

The Bond Oversight Committee met November 19, 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 6:04 p.m.

1.02 Roll Call of Committee Members

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

Also present were Ferndale School District Assistant Superintendent Mark Deebach, Construction Services Group Representatives Heidi Hanson and Tex Ladish, and Ferndale School Board Member Andrew McLaurin. There were two audience members present.

1.04 Adopted the Agenda

The committee considered adopting the agenda.

Bo Smith announced that he will be moving from the Ferndale area and will no longer be eligible to serve on the committee.

Riley Cornelsen suggested revising the agenda to include consideration of Bo Smith's resignation and recruiting members to the committee, as well as having an update about the work of the Design Advisory Committee in designing the new high school.

Mark Harting moved to adopt the agenda to include the noted revisions presented by Riley Cornelsen. Sandi McMillan seconded the motion. Motion carried.

1.04 Approval of Minutes

Sandi McMillan suggested an amendment to the minutes on page four, item 4.01 b. with regard to the contract with CSG. She suggested that the first three sentences in the second paragraph read, " Sandi McMillan suggested adding a column for bond interest earnings and sponsorships. She asked about the CSG payment. She said since paragraph 8.2.2 of the contract states the contract monthly payment will be revised once the alternate public works process is achieved, she expects to see the monthly payment decrease."

Sandi McMillan moved to approve the minutes with the inclusion of her suggested amendment. Mark Harting seconded the motion. Motion carried.

2. PUBLIC COMMENT

2.01 Received Public Comment

Ryan Kimball said the weekly bond updates that are sent out are very beneficial. He added that while the district is trying to complete all of the ground surveys at the high school site, the decision on where the new building should be located should be made within a reasonable time-frame. Also, he said that if the committee were to revise its charter to include eligibility of those persons who pay school taxes in Ferndale, but do not necessarily reside in Ferndale, may open up more opportunities for individuals to be more directly support the committee.

Riley Cornelsen said the committee would discuss the residency component during agenda item 4.02.

Dan Cornelsen said he spoke with Tom Diimmel, athletic trainer at Ferndale High. He conveyed to Tex Ladish that Tom has appreciated Tex being at several meetings and that he is appreciative of the team that has been organized for the high school project.

3. UNFINISHED BUSINESS

3.01 How do we communicate with the Public

Committee members discussed the dashboard for the website. Mark Deebach said the dashboard would be "live" as soon as possible. The district will work to see how interactive they can make the dashboard.

Cathy Raymond suggested including a footnote that defines each of the different stages: visioning, design, permitting and construction. Riley Cornelsen agreed that a glossary below the dashboard would be beneficial. He said the priority is to get the dashboard "live" and then continue to develop it.

Riley Cornelsen reminded the administration that the committee requested a way for the public to provide comments to the committee. He suggested adding a link on the website for the public to provide comments to the committee. Riley added that comments received the prior month would be brought to the next monthly meeting of the committee where they would be shared.

This agenda item will remain as a standing item for future committee meetings.

- 3.02 Received Update on Business Sponsorships of District Programs and Projects
Mark Deebach said the school board has yet to consider policies on this topic. Andrew McLaurin requested the matter be added to the school board's agenda for its November 26 meeting.

- 3.03 Reviewed Sample Debt Policy
Mark Deebach said Sandi McMillan shared several examples of debt policies with him. She also shared other materials with him regarding school construction. Mark will be reviewing these items.

- 3.04 Reviewed Draft Cash-Flow Plan
Mark Deebach said he is working on a cash flow plan. He will bring the draft plan back to the committee for review in December.

Sandi McMillan said she thought the bond prospectus spoke to bond sales taking place every six months. Mark Deebach said the district had planned for bond sales to take place annually.

- 3.05 Reviewed Committee Logo
Brian Lynch created the committee logo. Committee members review it.

Mark Harting moved to approve the committee logo as presented. Brian Lynch seconded the motion. Motion carried.

4. NEW BUSINESS

4.01 District Comments/Input

- a. Reviewed Bond Related Spending for October 2019
Committee members reviewed this past month's expenditures. To date, a total of \$803,472 has been paid for items such as value engineering services, constructability review services, building commissioning services, project management and more.

Riley Cornelsen noted the pre-construction services provided by Cornerstone came in at \$643,606. He asked if the original estimate of \$800,000 would be adjusted. Heidi Hanson said the amount will be adjusted. She said that when the district receives "actuals" then it rolls into the contingency.

Mark Harting asked if the district knows the balance of what it has available from bond sales, plus interest, minus expenditures. Mark Deebach said yes, that will be provided as part of the financial report to the school board at its November 26 meeting. It will be available on the BoardDocs site for viewing.

b. Basics of the SCAP Process

Heidi Hanson provided a Powerpoint presentation on SCAP (School Construction Assistant Program). SCAP is a state grant program that funds permanent new construction replacement and modernization projects. Heidi explained there is a lot to the application process. The district received word that it has the potential to qualify for approximately \$20,000,000. This is an increase of a few million from the previous estimate. Dan Cornelsen asked about SCAP funds for the Performing Arts Center. Tex Ladish said the PAC is not eligible for SCAP.

c. Received an Update on Items Related to the Bond from Ferndale School District and Construction Services Group

- Ferndale High School
- Critical Maintenance Needs
- Safety/Security Needs

Heidi Hanson reported that Cornerstone has been integrated with the design team and is working to refine cost estimates for site and building costs at Ferndale High. Dykeman continues to work on the numeric program.

Heidi Hanson said the Design Advisory Committee (DAC) will look at various site layouts at its meeting next week. Mark Deebach said the focus is on picking the best plan for the least cost. Jeremy Vincent, who was in the audience, reported that about 20 members have been attending the DAC meetings. In addition, he said the architects have held meetings with many groups: CTE Advisory Board, all ten high school departments, an event with the Chamber, a community event before a football game, at staff meetings and schoolwide presentations.

Riley Cornelsen asked if any concerns have been brought to light from these meetings. Mark Deebach said the budget is very aggressive. The amount needed for site work is limiting the amount available for construction. This is getting refined by the team. Also, Mark Deebach said another concern from staff is that not all teachers will have their own dedicated classroom. They will all have office space, but some will share classrooms—similar to the style of college.

Overall, committee members expressed the importance of the new building and site being as flexible for the future as possible.

Committee members requested that Dykeman and Cornerstone present at one of the BOC's meetings. This will be a possible agenda item for the committee's January or February meeting, and then updates will be provided every four months as the process progresses.

Members were brought up to date on the district-wide critical projects and safety and security projects. Estimates have been secured for the secure vestibules at district buildings. District maintenance staff are working with local vendors and agencies in regard to the following items: roofing projects, masonry repairs, HVAC controls, heat valves, DDC controls, hot water tank replacement, fencing and fire alarm panels. Anya Milton said it's important that the efforts in getting these projects completed be communicated to the public. Mark Deebach agreed. When the schedule for the projects is available, it will be placed on the district's website.

4.02 Received Resignation of Member, Consider Appointment of a New Member and Consider Advertising for a New Alternate Member

Riley Cornelsen reported that Adam Rustad has resigned his position on the committee. He reiterated that Bo Smith was resigning as well. He asked the committee about moving the alternates to voting members status.

Anya Milton moved to move alternates Cathy Raymond and Dan Cornelsen to voting members on the committee. Sandi McMillan seconded the motion. Motion carried.

Committee members talked about recruiting individuals from different demographic backgrounds to serve on the committee. Anya Milton said she will reach out to individuals through the Chamber. Mark Harting suggested that another advertisement be sent requesting applicants for membership on the committee. Mark Deebach will ensure the information is sent out.

This matter will be scheduled for discussion at the committee's December meeting.

5. **ADJOURNMENT**

The meeting adjourned at 8:00 p.m.

The next meeting of the committee is scheduled for December 10, 2019. The agenda and materials for the meeting will be available to the committee for review one week in advance of the meeting.