

ASHLAND PUBLIC SCHOOLS

JACKSON COUNTY SCHOOL DISTRICT #5

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Superintendent

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Bond Oversight Committee

Virtual Meeting via Zoom

November 16, 2022 4:00 pm – 5:30 pm

Attendance

Samuel Bogdanove, ASD

Steve Mitzel, ASD

Jill Franko, ASD School Board

Shane Hunter, Vice Chair

Kathy Kane, Chair

Dustin Way

Mike Freeman, HMK

Scott Whitman, ASD

ASD District Staff: Julie Thomas

Curt Bacon

Rebecca Bjornson, ASD

Kristin Milligan

Melissa Cropper

Meeting Minutes

- **Call meeting to order:** Meeting was called to order at 4:05 pm by Kathleen Kane.
- **Review and approval of previous meeting minutes:** minutes from the 9/21/2022 meeting were approved and seconded.
- **Review End of Month (EOM) reports:** presented by Mike Freeman
 - **EOM September 2022 & October 2022:**
 - Overview: September found the projects at AHS, AMS and Helman all winding down after the big summer push and mainly punch list items and close out details were happening. Close out includes getting all the operations/maintenance manuals, working through commissioning which is making sure all the HVAC, mechanical and electrical equipment are operating as designed and as they should. This involves a time period of balancing all the systems while they are in normal operation; verifying all their controls point to point; and, verifying all their set points and any type of limiting factors are being addressed and maintained. Additionally a big push was to get TRAILS into their new facility. The target was to get them into their site by the end of October.

- **AMS/TRAILS:**
 - AMS – punch list items were the main focus in September. Work took place on the re-worked fire sprinkler system which was dictated by the City of Ashland. Changes needed to be made post-occupancy to bring the site up to code and up to the requirements of the City which took place inside the building in September. Work was done to wrap up the gym and locker rooms.
 - AMS - In October fire sprinkler work was completed. With the gym and locker rooms completed, the site was able to make use of the facilities in early November.
 - TRAILS – finish work took place including painting, textures, flooring, lighting energized all in September. Furniture installation was set for October as was balancing of the HVAC system.
 - TRAILS – October was spent getting all the finishes completed; landscape installed and in place; temporary fencing was removed culminating with the staff moving in the end of the month.
- **Helman:**
 - September was spent working through punch list items, landscaping items and commissioning of the HVAC and mechanical systems.
- **AHS:**
 - Punch list items were addressed in September along with a few long lead items such as a small amount of railings, a few site benches, as well as recycling cans.
 - Initially approved within the AHS ADA Commons upgrades project, was replacement of the three stairwells servicing the Science building. Due to the effort to try and fit this work in during this past summer which escalated the cost to meet the timing issue, the decision was made to go back out and look at other options for the staircases and look to installation happening summer of 2023. The hope too was for a cost reduction overall. Based on this, there was an approximate \$500,000 return to the project based on moving the stair work to next summer. Currently the stairs are being fabricated and all three staircases will be completed and ready for installation summer of 2023.
- **Walker:**
 - With the end of the dry season coming, a big push was to get the building envelope completed. This included roof installation and a lot of site work completed. Work began on Hunter Court where the ADA access sidewalk ramps were replaced; repaving the portion of Hunter Court and widened the area adjacent to Holmes to add a turn lane there. Additionally, seismic work began on the gym. The district was awarded a seismic grant for this work so abatement and demo work began in September.
 - In October, more work was done ahead of winter weather's arrival. Remaining roofs were dried in; paving was completed at Hunter Court and the south east parking lot. Steel exterior canopies were erected. Windows started to arrive and installation began.
- **Budget**
 - Mike Freeman shared a Program Level Budget sheet for revenue from September 30, 2022. Some unallocated funds have been tracked for possible use at other locations. Specifically looked at was the investment interest line item. HMKCO sat down with the district and

discussed what would need to be reallocated out of this line to make the existing projects whole due to changes that were made – such as historical window replacement at Walker. That initially dropped that investment interest amount to an available unallocated amount of \$1,364,263 leaving the total unallocated balance at \$7,273,951. Besides the window cost at Walker, numerous change orders at AMS – one large change order was the work required by the City and the fire department post design and post installation on the fire sprinkler system which incurred additional costs. Also, funds needed for the solar project, which is 1.5% of the overall project cost, needed to be increased since project budgets increased from the planning stages and the district needed to honor the 1.5%. Funds were then moved to the solar project line item. Note: progress is starting up again on the solar project since many projects are now getting completed and time has been freed up.

- Shane asked if the district lost a seismic grant for AHS because the project was pushed back. Mike responded that yes, the grant was lost so approximately \$1,800,000 was removed from the high school budget. The district is reapplying for a seismic grant – the original grant was for the Humanities Building. At this time the district is putting in two seismic grant applications – one for the Science Building and one for the Humanities Building.
- Mike shared a project timeline for AHS beginning with November, 2019 through November, 2022. This was presented to the board at their last meeting, 11/14/22. Unfortunately costs are still not coming down so the purpose of the timeline was to walk through where the high school project stands and what led HMKCO and the district to the current spot.
 - November 2019 – Bond Planning & Bond Passing; Project budget - \$9.1M
 - Jan 2020-Jan 2022 – Project Design; Project budget – 25.8M (Re-Allocated Bond fund from district wide budgets)
 - Jan 2022 – Estimate of “Final Design” by CMGC and third party cost estimator; Estimate at 27.2M proceeded into bidding
 - Feb 2022 – Project Bidding; Cost of project bid at \$40.6M
 - Mar 2022 – Project paused to evaluate and strategize
 - May 2022 – Bid ADA Upgrade Project; ADA at Commons and Science stairs extracted from original project and bid separately due to requirements to complete and leveraging summer break
 - June 2022-August 2022 – ADA Commons project construction
 - Oct 2022 – Relocation Pricing Models; Reviewed pricing for relocation to include Lincoln ES, Modulars at high school field and a combination of the two. Range between \$2.4M to \$5.2M; Lincoln Roof Repair estimate - \$2.2M
 - Nov 2022 – Third party estimate removing the ADA work from greater high school project; estimate came back between \$41.1M and \$42.5M; Estimate does not include the relocation costs outlined above
- Kathy asked Mike if \$2.2M for the Lincoln roof repair was a common amount for a roof repair as it seemed astronomical to her for a single roof repair.
- Mike responded that demo and abatement will be involved and the abatement cost will increase the price. The actual cost for just the roofer to come in, strip the roof and replace it was \$1.4M which Mike said was appropriate for what is being seen at this time. When figuring in the total project cost = project management, a third party consultant to oversee the

abatement, allowances plugged in/contingencies figured in due to the condition of the roof and the amount of time it has been exposed or had water infiltration, it was determined there would most likely be the need for some structural repair which can't be seen until the roof is removed.

- Looking at the information two possible paths were seen by HMKCO. One thought was to continue to hold to see where the market goes and look for potential changes and pricing to go down. The second option would be similar to what has already been done with removing the ADA pieces from the overall project and to really prioritize what the individual projects would look like within the larger design. For instance – all the HVAC for all of the buildings – take that out and bidding that separately. Then move ahead with a prioritized list.
- Shane asked how long the district could “hold” and still be in compliance with the bond promise legally.
- Steve responded he felt the district had met the initial requirement but that the district can't “sit” on the dollars.
- Scott Whitman responded that 95% of the funds need to be spent within the first three years so the district has complied with the intent of the law. The hold was out of the district's control and feedback from the bond attorneys, indicated the district could pause for a year and it wouldn't be an issue since there really isn't anything written about how long you can sit on bond funds. Scott feels though, there is an expectation to continue moving forward.
- Shane commented that 2023 still seems to be busy for everyone in terms of construction.
- Mike said thought has been put into the timing efforts – what is the risk to waiting? Will prices go down or get worse?
- Jill shared she had spoken with some builders who think prices will drop if the district can just hold on and she wondered if Shane and/or Kathleen had heard the same information. Kathleen responded she has heard prices are expected to go way down in the residential and smaller scale projects – specifically labor and supplies.
- Scott shared if the district were to wait until spring to see if the seismic grants are awarded to AHS, at that point the design phase would start and the actual work wouldn't take place until 2024 which then offers a built in delay. Shane shared how nobody has a crystal ball to know the future.
- Steve commented he feels waiting has risks. Moving forward and going out and asking the right questions and try to move forward with the project is a good thing. He feels it won't be the same project as was originally planned, that one single large project won't happen and instead it will be de-coupled and looked at as smaller projects.
- Mike concluded by saying the next steps will be to itemize what the smaller projects would look like from both feasibility and scheduling and how they will factor in to the overall picture. An update will be presented to the board later this month.

- **Next Meeting:** Wednesday, January 18, 2023 from 4:00 – 5:30 pm.
- **Adjourn:** Meeting adjourned at 5:00 p.m.