for Grant to include a chairperson and excluding PPS staff members. PPS staff, including teachers and other educator leaders engage OSM on a parallel track. The DAGs are intended to obtain community input.*
- *Q: How does master planning affect the project for Grant, and any changes in the makeup or the charter or DAG? A: We want to frame the DAG similarly, but also being more selective and appointing a chair to help streamline the DAG and keep it interacting with the process.*
- *Q: Are the teachers more involved? (Director Buel) A: The DAG is non-PPS, but we have a parallel program for educators, so yes.*

VI. BAC Discussion

- No discussion

VII. Wrap-Up

- No notes

VIII. Adjournment

BAC Quarterly Board Presentation
February 10th, 2015

Next BAC Meeting
April 15th, 2015
Tubman Elementary School