

The Bond Oversight Committee met August 20, 2019 at 6:00 p.m. in the conference room at the district's Mountain View site located at 5780 Hendrickson Road, Ferndale.

1. CONVENE

1.01 Call to Order

Riley Cornelsen called the meeting to order at 6:00 p.m.

1.02 Roll Call

Committee members present: Riley Cornelsen, Anya Milton, Mark Harting, Sandi McMillan, Bo Smith and Brian Lynch. Alternate member Dan Cornelsen was also present.

Also present were Ferndale School District's Assistant Superintendent Mark Deebach, Construction Services Group Representative Tex Ladish and Ferndale School Board Member Andrew McLaurin. One audience member was present.

1.03 Public Comment

Ryan Kimball expressed his congratulations on the district being authorized to use the GC/CM model.

1.04 Adopted the Agenda

Sandi McMillan brought up that the current agenda format does not match the committee's bylaws agenda item sequence. Discussion ensued. Committee members agreed to place discussion about this matter at its October meeting.

Sandi McMillan pointed out the bylaws spell out that the committee will review the sale of bonds. She said that has not been brought to the committee. Mark Deebach said he will bring the information to the committee and also will post the information on the committee's Sharepoint site.

Anya Milton moved to add 4.03 School Board Report Discussion to the agenda. Mark Harting seconded the motion. Motion passed.

Riley Cornelsen moved to move the item of Public Comment from the end of the agenda to the beginning following Roll Call as item 1.03. Mark Harting seconded the motion. Motion passed.

Anya Milton moved to add 4.04 Discussion about the Community Meeting scheduled for tomorrow evening, August 21. Sandi McMillan seconded the motion. Motion passed.

Mark Harting moved to adopt the agenda as revised. Motion passed.

2. MATTERS FOR COMMITTEE ACTION

2.01 Approved Minutes

Mark Harting moved to approve the June 18, 2019 meeting minutes as attached hereto and made a part of the minutes. Bo Smith seconded the motion. Motion passed.

3. OLD BUSINESS

3.01 Update on the Development of a Dashboard for the Work of the Committee

At their June meeting, committee members discussed the dashboard on the district's website for community members to view the work of the committee.

Mark Deebach and Tex Ladish shared a template of the dashboard with the committee.

Committee members liked the simplicity of the template.

Riley Cornselsen requested that from a graphic standpoint the different phases may overlap and, thus, some color fading from one to the next may be beneficial. Also, he would like to see monthly expenditures and expenditures to-date included on the page. Mark Deebach will ensure those items are included.

While the dashboard is good for those persons who have access to the internet, Anya Milton asked if the committee needed to have a bi-yearly presentation to the community. This would be another opportunity for taxpayers to be informed about the progress on the bond projects.

Suggestions for community meeting venues included: Ferndale Senior Center, Ferndale Chamber of Commerce meetings and other civic organization meetings, reaching residents in the low-income range.

Committee members discussed mailing an annual or semi-annual report to the community. Anya Milton asked if this report could be included in the district's newsletter that is mailed to all community members. Mark Deebach said yes, it could.

More discussion about this matter will be scheduled for the committee's September meeting.

- 3.02 Report from the District on Sponsorships for Bond Projects
At its meeting in June, the committee requested that Mark Deebach ask the school board what its view is on sponsorships for projects and programs of the district.

Mark Deebach reported that he brought the matter up at a meeting of the school board. He said the board decided it needed additional time to process the matter.

Andrew McLaurin said the school board does not have a formal policy, but it is going to develop one. Also, he said the board requested the superintendent to develop a list of potential projects and programs that might be funded. The board acknowledged that the projects and programs considered would need significant dollars—items like field turf, scoreboards, stadiums, science and CTE programs.

Anya Milton suggested the district connect with other nonprofit agencies who receive this kind of funding to see what policies and procedures they have used in regard to receiving sponsorships.

Committee members agreed to keep this matter on its future meeting agendas under "Old Business."

4. MATTERS FOR COMMITTEE REVIEW

- 4.01 Reviewed Bond Related Spending for July 2019
Mark Deebach said he had no items to report.

Sandi McMillan said she thought \$3 million was a lot for consultant fees. Mark Deebach said the consultant has walked through and studied each of the district's facilities that need critical needs. Some of the original preliminary plans that were presented during the bond are not able to actually work.

Tex Ladish said the state has a fee schedule for consultant fees. The range is 6-9%, and up to 12%. The district will be required to bid out larger projects. Some of the simpler projects can be done in-house.

Anya Milton asked if any of the items could be paid for with the current maintenance budget. Mark Deebach said yes, items like replacing water heaters in buildings is one. He noted that the Mountain View and North Bellingham sites were not included in the bond.

Sandi McMillan brought up the report that said roof issues were caused by lack of maintenance. She asked if the district is looking forward to make sure this doesn't happen in the future. Mark Deebach said the district is far behind in its maintenance. Now, the district is creating a very detailed replacement cycle so it can keep up with preventative maintenance. The district is working to get to that point.

Sandi McMillan asked how many students the new high school would have capacity for. Mark Deebach said about 1600 with 1375 in classrooms. The school will be built for growth and could accommodate an additional classroom wing.

Sandi McMillan asked about the coordination between the different teams so items are not being duplicated. Tex Ladish said there is a clearly defined process. Each team knows what their oversight is.

- 4.02 Received an Update on Items Related to the Bond from Ferndale School District and Construction Services Group about: Ferndale High School, critical maintenance needs and safety / security needs.

Tex Ladish reported that the state has approved the district's request to use the General Contractor / General Manager model for Ferndale High School. Yesterday, there was a mandatory walk-through of FHS for all firms who planned on bidding for GC / GM. There were seven participants. Proposals are due August 30, with a decision on who is selected anticipated for October 9.

He reported the City of Ferndale has ruled that the ditch on the high school property is indeed a ditch and not wetlands.

Bo Smith asked about building foundational costs. Tex Ladish said the biggest element to building is where the building will be located. Soil samples have been taken as well as locating for storage tanks that may be buried.

Tex Ladish said roof assessments have been conducted. Now, costs are being defined on what was actually found at each building.

Mark Deebach said the district is working with the City of Ferndale on upgrading the alarm panels at schools. For some, the district can no longer get parts and will need to replace the panels.

Tex Ladish said CSG will create a master schedule for projects. He will report that back at the committee's next meeting.

The Design Advisory Committee will be touring other schools next week. Mark Deebach will share the DAC meeting materials with the committee. Also, he invited members to let him know if they want to attend the tour.

4.03 Report to the School Board

Committee members discussed reporting to the school board.

Riley Cornelsen said financials should be part of the report. Bo Smith added that bond sales, consultant selection and bond spending should be included. Mark Harting said there should be some statement made by the committee that it agrees with how the district is proceeding in the process. Eventually when the committee votes and makes recommendations on items, those would be reported to the school board as well.

Riley Cornelsen and Anya Milton will schedule a time to meet to discuss the report. This matter will be discussed at the committee's September meeting.

4.04 Community Meeting Scheduled for August 21

Some members of the committee reported they had received an email from Joe Lupo who chaired the Bond Task Force and Citizens' Bond Campaign Committee. The email was an invite to attend a meeting on August 21 to receive an update on the district's levy. Members were concerned that the email was sent by the task force committee.

Andrew McLaurin said the committee helped educate the community on what the bond would do and how much it would cost. Now, the legislature has made some changes that affects funding for the district. He explained the district needs to raise the levy lid to increase funding. The district reached out to the task force to explain to its members the changes. During the bond, the district promised to keep the tax rate at a certain level, however it will now increase.

Mark Deebach said the task force is not starting up again. He explained the task force members were the ones who originally help convey the bond information to the community. The district wants to make sure they have an update on the change and are able to explain it to others in the community.

Andrew McLaurin said the impact is to the district's levy, not the bond. The levy is 13% of the district's budget.

Sandi McMillan said she asked for tax implication matters to come back to the oversight committee. Board policy says the committee is to be involved in that. She would like to see the cost per thousand dollars brought back to the committee. Mark Deebach will bring that back to the committee's September meeting.

Mark Deebach said the school board wrote a letter to the community about the tax impact. It was posted today online.

Andrew McLaurin said the school board has asked the superintendent to prepare of list of impacted programs should the levy fail.

Brian Lynch asked how much increased funding the district is expected to collect. Mark Deebach said approximately \$4.5 million.

5. PUBLIC COMMENT

4.01 Receive Public Comment

This item was considered as item 1.03 earlier in the agenda.

6. ADJOURN

The meeting adjourned at 8:10 p.m.

The next meeting of the committee is scheduled for September 17, 2019. The agenda and materials for the meeting will be available to the committee for review one week in advance of the meeting.