MEMORANDUM

Date: November 5, 2018

To: Members of the Board of Education

From: Bond Accountability Committee (BAC)

Subject: 23rd BAC Report to the Board

Background

In November 2012, voters approved a \$482M capital improvement bond

commitment to transparency and clarity in its dealings with the Committee and its members.

No public comment was offered.

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

- ! Construction work at Grant High School.
- ! Health and Safety work covered by the 2017 bond.
- ! Closeout of Phase 3 construction at Roosevelt High School.
- ! Final closeout at Franklin and Faubion schools.
- ! Planning and design work for Madison, Lincoln, and Benson High Schools and Kellogg Middle School.

Key positions within OSM (Director of Construction, Senior Project Manager for Benson HS, Construction Manager for Lincoln HS) remain unfilled

As you know, a location for the Grant softball field has been determined and approved by the Board. Costs associated with that work are not budgeted or included in cost projections.

Closeout is still being addressed at Roosevelt High School, including issues related to the mechanical systems. Designers, contractors and PPS staff are working hard on identifying and rectifying the problems which seem to be exacerbated by the phased nature of the project. Estimated costs associated with Phase 4 have been removed from the project forecast that now anticipates beating budget by over \$5 million.

The District should take pride in the fact that the Roosevelt High School project has been honored with a DeMuro Award from Restore Oregon recognizing "creativity, persistence, and craftsmanship" in outstanding restoration projects. It is the only school project in the state to be so honored.

Franklin's final costs will be right on its \$113 million budget, and Faubion is still expected to run over slightly. The program overall is still forecast to complete the current scope within available 2012 bond funds.

2017 Bond Program

The budget situation for the 2017 Bond program

fire sprinklers and alarm, ADA improvements, and elevator) are complete. The work at Fernwood (seismic roof upgrades, fire sprinklers, and ADA improvements) has experienced significant challenges that may impact OSM's approach to future summer projects. Work is planned for summer 2019 at Rigler, Jackson, Hayhurst, Sitton, and Chapman, with the goal being to bid these packages earlier in the year.

Large-scale asbestos abatement work (flooring replacement) at Jefferson and Chapman is complete, and early bidding for 2019 summer abatement work is scheduled for January. The limited availability of abatement contractors, and resultant pressure on pricing, may impact how many projects can be undertaken next summer.

Solicitation for painting contractors to augment PPS crews' work on lead paint stabilization is underway while work on Phase 1 priority locations continues. The challenge is significant since work cannot occur while schools are in session, and 10,000 priority locations have been identified.

We also briefly discussed the need for better communication with the public on what H&S work has been completed, and what is planned for the future.

Other Issues

Equity. Results are still being tracked at the project level but, overall, the two bond programs are now combined. Certified business participation has ticked up again and is now at a cumulative 17%. The District's aspirational goal remains at 18%.

Apprentice trade hours are at 25%, well ahead of the 20% goal.

Goals for student engagement have been met for 2018, although every opportunity will be explored over the rest of the year.

Safety. We did not receive any safety data this quarter, but will be sure to get back on track next time.

Audits. The new performance audit team has started work by meeting with numerous stakeholders in the District, including BAC representatives. We look forward to continuing work with them as they ramp up their efforts.

It will be some time since our last performance audit (2017) due to the delayed procurement of the new team. The BAC has encouraged OSM

to use the current cost audits on Franklin and Roosevelt to comply with the bond programs' annual audit requirement for 2018.

An interim cost audit is planned for Grant.

Summary

The 2012 bond program is on track to meet its final schedule goal and stay within the program budget. Major challenges lie ahead on the 2017 bond program. We